



AGENDA
Utility Management Review Board

April 7, 2016
10:00 am
Room 31, Legislative Plaza
301 Sixth Avenue North
(6th Avenue between Charlotte Avenue and Union Street)
Nashville, Tennessee

Call to Order

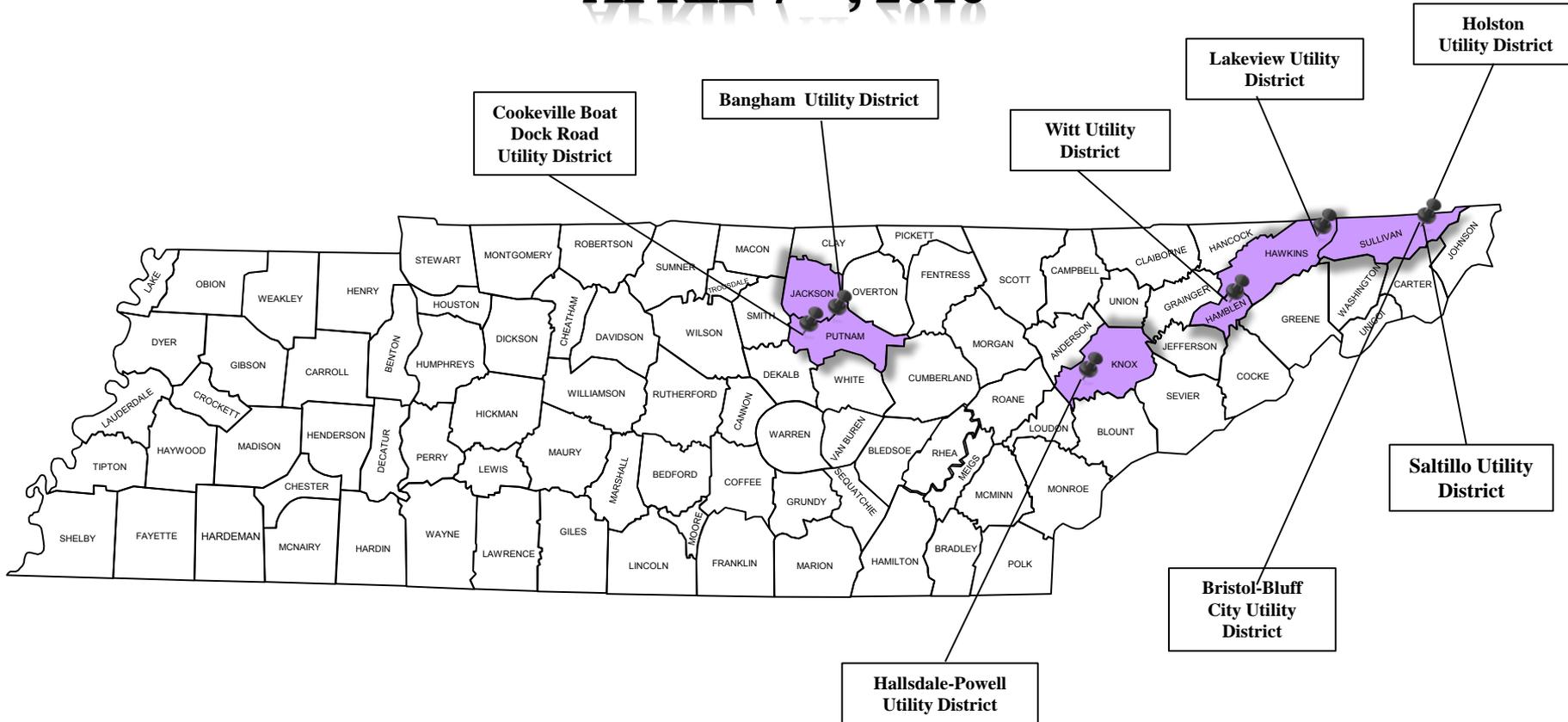
Approval of minutes		December 3, 2015	Pg. 4
Cases – Financial Distress	Bangham Utility District	Putnam/Jackson Counties	Pg. 12
Status – Financial Distress	Lakeview Utility District Witt Utility District	Hawkins County Hamblen County	Pg. 30 Pg. 58
Status – Investigation	Cookeville Boat Dock Road Utility District	Putnam County	Pg. 71
Cases – Water Loss	Saltillo Utility District Bristol-Bluff City Utility District	Sullivan County Sullivan County	Pg. 80 Pg. 87
Status – Water Loss	Holston Utility District	Sullivan County	Pg. 95
Petition:	Hallsdale-Powell Utility District	Knox County	Pg. 103
Customer Complaint	Stroop v. Winchester Center Grove UD Hood. v. Ocoee UD		Pg. 119 Pg. 120
Miscellaneous:	Conflict of Interest Annual Water Loss Report Complaint Statistics Next UMRB regular meeting Open Discussion		Pg. 267 Pg. 269 Pg. 286 Pg. 287

Visitors to the Legislative Plaza are required to pass through a metal detector and must present photo identification. Individuals with disabilities who wish to participate in this meeting or to review filings should contact the Office of Administration, Comptroller of the Treasury, to discuss any auxiliary aids or services need to facilitate such participation. Such contact may be in person or by writing, telephone or other means, and should be made prior to the scheduled meeting date to allow time to provide such aid or service. Contact the Office of the Comptroller (John Greer) for further information.

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UMIRB

APRIL 7TH, 2016



Approval of Minutes

December 3, 2015

**MINUTES
of the
UTILITY MANAGEMENT REVIEW BOARD MEETING
December 3, 2015
10:40 am**

Chair Ann Butterworth detected a quorum and called to order the meeting of the Utility Management Review Board (Board) in Room 31 of the Legislative Plaza in Nashville, Tennessee.

Board members present and constituting a quorum:

Ann Butterworth, Chair, Comptroller Designee
Tom Moss, Vice-Chair, Department of Environment and Conservation (TDEC) Commissioner Designee
Pat Riley, Gibson County Utility District Manager
Rebecca Hunter, Hixson Utility District Commissioner
Kevin Botts, Consumer Representative
Bruce Giles, First Utility District of Knox County Manager
Jim Hunter, West Wilson Utility District Commissioner
Jason West, Second South Cheatham Utility District Commissioner

Members Absent:

Tim Pelham, West Warren Viola Utility District Manager

Staff Present:

Joyce Welborn, Comptroller's Office
John Greer, Comptroller's Office

Counsel Present:

Betsy Knotts, Comptroller's Office

Ms. Butterworth noted that the meeting would begin with AGENDA #1. The Water and Wastewater Financing Board was present for this meeting.

Tennessee Water Loss Regulatory History

Ms. Welborn provided a brief history of the water loss regulatory environment in Tennessee.

AWWA Methodology

Mr. Chris Leauber with the Water and Wastewater Authority of Wilson County presented a brief overview of the AWWA spreadsheet and reporting structure.

Water Research Foundation

Water loss data from Tennessee was included in the Water Research Foundation's annual report. This data showed Tennessee to be in a strong position compared to other similar states. Tennessee also had one of the lowest percentages of unusable data.

Presentation of Draft Validity Score Non-Compliance Questionnaire

Mr. Leauber presented the draft Validity Score Non-Compliance Questionnaire. No action was taken by the Board.

Presentation of Draft Non-Revenue Water Non-Compliance Questionnaire

Mr. Leauber presented the draft Non-Revenue Water Non-Compliance Questionnaire. No action was taken by the Board.

Ms. Butterworth recessed the meeting at 11:30am. The meeting was called back in to order at 11:45 am, to discuss the items on AGENDA #2. Ms. Butterworth asked members and staff to introduce themselves, and noted this was the last meeting for Ms. Welborn.

Approval of Minutes

Ms. Butterworth stated that the first item on AGENDA #2 was the consideration of the minutes of the August 6, 2015 meeting. Ms. Hunter moved approval of the minutes with no changes. Mr. Giles seconded the motion, which was unanimously approved.

Ms. Knotts read the mission of the Board and the conflict of interest statement.

Cases – Financial Distress

Mr. Greer presented the following financial distress cases:

Quebeck-Walling Utility District

The Quebeck Walling Utility District has been reported to the Board as having two consecutive years with a negative net change in net position in its water system as of December 31, 2014. There were unexpected expenses in 2013 and 2014 due to the auditor for the District deciding to expense all new meters instead of capitalizing them.

Effective September 1, 2015, the District raised rates by 10%. This was the first rate increase since 2009. The increased revenues and decreased expenses have the District projecting a positive net change in net position for the 2015 fiscal year.

Mr. Giles moved to endorse, by formal order, the actions by Quebeck-Walling Utility District. Mr. Botts seconded the motion, which passed unanimously.

Fall River Road Utility District

The Fall River Road Utility District has been reported to the Board as having two consecutive years with a negative net change in net position in its water system as of December 31, 2014. Effective September 1, 2015, the District raised rates 10% across the Board. The City of Lawrenceburg has also been contacted to review a possible consolidation.

Mr. West moved to endorse, by formal order, the actions of Fall River Road Utility District. Mr. Riley Seconded the motion, which passed unanimously.

Grandview Utility District

The Grandview Utility District has been reported to the Board for having two consecutive years with a negative net change in net position in its water system as of December 31, 2014. The District increased rates approximately 15% in January of 2015 and 10% in October of 2015. The District is ready to increase rates again in January of 2016 if there is still a negative net change in net position in the audit.

Ms. Hunter moved, by formal order, to endorse the actions of Grandview Utility District. Mr. Giles seconded the motion, which passed unanimously.

Hornbeak Utility District

The Hornbeak Utility District has been reported to the Board for having two consecutive years with a negative net change in net position in its water system as of April 30, 2015.

Hornbeak has suffered financial losses partially due to legal expenses related to a lawsuit brought by Reelfoot Utility District to stop Samburg Utility District from becoming a customer. The Court ruled in favor of Hornbeak and Samburg Utility Districts (opinion dated August 27, 2014). The Tennessee State Supreme Court denied hearing the appeal in January 2015. Hornbeak Utility District has begun serving Samburg Utility District.

Effective May 1, 2015, the District increased rates approximately 30%. The District also raised tap fees from \$350 to \$550 at the same time. The District is projecting an additional \$61,490 annually from water purchase contract with Samburg Utility District, with \$47,450 guaranteed.

Mr. Botts moved to endorse, by formal order, the actions of Hornbeak Utility District. Mr. Riley seconded the motion, which passed unanimously.

Cookeville Boat Dock Road Utility District

The Cookeville Boat Dock Road Utility District was reported to the Board as having two consecutive years with a negative net change in net position in its water system as of December 31, 2014. The majority of expenses are attributed to a maintenance agreement with H & H Underground. There is no set contract in place and commissioners refuse to look at any alternative options. The manager and new Certified Public Accountant have stressed that costs could be cut significantly by shifting maintenance in-house or bidding out projects.

The following individuals were present on behalf of the District:

Shawn Frye – Counsel
Kendra Saunders – Accountant
Robin Hawkins – Office Manager
Danny Burgess – Board Chairman

On February 1, 2015, the District raised the base rate by 25% and the overage rate by approximately 25%. The District is currently securing grant and loan funding to make needed repairs to the system and implement radio read meters.

- **The UMRB expressed a *significant* concern over the size of the District's customer base and the amount of District funds appropriated to H & H Underground.**

- **The UMRB strongly recommended that the District utilize other resources to bid out vendors during the 6-month period of the investigation and to inform the UMRB of the District's decisions and any related documentation throughout the entire bidding process.**
- **The UMRB encouraged the District to move towards successful implementation and compliance with the District's newly adopted policies and to keep the UMRB informed of every material matter during the 6-month investigation period.**

Mr. Giles moved to initiate an investigation with a six month time parameter. Mr. Botts seconded the motion, which passed unanimously.

Status – Financial Distress

Mr. Greer explained that status reports are presented simply to update the Board on certain matters specific to the entities involved. No action is taken unless specified by members. The entities will continue to be monitored by the Board until compliance is reached. Mr. Greer presented the following cases:

The Board Chair accepted the case of Bedford County out of order due to the county's representatives' presence and availability to discuss their case.

Bedford County Utility District

The Bedford County Utility District has been reported to the Board as having at least eleven consecutive years with a deficit total net position in its gas system as of June 30, 2014.

At the previous meeting, Mr. Botts moved that staff create a draft order for the Board to review at the December meeting. This order would contain bench marks for the District to meet in a timely fashion. Mr. Riley seconded the motion, which was approved unanimously.

Ms. Knotts presented a draft order with the benchmarks requested by Mr. Botts.

Ms. Hunter moved to formalize, by order, the draft presented by Ms. Knotts. Mr. Riley seconded the motion, which passed unanimously.

Customer Complaint

Stroop v. Winchester Center Grove Utility District

Terry and Twila Stroop presented their complaint. David Stafford, District manager, presented the Utility District's response. The Board discussed the case but did not have adequate information to make a decision.

Mr. Giles moved to defer action until the next Board meeting. Ms. Hunter seconded the motion, which carried unanimously.

Fiduciary Duty Legislation

Mr. Clay Byrd from the Comptroller's Office of General Counsel presented the proposed legislation which was requested by the Board at its last meeting. The legislation more clearly defines fiduciary responsibility.

Ms. Hunter moved to endorse the draft legislation. Mr. Moss seconded the motion which passed unanimously.

Clay Gas Utility District

The Clay County Gas Utility District was reported to the Board for being in default on certain debt instruments. The District has attempted to pay all bond holders pennies on the dollar of the total debt outstanding. This buyback has been successful, except for two main bond holders refusing to take a reduced amount. The District has run out of options, and there are concerns that they cannot raise rates and still be competitive against propane providers.

Mr. Riley moved to initiate an investigation with a six month parameter. Mr. Giles seconded the motion, which passed unanimously.

Witt Utility District

At the previous Board meeting, Mr. Moss moved that the District update the Board on the progress of all construction and submit a corrected AWWA Reporting Worksheet by the December meeting. Mr. Riley seconded the motion, which passed unanimously.

No information was submitted by the District, despite repeated efforts by staff.

Mr. Hunter moved, by formal order, that all information previously requested be sent to staff no later than January 1, 2016. Additionally, the manager and Board of Witt Utility District be required to attend the February 4, 2016 Board meeting. Ms. Hunter seconded the motion, which passed unanimously.

Chanute Pall-Mall Utility District

The Chanute Pall-Mall Utility District met on October 1, 2015 to discuss and formally adopt policies as required by the Board. The adoption of policies at their board meeting in February was erroneously left out of the minutes. They have also worked diligently to erase all debts for nonpayment of bills.

The Board took no action.

Iron City Utility District

The Iron City Utility District has been reported to the Board as having at least fourteen consecutive years with a negative change in net position as of December 31, 2014. Iron City Utility District voted to consolidate with the City St. Joseph. These consolidation talks have failed. The District has gone from a 1,000 gallon minimum bill, to a 2,000 gallon minimum bill. This change offset part of the rate increase that the District implemented in May 2015.

Mr. Moss moved to initiate an investigation of Iron City Utility District with a six month parameter. Mr. Riley seconded the motion, which passed unanimously.

Mooresburg Utility District

The Mooresburg Utility District was reported to the Board as having at least two consecutive years with a negative change in net position as of December 31, 2014. Mooresburg Utility District last appeared before the Board on December 4, 2014. Staff requested an update from the District on October 15, 2015, and the materials were included in the packet.

The Board took no action.

Investigative Reports

Ms. Knotts presented updates on the following investigative reports:

Webb Creek Utility District

At the previous meeting, the Board requested a written update on the status of all reimbursements to the District relating to the investigative findings.

Ms. Knotts provided an oral update, and no action was taken by the Board.

Cherokee Hills Utility District

Mr. Giles moved to amend and restate the formal order to allow the District to complete all items on the corrective action plan by December 31, 2016. Ms. Hunter seconded the motion, which passed unanimously.

Lone Oak Utility District

Ms. Knotts provided an oral update, and no action was taken by the Board.

Water Loss – Cases

Mr. Greer explained that water loss cases are presented simply to inform the Board on certain matters specific to the entities involved. No action is taken unless specified by members. The entities will continue to be monitored by the Board until compliance is reached. Mr. Greer presented the following cases:

Harbor Utility District

Harbor Utility District was referred to the Board for having a low validity score of 70.

No action was taken by the Board.

Holston Utility District

Holston Utility District was referred to the Board for having excessive non-revenue water of 48.2%.

Mr. Moss moved that District provide a corrected AWWA worksheet and information on the cost of purchased water. Ms. Hunter seconded the motion, which passed unanimously.

Petition

Fall Creek Falls Utility District

The District filed a petition for recreation. This is a filing only, and no action is required by the Board.

Miscellaneous

Approval of Rules

Ms. Knotts presented the draft rules which the Board members received via email in October. The rewrite of the rules is basically a streamlining of the current rules in place. Ms. Welborn suggested that unaccounted for water be changed to non-revenue water in all applicable places.

With the suggested changes, the board unanimously promulgated the rules via roll call vote and directed counsel to complete the remainder of the rulemaking process.

A **compliance list** was included in the packet which showed Minor Hill Utility District and O'Connor Utility District as compliant.

A compilation of customer **complaint statistics** and a list of utility districts under the **jurisdiction** of the Board were included in the packet.

Commissioner training approvals were filed with the Board.

Proposed 2016 Meeting Schedule

Ms. Hunter moved, by resolution, to set the 2016 meeting schedule as follows:

Thursday, February 04, 2016

Thursday, April 07, 2016

Thursday, June 02, 2016

Thursday, August 04, 2016

Thursday, October 06, 2016

Thursday, December 01, 2016

Mr. Giles seconded the motion, which passed unanimously.

Chair Butterworth adjourned the meeting at 2:00pm.

Respectfully submitted,

Ann Butterworth
Chair

Cases

Financial Distress

**UTILITY MANAGEMENT REVIEW BOARD
Case Study**

Case:	Bangham Utility District
President:	Marty Woolbright
Customers:	2,874
Validity Score:	80
Non-revenue water	17.20%

The Bangham Utility District has been reported to the Board for having two consecutive years with a negative net change in net position in its water system as of June 30, 2015. The financial and rate history is reflected on the attached sheet.

The District has taken the following steps to correct its financial deficiencies:

- Reduced the minimum bill from 3,000 gallons to 2,000 gallons
- Changed renter and multi-unit rate structures
- Implemented tap fee of \$950
- Implemented \$30 non-refundable connection fee
- Stopped accepting security deposits
- Comprehensively studied fees and charges

Staff recommends the Board endorse, by formal order, the actions of the Bangham Utility District.

Bangham Utility District HISTORY FILE							
Fiscal Year 6/30	Audited 2009	Audited 2010	Audited 2011	Audited 2012	Audited 2013	Audited 2014	Audited 2015
Water Revenue	\$ 848,389	\$ 832,478	\$ 852,064	\$ 845,607	\$ 922,167	\$ 876,897	\$ 867,808
Tap Fees	\$ 24,641	\$ 23,664	\$ 16,425	\$ 16,376	\$ 23,952	\$ 22,959	\$ 18,561
Interest	\$ 1,396	\$ 973	\$ 1,364	\$ 1,026	\$ 1,726	\$ 251	\$ 134
Other Revenues	\$ 30,830	\$ 22,883	\$ 32,236	\$ 17,272	\$ 33,767	\$ 23,871	\$ 23,616
Total Operating Revenues	\$ 905,256	\$ 879,998	\$ 902,089	\$ 880,281	\$ 981,612	\$ 923,978	\$ 910,119
Operating Expenses	\$ 856,701	\$ 841,851	\$ 800,081	\$ 832,907	\$ 868,910	\$ 924,603	\$ 926,928
Operating Income	\$ 48,555	\$ 38,147	\$ 102,008	\$ 47,374	\$ 112,702	\$ (625)	\$ (16,809)
Interest Expense	\$ (13,466)	\$ (9,485)	\$ (19,357)	\$ (25,137)	\$ (18,399)	\$ (8,535)	\$ (5,422)
Capital Contributions	\$ 13,803	\$ -	\$ 22,179	\$ -	\$ 18,428	\$ -	
Change in Net Position	\$ 48,892	\$ 28,662	\$ 104,830	\$ 22,237	\$ 112,731	\$ (9,160)	\$ (22,231)
<u>Supplemental Information</u>							
Principal payment	\$ 234,438	\$ 23,623	\$ 179,616	\$ 5,326	\$ 243,357	\$ 116,533	\$ 48,542
Depreciation	\$ 102,889	\$ 112,567	\$ 116,987	\$ 117,505	\$ 116,182	\$ 106,598	\$ 105,428
Water Rates							
First 3,000 gallons	\$ 16.23	\$ 16.23	\$ 16.23	\$ 16.23	\$ 16.62	\$ 16.62	\$ 16.62
All over	\$ 5.41	\$ 5.41	\$ 5.41	\$ 5.41	\$ 5.54	\$ 5.54	\$ 5.54
Customers	2,881	2,722	2,741	2,762	2,785	2,833	2,874
Water Loss	36.64%	29.63%	24.63%	21.84%			
Non-Revenue Water					19.30%	16.90%	17.20%
Validity Score					80	80	80

BANGHAM UTILITY WATER DISTRICT

3694 Hilham Rd Cookeville, TN 38506

Phone: 931-526-1455 Fax: 931-520-1888

PLAN TO CORRECT THE FINANCIAL DEFICIT AT BANGHAM UTILITY DISTRICT OF PUTNAM AND JACKSON COUNTIES TENNESSEE

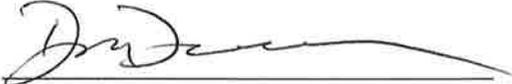
1. The depreciation expense is being posted monthly and "Non-cash item- Depreciation" has been added to the list of unpaid bills which is part of the Treasurer's report at the monthly board meeting. See attached Depreciation Schedule and copy of the March unpaid bills.
2. A policy was passed at the regular meeting of the board of commissioners on February 17 stating that all apartment complexes that are on one meter are to be charged a minimum bill of the minimum allowance times the number of units in the complex. This will be referred to as a commercial residential customer and will include any customer who has more than one residence on a meter. See February 17 minutes attached.
3. The board voted to change the minimum gallonage on the water bills from 0-3000 gallons to 0-2000 gallons and not change the actual rate at the regular meeting on February 17. They are consulting with the City of Cookeville to find out if there will be an increase in the rate from them in the near future. If this is the case, that change will be incorporated in the new rate before it is applied to customer accounts. After discussions with the City of Cookeville ascertaining that there will be no rate increase from them, the board determined not to change the actual rate. See February 17 minutes attached.
4. The board discussed the matter of changing from a security deposit to a non-refundable connection fee with our auditor and at the March 16 meeting of the Board of Commissioners voted to institute a non-refundable connection fee of \$30.00 per customer who signs up in the future. The existing security deposits will remain in place as they are and will be refunded minus the final bill or applied to the final bill as the customers move out or pass away.
5. With regards to lockups we have a written policy in place which is followed every month and is available for review by the public at our office during business hours. Expenses for doing lock ups are included in the fees charged list attached to this report and the board will be addressing this matter at a later date.
6. We are discussing the matter of the length of the service line from the meter to the main with our field manager.
7. We have enclosed a copy of the current charges that we use. All of these fees are being studied by us at this time and changes in them will be made as needed.
8. Tap fees charged are listed on the fees charged list attached to this report. An analysis of the amount charged versus the amount spent on tap fees is also attached to this report. At the Board of Commissioners meeting on March 16 the board voted to institute a tap fee of \$950.00 for all meter sets. This fee is to be monitored from month to month and the board is planning to keep abreast of what the cost is. See March 16 minutes attached.
9. It is our intention to correspond with our customers on all of these matters before we put the rates in place. The effective dates on all of the above actions are pending notification of the customers and will take place immediately after that notification takes place.

The above actions were approved by the Board of Commissioners at their regular meetings on February 17 and on March 16 of 2016. Signed copies of both sets of minutes are attached to this Plan.

We, the members of the Board of Commissioners of Bangham Utility District of Putnam and Jackson Counties Tennessee have read the above Plan and set our hands and seals to it this _____ Day of March, 2016.


MARTY WOOLBRIGHT, PRESIDENT
AND COMMISSIONER


W B SHRECKENGOST, VICE-
PRESIDENT SECRETARY AND
COMMISSIONER


DONALD G DAVIS JR
TREASURER AND COMMISSIONER

“This institution is an equal opportunity provider and employer”

RECEIVED

MAR 23 2016

**DEPT: COMPTROLLER
OFFICE OF ADMINISTRATION**

**BOARD OF COMMISSIONERS MEETING
MARCH 16, 2016**

The meeting was called to order at 3:30 PM by President and Commissioner Marty Woolbright. Also in attendance were: Vice-President Secretary and Commissioner W. B. Shreckengost, Treasurer and Commissioner Don Davis Jr., Field Manager Mike McCanless, and Office Manager Linda M. Youmans. Note was made of the fact that the meeting time had been changed due to the fact the commissioners had to be at Commissioner's Training at 5 PM today. The minutes of this meeting are being taken by Office Manager Linda M Youmans.

Mr. Woolbright opened the floor for a motion on the envelope bids. Mr. Davis moved to approve Print Link, the low bidder. The motion was seconded and carried.

Field report: The loss was 5.75 or 38% this month. We repaired no leaks and set 4 meters. McCanless then presented information on the problem with the field line and septic system for the office. Part of the problem is the tree in that area that needs to be removed; and another problem is the lack of enough field line in the system. The tree next to the storage building is also dead and needs to be removed along with a pine tree on the field department property. McCanless got a quote from Allen Tree Surgery to remove the tree in the front of the building and the pine tree on the field department yard and grind both out at \$450.00 and \$125.00 respectively. Allen also quoted taking out the large tree next to the storage building for \$600.00. W & W Construction quoted about \$600.00 to put in the new field lines. Mr. Woolbright opened the floor for a motion on the matter. Mr. Davis moved to remove the 3 trees and McCanless is to get the new field lines installed if the cost is \$600.00 or less. If more, he is to consult with the board before proceeding on the field lines. The motion was seconded and carried.

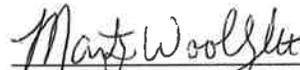
The board then discussed the matter of the Plan to submit to the management review board in Nashville. Mr. Woolbright opened the floor for a motion. Mr. Davis moved to start charging a non-refundable connection fee of \$30.00 to all customers and stop using security deposits. The effective date will be pending notification of the customers. The motion was seconded and carried. Existing security deposits will be refunded as customers move or pass away under our current final and refund policy. Mr. Woolbright then opened the floor for a motion on the matter of the tap fees. Mr. Davis moved that the tap fee be increased to \$950.00 for all taps and that we monitor this and keep abreast of what the cost is per installation. The motion was seconded and carried.

Office report: The next meeting will be held on Tuesday April 19. Mr. Woolbright opened the floor for a motion on the supplies. Mr. Davis moved to purchase the supplies as requested. The motion was seconded and carried. The following phone vote took place this month. Mr. Davis approved McCanless calling Dell to repair the computer in the field department and pay them with a personal credit card. Bangham reimbursed McCanless for this. Youmans then presented the proposed schedule in the office for April through June. Mr. Woolbright opened the floor for a motion on Youmans' vacation days. Mr. Shreckengost moved to approve Youmans' request for vacation days of June 13-17. The motion was seconded and carried.

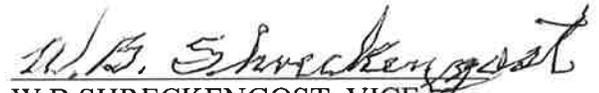
Treasurer's report: We have \$2664.16 extra in Debt Service, \$6.58 extra in the reserve account,

and \$18424.96 extra in Cash that we could pay to Rural Development on the principle on the loan. That is a total of \$21095.70 that we could send in the end of the month in addition to our regular monthly payment to them. Mr. Woolbright opened the floor for a motion on the matter. Mr. Davis moved that we make an extra \$21095.70 principle payment this month on the loan. The motion was seconded and carried. Mr. Davis presented the report of the quarterly visit of the auditor and after a brief discussion Mr. Woolbright opened the floor for a motion. Mr. Davis moved that we accept the report from the auditor and file it with the financial records of the company. Mr. Woolbright opened the floor for a motion on the unpaid bills. Mr. Davis moved to pay the bills as presented. The motion was seconded and carried.

Mr. Woolbright then opened the floor for a motion to adjourn. Mr. Davis moved to adjourn. The motion was seconded and carried. There being no further business the meeting was adjourned at 4:20 pm.



MARTY WOOLBRIGHT, PRES.
AND COMMISSIONER



W B SHRECKENGOST, VICE-
PRESIDENT, SECRETARY AND
COMMISSIONER



DON DAVIS JR, TREASURER
AND COMMISSIONER

BANGHAM UTILITY DISTRICT
DEPRECIATION SCHEDULE

Date	Type	Description	Cost	Method	Life	5/31/2015 Accum Deprec	5/31/2016 Deprec Expense	5/31/2016 Accum Deprec	Book Value 5/31/2016
Mar-11	OFFICE	Camera System	560.00	SL	5	466.67	93.33	560.00	0.00
May-11	OFFICE	Dropbox	1,106.00	SL	5	884.80	221.20	1,106.00	-
Mar-12	OFFICE	Office Furniture	1,418.56	SL	5	898.42	283.71	1,182.13	236.43
Dec-12	OFFICE	Filing Cabinets	1,047.67	SL	5	523.84	209.53	733.37	314.30
Jan-13	OFFICE	Office Computer-Linda	568.00	SL	5	160.93	113.60	274.53	293.47
Jul-14	OFFICE	Computer Desk-Twila	634.99	SL	5	105.83	127.00	232.83	402.16
Apr-15	OFFICE	New Server	2,147.38	SL	5	28.63	429.48	458.11	1,689.27
OFFICE SUBTOTAL			7,482.60			3,069.12	1,477.85	4,546.97	2,935.63
Oct-78	BUILDING	Building: Office	9,817.84	SL	20	9,817.84	-	9,817.84	(0.00)
Dec-12	BUILDING	3 DOORS REPLACED	(967.35)		20	(967.35)	-	(967.35)	-
Oct-84	BUILDING	Building: Storage	5,442.44	SL	20	5,442.44	-	5,442.44	(0.00)
Nov-90	BUILDING	Building Improv: Tile, Carpet, Floor	1,484.15	SL	10	1,484.15	-	1,484.15	-
Feb-93	BUILDING	Building Improv: Siding	2,220.00	SL	20	2,220.00	-	2,220.00	-
May-96	BUILDING	Building: Office & Storage	25,790.82	SL	20	25,790.82	-	25,790.82	0.00
Mar-97	BUILDING	Building Improv: Wiring, heat pump,	5,785.51	SL	10	5,785.51	-	5,785.51	(0.00)
Aug-98	BUILDING	Pave Parking lot	1,600.00	SL	10	1,600.00	-	1,600.00	-
Oct-98	BUILDING	Building Improv: Metal Roof on 2 bldgs	2,700.00	SL	10	2,700.00	-	2,700.00	-
Jun-99	BUILDING	Building Improv: install fans, louvers	1,722.00	SL	10	1,722.00	-	1,722.00	-
May-04	BUILDING	Warehouse	10,152.00	SL	10	10,152.00	-	10,152.00	-
Nov-04	BUILDING	Tile in back office, bathroom & hall	916.70	SL	7	916.70	-	916.70	(0.00)
Mar-12	BUILDING	Field Office Remodel	2,958.11	SL	10	2,958.11	-	2,958.11	(0.00)
Dec-12	BUILDING	4 doors	1,500.00	SL	10	300.00	150.00	450.00	1,050.00
BUILDING SUBTOTAL			71,122.22			69,922.23	150.00	70,072.23	1,049.99
May-77	PLANT	Water System	342,058.60	SL	40	342,058.60	-	342,058.60	0.00
May-78	PLANT	Water System	24,690.51	SL	40	18,182.39	617.26	18,799.65	5,890.86
May-79	PLANT	Meters	10,841.68	SL	40	7,983.95	271.04	8,254.99	2,586.69
May-80	PLANT	Extension	81,218.73	SL	40	65,149.44	2,030.47	67,179.91	14,038.82
May-80	PLANT	Meters	6,930.00	SL	40	5,558.89	173.25	5,732.14	1,197.86
May-81	PLANT	Meters	5,625.00	SL	40	4,512.08	140.63	4,652.71	972.30
May-81	PLANT	Extension	15,405.51	SL	40	9,580.72	385.14	9,965.86	5,439.65

May-82 PLANT	Meters	9,969.26	SL	40	6,199.91	249.23	6,449.14	3,520.12
May-82 PLANT	Lines	40,948.30	SL	40	30,175.04	1,023.71	31,198.74	9,749.56
May-83 PLANT	Meters	8,460.00	SL	40	6,234.22	211.50	6,445.72	2,014.28
May-83 PLANT	Lines	9,687.87	SL	30	9,687.87	-	9,687.87	-
May-84 PLANT	Lines	3,047.34	SL	30	1,552.53	101.58	1,654.11	1,393.23
May-84 PLANT	Meters	9,352.00	SL	30	4,764.55	311.73	5,076.29	4,275.71
May-85 PLANT	Meters	7,602.00	SL	30	7,602.00	-	7,602.00	-
May-85 PLANT	Lines	32,646.24	SL	30	27,258.19	1,088.21	28,346.40	4,299.84
May-86 PLANT	Meters	11,826.00	SL	30	9,874.19	394.20	10,268.39	1,557.61
May-86 PLANT	Lines	19,355.15	SL	30	13,673.24	645.17	14,318.41	5,036.74
May-87 PLANT	Meters	14,364.00	SL	30	10,147.30	478.80	10,626.10	3,737.90
May-87 PLANT	Lines	51,774.96	SL	30	43,410.01	1,725.83	45,135.84	6,639.12
May-88 PLANT	Meters	11,435.63	SL	30	9,588.05	381.19	9,969.23	1,466.40
May-88 PLANT	Lines	41,694.49	SL	30	32,543.42	1,389.82	33,933.24	7,761.25
May-89 PLANT	Meters	12,693.63	SL	30	9,907.64	423.12	10,330.76	2,362.87
May-89 PLANT	Lines	28,669.10	SL	30	21,496.84	955.64	22,452.47	6,216.63
May-90 PLANT	Meters	9,189.68	SL	30	6,890.67	306.32	7,196.99	1,992.69
May-90 PLANT	Lines	50,618.80	SL	30	40,258.55	1,687.29	41,945.85	8,672.95
May-91 PLANT	Meters	5,990.08	SL	30	4,764.07	199.67	4,963.74	1,026.34
May-91 PLANT	Lines	45,275.54	SL	30	36,974.97	1,509.18	38,484.15	6,791.39
May-91 PLANT	Grant: 61% to Cont Aid	155,941.36	SL	30	121,542.66	5,198.05	126,740.71	29,200.65
May-92 PLANT	Meters	9,139.22	SL	30	7,123.23	304.64	7,427.87	1,711.35
May-92 PLANT	Lines	40,323.38	SL	30	31,586.62	1,344.11	32,930.73	7,392.65
May-93 PLANT	Lines	11,759.00	SL	30	8,819.18	391.97	9,211.15	2,547.85
May-93 PPA #12	Remove Meters	(139,418.26)	SL		(139,418.26)	-	(139,418.26)	-
May-94 PLANT	Lines	23,122.32	SL	30	16,570.96	770.74	17,341.70	5,780.62
May-95 PLANT	Lines	12,011.09	SL	30	8,207.58	400.37	8,607.95	3,403.14
May-95 PLANT	Lines	25,112.48	SL	30	16,323.09	837.08	17,160.17	7,952.31
May-97 PLANT	Lines	11,775.01	SL	30	7,261.25	392.50	7,653.75	4,121.26
Dec-98 PLANT	Upgrade System	424,068.57	SL	30	246,195.32	14,135.62	260,330.94	163,737.63
May-99 PLANT	Upgrade System	96,733.13	SL	30	53,203.18	3,224.44	56,427.62	40,305.51
May-00 PLANT	Upgrade System	5,650.30	SL	30	3,013.48	188.34	3,201.82	2,448.48
May-00 PLANT	Water line Addition	46,996.09	SL	30	25,064.56	1,566.54	26,631.09	20,365.00
May-00 AJE #8	Remove A/D on Meters	(5,511.45)	SL		(5,511.45)	-	(5,511.45)	-
May-01 PLANT	Lines	78,534.80	SL	30	37,958.47	2,617.83	40,576.30	37,958.50
May-01 PLANT	Meters	21,184.14	SL	30	10,238.98	706.14	10,945.11	10,239.03
May-02 PLANT	Lines	41,880.25	SL	30	18,846.10	1,396.01	20,242.11	21,638.14
May-02 PLANT	Meters	21,857.90	SL	30	9,836.04	728.60	10,564.64	11,293.26
May-03 PLANT	Lines	44,365.20	SL	30	18,485.50	1,478.84	19,964.34	24,400.86
May-03 PLANT	Meters	15,222.45	SL	30	6,342.68	507.42	6,850.10	8,372.36
May-04 PLANT	Lines	29,889.78	SL	30	11,457.75	996.33	12,454.07	17,435.71
May-04 PLANT	Meters	16,630.28	SL	30	6,374.94	554.34	6,929.28	9,701.00

May-05 PLANT	Lines Upgrade	82,215.93	SL	30	28,775.58	2,740.53	31,516.11	50,699.82
May-05 PLANT	Lines replaced (1977)	(1,927.80)			(1,927.80)	-	(1,927.80)	-
May-05 PLANT	New Lines	37,250.91	SL	30	13,037.82	1,241.70	14,279.52	22,971.39
May-05 PLANT	New Meters	15,540.40	SL	30	5,439.14	518.01	5,957.15	9,583.25
May-06 PLANT	Lines replaced (1977)	(2,454.48)			(2,454.48)	-	(2,454.48)	-
May-06 PLANT	New Water Lines	313,266.38	SL	30	99,201.02	10,442.21	109,643.23	203,623.15
May-06 PLANT	New Meters	25,754.50	SL	30	8,155.59	858.48	9,014.08	16,740.43
May-07 PLANT	Lines Replaced (1977)	(471.06)			(471.06)	-	(471.06)	-
May-07 PLANT	New Water Lines	123,934.16	SL	30	35,114.68	4,131.14	39,245.82	84,688.34
May-07 PLANT	New Meters	36,085.55	SL	30	10,224.24	1,202.85	11,427.09	24,658.46
May-08 PLANT	New Lines	25,824.28	SL	30	6,456.07	860.81	7,316.88	18,507.40
May-08 PLANT	New Meters	24,490.27	SL	30	6,122.57	816.34	6,938.91	17,551.36
May-09 PLANT	New Lines	72,909.65	SL	30	15,797.09	2,430.32	18,227.41	54,682.24
May-09 PLANT	New Meters	24,641.28	SL	30	5,338.94	821.38	6,160.32	18,480.96
May-10 PLANT	New Lines	324,006.04	SL	30	59,401.11	10,800.20	70,201.31	253,804.73
May-10 PLANT	New Meters	23,664.84	SL	30	4,338.55	788.83	5,127.38	18,537.46
May-11 PLANT	New Lines - SLR	49,031.82	SL	30	7,354.77	1,634.39	8,989.17	40,042.65
May-11 PLANT	New Lines - Warren Construction	27,724.00	SL	30	4,158.60	924.13	5,082.73	22,641.27
May-11 PLANT	New Meters	16,425.20	SL	30	2,463.78	547.51	3,011.29	13,413.91
May-12 PLANT	New Meters	16,376.31	SL	30	1,910.57	545.88	2,456.45	13,919.86
May-13 PLANT	New Lines - jobbers	20,599.31	SL	30	1,716.61	686.64	2,403.25	18,196.06
May-13 PLANT	New Meters	23,952.99	SL	30	1,996.08	798.43	2,794.52	21,158.47
May-14 PLANT	New Meters	22,959.92	SL	30	1,148.00	765.33	1,913.33	21,046.59
Nov-13 PLANT	Sampling Station	13,338.69	SL	10	2,111.96	1,333.87	3,445.83	9,892.86
Nov-14 PLANT	Sampling Station	1,060.63	SL	10	53.03	106.06	159.09	901.54
Nov-14 PLANT	North Pine Hill Lines	31,833.91	SL	30	530.57	1,061.13	1,591.70	30,242.21
Nov-14 PLANT	New Meters	18,561.12	SL	30	309.35	618.70	928.06	17,633.06
PLANT	SUBTOTAL	3,265,231.89			1,621,853.53	101,114.76	1,722,968.30	1,542,263.59
Jan-00 VEHICLE	2000 Chevy Truck	19,450.00	SL	5	19,450.00	-	19,450.00	-
Feb-00 VEHICLE	Eagle Dump Body(truck part)	3,760.00	SL	5	3,760.00	-	3,760.00	-
Feb-09 VEHICLE	Dodge Truck	33,133.89	SL	5	33,133.89	-	33,133.89	0.00
Jun-15 VEHICLE	2015 Chevy Truck	33,204.00	SL	5	-	6,640.80	6,640.80	26,563.20
VEHICLE	SUBTOTAL	89,547.89			56,343.89	6,640.80	62,984.69	26,563.20

Jan-00	VEHICLE	2000 Chevy Truck	19,450.00	SL	5	19,450.00	-	19,450.00	-
Feb-00	VEHICLE	Eagle Dump Body(truck part)	3,760.00	SL	5	3,760.00	-	3,760.00	-
Sep-06	VEHICLE	2000 Dodge Truck	9,505.50	SL	5	9,505.50	-	9,505.50	0.00
Feb-09	VEHICLE	Dodge Truck	33,133.89	SL	5	33,133.89	-	33,133.89	0.00
VEHICLE		SUBTOTAL	65,849.39			65,849.38	-	65,849.38	0.01
Apr-87	EQUIP	Backhoe	29,525.00	SL	7	29,525.00	-	29,525.00	-
Apr-89	EQUIP	Leak Detector	1,667.13	SL	5	1,667.13	-	1,667.13	-
Aug-89	EQUIP	Adaptors for Radios	76.50	SL	5	76.50	-	76.50	-
Jan-93	EQUIP	Radios	747.66	SL	10	747.66	-	747.66	-
Jan-98	EQUIP	Backhoe	3,000.00	SL	5	3,000.00	-	3,000.00	-
May-98	EQUIP	Vacuum Cleaner	279.00	SL	7	279.00	-	279.00	-
Jul-98	EQUIP	Cable Puller	495.00	SL	7	495.00	-	495.00	(0.00)
Sep-98	EQUIP	Water Pump	1,171.56	SL	7	1,171.56	-	1,171.56	0.00
Apr-99	EQUIP	Tiller	300.00	SL	7	300.00	-	300.00	(0.00)
Mar-01	EQUIP	Grundmat	4,189.67	SL	7	4,189.67	-	4,189.67	0.00
May-01	EQUIP	Tank	419.90	SL	10	419.90	-	419.90	-
Oct-01	EQUIP	Backhoe	27,000.00	SL	5	27,000.00	-	27,000.00	-
Oct-01	EQUIP	Heat Pump	2,600.00	SL	10	2,600.00	-	2,600.00	-
Sep-02	EQUIP	Trailer	554.85	SL	5	554.85	-	554.85	-
May-04	EQUIP	Misc equipment	2,969.84	SL	5	2,969.84	-	2,969.84	-
Feb-07	EQUIP	Handheld & Programming	4,250.00	SL	5	4,250.00	-	4,250.00	(0.00)
Apr-08	EQUIP	Leak Detector	2,995.00	SL	5	2,995.00	-	2,995.00	(0.00)
Jan-11	EQUIP	New Heat Pump	2,900.00	SL	5	2,513.33	386.67	2,900.00	(0.00)
Mar-12	EQUIP	New Handheld	5,500.00	SL	5	3,483.33	1,100.00	4,583.33	916.67
Dec-12	EQUIP	Computer - Field	4,647.86	SL	5	2,323.93	929.57	3,253.50	1,394.36
Mar-14	EQUIP	New Compressor	6,598.18	SL	5	1,649.55	1,319.64	2,969.18	3,629.00
Apr-15	EQUIP	New Leak Detector	3,200.00	SL	5	53.33	640.00	693.33	2,506.67
EQUIP		SUBTOTAL	105,087.15			92,264.59	4,375.88	96,640.47	8,446.68
LAND			24,300.00			-	-	-	24,300.00
GRAND TOTALS			3,562,011.05			1,875,896.67	107,118.49	1,983,015.16	1,578,995.89

Deprec exp - office (monthly)	\$ 123.15
Deprec exp - building (monthly)	12.50
Deprec exp - Plant (monthly)	8,426.23
Deprec exp - Vehicle (monthly)	-
Deprec exp - Equip (monthly)	364.65
Total monthly deprec expense	\$ 8,926.53
June 2015 - January 2016 expense	8 months
February - May 2016 - show monthly	\$ 71,412.24

BANGHAM UTILITY DISTRICT
DEPRECIATION SCHEDULE

Date	Type	Description	Cost	Method	Life	5/31/2015 Accum Deprec	5/31/2016 Deprec Expense	5/31/2016 Accum Deprec	Book Value 5/31/2016
Feb-05	OFFICE	Computers	21,708.27	SL	5	21,708.27	-	21,708.27	-
Dec-04	OFFICE	Handheld	550.00	SL	5	550.00	-	550.00	(0.00)
Mar-11	OFFICE	Camera System	560.00	SL	5	466.67	93.33	560.00	0.00
May-11	OFFICE	Dropbox	1,106.00	SL	5	884.80	221.20	1,106.00	-
Mar-12	OFFICE	Office Furniture	1,418.56	SL	5	898.42	283.71	1,182.13	236.43
Dec-12	OFFICE	Filing Cabinets	1,047.67	SL	5	523.84	209.53	733.37	314.30
Jan-13	OFFICE	Office Computer-Linda	568.00	SL	5	160.93	113.60	274.53	293.47
Jul-14	OFFICE	Computer Desk-Twila	634.99	SL	5	105.83	127.00	232.83	402.16
Apr-15	OFFICE	New Server	2,147.38	SL	5	28.63	429.48	458.11	1,689.27
OFFICE SUBTOTAL			29,740.87			25,327.39	1,477.85	26,805.24	2,935.63
Oct-78	BUILDING	Building: Office	9,817.84	SL	20	9,817.84	-	9,817.84	(0.00)
Dec-12	BUILDING	3 DOORS REPLACED	(967.35)		20	(967.35)	-	(967.35)	-
Oct-84	BUILDING	Building: Storage	5,442.44	SL	20	5,442.44	-	5,442.44	(0.00)
Nov-90	BUILDING	Building Improv: Tile, Carpet, Floor	1,484.15	SL	10	1,484.15	-	1,484.15	-
Feb-93	BUILDING	Building Improv: Siding	2,220.00	SL	20	2,220.00	-	2,220.00	-
May-96	BUILDING	Building: Office & Storage	25,790.82	SL	20	25,790.82	-	25,790.82	0.00
Mar-97	BUILDING	Building Improv: Wiring, heat pump,	5,785.51	SL	10	5,785.51	-	5,785.51	(0.00)
May-97	BUILDING	Nursery: Shrubs	352.00	SL	7	352.00	-	352.00	(0.00)
Jul-97	BUILDING	Garage Jdoor Opener & labor	327.53	SL	7	327.53	-	327.53	-
Aug-98	BUILDING	Pave Parking lot	1,600.00	SL	10	1,600.00	-	1,600.00	-
Oct-98	BUILDING	Building Improv: Metal Roof on 2 bldgs	2,700.00	SL	10	2,700.00	-	2,700.00	-
Jun-99	BUILDING	Building Improv: install fans, louvers	1,722.00	SL	10	1,722.00	-	1,722.00	-
May-04	BUILDING	Warehouse	10,152.00	SL	10	10,152.00	-	10,152.00	-
Nov-04	BUILDING	Tile in back office, bathroom & hall	916.70	SL	7	916.70	-	916.70	(0.00)
Mar-12	BUILDING	Field Office Remodel	2,958.11	SL	10	2,958.11	-	2,958.11	(0.00)
Dec-12	BUILDING	4 doors	1,500.00	SL	10	300.00	150.00	450.00	1,050.00
BUILDING SUBTOTAL			71,801.75			70,601.77	150.00	70,751.77	1,049.98

Oct-01 EQUIP	Backhoe	27,000.00	SL	5	27,000.00	-	27,000.00	-
Jan-11 EQUIP	New Heat Pump	2,900.00	SL	5	2,513.33	386.67	2,900.00	(0.00)
Mar-12 EQUIP	New Handheld	5,500.00	SL	5	3,483.33	1,100.00	4,583.33	916.67
Dec-12 EQUIP	Computer - Field	4,647.86	SL	5	2,323.93	929.57	3,253.50	1,394.36
Mar-14 EQUIP	New Compressor	6,598.18	SL	5	1,649.55	1,319.64	2,969.18	3,629.00
Apr-15 EQUIP	New Leak Detector	3,200.00	SL	5	53.33	640.00	693.33	2,506.67
EQUIP SUBTOTAL		49,846.04			37,023.48	4,375.88	41,399.35	8,446.69
LAND		24,300.00			-	-	-	24,300.00
GRAND TOTALS		3,507,530.64			1,788,212.25	113,759.29	1,901,971.54	1,605,559.10

Deprec exp - office (monthly) (125) EV \$ 123.15
 Deprec exp - building (monthly) (155) EV 12.50
 Deprec exp - Plant (monthly) (165) EV 8,426.23
 Deprec exp - Vehicle (monthly) (175) EV 553.40
 Deprec exp - Equip (monthly) (177) EV 364.66
 Total monthly deprec expense (545) EV \$ 9,479.94
 June 2015 - January 2016 expense 8 months \$ 75,839.53
 February - May 2016 - show monthly

75839.53

985.20
 100.00
 67409.84
 4427.20
 2917.28

 75839.52

BOARD OF COMMISSIONERS MEETING
FEBRUARY 17, 2016

The meeting was called to order at 4:30 pm by President and Commissioner Marty Woolbright. Also in attendance were Vice-President Secretary and Commissioner W B Shreckengost, Treasurer and Commissioner Don Davis Jr, Field Manager Mike McCanless, and Office Manager Linda M Youmans. The minutes of this meeting are being taken by Office Manager Linda M. Youmans.

The minutes of the last meeting were read and approved as read.

Field report: We set no meters and fixed no leaks. We are looking for a leak in Zone 3. The Loss was 4.3 or 27% this month.

Office report: The next meeting will be held on March 16. Mr. Woolbright opened the floor for a motion on the purchase of the supplies. Mr. Shreckengost moved to purchase the supplies as requested. The motion was seconded and carried. Youmans advised the board that we had received fliers from TAUD on several upcoming events. The office manager and the auditor have re-worked the depreciation schedules per the recommendation of the Management Review Board and the monthly depreciation amount now shows up on the unpaid bills list every month. Youmans reported that Twila Covington had knee surgery on February 12. She is due back to work on Monday the 22nd with a statement from her surgeon. She is recuperating well.

Treasurer's report: Mr. Davis reported that we need to start the process on appointment of an officer since his term runs out in May. All activity must be done by May 19, the anniversary date of the company charter. He reported that we had received a letter from the comptroller's office that our audit had been received and turned over to the management review board the day after they had been here. The letter also referenced the fact that the list of board members was not in the audit which it was. Mr. Woolbright had instructed the office manager to respond to this letter for the board and the correspondence was recorded. The office manager was instructed to put out requests for quotes on the annual audit. The principle payment to RECD was posted correctly and Youmans talked to Alice Wills who said that the principle balance is now \$86400.65. Mr. Woolbright opened the floor for a motion on the payment of the bills. Mr. Davis moved to pay the bills as presented. The motion was seconded and carried. A discussion of the visit with State Management Review Board representatives then followed.

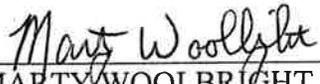
Mr. Woolbright opened the floor for a motion on the matter of the apartment rates. Mr. Davis moved that commercial residential properties that are on one meter for all units be charged a minimum bill that consists of the number of units times the minimum consumption on our rate schedule. The motion was seconded and carried.

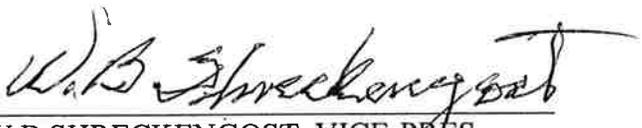
Mr. Woolbright then opened the floor for a motion on the subject of raising our current rates. Mr. Davis moved that we change the minimum consumption allowance from the current 0-3000 gallons to a minimum consumption allowance of 0-2000 gallons. The actual rate for water will not change. The motion was seconded and carried.

The office manager read the minutes from the meeting with the Management Review board. They were approved with no corrections. She was instructed by the board to contact the auditor on the

matter of changing the deposits to a non-refundable service fee per the recommendation of the Management Review board.

Mr. Woolbright opened the floor for a motion regarding adjournment. Mr. Shreckengost moved to adjourn. The motion was seconded and carried. There being no further business, the meeting was adjourned at 5:10 PM.


MARTY WOOLBRIGHT, PRESIDENT
AND COMMISSIONER


W B SHRECKENGOST, VICE-PRES.
SECRETARY AND COMMISSIONER


DON DAVIS JR, TREASURER AND
COMMISSIONER

FEES CHARGED AT BANGHAM UTILITY WATER DISTRICT
February 19, 2016

Water rates: \$5.54 per 1000 gallons sold. Minimum bill is currently 0-3000 gallons. Will change to 0-2000 gallons on effective date to be determined by the board.

Lock-up fee is currently \$20.00 collected when customer pays bill and this fee to have it unlocked.

Expenses for lock-ups as follows:

Ryan Barnhart: \$470.00 per month that lockups are done.

Receipts written @.11 per receipt, average of 20 per month= \$2.20

Payroll for office staff: Twila Covington 16 hrs. @ \$8.50 /hour, Joy Puckett 8 hours @\$10.50=\$220.00. (Although all three office staff members are present for both 8 hour days, Puckett would normally be here for 4 hours per day both days anyway, and Youmans is here for 8 hours per day both days anyway. Covington would not be here those days if we were not doing lockups. The time listed above reflects only the hours that are worked strictly because of lockups.)

Wear and tear on computer equipment has not been factored in on these figures.

Total expense: \$692.20.

Average customers which fees are collected on per month is 20 @\$20.00 ea.= \$400.00 average collected each month for lockups. Loss is \$292.20 per month.

Service Fee on Returned checks is \$20.00. Customer must pay for check and the fee.

If customer is locked up because the check is not paid off, another \$20.00 is added from the lock up fees.

Recheck service fee is currently \$10.00 for second recheck. First recheck is free or is an automatic when meter books are turned in.

Security Deposit is currently \$20.00 for owners (title deed holders or land contract holders) and \$75.00 for renters. We also collect a \$1.00 set up fee which is non-refundable and goes to computer income.

Tap fee is currently \$700.00 for all taps whether bore, non-bore, or state bore.

PRICES TO INSTALL METER
 June 1, 2015 - Feb. 22, 2016
 (MAY OR MAY NOT INCLUDE FREIGHT)

Prepared By	Initials	Date
Approved By		

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Qty	DESCRIPTION	UNIT PRICE	EXTENSION
NON-BORE			
1	5/8 X 3/4 meter	4775	4775
1	5/8 X 3/4 Yoke (Comp End Included)	14471	14471
1	3/4 CORP STOP	3025	3025
1	meter Box C LID	8800	8800
1	6 X 3/4 PVC Saddle	3732	3732
25'	3/4 COPPER S/L @ 3.52/FT	352	8800
2	3/4 INSERTS @ 1.39 EA.	39	78
1	3/4 Female Adaptor	1523	1523
2	HRS LABOR TO INSTALL (Incl. 25.88 Labor + 160% Equip)		28588
	TOTAL		73792
BORE JOB			
1	5/8 X 3/4 meter	4775	4775
1	5/8 X 3/4 Yoke (Comp End Included)	14471	14471
1	3/4 CORP STOP	3025	3025
1	meter Box C LID	8800	8800
1	6 X 3/4 PVC Saddle	3732	3732
45'	3/4 COPPER S/L @ 3.52/FT	352	15840
2	3/4 INSERTS @ 1.39 EA.	39	78
1	3/4 Female Adaptor	1523	1523
4	HRS LABOR TO INSTALL (25.176 Labor + 320.00 Equip)		57126
	TOTAL		109420
BANSHAM CHARGES 700 ⁰⁰ FOR ALL TAP FEES BANSHAM PAYS SUB-CONTRACTOR FOR STATE ROAD BORES			
$700^{00} \text{ INCOME} - 73792 \text{ EXPENSE} = \langle 37.92 \rangle \text{ LOSS ON ALL NON-BORES}$ $700^{00} \text{ INCOME} - 109420 \text{ EXPENSE} = \langle 394.20 \rangle \text{ LOSS ON ALL BORES}$ LABOR CURRENTLY INCLUDES 62.94/HR + EQUIPMENT IS 80.00/HR			

Status

Financial Distress

Status updates are presented for informational purposes only. No action is required by the Board.

**UTILITY MANAGEMENT REVIEW BOARD
Status Update**

Case:	Lakeview Utility District
Manager:	Tim Carwile
Customers:	1,484
Validity Score:	77
Non-revenue water	3.50%

The Lakeview Utility District has been reported to the Board for having two consecutive years with a negative net change in net position in its water system as of December 31, 2014. The financial and rate history is reflected on the attached sheet.

The District raised rates effective January 1, 2016.

LAKEVIEW UTILITY DISTRICT HISTORY FILE											
	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited
Fiscal year ended 12/31	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Water revenues	\$ 584,763	\$ 595,083	\$ 638,221	\$ 720,790	\$ 762,807	\$ 762,149	\$746,260	\$ 782,503	\$ 789,123	\$ 798,812	\$885,046
Other revenues	\$ 76,021	\$ 75,824	\$ 84,172	\$ 122,214	\$ 91,638	\$ 74,463	\$102,973	\$ 65,323	\$ 104,370	\$ 63,526	\$ 73,649
Total Operating Revenues	\$ 660,784	\$ 670,907	\$ 722,393	\$ 843,004	\$ 854,445	\$ 836,612	\$849,233	\$ 847,826	\$ 893,493	\$ 862,338	\$958,695
Total Operating Expenses	\$ 613,427	\$ 629,245	\$ 721,627	\$ 816,036	\$ 843,140	\$ 868,204	\$826,989	\$ 843,559	\$ 838,899	\$ 858,409	\$890,597
Operating Income	\$ 47,357	\$ 41,662	\$ 766	\$ 26,968	\$ 11,305	\$ (31,592)	\$ 22,244	\$ 4,267	\$ 54,594	\$ 3,929	\$ 68,098
Interest Expense	\$ 55,343	\$ 70,617	\$ 94,887	\$ 112,925	\$ 92,908	\$ 90,285	\$ 88,536	\$ 104,898	\$ 159,765	\$ 155,719	\$156,510
TCA Reportable Income	\$ (7,986)	\$ (28,955)	\$ (94,121)	\$ (85,957)	\$ (81,603)	\$ (121,877)	\$ (66,292)	\$ (100,631)	\$ (105,171)	\$ (151,790)	\$ (88,412)
Capital Contributions/Grants	\$ 314,637	\$ 1,472,827	\$ 149,144					\$1,106,658	\$ 106,200	\$ 72,142	
Change in Net Position	\$ 306,651	\$ 1,443,872	\$ 55,023	\$ (85,957)	\$ (81,603)	\$ (121,877)	\$ (66,292)	\$1,006,027	\$ 1,029	\$ (79,648)	\$ (88,412)
<u>Supplemental Information</u>											
Principal payment	\$ 36,789	\$ 37,920	\$ 45,172	\$ 61,224	\$ 86,372	\$ 51,665	\$ 54,208	\$ 80,137	\$ 93,553	\$ 89,102	\$ 96,530
Depreciation	\$ 120,038	\$ 126,051	\$ 154,505	\$ 202,172	\$ 204,565	\$ 169,415	\$170,064	\$ 186,111	\$ 243,043	\$ 253,763	\$250,944
Water Rates											
Residential											
first 1,000 gallons	\$ 14.75	\$ 15.50	\$ 18.00	\$ 19.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 22.50	\$ 23.00	\$ 24.00	\$ 25.00
over 1,500 gallons	\$ 7.50	\$ 7.55	\$ 7.80	\$ 8.50	\$ 8.75						
1,000 - 5,000 gallons						\$ 8.75	\$ 8.75	\$ 9.00	\$ 9.30	\$ 9.40	\$ 9.40
5,001 - 10,000 gallons						\$ 9.63	\$ 9.63	\$ 9.90	\$ 10.23	\$ 10.34	\$ 10.34
10,001 - 15,000 gallons						\$ 10.94	\$ 10.94	\$ 11.25	\$ 11.63	\$ 11.75	\$ 11.75
15,001 - 20,000 gallons						\$ 13.13	\$ 13.13	\$ 13.50	\$ 13.95	\$ 14.10	\$ 14.10
over 20,000 gallons						\$ 15.31	\$ 15.31	\$ 15.75	\$ 16.28	\$ 16.45	\$ 16.45
Customers			1,453	1,463	1,463	1,421	1,411	1,425	1,437	1,446	1,484
Water Loss						29.14%	27.95%	24.38%	34.34%		
Non-Revenue Water									3.80%	2.70%	3.50%
Validity Score									74	74	77

Lakeview Utility District

PO Box 99
Rogersville, TN 37857
(423) 272-5126
(423) 272-5694 (Fax)
lakeviewud@bellsouth.net

Utility Management Review Board
Attn: John Greer
James K Polk State Office Building, Suite 1500
505 Deaderick Street
Nashville, TN 37243-1402

December 1, 2015

RE: Your Letter of November 25, 2015, Lakeview Utility District, Financial Distress

Mr. Greer:

In response to your letter, I have enclosed the following information in this packet for consideration by the Utility Management Review Board:

1. Copy of minutes of the November 12, 2015 Board of Commissioners meeting approving the 2016 Budget, 2016 Pay and Benefits Schedule, and 2016 Schedule of Rates and Fees.
2. 2016 Budget summary and line by line breakdown of projected expenses and revenues.
3. 2016 Schedule of Pay and Benefits.
4. 2016 Schedule of Rate and Fees.
5. 2016 breakdown of revenues by customer classifications
6. 2015 Cash flow report thru October 2015. (Monthly line by line breakdown of expenses available if needed.)
7. Historical record of Lakeview Utility District rates showing the progression of rate increases and reasons from 1973 to present. Please note that Lakeview instituted inclining rates in 2009 along with decreased minimum bill usage amounts in 2002 and 2014. The goal of the district is to recover the maximum amount of fixed costs from the monthly minimum bill.
8. Map of Hawkins County showing Utility District Boundaries and population representation.
9. Map of Hawkins County showing countywide waterlines.
10. Map of Hawkins County showing property line divisions and population representation.

Please note that the district has paid off early (2013/2014) two long term loans from 1976 & 1984 for a cost savings of approximately \$5000.00 in interest with plans to pay off another loan in 2016 for a cost savings of approximately \$21,000.00.

V/R



Tim Carwile
General Manager
Lakeview Utility District

Lakeview Utility District
Board of Commissioners Meeting Minutes

November 12, 2015

4:30 PM

7. Training:
 - a. None
8. Working on updating plans/policies for district.
 - a. Cross-connection Plan
 - b. Depreciation Schedule
 - c. Operator Chemistry Quality Control Check Program
 - d. Master meter calibration/verification check
 - e. Sampling Plan
9. Rogersville status:
 - a. Discussion on leak adjustment policy/insurance.

The following motions were presented.

1. Motion to adopt resolution approving a \$350,000 Waterworks Loan from Bass Berry & Sims/Rural Development as presented was made by Joe Payne, seconded by Glen Matthews and unanimously approved.
2. Motion to approve the installation of a 20 HP pump and motor for #4 well as presented was made by James R. Jones, seconded by Glen Matthews and unanimously approved.
3. Motion to authorize travel and one night stay in Nashville for GM to attend the December 3, 2015 UMRB meeting was made by Joe Payne, seconded by James R. Jones and unanimously approved.
4. Motion to approve upgrades of district cell phone package as needed to allow wtp monitoring via cell phones/tablets vice laptop computer was made by Joe Payne, seconded by Glen Matthews and unanimously approved.
5. Motion to approve the establishment of a new bank account with US Bank in order to process automatic customer drafts for payments was made by Joe Payne, seconded by Glen Matthews and unanimously approved.
6. Motion to authorize utilizing a PALL onsite technician to repair LCV1's at the Pressmens Home WTP was made by Joe Payne, seconded by Glen Matthews and unanimously approved.
7. Motion to approve GM signing contract for 2015 -2016 Insurance packages from Alder and Cox was made by Joe Payne, seconded by Glen Matthews and unanimously approved.
8. Motion to approve the 2016 Calendar as presented was made by James R. Jones, seconded by Glen Matthews and unanimously approved.
9. Motion to approve the 2016 Budget, 2016 Pay and Benefits Schedule, 2016 Schedule of Rates and Fees as presented was made by Joe Payne, seconded by Glen Matthews and unanimously approved.

The Lakeview Utility District is an Equal Opportunity Provider and Employer

*Lakeview Utility District
Board of Commissioners Meeting Minutes*

November 12, 2015

4:30 PM

10. Motion to approve the 2016 Shortage/Drought Emergency Plan, 2016 Emergency Operations Plan, 2016 Pressmens Home Wellhead Protection Plan, 2016 Athowominee Wellhead Protection Plan as presented was made by James R. Jones, seconded by Glen Matthews and unanimously approved.
11. Motion to approve a Christmas Dinner for employees and one guest was made by Joe Payne, seconded by James R. Jones and unanimously approved.
12. Motion to approve the adjustments for October 2015 as submitted was made by Joe Payne, seconded by Glen Matthews and unanimously approved.
13. Motion to adjourn the meeting was made at 5:24 PM by Glen Matthews, seconded by James R. Jones and unanimously approved.

Record of Minutes Approved as written:

Joe Payne _____

James R. Jones _____

Glen Matthews _____

Lakeview Utility District
Board of Commissioners Meeting Minutes

November 12, 2015

4:30 PM

The Board of Commissioners of the Lakeview Utility District met in a regular monthly meeting at the Lakeview Utility District Office. Commissioners present were Joe Payne, Glen Matthews and James R. Jones. Also present was Tim Carwile General Manager.

A quorum was declared. Motion to approve the minutes from the October 8, 2015 regular meeting as written, was made by Joe Payne, seconded by James R. Jones and unanimously approved.

Customer/Public complaints/comments/questions:

1. None

Manager's reports included:

a. Project Status:

1. Pressmens Home/Athowominee pump station/water source development:
 - a. 10/26/15: Initial electrical service installation completed in #4 well house.
 - b. 10/28/15: Account for #4 well established with Holston Electric.

b. Comptroller Investigations/Media Reports/Other:

1. None

c. System Operations

1. Berkadia Loan #01-0542205 Series 1981 paid off 6 years early 10/30/15.
2. Wayne Thomason passed Water Treatment 3 certification exam 11/10/15.
3. TDEC annual lab certifications scheduled for 11/23/15
4. Anticipate sanitary survey this month.
5. Reviewed financial status for 2015.
6. Major operational issues this past month included:
 - a. 10/9/15: Repaired 300 gpm leak on Hwy 66N above lower prv pit.
 - b. 10/14/15: Replaced Lovin Rd motor controller.
 - c. 10/14/15: Found "lost" tap @ 4936 Hwy 66N.
 - d. 10/15/15: Installed tap @ 120 Richards Rd. Replaced service line @ 1200 McKinney Chapel Rd.
 - e. 10/16/15. Replaced service line and relocated tap at 413 Holston Terrace. Repaired service line leak @ 201 Bridgeport Circle. Repaired service line leak at 463 Austin Circle. Repaired main line leak on Lake Haven.
 - f. 10/19/15: Damage to ceiling and HP printer in GM's office due to drain from AC unit. Replaced service line at 294 Shepards Chapel Rd.
 - g. 10/20/15: Replaced service line @ 170/172 Lake Forest. LCV1A @ Pressmens Home WTP failed open. Drained raw water tank into building.
 - h. 10/22/15: LCV1A @ Pressmens Home WTP failed open again. Drained raw water tank into building. 'A' skid off line until repairs complete.
 - i. 10/26/15: Replaced discharge check valve on #2 smbp.
 - j. 10/27/15: Replaced discharge check valve on #1 smbp.
 - k. 11/2/15: Completed annual backflow inspections.
 - l. 11/3/15: Realigned system on Spruce Pine Rd. Autoflusher out of service.
 - m. 11/5/15: Replaced service line @ 219 Lake Forest.
 - n. 11/9/15: Quarterly TOC samples taken.

The Lakeview Utility District is an Equal Opportunity Provider and Employer

Page 1 of 3

Lakeview Utility District of Hawkins County, Tennessee
 PO Box 99
 Rogersville, TN 37857
 Approved: November 12, 2015

Lakeview Utility District Operating Budget - 2016							
Expenses				Revenue			
		Annual	Monthly			Annual	
						Monthly	
45.1%	31.6%	Salaries	\$298,000.00	\$24,833.33	Water Sales	\$892,000.00	\$74,333.33
	5.9%	Payroll Taxes/Retirement	\$ 56,000.00	\$ 4,666.67	Application Fees	\$ 8,000.00	\$ 666.67
	6.4%	Employee Health/Life Insurance	\$ 60,000.00	\$ 5,000.00	Service Calls	\$ 1,000.00	\$ 83.33
	0.6%	Employee Uniforms	\$ 6,000.00	\$ 500.00	Reconnect Fees	\$ 13,800.00	\$ 1,150.00
	0.5%	Employee Travel/Training	\$ 5,000.00	\$ 416.67	Forfeited Discounts	\$ 9,000.00	\$ 750.00
46.9%	27.0%	Depreciation	\$254,000.00	\$21,166.67	Interest	\$ 200.00	\$ 16.67
	0.5%	Water Purchased	\$ 5,000.00	\$ 416.67	Tap Fees	\$ 18,000.00	\$ 1,500.00
	7.4%	Repair & Maintenance	\$ 70,000.00	\$ 5,833.33	Total	\$942,000.00	\$78,500.00
	2.2%	Vehicle Operation & Maintenance	\$ 21,000.00	\$ 1,750.00	Capital Budget - 2016		
	0.4%	Contract Labor	\$ 4,000.00	\$ 333.33	Revenue		
	6.9%	Electricity	\$ 65,000.00	\$ 5,416.67			Annual
	0.2%	Gas Utility	\$ 2,000.00	\$ 166.67			Monthly
	2.2%	Telephone	\$ 21,000.00	\$ 1,750.00			
1.8%	0.7%	Postage	\$ 7,000.00	\$ 583.33	Depreciation	\$254,000.00	\$21,166.67
	0.7%	Office Supplies	\$ 7,000.00	\$ 583.33	Total	\$254,000.00	\$21,166.67
	0.1%	Miscellaneous	\$ 1,000.00	\$ 83.33	Expense		
	0.2%	Bad Debts	\$ 2,000.00	\$ 166.67			Annual
6.2%	3.3%	Insurance	\$ 31,000.00	\$ 2,583.33	Connection	\$ 4,000.00	\$ 333.33
	1.0%	Professional Fees	\$ 9,000.00	\$ 750.00	Engineering Fees	\$ -	\$ -
	1.4%	Licenses/Fees	\$ 13,000.00	\$ 1,083.33	Loan Principal	\$ 87,000.00	\$ 7,250.00
	0.3%	State Fees	\$ 3,000.00	\$ 250.00	Interest Expense	\$154,000.00	\$12,833.33
	0.2%	Advertising	\$ 2,000.00	\$ 166.67	Materials/Capital Purchases	\$ 9,000.00	\$ 750.00
100.0%	Total	\$942,000.00	\$78,500.00	Total	\$254,000.00	\$21,166.67	
		Decrease					
		Increase					

Approved by the Board of Commissioners

 Joe Payne, President

 Date

2016 Line by Line Budget
Proposed:

2016 Operating Budget Proposal	Monthly	Annual	Monthly Subtotal	Annual Subtotal	Cost / Monthly Minimum Bill	Cost / K Sold
Totals	\$ 78,237.73	\$ 938,852.75			\$ 75.65	\$ 24.59
Salaries			\$ 24,754.00	\$ 297,048.00		
			\$ 16.56			
Commissioners Fees	\$ 900.00	\$ 10,800.00	\$ (1,000.00)		\$ 0.60	\$ 0.20
General Manager/Distribution & Treatment Operator	\$ 4,250.00	\$ 51,000.00			\$ 2.84	\$ 0.94
Administrative Manager @ \$17.50/hr	\$ 3,033.33	\$ 36,400.00			\$ 2.03	\$ 0.67
Administrative Assistant @ \$10.50/hr	\$ 1,820.00	\$ 21,840.00			\$ 1.22	\$ 0.40
O&M Supervisor @ \$16.00/hr	\$ 2,773.33	\$ 33,280.00			\$ 1.86	\$ 0.61
O&M Ops Level 2 @ \$14.00/hr	\$ 2,426.67	\$ 29,120.00			\$ 1.62	\$ 0.54
O&M Ops Level 2 @ \$13.50/hr	\$ 2,340.00	\$ 28,080.00			\$ 1.57	\$ 0.52
O&M Ops Level 1 @ \$12.75/hr	\$ 2,210.00	\$ 26,520.00			\$ 1.48	\$ 0.49
O&M Ops Level 2 @ \$13.75/hr	\$ -	\$ -			\$ -	\$ -
Merit Bonuses (10 Operators)	\$ 1,733.33	\$ 20,800.00			\$ 1.16	\$ 0.38
Overtime/On Call @ 20%	\$ 3,267.33	\$ 39,208.00			\$ 2.19	\$ 0.72
Water (Purchased per month @ per thousand)			\$ 377.30	\$ 4,527.60		
\$5.39			\$ 0.25	\$ 5,000.00		
Lakeview East Section (K gallons/month)				\$0.09		
10	\$ 53.90	\$ 646.80	\$1,000.00		\$ 0.04	\$ 0.01
Lakeview West Section (K gallons/month)						
60	\$ 323.40	\$ 3,880.80			\$ 0.22	\$ 0.07
Electricity			\$ 5,404.00	\$ 64,848.00		
			\$ 3.61	\$ 65,000.00		
				\$ 1.20		
Office	\$ 150.00	\$ 1,800.00			\$ 0.10	\$ 0.03
Maintenance Shop	\$ 25.00	\$ 300.00			\$ 0.02	\$ 0.01
Well #1	\$ 350.00	\$ 4,200.00			\$ 0.23	\$ 0.08
Well #2	\$ 440.00	\$ 5,280.00			\$ 0.29	\$ 0.10
PH Treatment Plant/FWPS/#3 well	\$ 1,800.00	\$ 21,600.00			\$ 1.20	\$ 0.40
Silos	\$ 15.00	\$ 180.00			\$ 0.01	\$ 0.00
Pine Mountain Tank	\$ 35.00	\$ 420.00			\$ 0.02	\$ 0.01
Raw Water Tank	\$ 90.00	\$ 1,080.00			\$ 0.06	\$ 0.02
SMBS	\$ 700.00	\$ 8,400.00			\$ 0.47	\$ 0.15
Grandview PS	\$ 27.00	\$ 324.00			\$ 0.02	\$ 0.01
Lovin Rd PS	\$ 21.00	\$ 252.00			\$ 0.01	\$ 0.00
Cave Ridge PS	\$ 16.00	\$ 192.00			\$ 0.01	\$ 0.00
Athowminnee Treatment Plant/HSPS/2 wells	\$ 1,700.00	\$ 20,400.00			\$ 1.14	\$ 0.38
Knox Hollow Tank	\$ 35.00	\$ 420.00			\$ 0.02	\$ 0.01

2016 Line by Line Budget
Proposed:

2016 Operating Budget Proposal	Monthly	Annual	Monthly Subtotal	Annual Subtotal	Cost / Monthly Minimum Bill	Cost / K Sold
Repair & Maintenance			\$ 5,833.33	\$ 70,000.00		
			\$ 3.90	\$ 70,000.00		
				\$ 1.29		
Leak Repairs (Materials)	\$ 1,583.33	\$ 19,000.00			\$ 1.06	\$ 0.35
Dumpster Rental (Rock)	\$ 141.67	\$ 1,700.00			\$ 0.09	\$ 0.03
Asphalt Repairs	\$ 83.33	\$ 1,000.00			\$ 0.13	\$ 0.04
Outside Lab Water testing	\$ 250.00	\$ 3,000.00			\$ 0.06	\$ 0.02
Treatment Chemicals	\$ 1,500.00	\$ 18,000.00			\$ 1.00	\$ 0.33
Treatment Plant(s) O & M	\$ 1,500.00	\$ 18,000.00			\$ 1.00	\$ 0.33
Laboratory Reagents and equipment (Routine/Bact's)	\$ 500.00	\$ 6,000.00			\$ 0.33	\$ 0.11
Tools/Consumables	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Gas Utility			\$ 166.67	\$ 2,000.00		
			\$ 0.11	\$ 2,000.00		
				\$ 0.04		
Hawkins County Gas - Office	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Hawkins County Gas - Treatment Plant (west)	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Telephone			\$ 1,740.00	\$ 20,880.00		
			\$ 1.16	\$ 21,000.00		
				\$ 0.39		
Office main line						
Office Fax line						
Office PcAnywhere line						
Office 2nd line						
WTP main line (east & west)	\$ 1,250.00	\$ 15,000.00			\$ 0.84	\$ 0.28
WTP fax line (east & west)						
WTP Scada line (east & west)						
WTP PcAnywhere line (east & west)						
Stone Mt Booster Pump Station						
Internet (Main Office)	\$ 90.00	\$ 1,080.00			\$ 0.06	\$ 0.02
Cell phones (LUD) (6)	\$ 400.00	\$ 4,800.00			\$ 0.27	\$ 0.09

2016 Line by Line Budget
Proposed:

2016 Operating Budget Proposal	Monthly	Annual	Monthly Subtotal	Annual Subtotal	Cost / Monthly Minimum Bill	Cost / K Sold
Postage			\$ 583.33	\$ 7,000.00		
			\$ 0.39	\$ 7,000.00		
				\$ 0.13		
Monthly Billings	\$ 383.33	\$ 4,600.00			\$ 0.26	\$ 0.08
Stamps/Postage/Pitney Bowles/Shipping fees	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Postal Mailing Annual Fee	\$ 16.67	\$ 200.00			\$ 0.01	\$ 0.00
Mailers + 4	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Post Office Box Rental	\$ 16.67	\$ 200.00			\$ 0.01	\$ 0.00
Employee Uniforms			\$ 500.00	\$ 6,000.00		
			\$ 0.33	\$ 6,000.00		
Uniforms (7)	\$ 375.00	\$ 4,500.00			\$ 0.25	\$ 0.08
Safety Equipment	\$ 125.00	\$ 1,500.00			\$ 0.08	\$ 0.03
Office Supplies			\$ 583.33	\$ 7,000.00		
			\$ 0.39	\$ 7,000.00		
				\$ 0.13		
Rogersville Review Subscription	\$ 4.17	\$ 50.00	\$ 1,000.00		\$ 0.00	\$ 0.00
Safety Deposit Box Rental	\$ 8.33	\$ 100.00			\$ 0.01	\$ 0.00
Blank Bills	\$ 41.67	\$ 500.00			\$ 0.03	\$ 0.01
Miscellaneous Office Supplies	\$ 445.83	\$ 5,350.00			\$ 0.30	\$ 0.10
Cleaning/Bathroom Supplies	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Contract Labor			\$ 333.33	\$ 4,000.00		
			\$ 0.22	\$ 4,000.00		
Instrument Calibrations (HACH)	\$ 333.33	\$ 4,000.00			\$ 0.22	\$ 0.07
Pall Maintenance Contract	\$ -	\$ -			\$ -	\$ -
Licenses/Fees			\$ 1,075.00	\$ 12,900.00		
			\$ 0.72	\$ 13,000.00		
				\$ 0.24		
Employee Professional Development Reimbursement	\$ 58.33	\$ 700.00			\$ 0.04	\$ 0.01
Credit/Debit/Auto withdrawal usage fees	\$ 416.67	\$ 5,000.00			\$ 0.28	\$ 0.09
Logics Yearly license/support	\$ 375.00	\$ 4,500.00			\$ 0.25	\$ 0.08
AWWA Membership Fee	\$ 33.33	\$ 400.00			\$ 0.02	\$ 0.01
TAUD Membership Fee	\$ 75.00	\$ 900.00			\$ 0.05	\$ 0.02
TAUD Legislative Activity Fee	\$ 41.67	\$ 500.00			\$ 0.03	\$ 0.01
TN-One-Call Membership Fee	\$ 75.00	\$ 900.00			\$ 0.05	\$ 0.02

2016 Line by Line Budget
Proposed:

2016 Operating Budget Proposal	Monthly	Annual	Monthly Subtotal	Annual Subtotal	Cost / Monthly Minimum Bill	Cost / K Sold
Vehicle Operation & Maintenance			\$ 1,750.00	\$ 21,000.00		
			\$ 1.17			
Gas	\$ 1,000.00	\$ 12,000.00	\$ (6,000.00)		\$ 0.67	\$ 0.22
Diesel	\$ 250.00	\$ 3,000.00			\$ 0.17	\$ 0.06
POV use	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Lube/Oil/Filter Changes	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Routine Maintenance (tires/minor)	\$ 166.67	\$ 2,000.00			\$ 0.11	\$ 0.04
Repairs	\$ 166.67	\$ 2,000.00			\$ 0.11	\$ 0.04
Payroll Taxes			\$ 4,629.10	\$ 55,549.15		
			\$ 3.10	\$ 38,000.00		
Payroll Tax (Employer SS payment 7.65% of salaries)	\$ 1,893.68	\$ 22,724.17			\$ 1.27	\$ 0.42
Payroll Tax (Unemployment @ 1.4%/\$7000/7 employees)	\$ 63.77	\$ 765.20			\$ 0.04	\$ 0.01
Employee Retirement (Basis 2B) 11.2%*Emp. Salaries	\$ 2,671.65	\$ 32,059.78			\$ 1.79	\$ 0.59
Insurance			\$ 2,533.33	\$ 30,400.00		
			\$ 1.69	\$ 31,000.00		
				\$ 0.57		
Package (Property/Liability/Auto)	\$ 1,833.33	\$ 22,000.00			\$ 1.23	\$ 0.41
Workman's Comp	\$ 583.33	\$ 7,000.00			\$ 0.39	\$ 0.13
Public Officials	\$ 116.67	\$ 1,400.00				
					\$ -	\$ -
Employee Health/Life Insurance			\$ 5,000.00	\$ 60,000.00		
			\$ 3.34	\$ 80,000.00		
Health/Life Insurance (7)	\$ 3,416.67	\$ 41,000.00	\$ 5,000.00		\$ 2.29	\$ 0.76
Deductible/employee (7)	\$ 583.33	\$ 7,000.00			\$ 0.39	\$ 0.13
Dental/Vision (7)	\$ 250.00	\$ 3,000.00				
Health Insurance Commissioners (3)	\$ 750.00	\$ 9,000.00			\$ 0.50	\$ 0.17
Professional Fees			\$ 750.00	\$ 9,000.00		
			\$ 0.50	\$ 9,000.00		
Legal	\$ -	\$ -			\$ -	\$ -
Accounting (2015 Audit) +	\$ 750.00	\$ 9,000.00			\$ 0.50	\$ 0.17

2016 Line by Line Budget
Proposed:

2016 Operating Budget Proposal	Monthly	Annual	Monthly Subtotal	Annual Subtotal	Cost / Monthly Minimum Bill	Cost / K Sold
Miscellaneous			\$ 83.33	\$ 1,000.00		
			\$ 0.06	\$ 1,000.00		
	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
Depreciation			\$ 21,166.67	\$ 254,000.00		
			\$ 14.16	\$ 254,000.00		
				\$ 4.63		
	\$ 21,166.67	\$ 254,000.00			\$ 14.16	\$ 4.68
Bad Debts			\$ 166.67	\$ 2,000.00		
			\$ 0.11	\$ 2,000.00		
				\$ 0.04		
Bad debts writeoff	\$ 166.67	\$ 2,000.00			\$ 0.11	\$ 0.04
Employee Travel/Training			\$ 416.67	\$ 5,000.00		
			\$ 0.28	\$ 5,000.00		
Conferences/Training	\$ 166.67	\$ 2,000.00			\$ 0.11	\$ 0.04
Personal Vehicle Mileage	\$ 166.67	\$ 2,000.00			\$ 0.11	\$ 0.04
Per Diem/Lodging	\$ 83.33	\$ 1,000.00			\$ 0.06	\$ 0.02
State Fees			\$ 225.00	\$ 2,700.00		
			\$ 0.15	\$ 3,000.00		
				\$ 0.06		
Facility Maintenance Fee (\$1.25 /customer)	\$ 166.67	\$ 2,000.00			\$ 0.11	\$ 0.04
NPDES permit annual fee WTP (east)	\$ 29.17	\$ 350.00			\$ 0.02	\$ 0.01
NPDES permit annual fee WTP (west)	\$ 29.17	\$ 350.00			\$ 0.02	\$ 0.01
Advertising			\$ 166.67	\$ 2,000.00		
			\$ 0.11	\$ 2,000.00		
				\$ 0.04		
Meetings	\$ 16.67	\$ 200.00			\$ 0.01	\$ 0.00
Annual Financial Statement	\$ 66.67	\$ 800.00			\$ 0.04	\$ 0.01
Consumer Confidence Report	\$ 66.67	\$ 800.00			\$ 0.04	\$ 0.01
Miscellaneous	\$ 16.67	\$ 200.00			\$ 0.01	\$ 0.00
Per thousand gallons (sold)						
Minimum Bill - Basic Cost of Providing Service						
Increase from previous year						
Decrease from previous year						
Funded at 21.0% w/K\$						
\$ change from previous year						

Income/Expense Analysis					
Average # of Customers - 2015	1495		Budget (Revenue)		
Operating Budget	Monthly	Annual	Monthly	Annual	
Operating Expense	\$ 78,237.73	\$ 938,852.75	\$ 78,500.00		
Water Sales Income	\$ 84,948.61	\$ 1,019,383.31	\$ 74,333.33	\$ 892,000.00	
Application Fees	\$ 880.00	\$ 10,560.00	\$ 666.67	\$ 8,000.00	
Service Calls	\$ 206.67	\$ 2,480.00	\$ 63.33	\$ 760.00	
Reconnect Fees	\$ 1,495.00	\$ 17,940.00	\$ 1,150.00	\$ 13,800.00	
Forfeited discounts	\$ 954.04	\$ 11,448.46	\$ 750.00	\$ 8,970.00	
Interest	\$ 25.00	\$ 300.00	\$ 16.67	\$ 200.00	
Tap Fees	\$ 1,900.00	\$ 22,800.00	\$ 1,900.00	\$ 22,800.00	
Total Income	\$ 90,409.31	\$ 1,084,911.77	\$ 78,500.00		
Profit/(Loss)	\$ 12,171.58	\$ 146,059.02			
Calculated required average bill (4000 gallons)	\$ 65.72		% Budgeted Rev - Exp		
Calculated % increase in Average Bill	12.5%		13.46%		
Actual New Average Bill (4000 gallons)	\$ 59.09		Required Operational Reserve		
Current Average Bill (4000 gallons)	\$ 58.40		\$ 235,500.00		
Actual % Increase in Average Bill	1.2%				
Income Analysis (Estimated)					
Monthly Water Sales				\$ 84,948.61	
Minimum Bill Basis: (water purchased + electricity + repair & maintenance + gas utility + telephone + postage + office supplies + licenses/fees + insurance + bad debts + state fees + advertising + Principal + interest)	\$ 26.00	\$ 29.46	Depreciation + Interest + Principal + water		
Monthly Minimum Bills @ 500 gallons	# of Customers	Rate	Mthly Income	\$ 39,572.00	
Rate Table W1: 3/4" or 1" Single Residential	1441	\$ 26.00	\$ 37,466.00		
Rate Table W3: Multiple	34	\$ 39.00	\$ 1,326.00		
Rate Table W2: Regular Commercial or > 1 "	20	\$ 39.00	\$ 780.00		
Total # of customers	1495			\$ 13.59	
Residential Monthly Usage Billing (Rate Table W1)			\$ 41,887.41	\$ 45,376.61	
Commercial Monthly Usage Billing (Rate Table W2)			\$ 1,099.95		
Multiple Residential Monthly Usage Billing (Rate Table W3)			\$ 2,389.25		
Monthly Service Calls/Water Applications/Reconnect Fees/Forfeited Discounts				\$ 3,535.70	
Water Applications @ \$80	10	\$ 80.00	\$ 800.00		
Water Applications (landlord/transfer) @ \$40	2	\$ 40.00	\$ 80.00	\$ 880.00	
Service Calls @ \$40/call/mth	1	\$ 40.00	\$ 40.00		
Engineering evaluation for water line extensions @\$400/	1	\$ 400.00	\$ 33.33	\$ 206.67	
Fee for boring/cutting road @ \$400/	4	\$ 1,600.00	\$ 133.33		
Reconnect Fees @ \$40/reconnect/mth (2.5% of customers)	37	\$ 40.00	\$ 1,495.00	\$ 1,495.00	
Forfeited discounts (12% of Customers/Avg bill)	179	\$ 5.32	\$ 954.04	\$ 954.04	
Annual Income from tap fees @ \$1900	12	\$ 1,900.00		\$ 22,800.00	
Interest Income		Mthly	Annual	Mthly	Annual
Hawkins County Bank Revenue	\$ 0.50	\$ 5.00	\$ 25.00	\$ 300.00	
First Community Bank GMAC P & I	\$ 0.50	\$ 35.00			
First Community Bank O & M	\$ 0.50	\$ 5.00			
First Community Bank Revenue	\$ 0.50	\$ 5.00			
CD (Debt Service)	\$ 15.00	\$ 100.00			
CD (Debt Service)	\$ 15.00	\$ 100.00	interest to be applied to D.S.R. CD's		
CD (Customer Deposits)	\$ 10.00	\$ 50.00	interest to be applied to CD		

2016 Line by Line Budget
Proposed:

Proposed Capital Improvements Budget - LUD - 2016						
	Monthly	Annual	Monthly	Annual		
Totals	\$ 21,094.20	\$ 253,130.39	Subtotal	Subtotal		
Connection Expense						
Tap Installations	\$ 333.33	\$ 4,000.00	\$ 333.33	\$ 4,000.00	\$ 0.22	\$ 0.12
Engineering Fees						
Engineering Consultation/State Fees for LUD Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Principle Due						
RD (1996) Camelot (Payoff 2034)	\$ 122.17	\$ 1,466.00	\$ 7,190.43	\$ 86,285.15	\$ 0.08	\$ 0.04
RD (2000) Stone Mt (Payoff 2038)	\$ 1,544.71	\$ 18,536.55	\$ 4.81	\$ 87,000.00	\$ 1.03	\$ 0.54
RD (2002) Poor Valley (Payoff 2040)	\$ 691.24	\$ 8,294.93	\$ 5,000.00	\$ 2.54	\$ 0.46	\$ 0.24
RD (2005) Filtration Plant (Payoff 2043)	\$ 716.15	\$ 8,593.79			\$ 0.48	\$ 0.25
RD (2006) Filtration Plant (cost overrun)(Payoff 2044)	\$ 223.88	\$ 2,686.55			\$ 0.15	\$ 0.08
RD (2011) Athowominee WTP	\$ 3,236.94	\$ 38,843.26			\$ 2.17	\$ 1.13
RD (2011) Athowominee WTP (cost overrun)	\$ 260.85	\$ 3,130.14			\$ 0.17	\$ 0.09
RD (2016) PH FWPS/well development	\$ 394.49	\$ 4,733.93			\$ 0.26	\$ 0.14
Interest Expense						
RD (1996) Camelot (Payoff 2034)	\$ 153.83	\$ 1,846.00	\$ 12,820.44	\$ 153,845.24	\$ 0.10	\$ 0.05
RD (2000) Stone Mt (Payoff 2038)	\$ 2,514.29	\$ 30,171.45	\$ 8.58	\$ 154,000.00	\$ 1.68	\$ 0.88
RD (2002) Poor Valley (Payoff 2040)	\$ 1,374.76	\$ 16,497.07	\$ 5,000.00	\$ 4.49	\$ 0.92	\$ 0.48
RD (2005) Filtration Plant (Payoff 2043)	\$ 1,489.85	\$ 17,878.21			\$ 1.00	\$ 0.52
RD (2006) Filtration Plant (Payoff 2044)	\$ 508.12	\$ 6,097.45			\$ 0.34	\$ 0.18
RD (2011) Athowominee WTP	\$ 5,441.06	\$ 65,292.74			\$ 3.64	\$ 1.90
RD (2011) Athowominee WTP (cost overrun)	\$ 505.16	\$ 6,061.86			\$ 0.34	\$ 0.18
RD (2016) PH FWPS/well development	\$ 833.37	\$ 10,000.46			\$ 0.56	\$ 0.29
Materials/Capital Purchases						
Set aside in GMAC P&I for capital improvements	\$ 750.00	\$ 9,000.00	\$ 750.00	\$ 9,000.00	\$ 0.50	\$ 0.26
Annual Capital Budget						
Annual Capitalization (Depreciation)	\$ 254,000.00					
Total Amount available for capital improvements	\$ 254,000.00					
Connection	\$ 4,000.00					
Engineering Fees	\$ -					
Bond Principal Due	\$ 87,000.00					
Bond Interest Due	\$ 154,000.00					
Materials/Capital Purchases	\$ 9,000.00					
Total Budgeted Expenses for Capitalization	\$ 254,000.00					
Annual Budgeted Profit/Loss	\$ -					

2016 Line by Line Budget

Pressmen's Home Water Treatment Annual Costs		Proposed:					
#1 Well pump electrical	\$ 4,200.00	\$	0.07				
#2 Well pump electrical	\$ 5,280.00	\$	0.09				
Treatment plant electrical	\$ 21,600.00	\$	0.38				
Treatment plant natural gas utility	\$ 1,000.00	\$	0.02	\$	0.85		
Water treatment chemicals (67%)	\$ 12,060.00	\$	0.21				
Telephone (telemetry) (25%)	\$ 3,750.00	\$	0.07				
Treatment plant O & M (70%)	\$ 12,600.00	\$	0.22				
Insurance (20% of budget)	\$ 4,400.00	\$	0.08				
Vehicle fuel/expense (10% of budget)	\$ 2,100.00	\$	0.04				
WT Salary (1/2 O & M Ops salary)	\$ 14,040.00	\$	0.25	\$	0.68		
WT Salary payroll tax (SSI) (1/2 O & M Ops salary)	\$ 1,074.06	\$	0.02				
WT Salary unemployment tax (1/2 O & M Ops cost)	\$ 95.65	\$	0.002				
WT Salary Health Insurance/Benefits (1/2 O & M Ops cost)	\$ 3,642.86	\$	0.06				
Total	\$ 85,842.57						
Gallons Produced (Annual) (K gals) (Est based on 2015 production)	56,200						
Estimated K-gallons sold (yearly)(total)	34,300						
Estimated K-gallons sold (yearly)(minimum)	5,700						
Estimated K-gallons sold (yearly>(> minimum)	28,600						
Cost to produce water	\$ 1.53						
Cost to sell in district	\$ 2.50						
Cost to sell water (other utility districts) (1.1x cost to sell)	\$ 2.75						
Average cost of water (produced/purchased) (.9/.1)	\$ 1.91						
Athowominee Water Treatment Annual Costs							
		\$	-				
		\$	-				
Treatment plant electrical	\$ 20,400.00	\$	0.74	\$	1.09		
		\$	-				
Water treatment chemicals (33%)	\$ 5,940.00	\$	0.22				
Telephone (telemetry) (25%)	\$ 3,750.00	\$	0.14				
Treatment plant O & M (30%)	\$ 5,400.00	\$	0.20				
Insurance (20% of budget)	\$ 4,400.00	\$	0.16				
Vehicle fuel/expense (10% of budget)	\$ 2,100.00	\$	0.08				
WT Salary (1/2 O & M Ops salary)	\$ 14,040.00	\$	0.51	\$	1.17		
WT Salary payroll tax (SSI) (1/2 O & M Ops salary)	\$ 1,074.06	\$	0.04				
WT Salary unemployment tax (1/2 O & M Ops cost)	\$ 95.65	\$	0.003				
WT Salary Health Insurance/Benefits (1/2 O & M Ops cost)	\$ 3,642.86	\$	0.13				
Total	\$ 60,842.57						
Gallons Produced (Annual) (K gals) (Est based on 2015 production)	27,500						
Estimated K-gallons sold (yearly)	20,000						
Estimated K-gallons sold (yearly)(minimum)	3,000						
Estimated K-gallons sold (yearly>(> minimum)	17,000						
Cost to produce water	\$ 2.21						
Cost to sell in district	\$ 3.04						
Cost to sell water (other utility districts) (1.1x cost to sell)	\$ 3.35						
Average cost of water (produced/purchased) (.9/.1)	\$ 2.53						
Total Gallons Sold (East/West)	54,300						

Lakeview Utility District
 2016 Schedule of Pay and Benefits Policy
 Approved: November 12, 2015

Length of Service In Position (Or Previous Experience)	General Manager		* Administrative Manager		* Administrative Assistant		* Operations & Maintenance Supervisor		* Operations & Maintenance Operator Level 2		* Operations & Maintenance Operator Level 1		Operations & Maintenance Apprentice	
	Annual Rate	Hourly Rate	Annual Rate	Hourly Rate	Annual Rate	Hourly Rate	Annual Rate	Hourly Rate	Annual Rate	Hourly Rate	Annual Rate	Hourly Rate	Annual Rate	
2001 Start	\$40,000.00	\$19.23	\$ 15.00	\$31,200.00	\$ 9.00	\$ 18,720.00	\$ 15.00	\$ 31,200.00	\$13.25	\$ 27,560.00	\$ 10.75	\$22,360.00	\$ 9.00	\$18,720.00
90 days					\$ 9.25	\$ 19,240.00							\$ 9.25	\$19,240.00
2002 1 year			\$ 15.00	\$31,200.00	\$ 9.50	\$ 19,760.00			\$13.50	\$ 28,080.00	\$ 11.75	\$24,440.00	\$ 9.50	\$19,760.00
2003 2 years	\$42,000.00	\$20.19	\$ 15.25	\$31,720.00	\$ 10.50	\$ 21,840.00	\$ 15.25	\$ 31,720.00	\$13.75	\$ 28,600.00	\$ 12.75	\$26,520.00	\$ 9.75	\$20,280.00
2004 3 years			\$ 15.50	\$32,240.00	\$ 10.75	\$ 22,360.00	\$ 15.50	\$ 32,240.00						
2005 4 years			\$ 15.75	\$32,760.00	\$ 11.00	\$ 22,880.00	\$ 15.75	\$ 32,760.00	\$14.00	\$ 29,120.00				
2006 5 years	\$43,260.00	\$20.80	\$ 16.00	\$33,280.00	\$ 11.50	\$ 23,920.00	\$ 16.00	\$ 33,280.00						
2007 6 years														
2008 7 years	\$44,125.00	\$21.21	\$ 16.50	\$34,320.00	\$ 12.00	\$ 24,960.00	\$ 16.50	\$ 34,320.00	\$14.25	\$ 29,640.00				
2009 8 years														
2010 9 years														
2011 10 years	\$46,000.00	\$22.12	\$ 17.00	\$35,360.00	\$ 12.50	\$ 26,000.00	\$ 17.00	\$ 35,360.00	\$14.30	\$ 29,744.00				
2012 11 years														
2013 12 years														
2014 13 years														
2015 14 years	\$48,000.00	\$23.08	\$ 17.25	\$35,880.00	\$ 13.50	\$ 28,080.00	\$ 17.25	\$ 35,880.00	\$14.50	\$ 30,160.00				
2016 15 years	\$ 51,000.00	\$24.52	\$ 17.50	\$36,400.00	\$ 13.75	\$ 28,600.00	\$ 17.50	\$ 36,400.00	\$14.75	\$ 30,680.00				
2017 16 years														
2018 17 years														
2019 18 years														
2020 19 years														
2021 20 years														

Administrative Temporary/Part Time/On Call Employment (no benefits) \$9.00/hr
 Operations & Maintenance Temporary/Part Time/On Call Employment (no benefits) \$9.00/hr

Benefits

* Merit Bonus: \$1.00/hr bonus for state certification as a Distribution System 1/2 Operator, \$1.00/hr bonus for state certification as a Water Treatment 3/4 Operator.

Group Medical Insurance for employee (Available after 90 days employment) (Paid by district in full) (if family coverage desired employee pays difference)

District will pay first \$1000.00 toward deductible on employee group medical insurance.

Vision & Dental Insurance for employee (Available after 90 days employment) (Paid by district in full) (if family coverage desired employee pays difference)

Employee Group Life Insurance (\$25,000) (Paid by District in full)

Employee Disability Insurance (Available to employee at their expense)

Employee Retirement Plan (Tennessee Consolidated Retirement System) (Employer & 5% Employee Contributions)

Employee uniform allowance (IAW District Policy)

Employee Vacation (IAW District Policy)

Employee Sick or Personal Days (IAW District Policy)

Paid Holidays (IAW District Policy)

Employee reimbursement for professional expenses: State Certification Testing, Books, TAUD seminars, license renewal

Administrative Manager/Assistant, O&M Supervisor/Operator(s)/Apprentice, Temporary: Overtime @ 1 1/2 rate (> 40 hrs/week)

Distribution On call: 1/2 hr per day @ regular pay

Treatment On call: 1 hr per day @ regular pay (laptop computer)

Call in: 2 hours minimum or actual time worked > 2 hours @ overtime pay

(General Manager) Call in: Personal vehicle mileage & comp time

(Commissioners): \$300.00/meeting not to exceed \$3600.00/year, group health and life insurance not to exceed employee benefit/premium level

(Change)

LUD Tap Installation Charges and Policies		
5/8" X 3/4" Residential/Commercial Meter Tap (LUD installation)	\$ 1,900.00	To be paid after written application is on file and the Manager has inspected the site for installation and approval given.
5/8" X 3/4" Residential/Commercial Meter Tap (Contractor installation in new development)	\$ 950.00	Contractor to provide all labor, material, equipment. Installation must be to LUD specifications. Contractor approval by General Manager required. LUD to provide meter, inspection, testing, specifications, administrative documentation. Activation of tap will require payment of 1/2 of the tap fee in effect at the time of activation plus applicable application fee and deposit.
Tap relocation at customer request	\$ 950.00	Fee applies if it is not necessary to retap water main
1/2 tap fee at current rate on day of request for any tap that has been purported to have been paid in full anytime in the past but never installed due to the failure of the customer to have the installation actually completed		Approved by BOC September 12, 2013
Service Charge for crossing per 1 or 2 lane road ("Hole Hogging" for 3/4" or 1" service lines only)	\$ 400.00	
Service Charge for crossing per 1 or 2 lane road (Cutting road)	\$ 500.00	Charge applies if unable to bore due to rock or size of required service line (>1"). Additional cost will be added to first month's bill (\$100) if initial attempt at boring was unsuccessful.
Directional Road Bores for tap installations across State Roads	Cost + 10%	TDOT requires directional bores. Contractor utilization is required by LUD
Extra service line in excess of 20' for same side tap or 40' opposite side of road tap	\$2.00/ foot	
3/4" Residential/Commercial	\$ 2,500.00	
1" Residential/Commercial	\$ 3,000.00	
1 1/2"	\$ 3,500.00	
2"	\$ 4,000.00	Plus material and installation costs
Special Tap Requests: (>2")	Fee + Additional Cost	As approved by LUD Board of Commissioners

All Taps will be installed within the property line/utility easement of the property to be serviced if water is located at the property. Customer is required to provide ready access for LUD to the meter location.

Water Usage Rates			
	Charge		Rate Table
Regular Single Residential Rate (5/8" X 3/4" Meter)			
Monthly Minimum Bill (0-500 gallons)	\$ 26.00	(Base)	W1
.5K - 5K Gallons (per thousand gallons)	\$ 9.45	(X)	
5K - 10K Gallons (per thousand gallons)	\$ 10.40	(1.1X)	
10K - 15K Gallons (per thousand gallons)	\$ 11.81	(1.25X)	
15K - 20K Gallons (per thousand gallons)	\$ 14.18	(1.5X)	
>20K Gallons (per thousand gallons)	\$ 16.54	(1.75X)	
Commercial/Industrial Rate			
Monthly Minimum Bill (0-500 gallons)	\$ 39.00	(1.5*Base)	W2
.5K - 10K Gallons (per thousand gallons)	\$ 9.45	(X)	
10K - 20K Gallons (per thousand gallons)	\$ 10.40	(1.1X)	
>20K Gallons (per thousand gallons)	\$ 11.81	(1.25X)	
Multiple residential on a single meter / 3/4" Residential			
Monthly Minimum Bill (0-500 gallons)	\$ 39.00	(1.5*Base)	W3
.5K - 5K Gallons (per thousand gallons)	\$ 9.45	(X)	
5K - 10K Gallons (per thousand gallons)	\$ 10.40	(1.1X)	
10K - 15K Gallons (per thousand gallons)	\$ 11.81	(1.25X)	
15K - 20K Gallons (per thousand gallons)	\$ 14.18	(1.5X)	
>20K Gallons (per thousand gallons)	\$ 16.54	(1.75X)	
Lakeview Utility District Property			
No Minimum or Charge	\$ -		W4
Fire Department			
Monthly minimum Bill (0-500 gallons)	\$ -		W5
> 500 gallons (per thousand gallons)	\$ 9.45		
Fire Department (1" meter for refilling tankers inside building)			
per thousand gallons	\$ 5.39	rate based on purchase price from Rogersville	W6
Wholesale to Other Utility District Rate			
Monthly Minimum Bill (0 gallons)	\$ 39.00	PRESSMEN'S HOME: Per thousand charge based on 1.1x estimated cost to sell in district	W7
per thousand gallons	\$ 2.75		
Monthly Minimum Bill (0 gallons)	\$ 39.00	ATHOWOMINEE: Per thousand charge based on 1.1x estimated cost to sell in district	W8
per thousand gallons	\$ 3.35		

(Shortage or Emergency) STAGE 2		
Charge		Rate Table
Regular Single Residential Rate (5/8" X 3/4" Meter)		
Monthly Minimum Bill (0-500 gallons)	\$ 26.00	(Base)
500 - 8000 Gallons (per thousand gallons)	\$ 9.45	(X)
> 8000 Gallons (per thousand gallons)	\$ 14.18	(1.5X)
Multiple residential on a single meter / 3/4" Residential		
Monthly Minimum Bill (0-500 gallons)	\$ 39.00	(1.5*Base)
500 - 8000 Gallons (per thousand gallons)	\$ 9.45	(X)
> 8000 Gallons (per thousand gallons)	\$ 14.18	(1.5X)
(Shortage or Emergency) STAGE 3 & 4		
Charge		Rate Table
Regular Single Residential Rate (5/8" X 3/4" Meter)		
Monthly Minimum Bill (0-500 gallons)	\$ 26.00	(Base)
500 - 8000 Gallons (per thousand gallons)	\$ 11.06	(1.17X)
> 8000 Gallons (per thousand gallons)	\$ 17.10	(1.81X)
Multiple residential on a single meter / 3/4" Residential		
Monthly Minimum Bill (0-500 gallons)	\$ 39.00	(1.5*Base)
500 - 8000 Gallons (per thousand gallons)	\$ 11.06	(1.17X)
> 8000 Gallons (per thousand gallons)	\$ 17.10	(1.81X)

Special Charges and Policies			
Preliminary Engineering Assessment for Water system delivery capability for line extension, residential development (>1 residence), or commercial development.	\$	400.00	Non Refundable. Results of Assessment will be mailed to customer requesting and kept on file at LUD
Engineering Design and Documentation		Cost + 10%	Charges to be paid prior to submittal to State for approval
Water charges for bulk sales, filling, flushing, loss due to damage or necessary repairs. (Customer, contractor, developer)		rate table W1	Volume charged based on calculations, measured or estimated flowrate by the Manager and approved by the BOC. \$50.00 prepayment fee required prior to allowing water use.
Customer/Contractor Damage/Theft to LUD Property		Labor, materials, equipment time, water loss	Cost will be assessed by Manager and approved by the BOC. The cost will then either be added to monthly bill or an invoice generated for payment.
Public Records Copy Fee	\$0.25/single sided page		Fee paid in advance plus appropriate administrative labor costs
Customer Copy Fee	\$0.10/single sided page		Fee paid in advance
AutoCad/Mapping/Printing			
Digital Mapping	\$	50.00	per main tax map
Digital Mapping	\$	25.00	per sub tax map
AutoCad operator	\$	25.00	per hour (updates/changes to existing maps)
24" x 36" prints	\$	6.00	per sheet
11" x 17" prints	\$	1.50	per sheet
8 1/2" x 14" prints	\$	1.00	per sheet
8 1/2" x 11" prints	\$	0.75	per sheet
LUD Labor Rates/hour			
Administration	\$	40.00	
Operations and Maintenance	\$	40.00	
Inspection and Supervision	\$	60.00	or flat rate of \$0.25/design foot of waterline to be installed.
Backhoe with operator	\$	80.00	
Dump Truck	\$	40.00	
Work Truck	\$	30.00	
Air Compressor and attachments	\$	50.00	
Contractor Utilization		Cost + 10%	

Miscellaneous Fees, Service Charges and Policies		
Initial Application for water service (ALL)	\$ 80.00	Paid at time of application (non-refundable)
Deposit for water service (Renter/Rent or lease to Own/Owner financing)	\$ 200.00	Paid at time of application (refundable) (residential)
Deposit for water service (All Commercial/Industrial)	\$ 300.00	Paid at time of application (refundable) (commercial/industrial)
Application for water service or change (Landlord) (Transfer)(Seasonal Reconnect)	\$ 40.00	Paid at time of application (non refundable)
24 hour water turn on for checking integrity of waterlines at service address	\$ 40.00	Usage is to be less than 100 gallons. Request will only be honored when the turn on and turn off times are during regular LUD business hours
Forfeited discount fee (Late Charges)	10% of current water charges after the 15th of month	Fee is assessed to all customers who have failed to pay their water bill by the 15th of each month. If the 15th falls on a weekend or LUD holiday, fee will not be assessed until after the next regular LUD working day,
Non-Payment Fee (Reconnect)	\$ 40.00	Fee is assessed to all customers who have failed to pay their water bill by the 20th of each month. If the 20th falls on a weekend or LUD holiday, fee will not be assessed until after the next regular LUD working day. Customers are subject to disconnection of service. If the cutoff date (21st) falls on a Friday, weekend or LUD holiday, water service will not be disconnected, nor fees assessed for non-payment until the next regular LUD working day,
After hours reconnect service call fee	\$ 40.00	(outside of 8:00 AM - 4:00 PM normal working days) (In addition to Non-payment Fee)
After hours other Service Call	\$ 80.00	(outside of 8:00 AM - 4:30 PM normal working days)
Meter reread @ customer request	\$ 20.00	Fee to be added to next month's bill. Fee will not be charged if LUD was in error. (Determined by
Service call @ customer request due to pressure or water quality concerns and cause of problem is determined by the Manager not to be the responsibility of LUD	\$ 40.00	Service Call during normal working hours. Fee to be added to next month's bill
Changing out or Testing of water meter for calibration @ customer request	\$150.00 - Residential \$500.00 - Commercial	Fee to be paid in advance. Fee will be refunded if meter shows to be inaccurate (high) according to approved testing standards. Copy of testing results will be mailed to customer and kept on file @ LUD.
Returned for NSF Check/Bank Draft	\$ 30.00	Bill + fee + any additional applicable charges (Forfeited discount/Non-Payment) must be paid to continue water service
Water Chemistry Testing: Bacteriological	\$ 20.00	Utility District (Presence/Absence Total Coliform/E-Coli, MPN - E-Coli)
Water Chemistry Testing: Bacteriological	\$ 40.00	All others (ie: Non Utility District, Private wells, Realtors, Contractors) (Presence/Absence Total Coliform/E-Coli, MPN - E-Coli)
Water Chemistry Testing: Discharge analyses	\$ 100.00	All (pH, Total Suspended Solids, Settable Solids, Chlorine (low level)
Water Chemistry Testing: Weekly analyses	\$ 30.00	All (pH, alkalinity, hardness, iron, manganese, CO ₂)

Rate Table W1							
					Min Bill \$	Water Sale \$	Total
Volume Range	Minimum Bill	\$/K	# of Customers	Average Usage	\$ 37,466.00	\$ 41,887.41	\$79,353.41
<.5	\$ 26.00		181	0.1	\$ 4,706.00		\$ 4,706.00
.5K - 5K	\$ 26.00	\$ 9.45	1036	3.2	\$26,936.00	\$ 26,444.10	\$53,380.10
5K - 10K	\$ 26.00	\$ 10.40	203	6.7	\$ 5,278.00	\$ 12,224.77	\$17,502.77
10K - 15K	\$ 26.00	\$ 11.82	16	12.0	\$ 416.00	\$ 1,890.76	\$ 2,306.76
15K - 20K	\$ 26.00	\$ 14.18	3	20.0	\$ 78.00	\$ 673.58	\$ 751.58
>20K	\$ 26.00	\$ 16.54	2	26.2	\$ 52.00	\$ 654.20	\$ 706.20
			1441				

Rate Table W3							
					Min Bill \$	Water Sale \$	Total
Volume Range	Minimum Bill	\$/K	# of Customers	Average Usage	\$ 1,326.00	\$ 2,389.25	\$ 3,715.25
<.5	\$ 39.00		6	0.3	\$ 234.00		\$ 234.00
.5K - 5K	\$ 39.00	\$ 9.45	16	3.7	\$ 624.00	\$ 484.03	\$ 1,108.03
5K - 10K	\$ 39.00	\$ 10.40	7	7.9	\$ 273.00	\$ 538.68	\$ 811.68
10K - 15K	\$ 39.00	\$ 11.82	2	13.3	\$ 78.00	\$ 302.52	\$ 380.52
15K - 20K	\$ 39.00	\$ 14.18	1	20.0	\$ 39.00	\$ 276.52	\$ 315.52
>20K	\$ 39.00	\$ 16.54	2	24.3	\$ 78.00	\$ 787.50	\$ 865.50
			34				

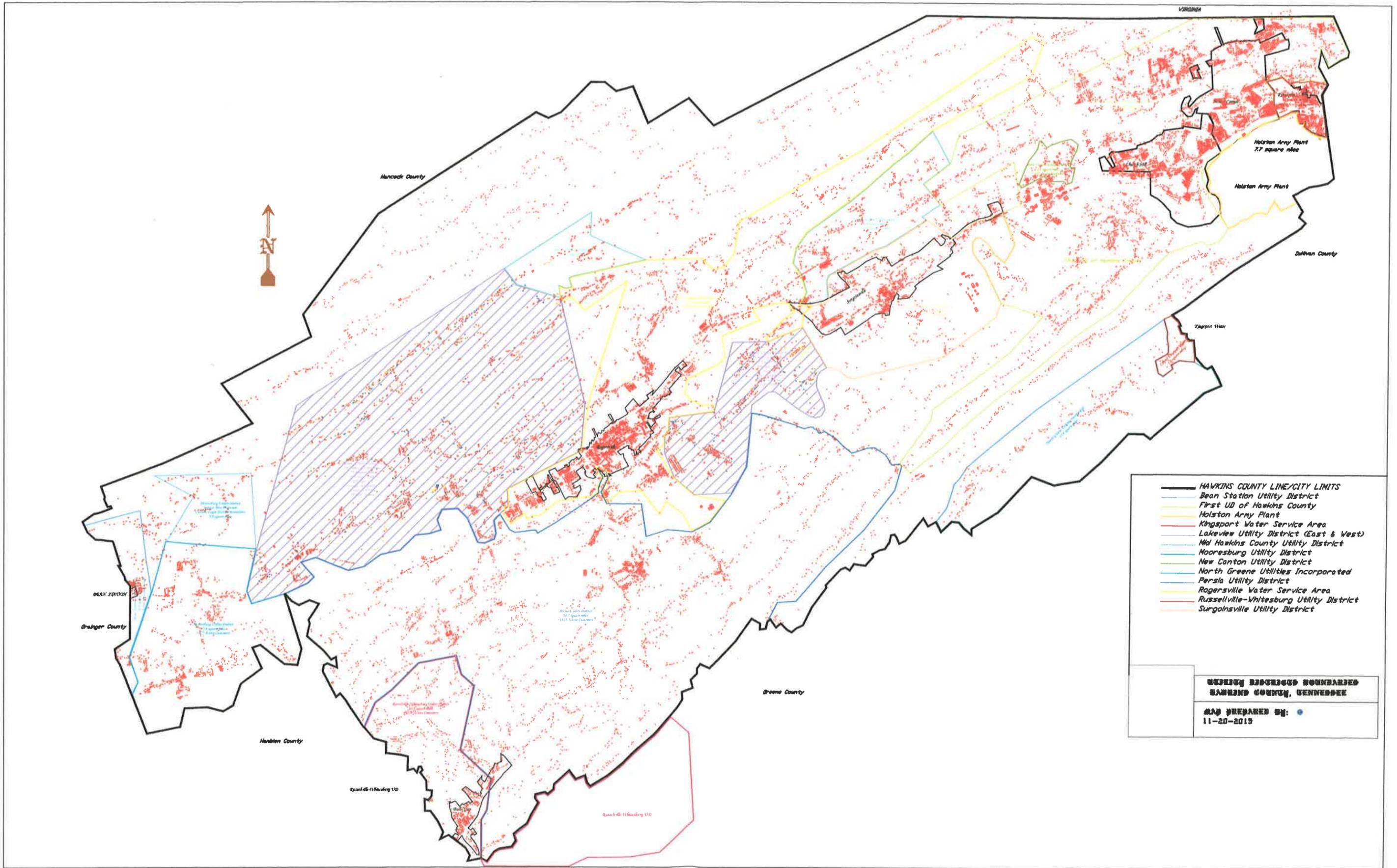
Rate Table W2							
					Min Bill \$	Water Sale \$	Total
Volume Range	Minimum Bill	\$/K	# of Customers	Average Usage	\$ 780.00	\$ 1,099.95	\$ 1,879.95
<.5	\$ 39.00		6	0.3	\$ 234.00		\$ 234.00
.5K - 10K	\$ 39.00	\$ 9.45	9	4.1	\$ 351.00	\$ 306.30	\$ 657.30
10K - 15K	\$ 39.00	\$ 10.40	4	18.0	\$ 156.00	\$ 422.58	\$ 578.58
>15K	\$ 39.00	\$ 11.82	1	35.0	\$ 39.00	\$ 371.06	\$ 410.06
			20				

2015 Financial Status

Operating & Capital Budget Expenses		ProRated YTD	YTD Totals	Monthly Budget	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Average		100.0%
LABOR	Salaries	\$ 273,450.28	\$ 227,875.24			\$ 20,884.81	\$ 20,029.08	\$ 19,919.51	\$ 23,553.20	\$ 22,155.20		\$ 20,838.18	\$ 20,745.75				\$ 22,787.52		
	Payroll Taxes/Retirement	\$ 53,283.75	\$ 44,403.13		\$ 4,199.60		\$ 3,616.51		\$ 4,257.84	\$ 3,792.14	\$ 730.00		\$ 3,748.96				\$ 4,440.31		
	Employee Health & Life Insurance	\$ 44,191.21	\$ 36,826.01		\$ 3,888.43	\$ 3,258.53	\$ 3,591.52	\$ 4,369.53	\$ 3,930.92	\$ 3,967.00	\$ 3,930.92		\$ 968.28	\$ 3,942.40			\$ 3,682.60		43.8%
	Employee Uniforms	\$ 5,451.08	\$ 4,542.55				\$ 467.24		\$ 382.83	\$ 315.30	\$ 317.80	\$ 397.25	\$ 238.35	\$ 308.28			\$ 454.26		
	Employee Travel & Training	\$ 8,752.20	\$ 7,293.50														\$ 729.35		
OPERATIONS	Water Purchased	\$ 5,481.00	\$ 4,575.83		\$ 166.21		\$ 146.72		\$ 159.54				\$ 192.97				\$ 457.58		
	Repair & Maintenance	\$ 44,429.26	\$ 37,024.38		\$ 2,590.66	\$ 3,804.78	\$ 3,094.28	\$ 4,907.94	\$ 2,334.72		\$ 3,329.75	\$ 4,645.65	\$ 3,404.61	\$ 1,587.07			\$ 3,702.44		
	Vehicle Operation & Maintenance	\$ 13,065.24	\$ 10,887.70		\$ 1,053.47	\$ 939.88	\$ 730.80	\$ 775.85	\$ 637.77	\$ 838.30	\$ 2,067.35	\$ 1,564.79	\$ 1,221.91	\$ 1,057.58			\$ 1,088.77		
	Contract Labor	\$ 6,275.95	\$ 5,229.98														\$ 523.00		
	Electricity	\$ 61,853.30	\$ 51,552.75		\$ 4,837.58	\$ 5,311.71		\$ 5,074.78	\$ 4,852.83	\$ 5,072.08	\$ 5,343.94	\$ 5,178.14	\$ 5,342.78	\$ 4,884.79			\$ 5,155.28		17.1%
	Gas Utility	\$ 1,260.54	\$ 1,075.45						\$ 50.91	\$ 23.94	\$ 22.58	\$ 22.53	\$ 22.68	\$ 21.49			\$ 107.55		
	Telephone	\$ 17,930.76	\$ 14,942.30		\$ 1,548.78	\$ 1,532.09	\$ 1,422.78	\$ 1,491.17	\$ 1,489.28	\$ 1,488.93	\$ 539.19	\$ 374.98	\$ 423.23	\$ 525.93			\$ 467.13		
OFFICE	Postage	\$ 5,605.50	\$ 4,671.25		\$ 423.04	\$ 467.28	\$ 426.20	\$ 476.87	\$ 432.22	\$ 582.33	\$ 539.19	\$ 374.98	\$ 423.23	\$ 525.93			\$ 689.37		
	Office Supplies	\$ 8,272.40	\$ 6,893.87		\$ 443.50		\$ 409.05		\$ 287.35	\$ 385.89				\$ 254.02		\$ 5.65			1.6%
	Miscellaneous	\$ 67.85	\$ 58.54							\$ 52.54	\$ 4.00						\$ -		
	Bad Debts	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -		
ADMINISTRATION	Insurance	\$ 18,857.53	\$ 14,133.21		\$ 1,748.12	\$ 2,036.87	\$ 1,728.87		\$ 1,723.87	\$ 1,723.87	\$ 1,723.87	\$ 1,723.87	\$ 1,723.87	\$ 1,723.87			\$ 1,413.32		
	Professional Fees	\$ 12,482.20	\$ 10,401.88														\$ 1,040.19		
	Licenses & Fees	\$ 9,535.78	\$ 7,946.47		\$ 391.94	\$ 612.33	\$ 419.78		\$ 520.73	\$ 382.39		\$ 837.86	\$ 791.46				\$ 794.65		
	State Fees	\$ 2,775.30	\$ 2,275.30							\$ 350.00							\$ 227.53		
	Advertising	\$ 1,551.55	\$ 1,293.29											\$ 25.29	\$ 52.75		\$ 129.33		
CAPITAL	Construction In Progress	\$ 9,429.00	\$ 7,857.50														\$ 785.75		
	Engineering Fees	\$ 1,410.00	\$ 1,175.00														\$ 117.50		
	Loan Principal	\$ 108,281.33	\$ 90,234.44		\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44			\$ 9,023.44		
	Interest Expense	\$ 147,380.08	\$ 122,816.73		\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56			\$ 12,281.67		
	Materials & Capital Purchases	\$ 19,883.64	\$ 16,569.70										\$ 1,048.68	\$ 1,424.40			\$ 1,656.97		
Totals	\$ 679,064.52	\$ 732,553.77		\$ 70,007.25	\$ 71,552.32	\$ 62,679.39	\$ 68,017.34	\$ 67,650.86	\$ 76,753.02	\$ 76,848.29	\$ 70,775.33	\$ 66,702.16	\$ 101,567.81			\$ 1,656.97			32.6%
State Sales Tax Paid	\$ 86,115.60	\$ 71,763.00		\$ 7,087.00	\$ 6,545.00	\$ 7,021.00	\$ 7,584.00	\$ 5,953.00	\$ 6,757.00	\$ 8,400.00	\$ 7,356.00	\$ 7,172.00	\$ 7,878.00			\$ 73,255.38			
Debt service reserve funding	\$ -	\$ -																	
Deposit Refunds	\$ 2,966.75	\$ 2,472.29		\$ 4.75	\$ 302.06	\$ 235.71	\$ 347.27	\$ 357.38	\$ 485.24	\$ 17.36	\$ 337.83	\$ 283.50	\$ 101.19						
Total accountable expenses		\$ 806,789.06		\$ 77,099.00	\$ 78,399.38	\$ 69,936.10	\$ 75,948.61	\$ 73,971.24	\$ 83,995.26	\$ 85,265.65	\$ 78,469.16	\$ 74,157.66	\$ 109,547.00			\$ 80,678.91			
Total Checks Written (YTD)																\$ 78,507.81			
Total accountable expenses - Total checks written				\$ (2,216.76)	\$ (3,370.49)	\$ (676.07)	\$ 359.87	\$ 414.85	\$ 338.97	\$ 424.51	\$ 375.19	\$ 393.79	\$ 25,667.13						
Credit card fees actually drawn from Revenue acct vrs O&M				\$ 370.99	\$ 341.38	\$ 398.83	\$ 382.34	\$ 399.78	\$ 361.44	\$ 379.34	\$ 397.66	\$ 416.26	\$ 400.80						
OPERATING BUDGET REVENUE		ProRated YTD	YTD Totals	Monthly Budget	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Average		
Water Sales	\$ 893,526.17	\$ 744,605.14									\$ 88,058.99	\$ 75,475.31		\$ 81,051.62			\$ 74,460.51		
Water Application Fees	\$ 11,040.00	\$ 9,200.00					\$ 1,520.00				\$ 1,440.00	\$ 1,400.00		\$ 980.00			\$ 820.00		
Service Calls	\$ 2,489.50	\$ 2,074.59					\$ 176.08	\$ 1,430.00	\$ 468.50								\$ 207.46		
Non Payment (Reconnect) Fees	\$ 18,675.26	\$ 15,562.72			\$ 1,613.95	\$ 1,633.04	\$ 1,692.90	\$ 2,153.80	\$ 1,899.55				\$ 1,563.40	\$ 1,661.14			\$ 1,556.27		
Forfeited Discounts (Late Charges)	\$ 11,942.29	\$ 9,951.91			\$ 1,184.45		\$ 939.58			\$ 993.60	\$ 1,073.98	\$ 982.49	\$ 999.18	\$ 1,168.88			\$ 995.19		
Interest	\$ 335.14	\$ 279.28										\$ 221.55					\$ 27.93		
Tap Fees	\$ 31,920.00	\$ 26,800.00		\$ 1,900.00	\$ 1,900.00	\$ 3,600.00	\$ 5,700.00	\$ 2,850.00	\$ 3,800.00				\$ 3,800.00	\$ 1,900.00			\$ 2,600.00		
Totals	\$ 969,928.36	\$ 808,273.63		\$ 1,900.00	\$ 79,169.20	\$ 79,152.21		\$ 95,413.74	\$ 80,291.57	\$ 80,055.84	\$ 86,747.57	\$ -	\$ -	\$ 89,496.14			\$ 80,527.35		
Non Budget Revenues	Sales Tax Collected	\$ 86,204.27	\$ 71,836.89		\$ 7,084.66	\$ 6,830.28	\$ 7,010.49	\$ 7,268.41	\$ 6,758.73	\$ 6,373.54	\$ 8,311.36	\$ 7,297.79	\$ 7,139.98	\$ 7,761.67			\$ 7,183.69		
	Renter Deposits	\$ 9,600.00	\$ 8,000.00		\$ 1,400.00	\$ 800.00	\$ 800.00	\$ 1,400.00	\$ 400.00	\$ 400.00	\$ 1,400.00	\$ 1,000.00	\$ 400.00	\$ 400.00			\$ 800.00		
	NSF Fee	\$ 756.00	\$ 630.00		\$ 90.00	\$ 90.00	\$ 30.00	\$ -	\$ 30.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 120.00	\$ 90.00			\$ 63.00		
	Miscellaneous	\$ 7,485.00	\$ 6,220.83		\$ 280.00	\$ 220.00	\$ 580.00	\$ 445.00	\$ 1,532.43	\$ 890.00	\$ 370.00	\$ 1,230.00	\$ 383.40	\$ 290.00			\$ 622.08		
	Total Revenues received	\$ 899,961.35	\$ 894,961.35		\$ 88,397.41	\$ 82,133.68	\$ 88,056.59	\$ 88,282.61	\$ 87,873.37	\$ 85,394.79	\$ 105,555.10	\$ 89,879.36	\$ 88,099.22	\$ 95,289.24	\$ -	\$ -	\$ 89,496.14		
Total deposits reported	\$ 895,831.96			\$ 86,732.96	\$ 82,440.51	\$ 86,172.92	\$ 88,276.66	\$ 88,019.72	\$ 85,511.10	\$ 105,776.14	\$ 89,797.15	\$ 88,027.02	\$ 95,375.69						
NSF Check Amounts																			
Total Revenues received (YTD)	\$ 894,961.35																		
YTD Cash Flow	\$ 85,172.99																		
Monthly Cash Flow					\$ 9,298.41	\$ 3,734.28	\$ 16,120.49	\$ 12,334.00	\$ 13,902.13	\$ 1,399.53	\$ 20,289.45	\$ 11,410.20	\$ 13,941.56	\$ 114,257.76			\$ 8,817.23		
2015	Bank & CD Balance as of last day of Month				\$ 291,279.83	\$ 296,474.22	\$ 307,999.99	\$ 318,237.62	\$ 332,791.80	\$ 337,642.37	\$ 354,978.76	\$ 369,349.45	\$ 379,504.28	\$ 363,361.22			\$ 335,161.95		
2014	Bank & CD Balance as of last day of Month				\$ 253,963.01	\$ 271,535.92	\$ 267,497.69	\$ 271,868.73	\$ 284,727.95	\$ 289,025.57	\$ 295,328.62	\$ 310,095.23	\$ 302,294.84	\$ 315,032.98	\$ 285,378.98	\$ 282,063.21	\$ 285,734.39		
2013	Bank & CD Balance as of last day of Month				\$ 245,463.27	\$ 240,894.58	\$ 245,048.58	\$ 239,510.63	\$ 240,281.52	\$ 245,250.97	\$ 245,075.28	\$ 245,840.95	\$ 284,573.79	\$ 282,222.75	\$ 282,733.08	\$ 258,656.56	\$ 254,629.33		
2012	Bank & CD Balance as of last day of Month				\$ 238,098.28	\$ 235,497.18	\$ 269,383.47	\$ 261,699.18	\$ 264,650.03	\$ 276,790.00	\$ 256,386.55	\$ 277,148.51	\$ 288,103.96	\$ 280,040.81	\$ 269,516.41	\$ 228,400.50	\$ 261,976.24		
2011	Bank & CD Balance as of last day of Month				\$ 333,007.76	\$ 291,158.05	\$ 298,277.19	\$ 290,668.19	\$ 302,906.70	\$ 263,088.39	\$ 269,780.07	\$ 267,878.80	\$ 277,428.36	\$ 287,334.34	\$ 252,228.16	\$ 220,679.74	\$ 279,534.65		
2010	Bank & CD Balance as of last day of Month				\$ 342,049.34	\$ 343,884.70	\$ 350,564.14	\$ 345,160.29	\$ 339,133.01	\$ 342,518.88	\$ 352,322.96	\$ 360,465.66	\$ 384,821.31	\$ 356,060.18	\$ 388,438.70	\$ 356,697.03	\$ 355,176.35		
2009	Bank & CD Balance as of last day of Month				\$ 261,982.64	\$ 241,599.07	\$ 237,727.12	\$ 239,348.97	\$ 234,401.28	\$ 224,413.05	\$ 242,312.42	\$ 243,049.38	\$ 232,						

Lakeview Utility District Rate History

Date	Purchase Price of Water From Rogersville	% Increase in Purchased Water from TOR	System Comments	% Change in Average Bill	Date	Average bill (4000 gallons)	Minimum (500 gallons)	Minimum (1000 gallons)	Minimum (1500 gallons)	Minimum (2000 gallons)	Next 2000 gallons (per 1000)	Next 4500 gallons (per 1000) (.5K-5K)	Next 4000 gallons (per 1000) (1K-5K)	Next 5000 gallons (per 1000)	Next 5000 gallons (per 1000) (5K-10K)	Next 5000 gallons (per 1000) (10K-15K)	> 15K	>20K	Next 11000 gallons (per 1000)	Next 15000 gallons (per 1000)	All over 35000 gallons (per 1000)	Per 1000 gallons over minimum	Cash Flow (end of Year)	
3/15/1973	\$ 0.45		Initial Construction		5/18/73	\$ 10.00				\$ 6.00	\$ 2.00			\$ 1.50					\$ 1.00	\$ 0.80	\$ 0.70			
3/1/1974	\$ 0.54	20.0%			20.0%	4/16/74	\$ 12.00				\$ 7.20	\$ 2.40			\$ 1.80					\$ 1.20	\$ 0.98	\$ 0.84		
2/10/1977	\$ 0.81	50.0%	11W & Old Stage extensions	10.8%	3/1/77	\$ 13.30				\$ 8.50	\$ 2.40			\$ 1.80					\$ 1.20	\$ 0.96	\$ 0.84			
4/10/1980	\$ 0.94	16.0%	HWY 11W relocation	-3.8%	4/1/80	\$ 12.80				\$ 9.00														
				0.8%	12/31/81	\$ 12.90				\$ 9.00													\$ 1.90	
				0.0%	12/31/82	\$ 12.90				\$ 9.00													\$ 1.95	
7/1/1983	\$ 0.96	2.1%		5.5%	7/18/83	\$ 13.50				\$ 9.00													\$ 2.25	
				7.4%	8/8/83	\$ 14.50				\$ 10.00													\$ 2.25	
				0.0%	12/31/83	\$ 14.50				\$ 10.00													\$ 2.25	
3/1/1984	\$ 1.06	10.4%		0.0%	3/1/84	\$ 14.50				\$ 10.00													\$ 2.25	
				6.2%	1/1/85	\$ 15.40				\$ 10.00													\$ 2.70	
2/19/1985	\$ 1.10	3.8%		9.4%	2/16/85	\$ 16.85			\$ 10.00														\$ 2.74	
8/1/1988	\$ 1.80	63.6%		10.4%	8/1/88	\$ 18.60			\$ 10.00														\$ 3.44	
				4.5%	8/28/96	\$ 19.44			\$ 10.84														\$ 3.44	
				2.9%	1/1/97	\$ 20.00			\$ 11.00														\$ 3.60	
7/1/1998	\$ 2.30	27.8%	UMRB (1997-2000) Camelot & SMT project ~ \$1.4M (2000-2001)	11.3%	8/1/98	\$ 22.25			\$ 12.00														\$ 4.10	
					14.6%	8/15/99	\$ 25.50			\$ 13.00														\$ 5.00
10/1/2000	\$ 2.88	25.2%			18.1%	10/1/00	\$ 30.13			\$ 14.50														\$ 6.25
					0.0%	1/1/02	\$ 30.13			\$ 14.50														\$ 6.25
				20.3%	7/11/02	\$ 36.25		\$ 14.50															\$ 7.25	
			Poor Valley Projects (~\$1.6M) (2002 - 2003)	2.8%	1/1/03	\$ 37.25		\$ 14.75															\$ 7.50	
					0.0%	1/1/04	\$ 37.25		\$ 14.75															\$ 7.50
					2.4%	1/1/05	\$ 38.15		\$ 15.50															\$ 7.55
7/1/2002	\$ 3.89	35.1%	Pressmen's Home Filtration Plant (~\$2.2M) (2004-2005)	8.5%	1/1/06	\$ 41.40		\$ 18.00															\$ 7.80	
					7.5%	1/1/07	\$ 44.50		\$ 19.00															\$ 8.50
					6.2%	1/1/08	\$ 47.25		\$ 21.00															\$ 8.75
			UMRB (2009-2012) Drought (2008-2011) (Athowominee WTP/Waterline extensions/KHT 2011 ~ \$3.8M)	0.0%	1/1/09	\$ 47.25		\$ 21.00				\$ 8.75		\$ 9.63	\$ 10.94	\$ 13.13	\$ 15.31							\$ 188,803.59
					0.0%	1/1/10	\$ 47.25		\$ 21.00				\$ 8.75		\$ 9.63	\$ 10.94	\$ 13.13	\$ 15.31						\$ 40,570.63
					4.8%	1/1/11	\$ 49.50		\$ 22.50				\$ 9.00		\$ 9.90	\$ 11.25	\$ 13.50	\$ 15.75						\$ (136,139.46)
					2.8%	1/1/12	\$ 50.90		\$ 23.00				\$ 9.30		\$ 10.23	\$ 11.63	\$ 13.95	\$ 16.28						\$ 9,977.53
8/1/2011	\$ 4.75	22.1%		2.6%	1/1/13	\$ 52.20		\$ 24.00				\$ 9.40		\$ 10.34	\$ 11.75	\$ 14.10	\$ 16.45						\$ 17,031.73	
				10.9%	1/1/14	\$ 57.90	\$ 25.00					\$ 9.40		\$ 10.34	\$ 11.75	\$ 14.10	\$ 16.45						\$ 16,357.32	
8/8/2014	\$ 5.13	8.0%		0.9%	1/1/15	\$ 58.40	\$ 25.50					\$ 9.40		\$ 10.34	\$ 11.75	\$ 14.10	\$ 16.45						\$ 86,591.70	
8/1/2015	\$ 5.39	5.1%		1.2%	1/1/16	\$ 59.08	\$ 26.00					\$ 9.45		\$ 10.40	\$ 11.81	\$ 14.18	\$ 16.54						\$ 86,591.70	
																						Total Cash Flow		\$ 220,025.90
1198%				591%																				
				% increase																				



- HAWKINS COUNTY LINE/CITY LIMITS
- Bean Station Utility District
- First UD of Hawkins County
- Holston Army Plant
- Kingsport Water Service Area
- Lakeview Utility District (East & West)
- Mid Hawkins County Utility District
- Mooresburg Utility District
- New Canton Utility District
- North Greene Utilities Incorporated
- Persh Utility District
- Rogersville Water Service Area
- Russellville-Whitesburg Utility District
- Suggs Hill Utility District

UNIVERSITY OF TENNESSEE
 HAWKINS COUNTY, TENNESSEE
 MAP PREPARED BY: [Symbol]
 11-20-2015

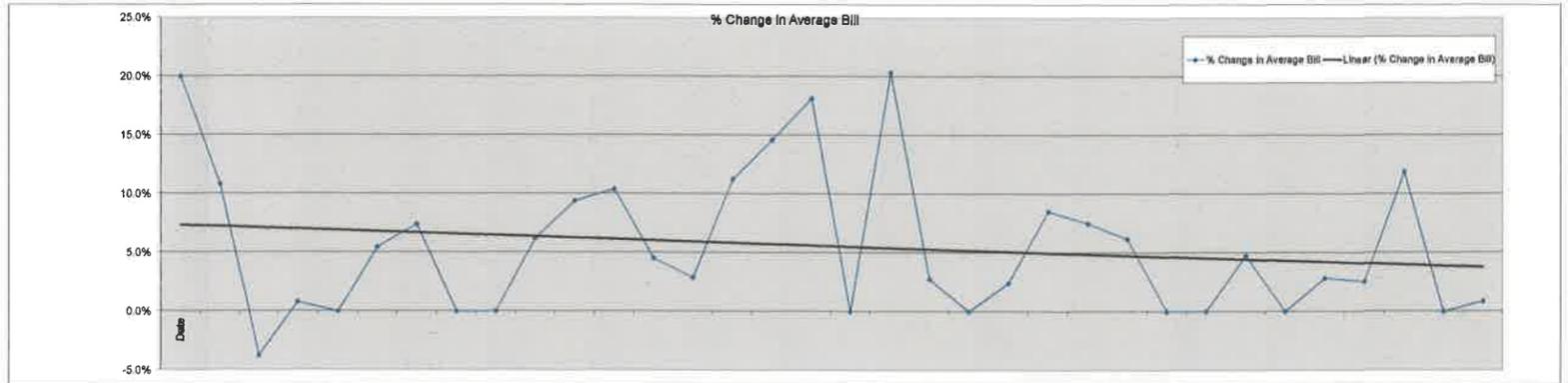
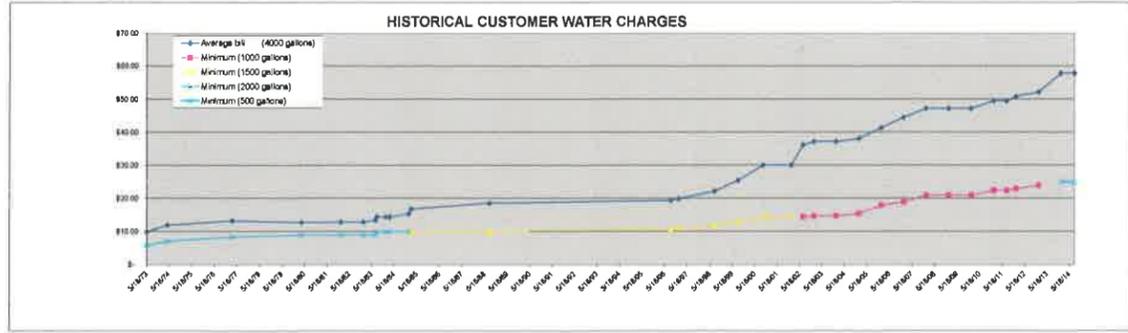
2015 Financial Status

Operating & Capital Budget Expenses		ProRated YTD	YTD Totals	Monthly Budget	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Average	100.0%	100.0%
LABOR	Salaries	\$ 229,050.00	\$ 271,202.90	\$ 180,801.94	\$ 24,916.67	\$ 27,499.05	\$ 20,884.81	\$ 20,029.08	\$ 19,919.51	\$ 23,553.20	\$ 22,155.20	\$ 25,922.91	\$ 20,838.18				\$ 22,600.24		
	Payroll Taxes/Retirement	\$ 56,030.00	\$ 53,754.29	\$ 35,836.20	\$ 4,686.67	\$ 4,199.60	\$ 4,872.14	\$ 3,616.51	\$ 6,907.11	\$ 4,257.84	\$ 3,792.14	\$ 7,300.00	\$ 7,460.86				\$ 4,479.52		
	Employee Health & Life Insurance	\$ 25,000.00	\$ 47,873.00	\$ 31,915.33	\$ 4,983.33	\$ 3,888.43	\$ 3,258.53	\$ 3,591.52	\$ 4,369.53	\$ 3,930.92	\$ 3,967.00	\$ 3,930.92	\$ 4,978.48				\$ 3,989.42	44.7%	46.0%
	Employee Uniforms	\$ 6,000.00	\$ 5,261.69	\$ 3,507.79	\$ 500.00	\$ 785.85	\$ 603.17	\$ 467.24	\$ 382.83	\$ 315.30	\$ 317.80	\$ 397.25	\$ 238.35				\$ 438.47		
	Employee Travel & Training	\$ 5,000.00	\$ 10,940.25	\$ 7,293.50	\$ 416.67	\$ 1,470.00	\$ 1,032.73	\$ 832.00	\$ 1,501.90	\$ 1,303.68	\$ -	\$ 733.95	\$ 419.64				\$ 911.69		
OPERATIONS	Water Purchased	\$ 4,000.00	\$ 4,838.43	\$ 3,225.62	\$ 333.33	\$ 166.21	\$ 994.70	\$ 146.72	\$ 800.28	\$ 159.54	\$ 556.09	\$ 223.67	\$ 178.41				\$ 403.20		
	Repair & Maintenance	\$ 70,000.00	\$ 48,049.05	\$ 32,032.70	\$ 5,833.33	\$ 2,590.66	\$ 3,804.78	\$ 3,094.28	\$ 4,907.94	\$ 2,334.72	\$ 7,324.92	\$ 3,329.75	\$ 4,645.65				\$ 4,004.09		
	Vehicle Operation & Maintenance	\$ 27,000.00	\$ 12,912.32	\$ 8,608.21	\$ 2,250.00	\$ 1,053.47	\$ 939.88	\$ 730.80	\$ 775.85	\$ 637.77	\$ 838.30	\$ 2,067.35	\$ 1,564.79				\$ 1,076.03		
	Contract Labor	\$ 4,000.00	\$ -	\$ -	\$ 333.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -		
	Electricity	\$ 60,000.00	\$ 62,017.77	\$ 41,345.18	\$ 5,416.67	\$ 4,837.56	\$ 5,311.71	\$ 5,674.16	\$ 5,074.76	\$ 4,852.83	\$ 5,072.08	\$ 5,343.94	\$ 5,178.14				\$ 5,168.15	20.5%	17.5%
	Gas Utility	\$ 2,000.00	\$ 1,546.92	\$ 1,031.28	\$ 166.67	\$ 178.06	\$ 283.88	\$ 257.40	\$ 191.98	\$ 50.91	\$ 23.94	\$ 22.58	\$ 22.53				\$ 128.91		
	Telephone	\$ 21,000.00	\$ 18,763.50	\$ 12,509.00	\$ 1,750.00	\$ 1,548.76	\$ 1,532.09	\$ 1,422.78	\$ 1,491.17	\$ 1,489.28	\$ 1,488.93	\$ 1,921.11	\$ 1,614.88				\$ 1,563.63		
OFFICE	Postage	\$ 7,000.00	\$ 5,583.14	\$ 3,722.09	\$ 583.33	\$ 423.04	\$ 467.26	\$ 426.20	\$ 476.87	\$ 432.22	\$ 582.33	\$ 539.19	\$ 374.98				\$ 465.26		
	Office Supplies	\$ 6,000.00	\$ 8,395.05	\$ 5,596.70	\$ 900.00	\$ 443.50	\$ 1,540.45	\$ 409.05	\$ 636.72	\$ 287.35	\$ 365.89	\$ 1,321.67	\$ 592.03				\$ 699.59	1.7%	1.7%
	Miscellaneous	\$ 1,000.00	\$ 84.81	\$ 56.54	\$ 63.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52.54	\$ 4.00	\$ -				\$ 7.07		
	Bad Debts	\$ 2,000.00	\$ -	\$ -	\$ 166.67	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -		
ADMINISTRATION	Insurance	\$ 31,000.00	\$ 18,614.01	\$ 12,409.34	\$ 2,583.33	\$ 1,748.12	\$ 2,036.87	\$ 1,728.87	\$ -	\$ 1,723.87	\$ 1,723.87	\$ 1,723.87	\$ 1,723.87				\$ 1,551.17		
	Professional Fees	\$ 10,000.00	\$ 15,602.82	\$ 10,401.88	\$ 750.00	\$ -	\$ 2,851.88	\$ 1,050.00	\$ -	\$ -	\$ 8,500.00	\$ -	\$ -				\$ 1,300.24		
	Licenses & Fees	\$ 12,000.00	\$ 9,073.52	\$ 6,049.01	\$ 1,000.00	\$ 391.94	\$ 612.33	\$ 419.78	\$ 1,208.29	\$ 520.73	\$ 382.39	\$ 1,585.65	\$ 837.86				\$ 756.13	6.1%	5.7%
	State Fees	\$ 2,000.00	\$ 3,412.95	\$ 2,275.30	\$ 250.00	\$ -	\$ -	\$ -	\$ -	\$ 350.00	\$ -	\$ 1,925.30	\$ -				\$ 284.41		
	Advertising	\$ 2,000.00	\$ 1,822.88	\$ 1,215.25	\$ 166.67	\$ -	\$ 309.50	\$ -	\$ -	\$ -	\$ 215.75	\$ 690.00	\$ -				\$ 151.91		
CAPITAL	Construction In Progress	\$ 4,000.00	\$ 1,391.25	\$ 927.50	\$ 333.33	\$ -	\$ -	\$ -	\$ 500.00	\$ 427.50	\$ -	\$ -	\$ -				\$ 115.94		
	Engineering Fees	\$ -	\$ 1,762.50	\$ 1,175.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500.00	\$ 275.00				\$ 146.88		
	Loan Principal	\$ 82,000.00	\$ 78,629.28	\$ 52,419.52	\$ 6,833.33	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44	\$ 6,552.44				\$ 6,552.44	77.0%	29.1%
	Interest Expense	\$ 149,000.00	\$ 146,766.72	\$ 97,844.48	\$ 12,416.67	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56	\$ 12,230.56				\$ 12,230.56		
	Materials & Capital Purchases	\$ 19,000.00	\$ 18,126.68	\$ 12,084.45	\$ 1,583.33	\$ -	\$ 1,432.57	\$ -	\$ -	\$ 2,240.20	\$ 2,610.66	\$ 4,752.14	\$ 1,048.68				\$ 1,510.56		
Totals	\$ 341,000.00	\$ 846,425.70	\$ 564,283.80	\$ 78,416.67	\$ 70,007.25	\$ 71,552.32	\$ 62,679.39	\$ 68,017.34	\$ 67,650.86	\$ 76,753.02	\$ 76,848.29	\$ 70,775.33				\$ 70,535.48			
State Sales Tax Paid	\$ 85,069.00	\$ 85,069.50	\$ 56,713.00	\$ -	\$ 7,087.00	\$ 6,545.00	\$ 7,021.00	\$ 7,584.00	\$ 5,963.00	\$ 6,757.00	\$ 8,400.00	\$ 7,356.00				\$ 7,089.13			
Debt service reserve funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -			
Deposit Refunds	\$ 3,131.40	\$ 3,131.40	\$ 2,087.60	\$ -	\$ 4.75	\$ 302.06	\$ 235.71	\$ 347.27	\$ 357.38	\$ 485.24	\$ 17.36	\$ 337.83				\$ 337.83			
Total accountable expenses	\$ -	\$ 623,084.40	\$ -	\$ -	\$ 77,099.00	\$ 78,399.38	\$ 69,936.10	\$ 75,948.61	\$ 73,971.24	\$ 83,995.26	\$ 85,265.65	\$ 78,469.16				\$ 77,885.55			
Total Checks Written (YTD)	\$ -	\$ 627,331.33	\$ -	\$ -	\$ 76,315.76	\$ 81,789.07	\$ 70,012.17	\$ 75,589.74	\$ 73,556.39	\$ 83,691.29	\$ 84,941.14	\$ 78,093.87				\$ 78,429.29			
Total accountable expenses - Total checks written	\$ -	\$ 5,488.60	\$ -	\$ -	\$ (5,488.60)	\$ (2,216.76)	\$ (3,370.49)	\$ (676.07)	\$ 359.87	\$ 414.85	\$ 338.97	\$ 424.51	\$ 375.19				\$ -		
Credit card fees actually drawn from Revenue acct vrs O&M	\$ 1,893.32	\$ 370.99	\$ 341.38	\$ -	\$ 370.99	\$ 341.38	\$ 398.83	\$ 382.34	\$ 399.78	\$ 361.44	\$ 379.34	\$ 307.65				\$ -			
OPERATING BUDGET REVENUE																			
		ProRated YTD	YTD Totals	Monthly Budget	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Average		
Water Sales	\$ 859,530.00	\$ 885,882.45	\$ 590,588.30	\$ 73,333.33	\$ 72,962.59	\$ 71,030.28	\$ 72,679.28	\$ 71,034.69	\$ 69,374.16	\$ 70,973.00	\$ 88,058.99	\$ 75,475.31				\$ 73,823.54			
Water Application Fees	\$ 10,000.00	\$ 11,280.00	\$ 7,520.00	\$ 833.33	\$ 720.00	\$ 590.00	\$ 760.00	\$ 1,520.00	\$ 640.00	\$ 480.00	\$ 1,440.00	\$ 1,400.00				\$ 940.00			
Service Calls	\$ 2,000.00	\$ 3,111.87	\$ 2,074.58	\$ 166.67	\$ -	\$ -	\$ -	\$ 176.08	\$ 1,430.00	\$ 468.50	\$ -	\$ -				\$ 259.32			
Non Payment (Reconnect) Fees	\$ 18,500.00	\$ 18,507.27	\$ 12,338.18	\$ 1,375.00	\$ 1,049.27	\$ 1,613.95	\$ 1,633.04	\$ 1,692.90	\$ 2,153.80	\$ 1,899.55	\$ 1,033.45	\$ 1,262.22				\$ 1,542.27			
Forfeited Discounts (Late Charges)	\$ 11,000.00	\$ 11,678.78	\$ 7,785.85	\$ 916.67	\$ 906.01	\$ 1,184.45	\$ 836.14	\$ 939.58	\$ 847.60	\$ 993.60	\$ 1,073.98	\$ 982.49				\$ 973.23			
Interest	\$ 500.00	\$ 394.97	\$ 263.31	\$ 41.67	\$ 4.88	\$ 4.72	\$ 5.64	\$ 5.95	\$ 6.65	\$ 6.60	\$ 7.32	\$ 221.55				\$ 32.91			
Tap Fees	\$ 21,000.00	\$ 31,350.00	\$ 20,900.00	\$ 1,750.00	\$ 1,900.00	\$ 1,900.00	\$ 1,900.00	\$ 3,800.00	\$ 5,700.00	\$ 2,850.00	\$ 3,800.00	\$ 550.00				\$ 2,612.50			
Totals	\$ 911,030.00	\$ 962,205.33	\$ 641,470.22	\$ 78,416.67	\$ 77,542.75	\$ 74,393.40	\$ 77,836.10	\$ 79,169.20	\$ 79,152.21	\$ 77,671.29	\$ 95,413.74	\$ 80,291.57	\$ -	\$ -	\$ -	\$ -	\$ 80,183.78		
Non Budget Revenues	Sales Tax Collected	\$ 85,402.86	\$ 85,402.86	\$ 56,935.24	\$ -	\$ 7,084.66	\$ 6,830.26	\$ 7,010.49	\$ 7,268.41	\$ 6,758.73	\$ 6,373.54	\$ 8,311.36	\$ 7,297.79				\$ 7,116.91		
	Renter Deposits	\$ -	\$ 10,800.00	\$ 7,200.00	\$ -	\$ 1,400.00	\$ 600.00	\$ 600.00	\$ 1,400.00	\$ 400.00	\$ 400.00	\$ 1,400.00	\$ 1,000.00				\$ 900.00		
	NSF Fee	\$ -	\$ 630.00	\$ 420.00	\$ -	\$ 90.00	\$ 90.00	\$ 30.00	\$ -	\$ 30.00	\$ 60.00	\$ 60.00	\$ 60.00				\$ 52.50		
	Miscellaneous	\$ -	\$ 8,321.15	\$ 5,547.43	\$ -	\$ 280.00	\$ 220.00	\$ 580.00	\$ 445.00	\$ 1,532.43	\$ 890.00	\$ 370.00	\$ 1,230.00				\$ 693.43		
Total Revenues received	\$ -	\$ 711,572.89	\$ 711,572.89	\$ -	\$ 88,397.41	\$ 82,133.66	\$ 86,056.59	\$ 88,282.61	\$ 87,873.37	\$ 85,394.79	\$ 105,555.10	\$ 89,879.36	\$ -	\$ -	\$ -	\$ -	\$ 88,946.61		
Total deposits recorded	\$ -	\$ 712,429.28	\$ 712,429.28	\$ -	\$ 86,732.96	\$ 82,140.51	\$ 86,172.95	\$ 88,276.66	\$ 88,019.72	\$ 85,511.19	\$ 105,778.14	\$ 89,797.15	\$ -	\$ -	\$ -	\$ -	\$ -		
NSF Check Amounts	\$ -	\$ (1,275.37)	\$ (1,275.37)	\$ -	\$ (335.55)	\$ (186.85)	\$ (122.36)	\$ -	\$ (71.35)	\$ (123.00)	\$ (123.36)	\$ (118.26)	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Revenues received (YTD)	\$ -	\$ 711,572.89	\$ 711,572.89	\$ -	\$ 88,397.41	\$ 82,133.66	\$ 86,056.59	\$ 88,282.61	\$ 87,873.37	\$ 85,394.79	\$ 105,555.10	\$ 89,879.36	\$ -	\$ -	\$ -	\$ -	\$ 88,946.61		
YTD Cash Flow	\$ 88,488.49	\$ 87,213.12	\$ 88,488.49	\$ -	\$ 9,298.41	\$ 3,734.28	\$ 16,120.49	\$ 12,334.00	\$ 13,902.13	\$ 1,399.53	\$ 20,289.45	\$ 11,410.20	\$ -	\$ -	\$ -	\$ -	\$ 11,061.06		
2015 Bank & CD Balance as of last day of Month	\$ 291,279.83	\$ 291,279.83	\$ 291,279.83	\$ 291,279.83	\$ 291,279.83	\$ 296,474.22	\$ 307,999.99	\$ 318,237.62	\$ 332,791.80	\$ 337,642.37	\$ 354,978.76	\$ 369,349.45	\$ -	\$ -	\$ -	\$ -	\$ 326,094.26		
est mtr reads	2014	Bank & CD Balance as of last day of Month	\$ 253,963.01	\$ 271,535.92	\$ 267,497.69	\$ 271,868.73	\$ 284,727.95	\$ 289,025.57	\$ 295,328.62	\$ 310,095.23	\$ 302,294.84	\$ 315,032.98	\$ 285,378.98	\$ 282,063.21	\$ 285,734.39		\$ 285,734.39		
5 week pay	2013	Bank & CD Balance as of last day of Month	\$ 245,463.27	\$ 240,894.58	\$ 245,048.58	\$ 239,510.63	\$ 240,281.52												

Date	Purchase Price of Water From Rogersville	% Increase in Purchased Water from TOR	System Comments	% Change in Average Bill	Date	Average bill (4000 gallons)	Minimum (500 gallons)	Minimum (1000 gallons)	Minimum (1500 gallons)	Minimum (2000 gallons)	Next 2000 gallons (per 1000)	Next 4000 gallons (per 1000) (1K-5K)	Next 4500 gallons (per 1000) (5K-5K)	Next 5000 gallons (per 1000) (5K-10K)	Next 5000 gallons (per 1000) (10K-15K)	> 16K	Next 11000 gallons (per 1000)	Next 15000 gallons (per 1000)	All over 35000 gallons (per 1000)	Per 1000 gallons over minimum
3/15/1973	\$ 0.48		Initial Connection	20.0%	5/1/73	\$ 10.00					\$ 6.00	\$ 2.00		\$ 1.50			\$ 1.00	\$ 0.80	\$ 0.70	
3/1/1974	\$ 0.84	20.0%		20.0%	4/1/74	\$ 12.00					\$ 7.20	\$ 2.40		\$ 1.80			\$ 1.20	\$ 0.96	\$ 0.84	
2/10/1977	\$ 0.81	50.0%	110V & Old Stage extensions	10.8%	3/1/77	\$ 13.30					\$ 8.50	\$ 2.40		\$ 1.80			\$ 1.20	\$ 0.96	\$ 0.84	
4/10/1980	\$ 0.84	18.0%	110V & Old Stage extensions	3.8%	4/1/80	\$ 12.60					\$ 9.00									\$ 1.90
7/1/1983	\$ 0.96	2.1%		9.5%	7/1/83	\$ 13.50					\$ 9.00									\$ 2.25
3/1/1984	\$ 1.06	10.4%		7.4%	6/8/83	\$ 14.50					\$ 10.50									\$ 2.25
3/1/1985	\$ 1.13	3.8%		6.2%	12/31/83	\$ 14.50					\$ 10.50									\$ 2.25
5/1/1985	\$ 1.34	63.6%		14.5%	3/1/84	\$ 14.50					\$ 10.50									\$ 2.25
5/1/1988	\$ 1.30	27.8%	UMRB	0.3%	1/1/85	\$ 16.40					\$ 10.00									\$ 2.74
10/1/1990	\$ 1.84	25.2%	UMRB	32.3%	2/1/88	\$ 18.85	\$ 10.00				\$ 10.00									\$ 3.44
6/1/2001	\$ 2.38	29.3%	UMRB	28.7%	8/1/88	\$ 18.80	\$ 10.00				\$ 10.00									\$ 3.44
8/8/2014	\$ 3.13	31.9%	UMRB	40.0%	6/25/98	\$ 19.44	\$ 10.84				\$ 10.84									\$ 3.44
			UMRB	3.3%	1/1/97	\$ 20.00	\$ 11.00				\$ 11.00									\$ 3.44
			UMRB	2.8%	5/1/98	\$ 22.25	\$ 12.00				\$ 12.00									\$ 4.10
			UMRB	10.1%	8/15/98	\$ 25.50	\$ 13.00				\$ 13.00									\$ 5.00
			UMRB	12.1%	10/1/98	\$ 30.13	\$ 14.50				\$ 14.50									\$ 6.25
			UMRB	17.7%	1/1/02	\$ 36.25	\$ 14.50				\$ 14.50									\$ 6.25
			UMRB	17.7%	7/1/02	\$ 36.25	\$ 14.50				\$ 14.50									\$ 6.25
			UMRB	17.7%	1/1/03	\$ 37.25	\$ 14.75				\$ 14.75									\$ 6.25
			UMRB	2.7%	1/1/04	\$ 37.25	\$ 14.75				\$ 14.75									\$ 6.25
			UMRB	2.7%	1/1/05	\$ 38.15	\$ 15.50				\$ 15.50									\$ 6.25
			UMRB	2.3%	1/1/06	\$ 41.40	\$ 18.00				\$ 18.00									\$ 7.50
			UMRB	7.8%	1/1/07	\$ 44.50	\$ 19.00				\$ 19.00									\$ 8.50
			UMRB	7.2%	1/1/08	\$ 47.25	\$ 21.00				\$ 21.00									\$ 8.75
			UMRB	5.8%	1/1/09	\$ 47.25	\$ 21.00				\$ 21.00									\$ 8.75
			UMRB	0.0%	1/1/10	\$ 47.25	\$ 21.00				\$ 21.00									\$ 8.75
			UMRB	4.5%	1/1/11	\$ 49.50	\$ 22.50				\$ 22.50									\$ 9.00
			UMRB	4.6%	8/1/11	\$ 49.50	\$ 22.50				\$ 22.50									\$ 9.00
			UMRB	4.6%	1/1/12	\$ 50.50	\$ 23.00				\$ 23.00									\$ 9.40
			UMRB	11.8%	12/14	\$ 57.50	\$ 25.00				\$ 25.00									\$ 9.40
			UMRB	12.6%	8/8/14	\$ 57.50	\$ 25.00				\$ 25.00									\$ 9.40
			UMRB	0.0%	1/1/15	\$ 59.40	\$ 25.50				\$ 25.50									\$ 9.40
			UMRB	3.1%	1/1/15	\$ 59.40	\$ 25.50				\$ 25.50									\$ 9.40
			UMRB	11.6%																\$ 9.40

DATE	City/Location	Min Gallons	Min Charge	Next 1000	Next 10000	Over 10000	Next 10000	Next 20000	Over 20000	1.8 - 8K	8K - 8K	1 - 8 K	8 - 19 K	10-15K	16-20K	18 - 20 K	> 20 K	# of customers	Utility Plant & Equipment	Long term Debt	Annual Debt Payments	Monthly Debt Load/Customer
7/1/2015	Kingsport inside city limits	2000	\$ 7.64	\$ 2.11	\$ 2.40	\$ 1.72												2180				
8/1/2014	Kingsport outside city limits	2000	\$ 23.94	\$ 7.07	\$ 6.39	\$ 6.83			\$ 4.85			\$ 5.79	\$ 5.03			\$ 4.54	\$ 3.78	13249				
8/1/2014	Rogersville inside city limits	1000	\$ 12.45															2000				
8/1/2014	Rogersville outside city limits	1000	\$ 20.78									\$ 9.49	\$ 8.19			\$ 7.30	\$ 5.99	2151	\$ 12,000,000.00	\$ 4,750,000.00	\$ 348,000.00	\$ 6.95
5/1/2014	New Canton	2000	\$ 17.64									\$ 8.92						207				
5/1/2014	Mid Hawkins	1000	\$ 16.88									\$ 9.15						285	\$ 512,161.00	\$ 308,210.00	\$ 26,200.00	\$ 8.24
5/1/2014	Burginville	1000	\$ 15.00									\$ 8.25						926	\$ 1,882,831.00	\$ 978,036.00	\$ 52,200.00	\$ 4.98
5/1/2014	Waverlyville	1000	\$ 24.25									\$ 8.58						475	\$ 2,198,151.00	\$ 1,041,011.00	\$ 85,000.00	\$ 14.91
5/1/2014	Peoria	1200	\$ 20.85									\$ 8.75						1825	\$ 5,238,793.00	\$ 1,822,167.00	\$ 117,640.00	\$ 5.37
1/1/2015	Bean Station	1200	\$ 23.83									\$ 9.22						2985	\$ 7,456,740.00	\$ 3,773,535.00	\$ 170,788.00	\$ 4.80
1/1/2015	FUDHC	2000	\$ 23.85									\$ 9.70						7784	\$ 17,714,098.00	\$ 12,520,788.00	\$ 756,612.00	\$ 8.08
1/1/2015	Lakeview (new)	500	\$ 28.00									\$ 9.40	\$ 10.34	\$ 11.78	\$ 14.10			1480	\$ 6,108,795.00	\$ 4,384,587.27	\$ 295,398.00	\$ 14.28
1/1/2015	Lakeview (old)	500	\$ 25.50									\$ 9.40	\$ 10.34	\$ 11.78	\$ 14.10							

Average Bill (8K gallons) w/o tax	W/ sewer		
Kingsport inside city limits	\$ 10.97	\$ 27.28	\$ 38.48
Kingsport outside city limits	\$ 44.85	\$ 60.20	\$ 85.22
Rogersville inside city limits	\$ 35.81	\$ 11.89	\$ 47.27
Rogersville outside city limits	\$ 68.63	\$ 15.07	\$ 73.70
Mid Hawkins	\$ 53.48		
Burginville	\$ 41.00		
Waverlyville	\$ 58.57		
Peoria	\$ 54.10		
Bean Station	\$ 41.10		
FUDHC	\$ 43.89		
Lakeview (new)	\$ 68.20	0.7%	
Lakeview (old)	\$ 67.80		





STATE OF TENNESSEE
UTILITY MANAGEMENT REVIEW BOARD
505 DEADERICK STREET, SUITE 1700
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7879
FAX (615) 741-1551

December 21, 2015

Mr. Terry Harris
Witt Utility District
P.O. Box 486
Morristown, TN 38`5

Dear Mr. Harris:

Please see the attached Order related to the financially distressed status of Witt Utility District. If you have any questions, please contact me at (615) 401-7954 or Betsy.Knotts@cot.tn.gov. You may also contact John Greer at (615) 401-7879 or John.Greer@cot.tn.gov.

Very truly yours

A handwritten signature in cursive script, appearing to read "Betsy Knotts".

Betsy Knotts
Counsel to the UMRB



BEFORE THE TENNESSEE UTILITY MANAGEMENT REVIEW BOARD

IN THE MATTER OF:

**T.C.A. § 7-82-401(g)—FINANCIAL DISTRESS
WITT UTILITY DISTRICT**

ORDER

Pursuant to T.C.A. § 7-82-401(g), the Tennessee Utility Management Review Board (the "UMRB") reviewed on December 3, 2015 the financially distressed status of Witt Utility District (the "District"). Based on the District's financial deficiencies, the UMRB directs the District to submit the following documents/information to the Board **no later than January 1, 2016**:

1. Comprehensive update on all construction projects and any funding related to those projects;
2. Update on a proposed rate increase; and
3. Corrected AWWA Reporting Worksheet.

The UMRB also directs the manager and commissioners of Witt Utility District to appear before the UMRB at its next meeting scheduled on February 4, 2016, at 10 a.m., Legislative Plaza Room 31, Nashville, Tennessee.

Entered this 3rd day of December, 2015.

A handwritten signature in cursive script, reading "Ann V. Butterworth", is written over a horizontal line.

Ann V. Butterworth, Chair
Utility Management Review Board

AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0
American Water Works Association
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Click to access definition
 Click to add a comment

Water Audit Report for: Witt Utility District (0000650)
Reporting Year: 2014 10/2013 - 9/2014

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: Millions (M) of GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

----- Enter grading in column 'E' and 'J' ----->

Volume from own sources:	10	115,621	MG/Yr
Water imported:	10	4,077	MG/Yr
Water exported:	10	0,000	MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	Value:	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

WATER SUPPLIED: **119,698** MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	10	93,396	MG/Yr
Billed unmetered:	10		MG/Yr
Unbilled metered:	10	9,732	MG/Yr
Unbilled unmetered:	10	8,250	MG/Yr

Unbilled Unmetered volume entered is greater than the recommended default value

AUTHORIZED CONSUMPTION: **111,378** MG/Yr

Click here: for help using option buttons below

Pcnt: Value: MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt: Value:

MG/Yr

MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption) **8,320** MG/Yr

Apparent Losses

Unauthorized consumption: **0,299** MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies:	10	7,762	MG/Yr
Systematic data handling errors:	10	0,233	MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: **8,295** MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **0,025** MG/Yr

Use Customer Retail Unit Cost to

WATER LOSSES: **8,320** MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **26,302** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	6	180.0	miles
Number of active AND inactive service connections:	8	1,864	
Service connection density:	10	10	conn./mile main

Are customer meters typically located at the curbside or property line? (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: 10 ft

Average operating pressure: 5 psi

COST DATA

Total annual cost of operating water system:	10	\$1,270,160	\$/Year
Customer retail unit cost (applied to Apparent Losses):	10	\$10.61	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	5	\$1,069.30	\$/Million gallons

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 90 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Variable production cost (applied to Real Losses)
- 2: Unauthorized consumption
- 3: Systematic data handling errors



AWWA Free Water Audit Software: System Attributes and Performance Indicators

WAS v5.0

American Water Works Association
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Water Audit Report for: **Witt Utility District (0000650)**
 Reporting Year: **2014** | **10/2013 - 9/2014**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 90 out of 100 *****

System Attributes:

	Apparent Losses:	8.295	MG/Yr
+	Real Losses:	0.025	MG/Yr
=	Water Losses:	8.320	MG/Yr

? Unavoidable Annual Real Losses (UARL): 56.06 MG/Yr

Annual cost of Apparent Losses: \$88,011

Annual cost of Real Losses: \$27 Valued at **Variable Production Cost**
 Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial: { Non-revenue water as percent by volume of Water Supplied: 22.0%
 Non-revenue water as percent by cost of operating system: 8.4% Real Losses valued at Variable Production Cost

Operational Efficiency: { Apparent Losses per service connection per day: 12.19 gallons/connection/day
 Real Losses per service connection per day: N/A gallons/connection/day
 Real Losses per length of main per day*: 0.38 gallons/mile/day
 Real Losses per service connection per day per psi pressure: N/A gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 0.02 million gallons/year

? Infrastructure Leakage Index (ILI) [CARL/UARL]: 0.00

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline



WITT UTILITY DISTRICT

FAX COVER SHEET

DATE 3/30/16 TIME 2:00

TOTAL NUMBER OF PAGES INCLUDING COVER SHEET 8

DELIVER TO John Greer

COMPANY TN Comptroller Office

DEPARTMENT _____

RE: Witt Utility Audit Info

FROM Terry Harris

NUMBER DIALED 615-741-1551 BY UH

**IF YOU DO NOT RECEIVE LEDGIBLE COPIES OF ALL PAGES,
PLEASE CONTACT US AS SOON AS POSSIBLE AT 423-581-4895.**

This message is intended for the use of the individual or entity to which is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any discrimination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the above address via U. S. postal service. Thank you.

**WITT UTILITY DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2015**

Operating revenues:

Water sales	\$ 1,086,053
Sewer charges	142,505
BOD surcharges	853
Storm water runoff	1,680
Sale of materials	11,276
Fire protection	7,914
State fee	3,729
Garbage can fee	3,580
Penalties	22,308
Reconnection	14,675
Service charges	11,342
Tap fees	100,950
Paid Return checks	3,598
Miscellaneous	6,966

Total income	1,417,429

Operating expenses:

Purchased water	26,261
Depreciation	203,582
Salaries and wages	302,203
Materials and supplies	71,176
Truck expense	50,033
Postage	10,166
Returned checks	3,711
Phone	22,802
Lab supplies	25,731
Office expense	15,572
Electric	79,425
Heating fuel	2,957
Legal and accounting	25,501
Insurance	33,238
Payroll taxes	24,150
Dues and subscriptions	16,914
Uniforms	5,825
Contracted labor	2,338
Employee benefits	78,067
City of Morristown	148,026
City of White Pine	11,762
Penalties and Interest	28,141
Miscellaneous	473
Employee training	680
Employee travel	2,754

Total operating expenses	1,191,488

The accompanying notes are an integral
part of these financial statements.

WITT UTILITY DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
(CONTINUED)
YEAR ENDED SEPTEMBER 30, 2015

	2015
Operating income (loss)	225,941

Other income (expense)	
Interest income	1,073
Interest expense	(133,830)

Total other income (expense)	(132,757)

Change in Net Position	93,184
Net Position - beginning of year	2,737,401

Net position - end of year	\$ 2,830,585
	=====

The accompanying notes are an integral
 part of these financial statements.

**WITT UTILITY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015**

Depreciation expense for the year ending September 30, 2015 was \$203,582.

NOTE 5: RISK MANAGEMENT

Witt Utility District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to personnel and natural disasters. The Utility purchases commercial insurance for all of these risks of loss. Settled claims have not exceeded this commercial coverage in any of the last three years.

NOTE 6: BONDS PAYABLE

Bonds payable consists of three revenue bonds.

<u>Bond</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Principal Balance</u>
91-05	5.25%	1995	\$ 158,698
91-07	4.37%	2008	1,561,266
91-09	4.00%	2010	1,277,383
Total: Principal Balance			2,997,347
Less: Current Maturities			(48,942)
Subtotal			2,948,405
Add: Advance Payment			778,996
Total Long-term Bonds Payable			\$ 3,727,401

On 10/2/14, the Utility was advanced \$778,996 by Rural Development. This advance is for Loan 91-11 (interim financing) which will be a total of \$1,261,000. There is no repayment at this time. This is shown as separate amount due above. Monies received will be used for two new water tanks and a line extension to the new water filter plant.

<u>Balance</u> <u>10/01/14</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>09/30/15</u>	<u>Due Within</u> <u>One Year</u>
\$3,044,445	778,996	(47,098)	3,776,343	\$ 43,892

**WITT UTILITY DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015**

A debt service schedule is shown below. Separate schedules will be shown for Series 2005, 2007, and 2009. The advanced payment of \$778,996 is not included because the financing is not completed as of the date of this financial statement.

<u>Year</u>	<u>Series 2005</u>		<u>Total Payment</u>
	<u>Principal</u>	<u>Interest</u>	
2016	\$ 5,459	\$ 8,223	\$ 13,682
2017	5,752	7,929	13,681
2018	6,062	7,620	13,682
2019	6,388	7,293	13,681
2020	6,731	6,950	13,681
2021	7,093	6,588	13,681
2022	7,475	6,207	13,682
2023	7,877	5,805	13,682
2024	8,300	5,381	13,681
2025	8,747	4,935	13,682
2026	9,217	4,464	13,681
2027	9,713	3,968	13,681
2028	10,235	3,446	13,681
2029	10,786	2,895	13,681
2030	11,366	2,316	13,682
2031	11,977	1,704	13,681
2032	12,621	1,060	13,681
2033	12,899	381	13,280
	\$ 158,698	\$ 87,165	\$ 245,863
	=====	=====	=====

**WITT UTILITY DISTRICT
NOTE TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015**

<u>Year</u>	<u>Series 2007</u>		<u>Total</u>	<u>Series 2009</u>		<u>Total</u>
	<u>Prin/Interest</u>			<u>Prin/Interest</u>		
2016	\$ 24,264	68,184	92,448	19,219	50,561	69,780
2017	25,351	67,097	92,448	20,002	49,778	69,780
2018	26,486	65,962	92,448	20,817	48,963	69,780
2019	27,672	64,776	92,448	21,665	48,115	69,780
2020	28,910	63,538	92,448	22,548	47,232	69,780
2021	30,205	62,243	92,448	23,466	46,314	69,780
2022	31,557	60,891	92,448	24,422	45,358	69,780
2023	32,970	59,478	92,448	25,417	44,363	69,780
2024	34,447	58,015	92,448	26,453	43,327	69,780
2025	35,989	56,459	92,448	27,531	42,249	69,780
2026	37,600	54,848	92,448	28,653	41,127	69,780
2027	39,284	53,164	92,448	29,820	39,960	69,780
2028	41,043	51,405	92,448	31,035	38,745	69,780
2029	42,880	49,568	92,448	32,299	37,481	69,780
2030	44,800	47,648	92,448	33,615	36,165	69,780
2031	46,806	45,642	92,480	34,984	34,796	69,780
2032	48,902	43,546	92,448	36,410	33,370	69,780
2033	51,091	41,357	92,448	37,893	31,887	69,780
2034	53,378	39,070	92,448	39,437	30,343	69,780
2035	55,769	36,679	92,448	41,044	28,736	69,780
2036	58,265	34,183	92,448	42,716	27,064	69,780
2037	60,874	31,574	92,448	44,456	25,324	69,780
2038	63,599	28,849	92,448	46,267	23,513	69,780
2039	66,447	26,001	92,448	48,152	21,628	69,780
2040	69,422	23,026	92,448	50,114	19,666	69,780
2041	75,868	16,580	92,448	52,156	17,624	69,780
2042	72,531	19,917	92,448	54,281	15,499	69,780
2043	79,171	13,277	92,448	56,492	13,288	69,780
2044	82,715	9,733	92,448	58,794	10,986	69,780
2045	86,419	6,029	92,448	61,189	8,591	69,780
2046	86,551	2,160	88,711	63,682	6,098	69,780
2047				66,277	3,503	69,780
2048				56,077	864	56,941
	\$ 1561266	1300885	1325000	\$ 1277383	1012518	2289901

AWWA Free Water Audit Software:
Reporting Worksheet

WAS v5.0

- Click to access definition
- Click to add a comment

Water Audit Report for: **Witt Utility District (0000000)**
Reporting Year: **2014** **10/2014 - 9/2015**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades.

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

WATER SUPPLIED

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

Enter grading in column 'E' and 'J'

Volume from own sources:	<input type="text" value="10"/>	<input type="text" value="127.550"/>	MG/Yr
Water imported:	<input type="text" value="10"/>	<input type="text" value="0.719"/>	MG/Yr
Water exported:	<input type="text" value="10"/>	<input type="text"/>	MG/Yr

Master Meter and Supply Error Adjustments

Port:	10	-0.50%	<input type="radio"/>	<input type="radio"/>	Value:	<input type="text"/>	MG/Yr
	3	-0.50%	<input type="radio"/>	<input type="radio"/>		<input type="text"/>	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

WATER SUPPLIED: MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	<input type="text" value="10"/>	<input type="text" value="94.857"/>	MG/Yr
Billed unmetered:	<input type="text" value="10"/>	<input type="text" value="0.000"/>	MG/Yr
Unbilled metered:	<input type="text" value="10"/>	<input type="text" value="0.386"/>	MG/Yr
Unbilled unmetered:	<input type="text" value="10"/>	<input type="text" value="2.862"/>	MG/Yr

Unbilled Unmetered volume entered is greater than the recommended default value

AUTHORIZED CONSUMPTION: MG/Yr

Click here for help using option buttons below

Port: Value: MG/Yr

Use buttons to select percentage of water supplied OR value

WATER LOSSES (Water Supplied - Authorized Consumption)

Apparent Losses

Unauthorized consumption: MG/Yr

Default option selected for unauthorized consumption - a grading of 8 is applied but not displayed

Customer metering inaccuracies: MG/Yr

Systematic data handling errors: MG/Yr

Default option selected for systematic data handling errors - a grading of 8 is applied but not displayed

Apparent Losses: MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/Yr

WATER LOSSES: MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: miles

Number of active AND inactive service connections:

Service connection density: conn./mile main

Are customer meters typically located at the curbstop or property line? (length of service line beyond the property boundary that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

COST DATA

Total annual cost of operating water system: \$/Year

Customer retail unit cost (applied to Apparent Losses): \$/1000 gallons (US)

Variable production cost (applied to Real Losses): \$/million gallons Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 90 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Variable production cost (applied to Real Losses)
- 2: Unauthorized consumption
- 3: Systematic data handling errors

AWWA Free Water Audit Software: System Attributes and Performance Indicators

American Water Works Association
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Water Audit Report for: **Wilt Utility District (0000000)**
 Reporting Year: **2014** | **10/2014 - 9/2015**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 90 out of 100 ***

System Attributes:

Apparent Losses:	7.729	MG/Yr
+ Real Losses:	23.040	MG/Yr
= Water Losses:	30.769	MG/Yr

■ Unavoidable Annual Real Losses (UARL): 55.56 MG/Yr

Annual cost of Apparent Losses: \$56,035

Annual cost of Real Losses: \$16,704

Valued at Variable Production Cost

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	26.4%	
		Non-revenue water as percent by cost of operating system:	5.7%	Real Losses valued at Variable Production Cost

Operational Efficiency:	{	Apparent Losses per service connection per day:	10.78	gallons/connection/day
		Real Losses per service connection per day:	N/A	gallons/connection/day
		Real Losses per length of main per day*:	350.68	gallons/mile/day
		Real Losses per service connection per day per psi pressure:	N/A	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 23.04 million gallons/year

■ Infrastructure Leakage Index (ILI) [CARL/UARL]: 0.41

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Status

Investigation



STATE OF TENNESSEE
UTILITY MANAGEMENT REVIEW BOARD
505 DEADERICK STREET, SUITE 1700
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7879
FAX (615) 741-1551

December 11, 2015

Board of Commissioners and
Ms. Robin Hawkins, Office Manager
Cookeville Boat Dock Road Utility District
1591 W. Cemetery Road
Cookeville, TN 38506

Dear Commissioners and Ms. Hawkins:

The Utility Management Review Board (UMRB) met on December 3, 2015, to review the financially distressed status of the Cookeville Boat Dock Road Utility District (District). After much discussion, the UMRB took formal action to initiate a 6-month long investigation of the District pursuant to T.C.A. § 7-82-709(a).¹ The investigation will focus on the financial, technical, and managerial capacity of the District's system—it is in the best interest of the District to cooperate and communicate with our office to the fullest extent possible during this investigation. **Please make special note of the following concerns expressed by the UMRB on December 3, 2015:**

- **The UMRB expressed a *significant* concern over the size of the District's customer base and the amount of District funds appropriated to H & H Underground.**
- **The UMRB strongly recommended that the District utilize other resources to bid out vendors during the 6-month period of the investigation and to inform the UMRB of the**

¹ Notwithstanding any law to the contrary, the utility management review board shall have the authority, in the case of public water systems of utility districts, to investigate, with the assistance of the department of environment and conservation and the comptroller of the treasury, and determine the financial, technical, and managerial capacity of the systems to comply with the requirements of the federal and the state acts; and to require systems to take appropriate action to correct any deficiencies in such areas, including, but not limited to, changes in ownership, management, accounting, rates, maintenance, consolidation, alternative water supply, or other procedures. The utility management review board also may approve or disapprove such corrections as a condition for any public water system of a utility district to receive assistance from the authority under § 68-221-1206(a)(3).

District's decisions and any related documentation throughout the entire bidding process.

- **The UMRB encouraged the District to move towards successful implementation and compliance with the District's newly adopted policies and to keep the UMRB informed of every material matter during the 6-month investigation period.**

As a first step in the investigation, please send me copies of all documentation relating to the boundaries of the District and the District's relocation of certain water lines (i.e. Academy and 5th Interchange). Please also include any information related to the loans that have financed or will finance such relocation expenses. Finally, please provide me with the contact information of your primary contact at H & H Underground.

If you have any questions, please feel free to contact me at (615) 401-7954 or Betsy.Knotts@cot.tn.gov. You may also contact John Greer at (615) 401-7879 or John.Greer@cot.tn.gov.

Very truly yours,



Betsy Knotts
Counsel to the UMRB

cc: Shawn Fry, Esq.
Kendra Saunders, CPA

FRY, FRY, KNIGHT & MURPHY

Attorneys At Law
165 East Spring Street
Cookeville, Tennessee 38501

Shawn C. Fry
Dawn M. Fry
Brett Knight
Bo C. Murphy

Phone: (931) 526-5594
Fax: (931) 526-5441

January 28, 2016

Betsy Knotts, General Counsel
Utility Management Review Board
505 Deaderick Street, Suite 1700
James K. Polk State Office Building
Nashville, TN 37243-1402

RE: Cookeville Boat Dock Road Utility District

Dear Ms. Knotts:

I am writing in response to your letter of December 11, 2015 as well as our conference call with yourself and Mr. John Greer. I wanted to let you know that despite the concerns addressed in your letter, the Board Members of the Utility District decided to enter into a written contract with H&H Underground. This was over the objection of their legal counsel. I've enclosed a copy of the contract with this letter.

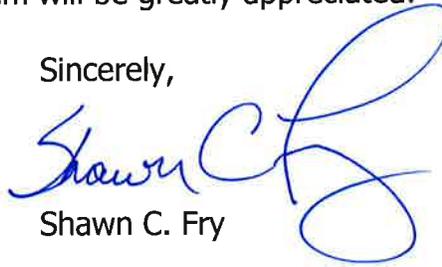
I have also enclosed a copy of the map the Utility District's territory, a copy of the most recent contract with the City of Cookeville, a letter to the City of Cookeville dated October 8, 2014 and my most recent letter to the City of Cookeville in an effort to try to resolve this dispute.

At this time, the Utility District is in the process of obtaining two different loans. These loans are for updating the Utility District's lines that are not connected in any way to the fifth interchange or to Academy One Sports. At this time, the Board has not developed a plan to secure financing for the relocation of these lines. Planning for these types of projects is something that this Board has never been confronted with. Therefore, at this time there is no plan in place to finance these relocation costs. It is also unknown as to what these relocation costs will be although there has been some speculation it may be as much as \$200,000.00. Unfortunately, I really have no information to give you.

January 28, 2016

Please let me know what more I can do to help you with your investigation. I will tell you that the Board is a bit at a loss as to what to do. Any guidance that you can give to them will be greatly appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Shawn C. Fry". The signature is stylized with large, flowing loops, particularly in the last name "Fry".

Shawn C. Fry

SCF/ani

Enclosures

The meeting was held at the district office of cbdud at
1591 west cemetery road, Cookeville tn 38506 on jan 5
2016 at 4pm

Those present:
Gary Hendricks
Shawn Fry
Danny Burgess
Marshall Cass
Kendra Sanders
James Randolph
Mike Harvel
Robin Hawkins

The minutes were read and approved for the December meeting.

New business Gary Hendricks wanted to know if he could get his own guy to put in a meter he was told we need our own crew to tap into our lines.

Kendra went over the financials with the board.

Kendra presented a contract for the commissioners to approve for 2016 for her book keeping services. Danny made a motion to approve and Marshall seconded.

Danny wants to sue the City of Cookeville for taking Academy sports from us because they took the area and it is in our boundaries. Mr. Randolph seconded it.

Shawn says he thinks this is a mistake and against his advice but he will file the paper work to sue the city of Cookeville.

The commissioners went over each receipt from the bills for December from H and H.

Loftis Underground tore up a lot of lines and the district is going to bill them for the construction and the water loss.

Danny made a motion to pay the bill to h and h and Mr. Randolph seconded this.

Shawn presented the letter from Mrs. Knots from the state.

He read the bold print that recommended to bid out construction to other resources while the 6-month investigation is going on.

Shawn points out that it is not his advice to sign the contract at this time with h and h and to keep them on a month to month basis as it is until the 6-month investigation is over and that there is no one on the bidding list from taud that would qualify for what we need

Danny made a motion to sign a one-year contract with h and h and Marshall seconded this.

Danny suggest we pass this for a year with the intentions of going in-house when the year contract is up.

Shawn will send a letter to Mrs. Knotts telling her the commissioners signed the contract.

The contract was then signed.

Danny made a motion to let Robin pay the additional bills and Marshall bills for the month.

Seconded

Danny adjourned the meeting

A handwritten signature in cursive script, appearing to read "Shawn", with a long horizontal flourish extending to the right.

Cases

Water Loss

Water loss cases are presented for informational purposes only. No action is required by the Board.



STATE OF TENNESSEE
Utility Management Review Board
505 Deaderick Street, Suite 1500
James K. Polk State Office Building
Nashville, Tennessee 37243-1402
Phone (615) 401-7879 Fax (615) 741-1551

January 21, 2016

Mr. Brandon Harrington, Manager
Saltillo Utility District
1347 Dorothy Ann Ln
70 Riverview
Saltillo, TN 38370

2nd ATTEMPT

Dear Mr. Harrington:

The Saltillo Utility District has been reported to the Utility Management Review Board for having a validity score of 69. This is above the 70 minimum set by the Board.

We had previously requested that you submit a plan to resolve the low validity score and respond to the enclosed questionnaire. We have received no information from the District.

Please submit a plan to resolve the low validity score of the District and respond to the enclosed questionnaire. The responses to the questions should be more than a simple "yes" or "no." **The plan and responses should be in our office by March 1, 2016.**

The Utility Management Review Board has scheduled a meeting on April 7, 2016, at 10:00 am in Room 31 of the Legislative Plaza in Nashville, Tennessee. The low validity score of the District is scheduled to be addressed at that time.

If you need further assistance or have any questions, please feel free to contact me at (615) 401-7879 or John.Greer@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer".

John Greer
Utilities Board Specialist

SALTILLO UTILITY DISTRICT OF HARDIN COUNTY

AWWA WLCC FREE WATER AUDIT SOFTWARE: REPORTING WORKSHEET - "UNAUDITED"

OCTOBER 31, 2014

Water Audit Report for: Salttillo Utility District (0000606)
 Reporting Year: 2014 11/2013 - 10/2014

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

WATER SUPPLIED			←----- Enter grading in column 'E' and 'J' -----→		Master Meter and Supply Error Adjustments			
	Volume from own sources:	<input type="text" value="5"/>	<input type="text" value="38.178"/>	MG/Yr	<input type="text" value="7"/>	<input type="text" value="-1.00%"/>	<input type="text"/>	MG/Yr
	Water imported:	<input type="text" value="n/a"/>	<input type="text" value="0.000"/>	MG/Yr	<input type="text"/>	<input type="text"/>	<input type="text"/>	MG/Yr
	Water exported:	<input type="text" value="n/a"/>	<input type="text" value="0.000"/>	MG/Yr	<input type="text"/>	<input type="text"/>	<input type="text"/>	MG/Yr
WATER SUPPLIED:		<input type="text" value="38.564"/>	MG/Yr		Enter negative % or value for under-registration Enter positive % or value for over-registration			

AUTHORIZED CONSUMPTION	Billed metered:	<input type="text" value="9"/>	<input type="text" value="29.558"/>	MG/Yr	<input type="text"/>	<input type="text"/>	MG/Yr
	Billed unmetered:	<input type="text" value="n/a"/>	<input type="text" value="0.000"/>	MG/Yr	<input type="text"/>	<input type="text"/>	MG/Yr
	Unbilled metered:	<input type="text" value="n/a"/>	<input type="text" value="0.000"/>	MG/Yr	<input type="text"/>	<input type="text"/>	MG/Yr
	Unbilled unmetered:	<input type="text"/>	<input type="text" value="0.482"/>	MG/Yr	<input type="text" value="1.25%"/>	<input type="text"/>	MG/Yr
Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed							
AUTHORIZED CONSUMPTION:		<input type="text" value="30.040"/>	MG/Yr				

WATER LOSSES (Water Supplied - Authorized Consumption)	<input type="text" value="8.524"/>	MG/Yr	<input type="text"/>	<input type="text"/>	MG/Yr		
Apparent Losses	Unauthorized consumption:		<input type="text" value="0.096"/>	MG/Yr	<input type="text" value="0.25%"/>	<input type="text"/>	MG/Yr
Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed							
	Customer metering inaccuracies:	<input type="text" value="7"/>	<input type="text" value="1.556"/>	MG/Yr	<input type="text" value="5.00%"/>	<input type="text"/>	MG/Yr
	Systematic data handling errors:	<input type="text"/>	<input type="text" value="0.074"/>	MG/Yr	<input type="text" value="0.25%"/>	<input type="text"/>	MG/Yr
Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed							
Apparent Losses:	<input type="text" value="1.726"/>	MG/Yr					

Real Losses (Current Annual Real Losses or CARL)	Real Losses = Water Losses - Apparent Losses:		<input type="text" value="6.798"/>	MG/Yr			
WATER LOSSES:	<input type="text" value="8.524"/>	MG/Yr					

NON-REVENUE WATER	NON-REVENUE WATER:	<input type="text" value="9.006"/>	MG/Yr
= Water Losses + Unbilled Metered + Unbilled Unmetered			

SYSTEM DATA	Length of mains:	<input type="text" value="7"/>	<input type="text" value="60.0"/>	miles
	Number of <u>active AND inactive</u> service connections:	<input type="text" value="9"/>	<input type="text" value="855"/>	
	Service connection density:	<input type="text"/>	<input type="text" value="14"/>	conn./mile main
Are customer meters typically located at the curbside or property line? <input type="text" value="Yes"/>				
Average length of customer service line has been set to zero and a data grading score of 10 has been applied				
	Average operating pressure:	<input type="text" value="7"/>	<input type="text" value="65.0"/>	psi

COST DATA	Total annual cost of operating water system:	<input type="text" value="9"/>	<input type="text" value="\$129.312"/>	\$/Year
	Customer retail unit cost (applied to Apparent Losses):	<input type="text" value="9"/>	<input type="text" value="\$3.57"/>	\$/1000 gallons (US)
	Variable production cost (applied to Real Losses):	<input type="text" value="9"/>	<input type="text" value="\$834.81"/>	\$/Million gallons

WATER AUDIT DATA VALIDITY SCORE:
 *** YOUR SCORE IS: 69 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

- PRIORITY AREAS FOR ATTENTION:**
 Based on the information provided, audit accuracy can be improved by addressing the following components:
- -
 -

Water Audit Report for: Saltillo Utility District (0000606)

Reporting Year: 2014 11/2013 - 10/2014

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 69 out of 100 ***

System Attributes:

	Apparent Losses:	1.726	MG/Yr
	+ Real Losses:	6.798	MG/Yr
	= Water Losses:	8.524	MG/Yr
	Unavoidable Annual Real Losses (UARL):	See limits in definition	MG/Yr
	Annual cost of Apparent Losses:	\$ 6,162	
	Annual cost of Real Losses:	\$ 5,675	

Valued at Variable Production Cost
Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	23.4%	
		Non-revenue water as percent by cost of operating system:	9.5%	Real Losses valued at Variable Production Cost
Operational Efficiency:	{	Apparent Losses per service connection per day:	5.53	gallons/connection/day
		Real Losses per service connection per day:	N/A	gallons/connection/day
		Real Losses per length of main per day*:	310.39	gallons/mile/day
		Real Losses per service connection per day per meter (head) pressure:	N/A	gallons/connection/day/psi
		From Above, Real Losses = Current Annual Real Losses (CARL):	6.8	million gallons/year
		Infrastructure Leakage Index (ILI) [CARL/UARL]:	?	

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

From: [Brandon Harrington](#)
To: [John Greer](#)
Subject: Questionnaire and plan for low validity score
Date: Sunday, February 28, 2016 9:20:42 PM
Attachments: [water loss.docx](#)

Dear Mr. Greer,

I am attaching the questionnaire and plan to resolve the low validity score concerning the Saltillo Utility District. I will also be sending one by mail to the Utility Management Review Board. I would like to request a change of address for future correspondence. It needs to be as follows:

Brandon Harrington, Manager
PO Box 36
or
310 Main. St.
Saltillo, TN 38370

Thank you,
Brandon Harrington
Saltillo Utility District
Saltillo, TN 38370

MAR 02 2016

DEPT: COMPTROLLER
OFFICE OF ADMINISTRATION

Checklist for Addressing Water Loss

Saltillo Utility District

1. **Are you billing for all general government water use?** Yes, the utility district bills everyone on the distribution system.
2. **Are you accounting for the water used by the water and or sewer department?** We do not have a sewer system. However, we account for flushing lines.
3. **Do you periodically check or inspect check or inspect all 2" and larger meters?** Yes, meters are read monthly but not tested for accuracy.
4. **Do you have a recalibration policy procedure in place?** No
5. **Do you have a meter replacement policy?** Yes, meters are sometimes replaced that are 10 years or older or meters that are suspected of inaccuracy.
6. **Do you have a process to inspect for unauthorized consumption?** Yes, physical inspection is used to inspect for unauthorized consumption on a regular basis. Cases are reported to the board of directors.
7. **Do you have a leak detection program currently in place?** Yes, physical inspection of the distribution system on a daily basis, as well as monitored usage through the plant.
8. **Do you have written policies, including a policy for billing adjustments? Are the written policies followed correctly by all levels of staff?** Yes, policy is customers can receive 1 adjustment per year. A written letter has to be submitted to the board of directors in order to be able to qualify for an adjustment. Customers to have to pay first 100.00 and after the initial 100 they pay .53 cents per thousand gallons. The policy is followed very strictly.
9. **Do you have authorized non-customer users? Do you account for the use? Do you have a method for the user to report water usage?** Yes, we have 3 volunteer fire departments using water within our system. They are supposed to report all usage as accurately as possible. We account for the use, barring that the usage is reported properly. It is our suspicion that in many instances it isn't always reported. They are to email or fax their water usage to the utility district.
10. **Is your system zoned to isolate water loss?** No, we do not have zoning in our distribution system.
11. **Do you search for leaks at night when there is little traffic or small household usage?** Yes, when necessary.
12. **Do you or can you control pressure surges?** No, we cannot control pressure surges.
13. **Do you have or have access to leak detection?** No, we do not have any leak detection equipment.
14. **What is your policy for notifying the customer they have a leak?** Customers are notified by telephone or personally. Most of the time, I notify customers in person.
15. **Do you have a public relations program to encourage citizens to report leaks?** No, we do not have a public relations program. However, our customers are encouraged to report leaks they see. The president of the Utility District prints his home phone number on the water bills to encourage citizens to call if they see something that needs to be reported.

16. **Do you have a policy to prosecute water theft or meter tampering/damage?** No, the board currently does not have a policy in place.
17. **What is the monetary value of the lost water?** Annual cost of real losses, 5,675.00
18. **Is the cost to repair the leak justified based on the amount of water being lost?** Yes, all leaks fixed are justifiable.

Plan for Resolution of Water Loss for Saltillo Utility District

Due to the low validity score the Saltillo Utility District has started having the master meter at the water plant professionally tested by Rye Engineering. We have agreed to continue to do so every year or have the meter recalibrated.

Being able to receive credit for this testing on the AWWA Water Loss report would have and should substantially increase our score on this report and bring our score well above the State's minimum requirements.



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Utility Management Review Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 7-82-401(h)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Unit
2902	Bristol-Bluff City Suburban Utility District				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
7/31/2014	Water	6/2/2015	7/23/2015	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. _____

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
_____	_____
_____	_____

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status _____ AWWA Excel File _____

Validity score below the amount established by the board Validity Score **84**

Excessive non-revenue water % as established by the board Non-Rev Water % **58.1**
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments: _____



STATE OF TENNESSEE
Utility Management Review Board
James K. Polk State Office Building, Suite 1700
505 Deaderick Street
Nashville, Tennessee 37243-1402
Phone (615) 401-7879 Fax (615) 741-1551

January 21, 2016

Ms. Tina Grindstaff
Bristol-Bluff City Utility District
P.O. Box 459
Bluff City, TN 37618

2nd ATTEMPT

Dear Ms. Grindstaff:

Our office received the July 31, 2015, audited financial statements for the Bristol-Bluff City Utility District. The District has been referred for having excessive non-revenue water as a percent of operating cost of 58.1%. This is above the limit of 25% as set by the Board.

We previously requested that you complete the enclosed questionnaire and submit a plan to our office to reduce your excessive non-revenue water no later than December 17, 2015. **We have received no information from the District.**

Please complete the enclosed questionnaire and submit a plan to reduce the excessive non-revenue water of the District. This plan should be in our office no later than March 1, 2016.

The Board has scheduled a meeting on April 7, 2016. This meeting will take place at 10:00 am in room 31 of Legislative Plaza, Nashville. The excessive non-revenue water of the District **WILL** be discussed at that time.

If you need further assistance or have any questions, please feel free to contact me at (615) 401-7879 or John.Greer@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer".

John Greer
Utilities Board Specialist

From: Eddie.Lawrence@bwsc.net
To: [John Greer](mailto:John.Greer)
Cc: [Tina Grindstaff \(tgrindstaff@bbcud.net\)](mailto:Tina.Grindstaff@bbcud.net)
Subject: Bristol Bluff City Utility District FY 13-14 AWWA Water Audit
Date: Monday, February 22, 2016 9:39:59 AM
Attachments: [BBCUD FY13-14 AWWA Water Audit.pdf](#)

John,

I was contacted by Tina Grindstaff, General Manager for the Bristol-Bluff City Utility District, to review and make any necessary revisions and corrections to the District's FY 13-14 AWWA Water Audit. Please see attached.

Upon completion of my review, I found numerous errors that needed to be revised. Line items in the AWWA Water Audit that were revised or corrected included:

- Water Exported – This volume was previously included in the Billed metered line item.
- Billed Metered – This volume previously included the Water Exported line item.
- Length of mains – Corrected the length based on data from the system's hydraulic water model.
- Number of active and inactive service connections – Corrected the number based on information provided in the District's FY 13-14 Financial Audit.
- Average operating pressure - Corrected the length based on data from the system's hydraulic water model.
- Total annual cost of operating water system - Corrected the number based on information provided in the District's FY 13-14 Financial Audit.
- Customer retail cost (applied to Apparent Losses) - Corrected the number based on information provided in the District's FY 13-14 Financial Audit.
- Variable production cost (applied to Apparent Losses) - Corrected the number based on information provided in the District's FY 13-14 Financial Audit.

Additionally, I used the software's default "Variable Production Cost to Value Real Losses" instead of the "Customer Retail Unit Cost to Value Real Losses" calculation option based on the guidance provided in the AWWA software which states:

"The cost to produce and supply the next unit of water (e.g., \$/million gallons). This cost is determined by calculating the summed unit costs for ground and surface water treatment and all power used for pumping from the source to the customer. It may also include other miscellaneous unit costs that apply to the production of drinking water. It should also include the unit cost of bulk water purchased as an import if applicable.

It is common to apply this unit cost to the volume of Real Losses. However, if water resources are strained and the ability to meet future drinking water demands is in question, then the water auditor can be justified in applying the Customer Retail Rate to the Real Loss volume, rather than applying the Variable Production Cost.

The Free Water Audit Software applies the Variable Production costs to Real Losses by default. However, the auditor has the option on the Reporting Worksheet to select the Customer Retail Cost as the basis for the Real Loss cost evaluation if the auditor determines that this is warranted."

Based on the guidance provided in AWWA Water Audit software, “Variable Production Cost to Value Real Losses” is the correct calculation method for the District

Lastly, I revised the data grading inputs based on my professional judgement with Ms. Grindstaff’s input based on her knowledge of the District’s daily operations. The data grading inputs directly influence the AWWA’s Water Audit’s Validity Score. Therefore, based on these revision’s a new Data Validity value has been calculated by the software and is provided in the attachment.

Please let me know if you have any questions or need additional information.

Sincerely,

Eddie Lawrence, PE
Senior Project Manager

Barge Waggoner Sumner & Cannon, Inc.

Four Sheridan Square, Suite 100

Kingsport, Tennessee 37660

(423) 247-5525 phone

eddie.lawrence@bwsc.net

bargewaggoner.com | [Twitter](#) | [LinkedIn](#)



AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0
American Water Works Association
Copyright © 2014. All Rights Reserved

? Click to access definition
+ Click to add a comment

Water Audit Report for: **Bristol Bluff City Utility District (79)**
Reporting Year: **FY14** **8/2013 - 7/2014**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: **MILLION GALLONS (US) PER YEAR**

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

----- Enter grading in column 'E' and 'J' ----->

Volume from own sources:	+ ?	8	415.161	MG/Yr
Water imported:	+ ?	n/a		MG/Yr
Water exported:	+ ?	8	191.136	MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	Value:		
+ ?	5	-1.00%	<input checked="" type="radio"/> <input type="radio"/>
+ ?			<input checked="" type="radio"/> <input type="radio"/>
+ ?	3	-1.00%	<input checked="" type="radio"/> <input type="radio"/>

Enter negative % or value for under-registration
Enter positive % or value for over-registration

WATER SUPPLIED: **226.288** MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	+ ?	7	159.770	MG/Yr
Billed unmetered:	+ ?	n/a		MG/Yr
Unbilled metered:	+ ?	n/a		MG/Yr
Unbilled unmetered:	+ ?		2.829	MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: **162.599** MG/Yr

Click here: ?
for help using option buttons below

Pcnt:	Value:		
1.25%	<input checked="" type="radio"/> <input type="radio"/>		MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt:	Value:		
0.25%	<input checked="" type="radio"/> <input type="radio"/>		MG/Yr

1.00%	<input checked="" type="radio"/> <input type="radio"/>		MG/Yr
0.25%	<input checked="" type="radio"/> <input type="radio"/>		MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption)

Apparent Losses

Unauthorized consumption: + ? 0.566 MG/Yr
Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies:	+ ?	8	1.614	MG/Yr
Systematic data handling errors:	+ ?		0.399	MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: **2.579** MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: ? **61.110** MG/Yr

WATER LOSSES: **63.689** MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **66.518** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+ ?	10	66.3	miles
Number of active AND inactive service connections:	+ ?	10	2,303	
Service connection density:	?		35	conn./mile main

Are customer meters typically located at the curbside or property line? Yes

Average length of customer service line: + ? (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: + ? 9 133.2 psi

COST DATA

Total annual cost of operating water system:	+ ?	10	\$1,539,377	\$/Year
Customer retail unit cost (applied to Apparent Losses):	+ ?	9	\$6.50	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+ ?	10	\$429.64	\$/Million gallons <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 80 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Volume from own sources

2: Billed metered

3: Unauthorized consumption



AWWA Free Water Audit Software: System Attributes and Performance Indicators

WAS v5.0
American Water Works Association.
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Water Audit Report for: **Bristol Bluff City Utility District (79)**
Reporting Year: **FY14** **8/2013 - 7/2014**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 80 out of 100 *****

System Attributes:

Apparent Losses:	2.579	MG/Yr
+	Real Losses:	61.110
=	Water Losses:	63.689
		MG/Yr

? Unavoidable Annual Real Losses (UARL): 34.24 MG/Yr

Annual cost of Apparent Losses: \$16,763

Annual cost of Real Losses: \$26,255

Valued at **Variable Production Cost**

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	29.4%	
		Non-revenue water as percent by cost of operating system:	2.9%	Real Losses valued at Variable Production Cost

Operational Efficiency:	{	Apparent Losses per service connection per day:	3.07	gallons/connection/day
		Real Losses per service connection per day:	72.70	gallons/connection/day
		Real Losses per length of main per day*:	N/A	
		Real Losses per service connection per day per psi pressure:	0.55	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 61.11 million gallons/year

? Infrastructure Leakage Index (ILI) [CARL/UARL]: 1.78

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Status

Water Loss

Water loss status updates are presented for informational purposes only. No action is required by the Board.



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Utility Management Review Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 7-82-401(h)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Unit
2915	Holston Utility District				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
2/28/2015	Water	8/11/2015	9/1/2015	irh	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. _____

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
_____	_____
_____	_____

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status _____ AWWA Excel File _____

Validity score below the amount established by the board Validity Score 90

Excessive non-revenue water % as established by the board Non-Rev Water % 48.2

(Non-Revenue Water as Percent by Cost of Operating System)

Comments: _____



AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0
American Water Works Association
Copyright © 2014, All Rights Reserved

?
+

Water Audit Report for: Holston Utility District (0000074)
Reporting Year: 2015 3/2014 - 2/2015

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

----- Enter grading in column 'E' and 'J' ----->

Volume from own sources:	+ ? n/a		MG/Yr
Water imported:	+ ? 10	63.997	MG/Yr
Water exported:	+ ? n/a	0.000	MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	Value:	MG/Yr
+ ?	<input type="radio"/> <input checked="" type="radio"/>	
+ ?	<input type="radio"/> <input checked="" type="radio"/>	
+ ?	<input type="radio"/> <input checked="" type="radio"/>	

Enter negative % or value for under-registration
Enter positive % or value for over-registration

WATER SUPPLIED: 63.997 MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	+ ? 10	42.558	MG/Yr
Billed unmetered:	+ ? n/a	0.000	MG/Yr
Unbilled metered:	+ ? n/a	0.000	MG/Yr
Unbilled unmetered:	+ ?	0.800	MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: 43.358 MG/Yr

Click here: ?
for help using option buttons below

Pcnt: 1.25% Value: MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt: 0.25% Value: MG/Yr

0.25%

WATER LOSSES (Water Supplied - Authorized Consumption)

20.639 MG/Yr

Apparent Losses

Unauthorized consumption: + ? 0.160 MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies:	+ ? n/a	0.000	MG/Yr
Systematic data handling errors:	+ ?	0.106	MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: 0.266 MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: ? 20.373 MG/Yr

WATER LOSSES: 20.639 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: ? 21.439 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+ ? 9	44.5	miles
Number of <u>active AND inactive</u> service connections:	+ ? 10	1,149	
Service connection density:	?	26	conn./mile main

Are customer meters typically located at the curbside or property line?

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average length of customer service line: + ? (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average operating pressure: + ? 10 psi

COST DATA

Total annual cost of operating water system:	+ ? 10	\$324,807	\$/Year
Customer retail unit cost (applied to Apparent Losses):	+ ? 9	\$7.30	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+ ? 9	\$148.72	\$/Million gallons

Use Customer Retail Unit Cost to value real

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 90 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Unauthorized consumption
- 2: Systematic data handling errors
- 3: Customer retail unit cost (applied to Apparent Losses)



AWWA Free Water Audit Software: System Attributes and Performance Indicators

WAS v5.0

American Water Works Association.
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Water Audit Report for:
 Reporting Year:

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 90 out of 100 *****

System Attributes:

Apparent Losses:	<input type="text" value="0.266"/>	MG/Yr
+	Real Losses:	<input type="text" value="20.373"/>
=	Water Losses:	<input type="text" value="20.639"/>

Unavoidable Annual Real Losses (UARL): MG/Yr

Annual cost of Apparent Losses:

Annual cost of Real Losses: Valued at **Customer Retail Unit Cost**

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	<input type="text" value="33.5%"/>	
		Non-revenue water as percent by cost of operating system:	<input type="text" value="48.2%"/>	Real Losses valued at Customer Retail Unit Cost

Operational Efficiency:	{	Apparent Losses per service connection per day:	<input type="text" value="0.64"/>	gallons/connection/day
		Real Losses per service connection per day:	<input type="text" value="N/A"/>	gallons/connection/day
		Real Losses per length of main per day*:	<input type="text" value="1,254.28"/>	gallons/mile/day
		Real Losses per service connection per day per psi pressure:	<input type="text" value="N/A"/>	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): million gallons/year

Infrastructure Leakage Index (ILI) [CARL/UARL]:

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline



STATE OF TENNESSEE
Utility Management Review Board
505 Deaderick Street, Suite 1500
James K. Polk State Office Building
Nashville, Tennessee 37243-1402
Phone (615) 401-7879 Fax (615) 741-6216

January 1, 2016

Mr. Max Gill
Holston Utility District
P.O. Box 3188
Bristol, TN 37618

Dear Mr. Gill:

The Utility Management Review Board met on December 3, 2015, in part, to discuss the excessive non-revenue water of the District.

The Board voted to require the following information:

- A corrected AWWA reporting sheet

The Board also expressed concerns about the price that you purchase/produce water for. Please include the purchase contract you have with your water supplier, or make sure you are using accurate numbers in determining the production cost.

The required information should be in our office no later than February 15, 2016, for presentation at the March 10, 2016, meeting.

If you need further assistance or have any questions, please feel free to contact me at (615) 401-7879 or John.Greer@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer".

John Greer
Utilities Board Specialist

HOLSTON UTILITY DISTRICT

P.O. BOX 3188
BRISTOL, TENNESSEE 37625
Telephone 764-4184
Fax 423-764-1790

January 26, 2016

Mr. John Greer
Utilities Board Specialist
State of Tennessee
Utility Management Review Board
505 Deaderick Street, Suite 1500
Nashville, TN 37243-1402

Re: Holston Utility District-- Corrected AWWA reporting sheet

Dear Sir:

Enclosed please find corrected AWWA reporting sheet for the fiscal year ended February 28, 2015.

During this period water purchased was as follows:

City of Bristol Tennessee, 7,621,500 gallons @ \$2.95 per 1,000 gals	\$ 22,483.43
Weaver Pike Utility District, 56,375,400 gallons @ \$1.89 per 1,000 gals	<u>106,549.51</u>
Totals	63,996,900 gallons \$129,032.94

This equates to \$2.02 per 1,000 gallons (Unit Cost), or \$2,020.00 per Million Gallon.

In the Cost Data section of the Reporting Worksheet, I am not sure what "Customer Retail Unit Cost" is? In the original reporting sheet I used \$7.30 per 1,000 gallons, which is the rate charged to customer after the first 1,500 gallons.

Sincerely,
HOLSTON UTILITY DISTRICT


Max Gill, Manager

AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0

American Water Works Association

Water Audit Report for: Holston Utility District (0000074)
Reporting Year: 2015 3/2014 - 2/2015

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources: MG/Yr
 Water imported: MG/Yr
 Water exported: MG/Yr

Master Meter and Supply Error Adjustments

Pcnt: Value:
 MG/Yr
 MG/Yr

WATER SUPPLIED: MG/Yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered: MG/Yr
 Billed unmetered: MG/Yr
 Unbilled metered: MG/Yr
 Unbilled unmetered: MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: MG/Yr

Click here: for help using option buttons below

Pcnt: Value: MG/Yr

Use buttons to select percentage of water supplied OR value

WATER LOSSES (Water Supplied - Authorized Consumption)

MG/Yr

Apparent Losses

Unauthorized consumption: MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: MG/Yr
 Systematic data handling errors: MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: MG/Yr

Pcnt: Value: MG/Yr

MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/Yr

WATER LOSSES: MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: miles
 Number of active AND inactive service connections:
 Service connection density: conn./mile main

Are customer meters typically located at the curbstop or property line?

Average length of customer service line: (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

COST DATA

Total annual cost of operating water system: \$/Year
 Customer retail unit cost (applied to Apparent Losses): \$/1000 gallons (US)
 Variable production cost (applied to Real Losses): \$/Million gallons Use Customer Retail Unit Cost to value real losses

Retail costs are less than (or equal to) production costs; please review and correct if necessary

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 90 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Unauthorized consumption

2: Systematic data handling errors

3: Customer retail unit cost (applied to Apparent Losses)



AWWA Free Water Audit Software: System Attributes and Performance Indicators

WAS v5.0

American Water Works Association

Water Audit Report for: Holston Utility District (0000074)
 Reporting Year: 2015 | 3/2014 - 2/2015

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 90 out of 100 ***

System Attributes:

Apparent Losses:	0.265	MG/Yr
+ Real Losses:	19.749	MG/Yr
= Water Losses:	20.013	MG/Yr

? Unavoidable Annual Real Losses (UARL): See limits in definition MG/Yr

Annual cost of Apparent Losses: \$535

Annual cost of Real Losses: \$39,892 Valued at **Variable Production Cost**

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial: {

- Non-revenue water as percent by volume of Water Supplied: 32.8%
- Non-revenue water as percent by cost of operating system: 12.9% Real Losses valued at Variable Production Cost

Operational Efficiency: {

- Apparent Losses per service connection per day: 0.63 gallons/connection/day
- Real Losses per service connection per day: N/A gallons/connection/day
- Real Losses per length of main per day*: 1,215.85 gallons/mile/day
- Real Losses per service connection per day per psi pressure: N/A gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 19.75 million gallons/year

? Infrastructure Leakage Index (ILI) [CARL/UARL]:

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Petition

December 10, 2015

Attn: John Greer
Utility Management Review Board
505 Deaderick Street
James K. Polk Building, Suite 1500
Nashville, TN 37243-1402

RE: Decree Modifying Utility District Service Areas and Related Boundaries

Dear Sir or Madam:

Our firm represents Hallsdale-Powell Utility District of Knox County, Tennessee. Enclosed please find a certified copy from the Knox County Clerk of a Decree by Knox County Executive Thomas H. Schumpert in which the wastewater service areas and related boundaries of the Hallsdale-Powell Utility District of Knox County, Tennessee (“HPUD”) and the Northeast Knox Utility District of Knox County, Tennessee (“NEKUD”) were modified.

The Utility District Law of 1937, Tenn. Code Ann. § 7-82-202(d), provides that “upon the creation or recreation of any utility district as provided for in this chapter, the president of the utility district shall file with the secretary of state, the utility management review board and with the register of deeds of the county or counties wherein the district is located, a true and correct copy of the order creating the utility district. The secretary of state shall maintain and keep a book for recording orders creating utility districts and all fees in connection with the recordings shall be paid by the district. Any amendments whatsoever to such order creating the utility district or any order merging, consolidating or re-creating a utility district shall be filed in like manner.”

In accordance with the statute, a true and correct copy of the Decree has been filed with both the Register of Deeds of Knox County and the Tennessee Secretary of State and is now being presented to your office for filing.

Betsy Knotts, Assistant General Counsel to Comptroller of the Treasury, informed us that the Decree should be sent to this address to be filed and satisfy the requirement in the statute that it be filed with the Utility Management Review Board. She informed us that there was no filing fee.

December 10, 2015

Page 2

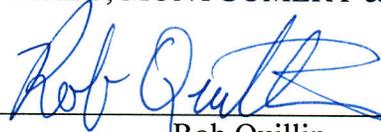
In that regard, enclosed please find the Decree. Please return the filed document to me at your earliest opportunity in the enclosed, self-addressed, stamped envelope. If you have any questions, please do not hesitate to contact me.

Thank you for your assistance in this matter.

Very truly yours,

KENNERLY, MONTGOMERY & FINLEY, P.C.

By



Rob Quillin

RWQ:mrc

Enclosures (Decree; self-addressed envelope)

**PROCEEDING BEFORE THE COUNTY EXECUTIVE
OF KNOX COUNTY, TENNESSEE**

IN RE:)
)
JOINT PETITION OF NORTHEAST)
KNOX UTILITY DISTRICT OF KNOX)
COUNTY, TENNESSEE AND OF)
HALLSDALE-POWELL UTILITY)
DISTRICT OF KNOX COUNTY,)
TENNESSEE FOR THE MODIFICATION)
OF SAID UTILITY DISTRICTS')
WASTEWATER SERVICE AREAS)
AND THEIR RELATED BOUNDARIES)

DECREE

This proceeding came on to be heard before the Honorable Thomas H. Schumpert, County Executive of Knox County, Tennessee, upon the Joint Petition of Northeast Knox Utility District of Knox County, Tennessee ("NEKUD") and of Hallsdale-Powell Utility District of Knox County, Tennessee ("HPUD") for the modification of said utility districts' wastewater service areas and related boundaries. In addition to the Joint Petition and the exhibits filed therewith, this proceeding has been heard upon the public hearing held with respect to said Joint Petition, the evidence introduced thereat and the entire record in this proceeding, from all of which the County Executive finds as follows:

1. The said Joint Petition is in proper form and has been properly filed with the County Executive in this proceeding, and each of its recitals are hereby found to be true and are made findings of this proceeding as if copied herein verbatim.
2. Notice of the time, place and purpose of the public hearing on the said Joint Petition was given in conformity with the Utility District Law of 1937, Tennessee Code Annotated §§ 7-82-101 et seq., by publication of the notice thereto not more than fifteen (15) days nor less than seven (7) days prior to the date of said hearing, such notice having been published on August 10 and August 11, 2002, in The Knoxville News-Sentinel, a newspaper of general circulation in Knox County, Tennessee. A Publisher's Affidavit has been filed with the record of this proceeding showing that said notice was properly and timely published.
3. Notices of the public hearing as required under the Utility District Law of 1937 were also given to (i) the Mayor of the City of Knoxville, Tennessee; (ii) the Mayor of Blaine, Tennessee, (iii) the Mayor of Luttrell, Tennessee, (iv) the Mayor of Maynardville, Tennessee, (v) the Mayor of Plainview, Tennessee, (vi) the President of the Knoxville Utilities Board, (vii) the

General Manager of the Luttrell-Blaine-Corryton Utility District, (viii) the General Manager of New Market Utility District, (ix) the General Manager of the Anderson County Utility District, (x) the Mayor of Clinton, Tennessee, (xi) the General Manager of the West Knox Utility District, and (xii) the President of the Clinton Utilities Board. An Affidavit Regarding Notice has been filed with the record of this proceeding showing that said notice was properly and timely given.

4. The aforesaid public hearing was so conducted that all persons desiring to be heard concerning the said Joint Petition were allowed to be heard thereon. The modifications to the respective utility districts' wastewater service areas and their related boundaries sought by the Joint Petition are authorized by Tennessee statutes, are economically sound and feasible, in the public interest, and are justified; and accordingly, the public convenience and necessity require such transfers.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, AS FOLLOWS:

(a) That the Joint Petition requesting modification of NEKUD's and HPUD's wastewater service areas and their related boundaries be, and the same is hereby granted and sustained, thereby modifying the authority of NEKUD to provide wastewater service within its boundaries and expanding the boundaries within which HPUD has exclusive authority to provide wastewater service to include the NEKUD Beaver Creek Drainage Basin, the specific location of said NEKUD Beaver Creek Drainage Basin being more particularly described in **Exhibit A** attached hereto and incorporated herein by reference;

(b) That at the election of HPUD, the legal description for the NEKUD Beaver Creek Drainage Basin area provided as **Exhibit A** hereto may be further refined by mutual agreement of HPUD, NEKUD and the Knoxville Utilities Board prior to recording of this Decree with the Secretary of State and the Knox County Register of Deeds to simplify its provisions and to substitute a more permanent description, in which event the revised legal description shall be substituted for the description attached hereto as **Exhibit A**.

(c) That this Decree shall be kept by the County Clerk as a permanent record of Knox County, and the County Clerk shall issue certified copies of this Decree as shall be requested; and

(d) That HPUD shall arrange for a certified copy of this Decree to be filed in the Register's Office for Knox County, Tennessee, and in the office of the Secretary of State of Tennessee.

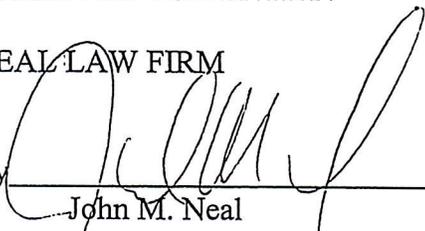
ENTER this 19th day of August, 2002.

Thomas H Schumpert
THOMAS H. SCHUMPERT,
COUNTY EXECUTIVE

APPROVED FOR ENTRY:

NEAL LAW FIRM

By


John M. Neal
Attorney for Northeast Knox Utility
District of Knox County, Tennessee
2108 Keller Bend Road
P. O. Box 51930
Knoxville, Tennessee 37950
(865) 628-9229

KENNERLY, MONTGOMERY & FINLEY, P.C.

By


C. Coulter Gilbert
Attorney for Hallsdale-Powell Utility
District of Knox County, Tennessee
550 Main Street, 4th Floor
P. O. Box 442
Knoxville, Tennessee 37901-0442
(865) 546-7311

C:\GHPUD 8744-002\NEKUD Litigation File\Second County Executive Proceeding\Decree.doc

EXHIBIT A

NEKUD Beaver Creek Drainage Basin Property Description

**(THIS DESCRIPTION MAY BE MODIFIED PRIOR TO RECORDING
PER SECTION (B) OF THE AUGUST 19, 2002 DECREE OF
THE KNOX COUNTY EXECUTIVE)**

Amended HPUD - NEKUD Sewer Service Area

From the POINT OF BEGINNING, said point being more particularly described as follows: Said Point is located 4,600 feet more or less at a bearing of S 62 degrees West from USGS BM 47-1-17 (located on the western side of Tazewell Pike near its intersection with Ridgeview Road), said point of beginning also being located near a point on the northern property line of Parcel 26 CLT 49-C "B", also known as Lot 8 Kesterbrooke Subdivision Unit II and 5608 Kesterbrooke Boulevard, and being 45 feet, more or less, in a southwesterly direction from the common northern property corner of Parcels 25 and 26 CLT 49-C "B" and the existing KUB and NEKUD boundary line;

thence in a northeasterly direction 45 feet, more or less, to the common northern property corner of Parcels 25 and 26 CLT 49-C "B";

thence in a northeasterly direction along the northern property lines of Parcels 25, 24, 23, and 22, thence with the eastern property lines of Parcels 22 and 21 CLT 49-C "B", thence with the northern property lines of Parcels 252.01 and 250.01, thence with the western property line of Parcel 240.01, thence with the northern property lines of Parcels 240.01, 239.01, 234, 233.01, 233, and 232 CLT 39 to a point, said point being the northeastern property corner of Parcel 232 CLT 39 and the western right-of-way of Tazewell Pike;

thence in an easterly direction across Tazewell Pike to a point, said point being the common property corner of Parcels 229 and 229.05 CLT 39 and the eastern right-of-way of Tazewell Pike;

thence in a northerly direction along said right-of-way to a point, said point being the northern property corner of Parcel 229 CLT 39 and the eastern right-of-way of Tazewell Pike;

thence in a northeasterly direction along the northern property lines of Parcels 229, 229.02, 229.03, 229.04, 228, 228.01, 227, 226, 225, 224, 223, 221, 217, 215, 212, 211, 210, 209, and 208 CLT 39;

thence in a southeasterly direction along the eastern property line of Parcel 208 CLT 39 to a point, said point being the southeastern property corner of Parcel 208 CLT 39 and the northern right-of-way of Ridgeview Road;

thence in an easterly direction along the northern right-of-way of Ridgeview Road to a point, said point being the southwestern property corner of Parcel 207 CLT 39 and the northern right-of-way of Ridgeview Road;

thence in a northwesterly direction along the western property line ~~corner~~ of Parcel 207 CLT 39, to the northwestern property corner of Parcel 207 CLT 39;

thence in a northeasterly direction along the northern property lines of Parcels 207 and 202.01 CLT 39 to a point on the northern property line of Parcel 202.01 CLT 39 and the southwestern property corner of Parcel 35 CLT 40;

thence in a northwesterly direction along the western property line of Parcel 35 CLT 40 to the northwestern property corner of Parcel 35 CLT 40;

thence in a northeasterly direction along the northern property lines of Parcels 35 and 21 CLT 40; to the northeast corner of Parcel 21 CLT 40;

thence in a southeasterly direction along the eastern property line of Parcel 21 CLT 40 ~~to a point,~~ said point being the intersection of the northwestern property corner of Parcel 20 CLT 40;

thence in a northeasterly direction along the northern property lines of Parcels 20, 19, 18, 17, 16 15.01, 15, 13, 12, 11, 10, 9, 5, and 4 CLT 40;

thence continuing along the northern property lines of Parcels 151, 150, 149, 148, and 147 CLT 30 to the northeast property corner of Parcel 147 and a point on the western property line of Parcel 146.02 CLT 30;

thence in a northwesterly direction along the western property lines of Parcels 146.02 and 146 CLT 30 to the northwest property corner of Parcel 146 CLT 30;

thence continuing with Parcel 146 CLT 30 northeast to a property corner; thence northwest to a property corner; thence northeast to a property corner;

thence continuing with Parcel 146 CLT 30 southeast to a point on the eastern property line of Parcel 146 CLT 30 and the northwest property corner of Parcel 4 CLT 30-O "A";

thence in an northeasterly direction along the northern property line of Parcel 4 CLT 30-O "A" to the northeast property corner of Parcel 4 CLT 30-O "A";

thence in a southeasterly direction along the eastern property line of Parcel 4 CLT 30-O "A" to a point, said point being the northwestern property corner of Parcel 142.02 CLT 30;

thence in a northeasterly direction along the northern property lines of Parcels 142.02, 142, 142.01, 141.02, 141.01, 140, and 138 CLT 30 to the northeast property corner of Parcel 138 CLT 30;

thence in a southeasterly direction along the eastern property line of Parcel 138 CLT 30 to a common property corner of Parcels 138, 134, and 133 CLT 30;

thence in a northeasterly direction along the northern property line of Parcel 133 CLT 30 to a point on the northern property line of Parcel 133 CLT 30 and the southwestern property corner of Parcel 131 CLT 30;

thence in a northwesterly direction along the western property line of Parcel 131 CLT 30 to the northwest property corner of Parcel 131 CLT 30;

thence in a northeasterly direction along the northern property lines of Parcels 131, 128, 126, and 124 to the northeast property corner of Parcel 124 CLT 30 and the western right-of-way of Henegar Road;

thence in an easterly direction across Henegar Road to the eastern right-of-way of Henegar Road and the southwestern property corner of Parcel 122 CLT 30;

thence in a northerly direction along the eastern right-of-way of Henegar Road and the western property line of Parcel 122 CLT 30 to the northwestern property corner of Parcel 122 CLT 30 and the eastern right-of-way of Henegar Road;

thence in a northeasterly direction along the northwestern property lines of Parcels 122, 115, 114, 177.11, 177.02, 113.01, 109.03, 109, 102, 101.01, and 101 CLT 30 to the northwestern property corner of Parcel 101 CLT 30;

thence in an easterly direction along the northern property line of Parcel 101 CLT 30 to the northeastern property corner of Parcel 101 CLT 30 and a point on the western property line of Parcel 99 CLT 30;

thence in a northerly direction along the western property lines of Parcels 99, 98, 97, and 97.01 CLT 30, Parcels 139 and 138 CLT 21 to the northwestern property corner of Parcel 138 CLT 21 and the southern right-of-way of Maloneyville Road;

thence in an easterly direction along the northern property line of Parcel 138 CLT 21 and the southern right-of-way of Maloneyville Road to a point on the northern property line of Parcel 138 CLT 21 and the southern right-of-way of Maloneyville Road due south of the southwestern property corner of Parcel 134.01 CLT 21 and the northern right-of-way of Maloneyville Road;

thence due north across Maloneyville Road to the southwestern property corner of Parcel 134.01 CLT 21 and the northern right-of-way of Maloneyville Road;

thence in a northerly direction along the western property lines of Parcels 134.01 and 134 CLT 21 to the northwestern property corner of Parcel 134 CLT 21 and a point on the southern property line of Parcel 133 CLT 21;

thence in a westerly direction along the southern property line of Parcel 133 CLT 21 to the southwestern property corner of Parcel 133 CLT 21;

thence in a northerly direction along the western property lines of Parcels 133 and 132 CLT 21 to the common property corner of Parcels 132, 131, and 130 CLT 21;

thence in a westerly direction along the southern property line of Parcel 130 CLT 21 to the southwestern property corner of Parcel 130 CLT 21;

thence in a northerly direction along the western property line of Parcel 130 CLT 21 to the northwestern property corner of Parcel 130 CLT 21 and the southern right-of-way of Fairview Road;

thence in an easterly direction along the northern property line of Parcel 130 CLT 21 and the southern right-of-way of Fairview Road to a point on the northern property line of Parcel 130 CLT 21 and the southern right-of-way of Fairview Road due south of the southwestern property corner of Parcel 169.04 CLT 21 and the northern right-of-way of Fairview Road;

thence due north across Fairview Road to the southwestern property corner of Parcel 169.04 CLT 21 and the northern right-of-way of Fairview Road;

thence in a northerly direction along the western property lines of Parcels 169.04, 121.02, and 121.05 CLT 21 to the northwestern property corner of Parcel 121.05 CLT 21;

thence in an easterly direction along the northern property line of Parcel 121.05 CLT 21 to the northeastern property corner of Parcel 121.05 CLT 21 and the western right-of-way of Clapps Chapel Road;

thence in a northwesterly direction along the western right-of-way of Clapps Chapel Road to the southeastern property corner of Parcel 121.04 CLT 21 and the western right-of-way of Clapps Chapel Road;

thence in a westerly direction along the southern property line of Parcel 121.04 CLT 21 to the southwestern property corner of Parcel 121.04 CLT 21;

thence in a northerly direction along the western property line of Parcel 121.04 to the northwestern property corner of Parcel 121.04 and a point on the southern property line of Parcel 120 CLT 21;

thence in a westerly direction along the southern property line of Parcel 120 CLT 21 to the southwestern property corner of Parcel 120 CLT 21 and a point on the eastern property line of Parcel 119 CLT 21;

thence with the boundaries of Parcel 119 CLT 21 the following calls:

thence in a southerly direction to a property corner;

thence in a westerly direction to a property corner;

thence in a northerly direction to a property corner;

thence in a westerly direction to a property corner;

thence in a northerly direction to the northwestern property corner of Parcel 119 CLT 21 and a point on the southern property line of Parcel 116 CLT 21;

thence with the boundaries of Parcel 116 CLT 21 the following calls:

thence in a westerly direction to a property corner;

thence in a northerly direction to a property corner;

thence in an easterly direction to a property corner;

thence in an easterly direction to a property corner of Parcel 116 CLT 21;

thence in a northerly direction along the western property lines of Parcels 116 and 115 CLT 21 to the northwestern property corner of Parcel 115 CLT 21;

thence in an easterly direction to a point on the northern property line of Parcel 115 at the southwestern property corner of Parcel 114.03 CLT 21;

thence with Parcel 114.03 CLT 21 in a northerly direction to a property corner;

thence in an easterly direction to a property corner;

thence in a southeasterly direction to a point on the northern property line of Parcel 114.03 CLT 21 and the southwestern property corner of Parcel 114.04 CLT 21;

thence in a northerly direction along the western property line of Parcels 114.04 and 114.05 CLT 21 to the northwestern property corner of Parcel 114.05 CLT 21 and the southern right-of-way of Clapps Chapel Road;

thence in an easterly direction along the northern property line of Parcel 114.05 CLT 21 and the southern right-of-way of Clapps Chapel Road to a point due south of the southwestern property corner of Parcel 180 CLT 21 and the eastern right-of-way of Clapps Chapel Road;

thence due north across Clapps Chapel Road to the southwestern property corner of Parcel 180 CLT 21 and the eastern right-of-way of Clapps Chapel Road;

thence in a northerly direction along the western property line of Parcel 180 CLT 21 and the eastern right-of-way of Clapps Chapel Road and the eastern right-of-way of E. Emory Road to a point due east easterly of the southern property corner of Parcel 22 CLT 21-B "A" and the western right-of-way of E. Emory Road;

thence due west westerly across E. Emory Road to the southern property corner of Parcel 22 CLT 21-B "A" and the western right-of-way of E. Emory Road;

thence in a northwesterly direction along the southwestern property line of Parcel 22 CLT 21-B "A" and the northeastern right-of-way of Tinamaria Drive to the western property corner of Parcel 22 CLT 21-B "A" and the northeastern right-of-way of Tinamaria Drive;

thence in a northeasterly direction along the northwestern property lines of Parcels 22, 21, and 20 CLT 21-B "A" to a point on the western property line of Parcel 20 CLT 21-B "A";

thence in a northerly direction along the western property lines of Parcels 20, 19, 18, 17 CLT 21-B "A" to the northwestern property corner of Parcel 17 CLT 21-B "A" and the southern right-of-way of Nicholas Drive;

thence from the northwestern property corner of Parcel 17 CLT 21-B "A" north across Nicholas Drive to the southwestern property corner of Parcel 16 CLT 21-B "A" and the northern right-of-way of Nicholas Drive;

thence in an northerly direction along the western property lines of Parcels 16 and 15 CLT 21-B "A" to the northwestern property corner of Parcel 15 CLT 21-B "A" and the southern right-of-way of Gibbs Road;

thence from the northwestern property corner of Parcel 15 CLT 21-B "A" north across Gibbs Road to the southwestern property corner of Parcel 87.01 CLT 21 and the northern right-of-way of Gibbs Road;

thence in a northerly direction along the western property line of Parcel 87.01 CLT 21 to the northwestern property corner of Parcel 87.01 CLT 21 and a point on the southern property line of Parcel 88 CLT 21;

thence in a westerly direction along the southern property line of Parcel 88 CLT 21 to the southwestern property corner of Parcel 88 CLT 21;

thence in a northerly direction along the western property lines of Parcels 88, 89, and 90 CLT 21 to the northwestern property corner of Parcel 90 CLT 21;

thence in an easterly direction to a point on the northern property line of Parcel 90 CLT 20 and the southwestern property corner of Parcel 165 CLT 13;

thence in a northwesterly direction along the western property line of Parcel 165 CLT 13 to the northwestern property corner of Parcel 165 CLT 13;

thence in an easterly direction to a point on the northern property line of Parcel 165 CLT 13 and the southwestern property corner of Parcel 1 CLT 13-N "A";

thence in a northerly direction along the western property line of Parcel 1 CLT 13-N "A" to the northwestern property corner of Parcel 1 CLT 13-N "A" and the southern right-of-way of Chapel Bend Drive;

thence due north across Chapel Bend Drive to a point on the southern property line of Parcel 164 CLT 13 and the northern right-of-way of Chapel Bend Drive;

thence in a westerly direction along the southern property line of Parcel 164 CLT 13 to a property corner;

thence in a northerly direction to a property corner; thence in an easterly direction to a property corner;

thence in a northerly direction along the western property lines of Parcels 164 and 162 CLT 13 to the northwestern property corner of Parcel 162 CLT 13;

thence in an easterly direction along the northern property line of Parcel 162 CLT 13 to the northeastern property corner of Parcel 162 CLT 13 and the western right-of-way of Branson Lane;

thence due east across Branson Lane to a point on the eastern right-of-way of Branson Lane;

thence in a northerly direction along the eastern right-of-way of Branson Lane to a point of intersection with the southwestern property corner of Parcel 156 CLT 13;

thence continuing in a northerly direction along the eastern right-of-way of Branson Lane and Parcel 156 CLT 13 to the northwestern property corner of Parcel 156 CLT 13 and the eastern right-of-way of Branson Lane;

thence in an easterly direction to a point on the northern property line of Parcel 156 CLT 13 and the southwestern property corner of Parcel 155.01 CLT 13;

thence in a northerly direction along the western property line of Parcel 155.01 CLT 13 to the northwestern property corner of Parcel 155.01 and a point on the southern property line of Parcel 154 CLT 13;

thence in a westerly direction to property corner;

thence in a northwesterly direction to a property corner;

thence in an easterly direction to a property corner;

thence in a northerly direction to the common property corner of Parcels 154 and 153 CLT 13;

thence in a northwesterly direction to a property corner;

thence in a northeasterly direction to a property corner;

thence in a northwesterly direction to a property corner;

thence in a northeasterly direction to the common property corner of Parcels 153 and 152.02 CLT 13;

thence continuing in a northeastern direction to the common property corner of Parcels 152.02, 151 and 144 CLT 13;

thence in a northerly direction to a property corner;

thence in a northeasterly direction to the northeastern property corner of Parcel 144 CLT 13 and a point on the western property line of Parcel 86 CLT 5;

thence in a northwestern direction to a property corner;

thence in a northeastern direction to a property corner;

thence in an easterly direction to a pint on the northern property line of Parcel 86 CLT 5 and the southwestern property corner of Parcel 84 CLT 5;

thence in a northeasterly direction along the northwestern property lines of Parcels 84, 83, and 80.01 to the northeastern property corner of Parcel 80.01 CLT 5 and a point on the property line of Parcel 80.06 CLT 5;

thence in a northwesterly direction to a property corner;

thence in a northwesterly direction to a property corner;

thence in a northerly direction to a property corner;

thence in an easterly direction along the northern property lines of Parcels 80.06, 80.04, and 80 CLT 13 to the northeastern property corner of Parcel 80 CLT 13 and the western right-of-way of Clapps Chapel Road;

thence due east across Clapps Chapel Road to a point of intersection with Little Flat Creek and the Luttrell-Blaine-Corryton Utility District;

thence continuing northeasterly along Tazewell Pike 2,300 feet more or less with Luttrell-Blaine-Corryton Utility District to its intersection with the Union Co. line.

Thence following the Union County line 18,100 feet, more or less, to a point on the Knox-Union County Line in the Texas Valley Road at the intersection with the current boundary of Hallsdale Powell;

Thence continuing with Hallsdale Powell due South 18,800 feet to USGS BM 47-1-19

thence along Emory Road in a southwesterly direction 4,500 feet more or less to the TVA Monument for Bench Mark No. 47-1-18

thence continuing along the Hallsdale-Powell Utility District boundary S10 Degrees – 00'E 12,000 feet, more or less, to USGS BM 47-1-17.

Thence S 62 degrees West 4,600 feet more or less to the POINT OF BEGINNING



Foster D. Arnett, Jr. Knox County Clerk

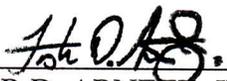
Post Office Box 1566 Knoxville, TN 37901 (865) 215-2380 www.knoxcounty.org/clerk

STATE OF TENNESSEE

COUNTY OF KNOX

I, Foster D. Arnett, Jr., Clerk of Knox County, Tennessee, do hereby certify that the attached is a true and correct copy of the Decree concerning the Joint Petition of Northeast Knox Utility District of Knox County, Tennessee and of Hallsdale-Powell Utility District of Knox County, Tennessee for the Modification of Said Utility Districts' Wastewater Service Areas and Their Related Boundaries to the Honorable Thomas H. Schumpert, County Executive of Knox County, Tennessee as it appears in the records of this Office.

Witness my hand at office in Knoxville, Tennessee this 9th day of December 2015.


FOSTER D. ARNETT, JR.,
KNOX COUNTY CLERK



Customer Complaints

1. Stroop v. Center Grove – Winchester Springs Utility District Pg. 119
2. Hood v. Ocoee Utility District Pg. 120



**Center Grove - Winchester Springs
Utility District**

40 Pleasant Grove Road
Estill Springs, Tennessee 37330
(931) 967-3939

RECEIVED

FEB 23 2016

DEPT: COMPTROLLER
OFFICE OF ADMINISTRATION

February 23, 2016

To: John Greer

On Tuesday February 23, 2016, Mr. Terry Stroop came into the office to go with me to measure the service line and check the water pressure at 960 Westside Drive. Jonathan Sells and I went with Mr. Stroop to his house. The service line is 109 ft. from the meter to the cut-off valve next to the house. The service line is 3/4". The faucet on the front side of the house had 100 PSI on our gauge which is a Simmons. Mr. Stroop's gauge would not screw on the faucet. We went to the back of the house to a stand-up frost proof faucet, Mr. Stroop's gauge had 82 PSI and our gauge had 85 PSI.

If I may be of further assistance, don't hesitate to call.

Respectfully submitted,
David N. Stafford
David N. Stafford

Manager CGWSUD

Hood v. Ocoee Utility District

1. Hood Complaint Pg. 121
2. Ocoee Utility District Motion to Dismiss Pg. 150
3. Hood Response Pg. 196
4. Ocoee Utility District Response to Complaint Pg. 198

**GEARHISER, PETERS,
ELLIOTT & CANNON, PLLC**
ATTORNEYS AND COUNSELORS AT LAW

320 McCallie Avenue
Chattanooga, Tennessee 37402
Telephone 423.756.5171
Facsimile 423.266.1605
www.gearhiserpeters.com
ghenry@gearhiserpeters.com

January 25, 2016

Betsy Knotts, Esq.
Assistant General Counsel
Comptroller of the Treasury
James K. Polk Building, Suite 1700
505 Deaderick Street
Nashville, Tennessee 37243

Re: Informal Hearing Written Complaint by Martin Brown Construction Company, Inc. and Trinity Development Enterprises, LLC against Ocoee Utility District of Bradley and Polk Counties, Tennessee

Dear Ms. Knotts:

As you are aware, this firm represents Martin Brown Construction Company, Inc. (“Martin Brown”) and Trinity Development Enterprises, LLC (“Trinity”) in connection with a dispute involving the Ocoee Utility District of Bradley and Polk Counties, Tennessee (“OUD”). Pursuant to your request, please accept this letter as a written complaint concerning the justness and reasonableness of OUD’s charges for unauthorized water use and requirement that Martin Brown and Trinity pay for the installation of a back-up power supply. This written complaint is submitted to the Utility Management Review Board pursuant to T.C.A. Section 7-82-702(a)(9).

By way of background, Martin Brown and Trinity have formed a joint venture for the purpose of developing a subdivision in Bradley County, Tennessee known as Farmingdale Trails Subdivision (“Subdivision”). In conjunction with the development of Subdivision, Martin Brown and Trinity submitted a Water Distribution Report to OUD for approval and subsequent transmission to the Tennessee Department of Environment and Conservation (“TDEC”). The Water Distribution Report did not include plans for a back-up power supply for the Subdivision. OUD reviewed and submitted the Water Distribution Report without alteration to TDEC for approval. A copy of OUD’s letter to TDEC transmitting the Water Distribution Report is enclosed. TDEC later approved the Water Distribution Report for the Subdivision without requiring a back-up power supply as evidenced by the enclosed letter from TDEC to OUD dated August 25, 2014.

Even though OUD and TDEC approved the Water Distribution Report without requiring a back-up power supply for the Subdivision, OUD has since demanded that Martin Brown and Trinity

*R. WAYNE PETERS
*ROBERT L. LOCKABY, JR.
SAM D. ELLIOTT
WADE K. CANNON
LEE ANN ADAMS
*BEVERLY S. EDGE
DAVID G. McDOWELL
*GARY L. HENRY
**ELEANOR G. LaPORTE
CORRIN P. FULTON
STACY H. FARMER
***DAVID W. HUNTER
JUSTIN B. FAITH
CHARLES J. GEARHISER (1938-2013)
*ALSO ADMITTED IN GEORGIA
**ALSO ADMITTED IN MISSISSIPPI
***ALSO ADMITTED IN ALABAMA

GEARHISER, PETERS, ELLIOTT & CANNON, PLLC

January 25, 2016

Page 2

pay for the installation of a back-up power supply for the Subdivision. Given this history, OUD's requirement that Martin Brown and Trinity pay for the installation of a back-up power supply for the Subdivision is both unjust and unreasonable.

In addition, OUD has assessed unauthorized use fees against Martin Brown and Trinity for tapping into a water line. In an effort to maintain the timing of the development of the Subdivision, Martin Brown contracted with OUD for the installation of a water meter on May 25, 2015. A copy of the Ocoee Utility District Water Service Contract under which Martin Brown contracted for the installation of a water meter is enclosed with this letter. Upon the execution of the contract, Martin Brown tendered all fees charged by OUD for the water meter. Despite this, OUD did not install a water meter under the Ocoee Utility District Water Service Contract until sometime after June 26, 2015.

Between May 15, 2015 and June 26, 2015, Martin Brown and Trinity made several attempts to communicate with OUD to demand that the water meter be installed. Martin Brown also asked third parties to contact OUD regarding the installation of a water meter as agreed. Tim C. Lawson (hereinafter "Mr. Lawson"), OUD's manager, indicated to at least one of those third parties that, even though OUD would not normally require the installation of a back-up generator or power supply in similar situations, OUD was withholding the installation of a water meter until the installation of a back-up power supply because Martin Brown and Trinity had made Mr. Lawson angry. Desperate for water, Martin Brown tapped into OUD's water line in order to continue developing the Subdivision. At that time, OUD assessed an unauthorized use fee, which Martin Brown and Trinity have paid under protest as reflected in the enclosed letter dated September 17, 2015 to Mr. Lawson. Under the circumstances, OUD's withholding of a water meter for the Subdivision and subsequent assessment of an unauthorized use fee are unreasonable and unjust.

In light of the above, Martin Brown and Trinity request that the Board find that OUD's requirement for the installation of a back-up power supply for the Subdivision and assessment of unauthorized use fees are both unreasonable and unjust. If the Board requires further information with regard to this written complaint, please do not hesitate to contact the undersigned.

Very truly yours,



Gary L. Henry,
Gearhiser, Peters, Elliott & Cannon, PLLC

cc: Mr. Lonnie Hood (via e-mail, w/enclosures)

WATER DISTRIBUTION REPORT

Revision 2, July 30, 2014

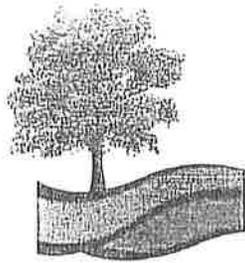
Prepared for:

Trinity Development Group
2640 Peerless Road, Northwest
Cleveland, Tennessee 37312
(423) 476-3035

For a project located at:

Farmingdale Subdivision
Intersection of Home Place Ct SE and Timberdale Trail
Cleveland, Tennessee 37323

Prepared by:



CHATTANOOGA
ENGINEERING GROUP



Table of Contents

Summary of Project	3
The Problem, Alternate Solutions, and Recommendation	3
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Extent of New Water Works	3
Soil, Ground Water Conditions, and Foundation Problems	4
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Instantaneous Peak Demand Results	Appendix B
Fire Flow Demand Results	Appendix C

Summary of Project

Phase X of the Farmingdale Subdivision Development in Cleveland, Tennessee is a single-family development project. This project will involve the subdivision of an existing 43 acre tract into 70 new single-family lots. The new lots will all be accessed from new public roads that will be constructed as part of this development. The existing public water will be extended to serve the new lots.

During the construction of the new roads, storm drainage and utilities, it is expected that 43 acres will be disturbed and coverage under the TNGCP is requested. The existing site is mostly woodlands and brush. The average slope on the property is 15% and this development will not substantially alter the average grade.

The proposed 6-inch water line will be installed parallel with the proposed roads and will serve the 70 residential homes and five new fire hydrants. This 4,193 linear foot expansion of the water distribution system will be able to adequately provide residential and fire flows to the new subdivision.

The Problem, Alternate Solutions and Recommendation

In order to develop the 43-acre tract of land for single-family residential use, residential water and fire protection is required in this section of Bradley County. The two alternatives evaluated were individual wells or connection to the existing public water system. The Ocoee Utility District's existing distribution system was evaluated and it was determined to have adequate capacity to serve the demands of the new development.

Due to the close proximity of public water it is recommended that this development be served by the existing Ocoee Utility District's distribution system.

General Information

The existing water system is owned and operated by the Ocoee Utility District. Once this development is complete, the expansion will also be owned and operated by this utility. Their contact information is:

Ocoee Utility District
5631 Waterlevel Highway
Cleveland, Tennessee 37323
(423)-559-8505

Extent of New Water Works

The proposed development will subdivide the existing 43-acre tract of land with the new roads that will allow for the construction of 70 additional homes. The new water line expansion runs parallel with the proposed roads with three terminations at the three proposed cul-de-sacs with no potential for further expansion of the line. The expansion will consist of 4,193 feet of 6-inch line. This parcel and all of the surrounding property is currently zoned and is being utilized as single family residential and no industrial, commercial, or institutional developments are expected.

Soil, Ground Water Conditions, and Foundation Problems

Table 1.1 below summarizes the soils found in the vicinity of this site according to the USDA Natural Resources Conservation Service.

Table 1.1 USDA Soil Data.

Soil Type
Clarksville Cherty Silt Loam
Greendale Cherty Silt Loam
Minvale Cherty Silt Loam
Fullerton Cherty Silt Loam

The USDA also approximates that groundwater is expected at five and a half feet or more over the entire areas.

Most homes in the vicinity of this project have crawl space foundations with some slab on grade. There are no known foundation issues due to ground water in this area.

Residential Water Consumption Assumptions

The proposed expansion is designed for a maximum of 70 single-family homes. It is assumed that these homes will have an instantaneous peak demand of 2 gallons per minute per connection. A minimum water pressure of 20 pounds per square inch or greater is provided to each connection point for these homes.

Fire Protection

There are five new fire hydrants proposed for this expansion. Each hydrant is capable of providing a minimum of 500 gallons per minute of flow without lowering the pressure in the immediate system below 20 pounds per square inch.

Wastewater System

The houses in the subdivision will be served by individual septic systems instead of a public wastewater system.

Distribution System Model

This water line expansion was modeled using the Hazen-Williams head loss formulas in EPANET 2.0 computer software program. The diagram for this model as well as the results of the simulation can be found in the Appendix of this document. In this computer program the existing distribution system was modeled as a pump and a reservoir at the tie in with the three point pump curve determined from a hydrant flow test from Ocoee Utility District. This flow test was run on a fire hydrant located at Farmingdale Place and Heather Oaks Trail. This test indicated that this hydrant was capable of providing 800 gallons per minute of flow with a residual pressure of 56 pounds per square inch. Under static conditions, this hydrant had a pressure of 80 pounds per square inch. An existing pump station was also modeled. Two Gould 30 horsepower and one Gould 7.5 horsepower pumps were added to the system after the fire hydrant. The pump station shall be set to a maximum pressure of 150 psi. The pump curve for two of the pumps in the existing pump house are no longer available and pump curves for Gould 30 horsepower were assumed to be reasonably close and were used in this model.

Two computer simulations were run. First, the simulation evaluated the effect of the 70 new single-family homes for peak demand. This simulation predicted that if 70 new homes were added to the system as shown there would be a minimum pressure in the system at Junct Node_5 of 70.72 pounds per square inch, and a maximum velocity in the 6-inch diameter pipe of Pipe ExPi_1 and 2 and Pipe 1 of 1.54 feet per second. The second simulation evaluated the effect of fire flow on the system. Under fire flow conditions the minimum pressure in the system was found at Junct Ex_2 and the pressure at this point dropped to 31 pounds per square inch. The maximum velocity in the new system was found in the 6-inch diameter water line of Pipe ExPi_1 and 2 and Pipe 1, 5, 8, and 9 under this fire flow was 5.67 feet per second.

Appendix A

Plans Review Fee Worksheet

TENNESSEE DEPARTMENT OF ENVIRONMENT & CONSERVATION
DIVISION OF WATER SUPPLY

PLANS REVIEW FEE WORKSHEET
(PLEASE SUBMIT THIS WORKSHEET WITH EACH PROJECT)

<u>ACTIVITY</u>	<u>FEE PAID</u>	<u>FEE DUE</u>
1. Well or Spring Development at \$200 each	= \$ _____	\$ _____
2. Chemical Control Plant at \$400	= \$ _____	\$ _____
3. Disinfection Systems		
a. Gaseous at \$300		
b. Hypochlorinator at \$150	= \$ _____	\$ _____
4. Filter Plant at \$1000	= \$ _____	\$ _____
5. Pump Stations at \$250 each	= \$ _____	\$ _____
6. Tanks at \$225 each	= \$ _____	\$ _____
7. Standard Specification at \$100	= \$ _____	\$ _____
8. Tank Recoating at \$50 each	= \$ _____	\$ _____
9. Sludge Treatment and Handling at \$150	= \$ _____	\$ _____
10. Water Lines		
a. 1000 feet or less at \$100	= \$ _____	\$ _____
b. Over 1000 feet at \$100 + (.01) (feet over 1000)	= \$ <u>131.93</u>	\$ _____
11. Change Orders at \$50 each	= \$ _____	\$ _____
12. Operation and Maintenance Manual at \$150	= \$ _____	\$ _____
13. New Water Source & Site Evaluation at \$300	= \$ _____	\$ _____
14. Site Evaluation for Water Plant Sludge Application at \$300	= \$ _____	\$ _____
15. Miscellaneous (Eng. Reports, Addendums etc.) at \$50 each	= \$ _____	\$ _____

TOTAL PLANS REVIEW FEE = 131.93 Payable to The State of Tennessee

Name of Project: Farmingdale
 Name of Public Water System: Ocoee Utility District
 County: Bradley
 Engineer: Rocky Chambers
 Payment by: Water System Engineer Other: _____
 Address: _____

STATE ENGINEER USE ONLY

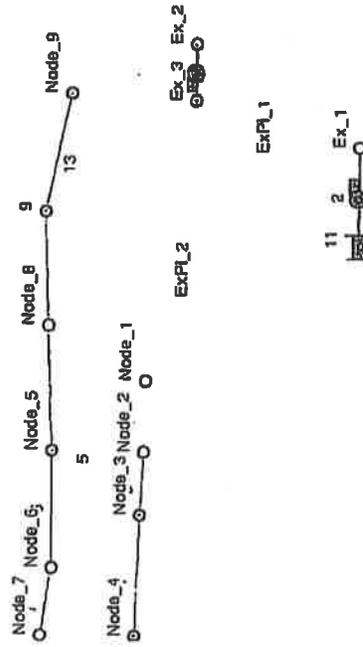
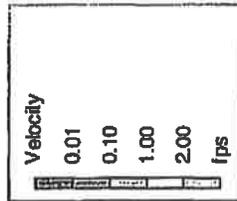
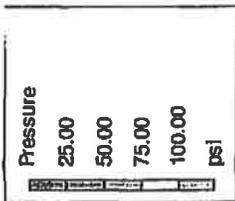
Project #: _____
 PWSID #: _____
 Comments: _____

FOR OFFICE USE ONLY

Postmark date: _____
 Date Received: _____
 Check #: _____
 Check Amount: _____
 Receipt #: _____
 Cash Deposit #: _____

Appendix B

Instantaneous Peak Demand Results



ExPL1

11 2 Ex_1

Network Table - Links

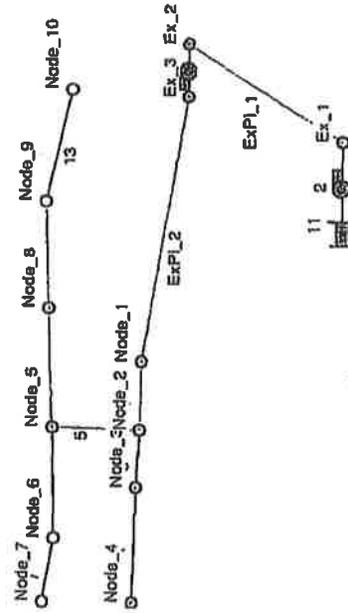
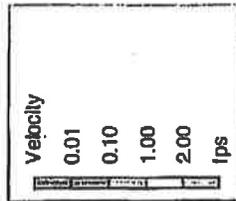
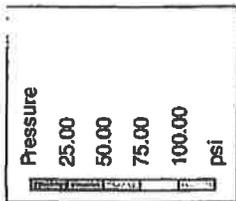
Link ID	Length ft	Diameter in	Flow GPM	Velocity fps	Unit Headloss ft/Kft	Friction Factor
Pipe 4	565	6	24.00	0.27	0.07	0.032
Pipe 6	583	6	30.00	0.34	0.11	0.031
Pipe 7	299	6	12.00	0.14	0.02	0.035
Pipe 8	650	6	68.00	0.77	0.51	0.028
Pipe ExPi_1	2232	6	136.00	1.54	1.84	0.025
Pipe ExPi_2	2275	6	-136.00	1.54	1.84	0.025
Pipe 1	336	6	136.00	1.54	1.84	0.025
Pipe 3	244	6	32.00	0.36	0.13	0.031
Pipe 5	423	6	98.00	1.11	1.00	0.026
Pipe 9	630	6	40.00	0.45	0.19	0.030
Pipe 13	463	6	16.00	0.18	0.04	0.034
Pump 2	#N/A	#N/A	136.00	0.00	-181.56	0.000
Pump 10	#N/A	#N/A	136.00	0.00	-104.00	0.000
Pump 11	#N/A	#N/A	0.00	0.00	0.00	0.000
Pump 12	#N/A	#N/A	0.00	0.00	0.00	0.000

Network Table - Nodes

Node ID	Elevation ft	Demand GPM	Head ft	Pressure psi
Junc Node_1	1019	0.00	1237.25	94.57
Junc Node_3	997	8.00	1236.60	103.82
Junc Node_4	1003	24.00	1236.56	101.20
Junc Node_5	1073	0.00	1236.21	70.72
Junc Node_6	1057	18.00	1236.14	77.62
Junc Node_7	1056	12.00	1236.14	78.05
Junc Node_8	1062	28.00	1235.88	75.34
Junc Node_9	988	16.00	1235.74	107.35
Junc Ex_1	960	0.00	1141.56	78.67
Junc Ex_2	972	0.00	1137.45	71.69
Junc Ex_3	972	0.00	1241.45	116.75
Junc Node_2	1010	6.00	1236.63	98.20
Junc 9	1004	24.00	1235.76	100.42
Resvr 11	960	-136.00	960.00	0.00

Appendix C

Fire Flow Demand Results



Network Table - Links

Link ID	Length ft	Diameter in	Flow GPM	Velocity fps	Unit Headloss ft/Kft	Friction Factor
Pipe 4	565	6	0.00	0.00	0.00	0.000
Pipe 6	583	6	0.00	0.00	0.00	0.000
Pipe 7	299	6	0.00	0.00	0.00	0.000
Pipe 8	650	6	500.00	5.67	20.55	0.021
Pipe ExPi_1	2232	6	500.00	5.67	20.55	0.021
Pipe ExPi_2	2275	6	-500.00	5.67	20.55	0.021
Pipe 1	336	6	500.00	5.67	20.55	0.021
Pipe 3	244	6	0.00	0.00	0.00	0.000
Pipe 5	423	6	500.00	5.67	20.55	0.021
Pipe 9	630	6	500.00	5.67	20.55	0.021
Pipe 13	463	6	0.00	0.00	0.00	0.000
Pump 2	#N/A	#N/A	500.00	0.00	-150.76	0.000
Pump 10	#N/A	#N/A	88.78	0.00	-234.44	0.000
Pump 11	#N/A	- #N/A	205.61	0.00	-234.44	0.000
Pump 12	#N/A	#N/A	205.61	0.00	-234.44	0.000

Network Table - Nodes

Node ID	Elevation ft	Demand GPM	Head ft	Pressure psi
Junc Node_1	1019	0.00	1252.60	101.22
Junc Node_3	997	0.00	1245.69	107.76
Junc Node_4	1003	0.00	1245.69	105.16
Junc Node_5	1073	0.00	1237.00	71.06
Junc Node_6	1057	0.00	1237.00	77.99
Junc Node_7	1056	0.00	1237.00	78.43
Junc Node_8	1062	0.00	1223.65	70.04
Junc Node_10	988	0.00	1210.70	96.50
Junc Ex_1	960	0.00	1110.76	65.32
Junc Ex_2	972	0.00	1064.90	40.25
Junc Ex_3	972	0.00	1299.34	141.84
Junc Node_2	1010	0.00	1245.69	102.13
Junc Node_9	1004	500.00	1210.70	89.56
Resvr 11	960	-500.00	960.00	0.00

OCOEE UTILITY DISTRICT

August 12, 2014

Bill Hench, P.E.
Tennessee Department of Environment & Conservation
Division of Water Resources
Engineering Section
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, TN 37243

Re: Farmingdale Trail Water Design Approval
Ocoee Utility District – Bradley County

Dear Mr. Hench,

Please find enclosed four (4) sets of plans and specs for the Farmingdale Trail residential subdivision in Bradley County. The plans submittal form and check for the review fee is also enclosed.

Please let me know if you have any questions or comments regarding this request.

Sincerely,


Tim C. Lawson, General Manager
Ocoee Utility District

Attach: Farmingdale Trail Plans (4)





STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
Division of Water Resources
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243
Phone: 615-532-0191 Fax: 615-532-0686
For REGIONAL FIELD OFFICES
Call 1-888-891-TDEC

August 25, 2014

Mr. Tim C. Lawson
Ocoee Utility District
5631 Waterlevel Highway, SE
Cleveland, TN 37323

RE: Ocoee Utility District
PWSID # 0000525
Bradley County
Project Number WS 14-0929
Farmingdale Trail

Dear Mr. Lawson :

The Tennessee Department of Environment and Conservation, Division of Water Resources, acknowledges receipt of four sets of final construction documents on August 14, 2014.

This project consists of approximately 4,165 feet of 6-inch water line. As indicated by our stamp, this project has been approved for construction.

This letter, with the enclosed engineering documents bearing our official stamp, constitutes approval by the Commissioner of the Tennessee Department of Environment and Conservation for construction of the referenced facility. Approval is granted in accordance with the Tennessee Safe Drinking Water Act of 1983 and Regulations of the Tennessee Board of Water Quality, Oil and Gas. One complete set of plans and specifications, bearing the official stamp, must be kept at the construction site. Projects utilizing previously approved standard specifications are not required to maintain a stamped copy of the specifications at the construction site. All construction must conform with these approved documents. It is the responsibility of the water utility and/or their engineer to ensure that construction conforms to the plans and specifications. We have retained one set of this submittal for our records.

Approval expires one year from the stamped approval date unless construction is either underway or complete. Any request for its extension must be made prior to this expiration date.



August 25, 2014
Tim C. Lawson
Page 2

Deviations from the approved plan documents which may affect the quality or quantity of potable water must be submitted and approved in writing before such changes are made.

The Division's appropriate field office may desire to schedule an inspection of the construction work to verify compliance with the approved plans and specifications. Therefore, the engineer or the water utility shall notify the Chattanooga Field Office of the start of construction. This notification may be made by completing and mailing the attached "Construction Start Notification" form to the field office.

To expedite matters, please reference the assigned WS Project Number on future correspondence. If we may be of any assistance, please contact Khaldoun Kailani at (615) 532-0167.

Sincerely,



R. William Hench, P.E.
Drinking Water Engineering
Division of Water Resources

RWH/ KK DWS104

Enclosures: Approved Construction Documents
Construction Start Notification Form

Cc: Chattanooga Field Office – Division of Water Resources

OCOEE UTILITY DISTRICT WATER SERVICE CONTRACT

17711

The undersigned, William Brown Const hereinafter called "APPLICANT", requests the Ocoee Utility District, hereinafter called "DISTRICT", to furnish water service subject to the terms and conditions as hereinafter set forth:

1. The DISTRICT shall provide a complete water meter installation upon receipt of a non-refundable tapping fee of \$ 100.00.
2. The DISTRICT shall provide water service to the APPLICANT upon receipt of a non-refundable application fee of \$ 50.00, plus a refundable deposit of \$ 9.
3. Meter size 3/4" Agricultural Commercial Residential
4. The DISTRICT shall render a monthly statement for metered water which is due and payable upon receipt and becomes delinquent after the close of business on the due date. In the event that service is discontinued by the DISTRICT and the meter is disconnected for nonpayment of charges but later reconnected at the APPLICANT'S request and the DISTRICT'S option, the APPLICANT agrees to pay, prior to reconnection, all amounts due to the DISTRICT plus such reconnection fee and additional deposit as the DISTRICT shall determine.
5. The APPLICANT shall connect to the meter connection and install a service line from the meter to the place of actual use. This connection is restricted to one unit. NO OTHER CONNECTION OR UNIT WILL BE ADDED TO THIS SERVICE LINE WITHOUT THE DISTRICT'S WRITTEN PERMISSION. WATER SERVICE MAY BE PERMANENTLY TERMINATED IF ANY UNAUTHORIZED CONNECTIONS ARE FOUND.
6. The APPLICANT shall be responsible for the payment of all metered water until the DISTRICT receives a request from the APPLICANT for termination of service.
7. The APPLICANT agrees to pay the DISTRICT the minimum bill after water is available, whether the water is actually used or not.
8. The APPLICANT agrees to pay the DISTRICT in accordance with the DISTRICT'S rate schedule on file at the DISTRICT office.
9. The APPLICANT shall comply with the requirements of the Tennessee Department of Health that the APPLICANT'S existing, or any future, water supply lines from wells, springs, private supplies, etc., will in no way be interconnected to the DISTRICT'S lines. These lines will be completely separate from the DISTRICT'S lines at all times.
10. The APPLICANT shall install a shut-off valve and a pressure regulator on the APPLICANT'S service line immediately after the connection of the APPLICANT'S service line to the meter. The shut-off valve on the meter is to be operated by DISTRICT personnel only and is not to be operated by the APPLICANT.
11. It is unlawful for a person to in any way injure, remove, destroy or interfere with any DISTRICT lines or appurtenances. *Tennessee Code 65-35-102.*

The APPLICANT hereby agrees that the terms and conditions hereinafter set forth shall apply to this application and agrees to be bound by them.

9-15-15
Date

[Signature]
Applicant's Signature

Ocoee Utility District

Account Number _____

Name William Brown Const Telephone 313-1444

Service Address 100 Buca Meadow Trail DOB 1-18-59

Mailing Address 111 Broken Mountain Ave

S.S. Number 101 7 10 Driver's License Number DU 8309011

Employer Self Telephone _____

Spouse _____ Employer _____ Telephone _____

Relative _____ Relationship _____ Telephone _____

Owner William Brown Const Telephone _____



(See Reverse Side)

**GEARHISER, PETERS,
ELLIOTT & CANNON, PLLC**
ATTORNEYS AND COUNSELORS AT LAW

320 McCallie Avenue
Chattanooga, Tennessee 37402
Telephone 423.756.5171
Facsimile 423.266.1605
www.gearhiserpeters.com
ghenry@gearhiserpeters.com

September 17, 2015

VIA FEDERAL EXPRESS

Mr. Tim Lawson
Ocoee Utility District of Bradley and Polk Counties, Tennessee
Post Office Box 305
Ocoee, Tennessee 37361

Re: Account No.: 15-00988-001
Customer Name: Martin Brown Construction Company, Inc.
Service Location: 120 Briar Meadow Trail

Dear Mr. Lawson:

As you are aware from my prior correspondence, this firm represents Martin Brown Construction Company, Inc. ("Martin Brown"). Enclosed please find a copy of the most recent bill for the above-referenced account number in the amount of \$322.66. Martin Brown does not dispute \$21.06 of the charges on the enclosed bill for water service between July 20, 2015 and August 20, 2015. However, the enclosed bill indicates there is a balance forward of \$301.60, which you confirmed on September 15, 2015 represents an unauthorized use fee. Martin Brown's position on the validity of such a fee is outlined in my letter of August 10, 2015, a copy of which is enclosed with this letter. Martin Brown continues to dispute Ocoee Utility District of Bradley and Polk Counties, Tennessee's attempt to impose such a fee, which will be the subject of a forthcoming legal action.

In light of the above, enclosed please find a check for \$322.66, which Martin Brown is tendering in full satisfaction of the enclosed bill. Take notice that Martin Brown's tender of the enclosed payment is made under protest, and Martin Brown does not waive and expressly reserves any claims based on the assessment of an unauthorized use fee. The sole reason that Martin Brown is tendering payment for the unauthorized use fee is to prevent any interruption in Martin Brown's water service until all issues relating to the unwarranted and inappropriate unauthorized use fee are resolved.

*R. WAYNE PETERS
*ROBERT L. LOCKABY, JR.
SAM D. ELLIOTT
WADE K. CANNON
LEE ANN ADAMS
*BEVERLY S. EDGE
DAVID G. McDOWELL
*GARY L. HENRY
**ELEANOR G. LAFORTE
CORRIN P. FULTON
STACY H. FARMER
***DAVID W. HUNTER
JUSTIN B. FAITH
CHARLES J. GEARHISER (1938-2013)

*ALSO ADMITTED IN GEORGIA
**ALSO ADMITTED IN MISSISSIPPI
***ALSO ADMITTED IN ALABAMA

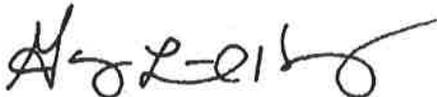


GEARHISER, PETERS, ELLIOTT & CANNON, PLLC

September 17, 2015

Page 2

Very truly yours,



Gary L. Henry

For Gearhiser, Peters, Elliott & Cannon, PLLC

GLH:jlo

cc: Mr. Lonnie R. Hood (via e-mail w/o enclosures)

**GEARHISER, PETERS,
ELLIOTT & CANNON, PLLC**
ATTORNEYS AND COUNSELORS AT LAW

320 McCallie Avenue
Chattanooga, Tennessee 37402
Telephone 423.756.5171
Facsimile 423.266.1605
www.gearhiserpeters.com
ghenry@gearhiserpeters.com

September 17, 2015

VIA FEDERAL EXPRESS

Mr. Tim Lawson
Ocoee Utility District of Bradley and Polk Counties, Tennessee
Post Office Box 305
Ocoee, Tennessee 37361

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Service Location: 120 Briar Meadow Trail

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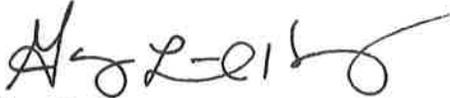
*R. WAYNE PETERS
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***ALSO ADMITTED IN ALABAMA

GEARHISER, PETERS, ELLIOTT & CANNON, PLLC

September 17, 2015

Page 2

Very truly yours,

A handwritten signature in black ink, appearing to read "Gary L. Henry". The signature is fluid and cursive, with a large initial "G" and "H".

Gary L. Henry

For Gearhiser, Peters, Elliott & Cannon, PLLC

GLH:jlo

cc: Mr. Lonnie R. Hood (via e-mail w/o enclosures)

**GEARHISER, PETERS,
ELLIOTT & CANNON, PLLC**
ATTORNEYS AND COUNSELORS AT LAW

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CHARLES J. GEARHISER (1938-2013)

*ALSO ADMITTED IN GEORGIA
**ALSO ADMITTED IN MISSISSIPPI
***ALSO ADMITTED IN ALABAMA

August 10, 2015

VIA U.S. MAIL AND ELECTRONIC MAIL

Mr. Tim Lawson
Ocoee Utility District of Bradley and Polk Counties, Tennessee
Post Office Box 305
Ocoee, Tennessee 37361
timoud@bellsouth.net

Re: Farmingdale Trails Subdivision

Dear Mr. Lawson:

I have and thank you for the missing page from the Water Service Contract that I requested in my letter of July 30, 2015. I have enclosed a check made payable to the Ocoee Utility District in the amount of \$6.60, which represents payment for forty-four copies at \$0.15 each.

You did not inform me of the Board's decision regarding the District's demand for a backup power supply or imposition of a \$250.00 unauthorized tap fee. Regardless of the Board's decision in this regard, it appears that the District submitted plans to the Department of Environment and Conservation on August 12, 2014 that did not require Martin Brown Construction Company or Trinity Development Group to provide a generator or backup power supply. The Department of Environment and Conservation unqualifiedly approved those plans on August 25, 2014 without requiring a generator or other backup power supply. As such, neither Martin Brown Construction Company nor Trinity Development Group are responsible for providing a generator or backup power supply for Farmingdale Trails Subdivision. Moreover, the District's unwarranted delays in providing a water meter despite Martin Brown Construction Company's compliance with all prerequisites for obtaining a meter makes the unauthorized tap fee improper.

In light of the above, any attempt to require the installation of a backup power supply or impose an unauthorized tap fee will be vigorously resisted.

Very truly yours,



Gary L. Henry
For Gearhiser, Peters, Elliott & Cannon, PLLC

GLH:tr

cc: Mr. Lonnie R. Hood (via e-mail)

12792

GEARHISER, PETERS, ELLIOTT
AND CANNON, PLLC
320 McCallie Avenue
Chattanooga, TN 37402
423-756-5171

REGIONS BANK
87-11640

DATE: Aug 10, 2015
CHECK: 12792
AMOUNT: \$6.60

60/100

PAY *** SIX *****

TO THE Ocoee Utility District
ORDER
OF

Bill Rogers

AUTHORIZED SIGNATURE

E101: Document Reproduction

⑈00012792⑈ ⑈064000017⑈ 010446722⑈

Security Features Included Details on Back



PO BOX 305

OCOEE UTILITY DISTRICT

OCOEE, TN 37361

423-559-8505

OFFICE HOURS: 8:00 AM - 4:30 PM MONDAY - FRIDAY

www.ocoeeutility.com

SERVICE DESCRIPTION	METER #	READING DATES	PREVIOUS	PRESENT	USAGE	CHARGES
Balance Forward						301.60
WATER	10533816	07/20/2015 08/20/2015	0	0	0	16.00
Leak Protection						1.00
Surcharge						2.50
State Tax						1.56

ACCOUNT NUMBER	CUSTOMER NAME	SERVICE ADDRESS
15-00988-001	Martin Brown Construction	120 Briar Meadow Trail

Bills not paid 10 days after the due date of each month are subject to disconnection without further notice. Failure to receive a bill does not relieve a customer of payment or penalty. A disconnection fee plus current bill must be paid before service can be reinstated. Any reconnections done outside of normal business hours will incur an additional service charge. See ocoeeutility.com for the current fee structure.

Total Due on or before: 09/20/2015	322.66
Add penalty after due date:	1.60
Total Due After: 09/20/2015	324.26

For your convenience, payment may be made by bank draft or at the following if paid on or before the due date of each month

First Volunteer Bank First Bank of Tennessee

Visa, Mastercard, and Discover payments are accepted in our office, by phone, and the internet. A convenience fee of \$1.50 per payment will be charged for any payments made by phone or through the website.
www.ocoeeutility.com

The Ocoee Utility District Board of Commissioners meets the third Wednesday of each month, 1:00 P.M., at the District Office, 5631 Waterlevel Highway, Cleveland, TN.

Our 2014 Consumer Confidence Report is now available at <http://goo.gl/JjvFgj>, or ask for a copy at our office.

Your online password is 000444192465

PERIOD	GAL USED
CURRENT	0
LAST MONTH	0

Please bring entire bill when paying at our office to receive a receipt

Please Detach And Return Bottom Portion With Payment.

TN23589B



Ocoee Utility District
PO Box 305
Ocoee TN 37361-0305
Return Service Requested

ACCOUNT NUMBER	15-00988-001
----------------	--------------

Total Due on or before: 09/20/2015	322.66
Add penalty after due date:	1.60
Total Due After: 09/20/2015	324.26

Please write your account number on your check and remit to:

AUTO UTOSCH 5-DIGIT 37323



MARTIN BROWN CONSTRUCTION
191 BROKEN ARROW LN SW
CLEVELAND TN 37311-8551

22 1

OCOEE UTILITY DISTRICT
PO BOX 305
OCOEE TN 37361-0305



1150
87-436/613

MARTIN BROWN CONSTRUCTION CO.
FARMINGDALE TRAILS PROJECT
191 BROKEN ARROW LANE SW
CLEVELAND, TN 37311

9/16/15

Date

\$ 322.66

Pay to the
Order of

OMB

three hundred & twenty two and 66/100 Dollars

Security
Deposit
Box



CORNERSTONE
COMMUNITY BANK
Cookeville, Tennessee

[Signature]

For

⑆06⑆304363⑆ 153032901⑆ 1150

MP

ORIGIN ID: CHAA (423) 756-5171
GARY L. HENRY
GEARHISER
320 MCCALLIE AVENUE
CHATTANOOGA, TN 37402
UNITED STATES US

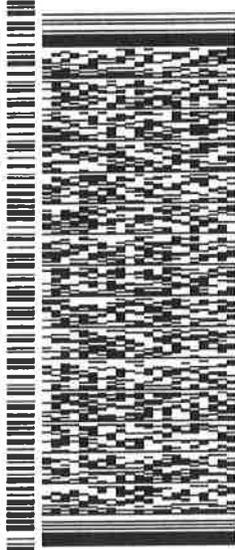
SHIP DATE: 17SEP15
ACTWGT:
CAD: 105607804/INET3670

BILL SENDER

TO **MR. TIM LAWSON**
OCOEE UTILITY DISTRICT OF BRADLEY A
5631 WATERLEVEL HIGHWAY

CLEVELAND TN 37361

(423) 559-8505
INV
PO
REF GLH - MARTIN BROWN COOEE
DEPT



TRK# 7745 3586 2444

FRI - 18 SEP 4:30P
PRIORITY OVERNIGHT

1A MMIA
TN-US
37361
CHA



539J2/CB89/3100

After printing this label:
1. Use the 'Print' button on this page to print your label in your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
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Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.
Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery or misrouting, unless you declare a higher value, pay an additional charge, document your actual loss, and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special, is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$100, e.g. jewelry, precious metals, negotiable instruments and other items listed in our ServiceGuide. Written claims must be filed within strict time limits; see current FedEx Service Guide.

BRANSTETTER, STRANCH & JENNINGS, PLLC

THE FREEDOM CENTER
223 ROSA L. PARKS AVENUE
SUITE 200
NASHVILLE, TENNESSEE 37203
TELEPHONE (615) 254-8801
FACSIMILE (615) 255-5419

CECIL D. BRANSTETTER, SR., 1920-2014
KARLA M. CAMPBELL
BEN GASTEL*
R. JAN JENNINGS*
JOE P. LENISKI, JR.
DONALD L. SCHOLES
MIKE STEWART
JAMES G. STRANCH, III
J. GERARD STRANCH, IV
MICHAEL J. WALL

ASSOCIATES:
RAQUEL L. BELLAMY
SEAMUS T. KELLY
ANTHONY A. ORLANDI
K. GRACE STRANCH

OF COUNSEL:
ROBERT E. RICHARDSON, JR. **

* ALSO ADMITTED IN GA
** ONLY ADMITTED IN OH

March 18, 2016

Via email and hand delivery

Utility Management Review Board
Office of the Comptroller of the Treasury
Office of State and Local Finance
Suite 1700 James K. Polk Building
505 Deaderick Street
Nashville TN 37243-1402

Attention: John Greer and Betsy Knotts

Re: Complaint by Martin Brown Construction Company, Inc. and Trinity Development Enterprises, LLC against Ocoee Utility District

Dear Members of the Board:

I represent Ocoee Utility District. I have enclosed a Motion to Dismiss this informal complaint on behalf of Ocoee Utility District. In the event the Board does not grant this Motion, I have enclosed a Response to Complaint on behalf of Ocoee Utility District responding to the complaint.

The District's General Manager, Tim Lawson, has had a vacation scheduled for several months and is not available to come to UMRB meeting on April 7th. In the event the Board has any specific questions for the District not address in the Response, Mr. Lawson is probably the only person available to answer those questions. I will be there on the District's behalf on April 7th. If the Board grants the Motion to Dismiss, Mr. Lawson will not be needed. If the Board does not grant the Motion to Dismiss and needs information from Mr. Lawson which I cannot provide, I would respectfully request this case be continued to the June 2016 Board meeting. The Complainants should not be prejudiced by this postponement. The unauthorized access fee has already been paid under protest. The parties have reached an agreement permitting service to a limited number of lots until a final decision is made in the case pending between the parties in the Bradley County Chancery Court.

Utility Management Review Board
March 18, 2016
Page 2

If you need anything further from me before the meeting on April 7th, please let me know

Sincerely yours,



DONALD L. SCHOLES

Enclosures

c: Gary L. Henry
Tim Lawson

RECEIVED
MAR 17 2016
DEPT: COMPTROLLER
OFFICE OF ADMINISTRATION

BEFORE THE UTILITY MANAGEMENT REVIEW BOARD

In re:

COMPLAINT BY MARTIN BROWN CONSTRUCTION COMPANY, INC. AND TRINITY DEVELOPMENT ENTERPRISES, LLC AGAINST OCOEE UTILITY DISTRICT

MOTION TO DISMISS

By letter dated January 25, 2016, from attorney Gary L. Henry, Martin Brown Construction Company, Inc. and Trinity Development Enterprises, LLC (the Complainants) filed an informal complaint with the Utility Management Review Board (UMRB) against Ocoee Utility District (the District) pursuant to T.C.A. § 7-82-702(a)(9). The Complainants seek a review by the UMRB of two actions taken by the District and request it find: (1) that requiring the Complainants to install a back-up power supply to a District pump station to provide service to Complainants' Subdivision is unreasonable and unjust; and (2) that the District's assessment of its fee against the Complainants for their unauthorized connection to the District's water system is unreasonable and unjust.

Pursuant to T.C.A. § 7-82-702(a)(9), the Complainants have requested an informal hearing for the UMRB to review these two actions of the District. Subsection (a)(9) requires that the informal complaint requesting review "must be filed within thirty (30) days after the utility district's board has taken action upon a written complaint to the board of commissioners of the utility district." As related to the District's action to require the installation of a back-up generator, the Complainants have not met this prerequisite. The Complainants did not include a

copy of any written complaint they filed with the District's Board raising this issue as a part of its informal complaint. The Complainants did not supply the UMRB with the minutes of any District Board meeting where the Board acted upon a written request by the Complainants that they not be responsible for the installation of a back-up power supply for the District's pump station for service to the Farmingdale Trails Subdivision.

Attached as Exhibit 1 is a copy of the minutes of the meeting of the District's Board held on October 21, 2015. The minutes reflect that Lonnie Hood, a representative of Martin Brown Construction, "expressed his dissatisfaction" to the Board about the District's back-up power supply requirement. These minutes do not reflect that the Complainants ever filed a written complaint with the Board requesting a review of the decision of the District's Manager, Tiim Lawson, that they must install a back up generator to a District pump station to obtain service to the Farmingdale Trails Subdivision. Mr. Hood did not request that the Board reverse Mr. Lawson's decision but only expressed his "dissatisfaction" with the requirement. Therefore, the District's Board has never been asked and has not rendered a decision on whether the Complainants are required to install a back up generator for service to their Subdivision as required by Mr. Lawson. Even if Mr. Hood's appearance could be construed as the submission of a written complaint, the Complainant's informal complaint requesting UMRB review was not filed within 30 days of the October 21, 2015, Board meeting. The informal complaint was filed with the UMRB more than 90 days after this Board meeting. Therefore, the UMRB should dismiss the Complainants untimely request to review the requirement that they provide a back-up power supply to a pump station to serve their Subdivision.

The UMRB should not review the second action requested by the Complainants: waiving the payment of the fee charged by the District when the Complainants made an unauthorized

connection to the District's water line to obtain unmetered water. A copy of the fee assessed is attached as Exhibit 2. At the October 21, 2015, Board meeting, Mr. Hood requested the Board waive of the payment of the fee assessed for Martin Brown Construction's unauthorized connection to the District's water system to obtain unmetered water. The Board did not grant this request. The Complainants, however, did not file their informal complaint with the UMRB to review the Board's action until January 25, 2016, over 90 days after the District's Board failed to grant the waiver requested. The informal complaint submitted to the UMRB was not filed within 30 days of the October 21, 2015, Board meeting; therefore, the informal complaint was not timely filed and should be dismissed.

More importantly, before the informal complaint was filed, the Complainants had already filed a lawsuit in the Chancery Court of Bradley County on September 18, 2015, seeking the same relief they are requesting from the UMRB. A copy of this Complaint filed is attached as Exhibit 3. On pages 8 and 9 of the Complaint, the Complainants asked the court to award them a judgment in the amount of the fee assessed for the unauthorized connection and to declare that the Complainants are not responsible for installing a backup generator or power supply for the pump station which would serve the Farmingdale Trails Subdivision. This lawsuit was filed over a month before Mr. Hood attended the District's Board meeting on October 21, 2015. This lawsuit was filed several months before the Complainants submitted their informal complaint to the UMRB.

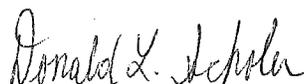
The Complainants elected to resolve their dispute with the District about service to the Farmingdale Trails Subdivision by filing a lawsuit over a month before Mr. Hood attended the District's board meeting on October 21, 2015. This case is still pending and on-going. Because the Complainants chose to resolve its dispute with the District by filing a lawsuit before Mr.

Hood came to the October 21, 2015, District Board meeting and before the Complainants filed their informal complaint in this matter, the UMRB should not act on the informal complaint filed and dismiss the complaint. The Complainants can obtain the same remedy they are seeking before the UMRB in the pending lawsuit in Bradley County; therefore, the dismissal of the informal complaint does not in any way preclude the Complainants from getting the relief it seeks from the court - which is the forum it originally selected to resolve its dispute with the District.

For these reasons, the District requests that the UMRB dismiss the informal complaint filed against it by Martin Brown Construction, Inc. and Trinity Development Enterprises, Inc.

Dated this 18th day of March, 2016.

Respectfully submitted,



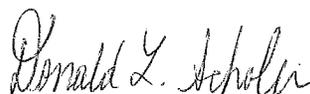
DONALD L. SCHOLES BPR #10102
Branstetter, Stranch & Jennings, PLLC
227 Second Avenue, Fourth Floor
Nashville, Tennessee 37201-1631
(615) 254-8801
dscholes@bsjfirm.com

Attorney for Ocoee Utility District

CERTIFICATE OF SERVICE

I hereby certify that on March 18, 2016, a true and exact copy of the foregoing Motion to Dismiss was mailed via U.S mail upon the following:

Gary L. Henry
Gearhiser, Peters, Elliott & Cannon, PLLC
320 McCallie Avenue
Chattanooga, TN 37402



Donald L. Scholes

**OCOEE UTILITY DISTRICT
BOARD OF COMMISSIONERS MEETING
OCTOBER 21st, 2015**

OCOEE UTILITY DISTRICT OFFICE

1:00 PM

ATTENDANCE: Ed Howard, Larry Swafford, Shawn Willis, Tim Lawson, Tommy Fannin, Tommy McDonald, Lonnie Hood, Bradley County Commissioner Dan Rawls, Ben Gastel

Meeting called to order at 1:25pm by President Ed Howard.

September Minutes – Larry Swafford offered a motion to approve, Shawn Willis provided the second.

August Financial Statement – Ed provided a motion to approve, Larry provided the second.

Standard adjustments reviewed with no comment.

Non-standard and other board requests were heard:

1. 120 Briar Meadows Trail – Martin Brown Construction – 15-0988-001. Lonnie Hood represented Martin brown Construction regarding the request to waive unauthorized usage fees. No action was taken on request.
2. 254 Samples Chapel Road – Diane Long – 21-40360-001. Mrs. Long requests assistance with bill on this account. Bill is high due to apparent usage by son's friends, according to Mrs. Long who is the customer of record. There are two units on the account. Ed suggested that Mrs. Long take advantage of our

EXHIBIT

tabbles

157

payment arrangement policy that will allow her to pay the amount over six months.

3. 855 Old Federal Road – Lynn Poteet – 06-17230-002. Lynn Poteet (now Bradford, hasn't updated her records with us) has a 1" meter that is currently just serving her home. She has had a leak over the summer and would like to request a leak adjustment on the billings. Since it is a 1" meter she is not eligible for the leak insurance program. Tim Lawson mentioned that our meter reader discovered the leak in July when the bill was for 18,300 gallons. The leak went on for two additional months, with billings for 62,700 and 46400 gallons before the leak was repaired, through the September billing. Shawn suggested that staff made sure that the customer was aware of the payment plan options available to them if the bills hadn't been paid, but there wasn't any acceptable foundation for adjusting the bill in this case. No motion was made.

Lonnie Hood, representing Martin Brown Construction, expressed his dissatisfaction with the District's requirement that he install a backup power generator to the booster pump station that serves his Farmingdale Trails subdivision. No action was taken in the matter.

The purchase of a new excavator was considered. The bid summary sheet from the bid opening on 10-15-15 was provided to the Board. Tim discussed concerns with the Yanmar V1080 bid at \$69271.50 that was the lowest bid price, however the excavator did not meet a dozen of the specifications listed in the bid package including power output, weight, and digging depth/reach. Tommy McDonald added that he demo'd the Yanmar since the opening and it just does not meet our needs, that the shortcomings are significant. Tim stated that management's recommendation is to purchase the 2015 JCB 85Z as it is the lowest priced excavator at \$75,220.00

traditionally what the Board has done to try and prevent holiday conflicts for those who wish to attend, as well as for the Board and staff of the District. This would see the meeting scheduled on December 9th this year. Ed made a motion to move the meeting, Shawn provided a second.

Ed called the meeting's adjournment at 2:46pm.



Shawn Willis, Secretary



Tim Lawson, Recorder

IN THE TENNESSEE CHANCERY COURT
TENTH JUDICIAL DISTRICT
BRADLEY COUNTY

FILED

MARTIN BROWN CONSTRUCTION)
COMPANY, INC. and TRINITY)
DEVELOPMENT ENTERPRISES, LLC,)

SEP 18 2015

SARAH E. COLEMAN
CLERK & MASTER

Plaintiffs,)

vs.)

Case No. 2015-CV-205

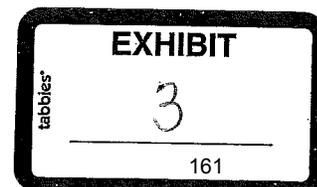
OCOEE UTILITY DISTRICT OF BRADLEY)
AND POLK COUNTIES, TENNESSEE,)

Defendant.)

COMPLAINT

Plaintiffs Martin Brown Construction Company, Inc. (hereinafter "Martin Brown") and Trinity Development Enterprises, LLC (hereinafter "Trinity"), by and through counsel and pursuant to Tennessee Rules of Civil Procedure 7 through 11, state as follows for their cause of action against Defendant:

1. Martin Brown is a Tennessee corporation having a principal office located at 191 Broken Arrow Lane SW, Cleveland, Tennessee 37311.
2. Trinity is a Tennessee limited liability company having a principal office located at 2640 Peerless Road NW, Cleveland, Tennessee 37312.
3. Defendant is a Tennessee utility district having a principal office located at 5631 Waterlevel Highway SE, Cleveland, Tennessee 37323 and may be served with process through its registered agent Donald L. Scholes, 227 2nd Avenue North, Fourth Floor, Nashville, Tennessee 37201-1631.
4. The Court has jurisdiction over Martin Brown and Trinity's claims pursuant to T.C.A. Sections 16-11-102, 16-11-115, and 29-14-102(a).



5. The Court has jurisdiction over Defendant because Defendant is deemed to be a resident of the State of Tennessee.

6. Venue is proper in Bradley County pursuant to T.C.A. Sections 16-11-115, 20-4-101, and 20-4-104.

7. Martin Brown and Trinity are engaged in a joint venture for the development and construction of residential homes in a subdivision known as Farmingdale Trails Subdivision in Bradley County.

8. During the planning stages for the Farmingdale Trails Subdivision, Martin Brown and Trinity's surveyor sought confirmation from Defendant that the existing water booster pump station for the Farmingdale Trails Subdivision would be sufficient for all phases of the Farmingdale Trails Subdivision.

9. On September 19, 2013, Defendant sent a letter (hereinafter "September 2013 Letter") to Martin Brown and Trinity's surveyor.

10. A true and exact copy of the September 2013 Letter is attached hereto as *Exhibit 1*.

11. The September 2013 Letter provides, "The existing water booster pump station in Farmingdale [Trails] Subdivision was designed and constructed at a capacity that will provide water service to the remaining phases of the development. The pumps will also provide the fire protection flows required by Bradley County as built."

12. On August 1, 2014, Trinity and Defendant entered into a Water Service Contract.

13. A true and exact copy of the Water Service Contract is attached hereto as *Exhibit 2*.

14. Paragraph 1 of the Water Service Contract provides, in relevant part:

Upon completion by [Trinity] of all [Defendant]'s requirements as set forth herein, [Defendant] hereby agrees to provide water service to Farmingdale Trails Subdivision, Phase I, and agrees to and will permit [Trinity] to connect onto [Defendant]'s water main or mains and to install the water mains, appurtenances, and other water system improvements for water/wastewater service . . . to Farmingdale Trails Subdivision, Phase I.

15. Paragraph 2 of the Water Service Contract provides, in relevant part:

At its own expense and at no cost and expense to [Defendant], [Trinity] shall furnish, install, lay and construct all water system improvements as required by [Defendant] to be installed to serve Farmingdale Trails Subdivision, Phase I, including all labor and material. The construction and installation of the water system improvements shall be in strict accordance with the plans, specifications and requirements approved by [Defendant] and State of Tennessee and shall be subject to inspection and approval by [Defendant].

16. On August 12, 2014, Defendant sent four sets of plans for Farmingdale Trails Subdivision to the Tennessee Department of Environment and Conservation (hereinafter "TDEC").

17. A true and exact copy of Defendant's letter to TDEC forwarding the plans for Farmingdale Trails Subdivision is attached hereto as *Exhibit 3*.

18. A true and exact copy of the Water Distribution Report that Defendant sent to TDEC is attached hereto as *Exhibit 4*.

19. The Water Distribution Report indicates that there is adequate water pressure for the Farmingdale Trails Subdivision and makes no provision for the installation of a backup generator or any other power supply for the Farmingdale Trails Subdivision.

20. On August 25, 2014, TDEC approved the Water Distribution Report.

21. A true and exact copy of TDEC's letter approving the Water Distribution Report is attached hereto as *Exhibit 5*.

22. To date, Martin Brown and Trinity have complied with all requirements of the Water Distribution Report as approved by TDEC.

23. After August 25, 2014, Defendant demanded that Martin Brown and Trinity install a backup generator or power supply for the water booster pump station in order to develop the Farmingdale Trails Subdivision.

24. Martin Brown and Trinity dispute that Martin Brown and Trinity bear the responsibility for installing a backup generator or power supply for the water booster pump station for Farmingdale Trails Subdivision.

25. On May 15, 2015, Martin Brown and Defendant entered into the Ocoee Utility District Water Service Contract (hereinafter "Meter Service Contract").

26. A true and exact copy of the Meter Service Contract is attached hereto as *Exhibit 6*.

27. Paragraph 1 of the Meter Service Contract provides, "[Defendant] shall provide a complete water meter installation upon receipt of a non-refundable tapping fee of \$900.00."

28. Paragraph 2 of the Meter Service Contract provides, "[Defendant] shall provide water service to [Martin Brown] upon receipt of a non-refundable application fee of \$50.00, plus a refundable deposit of \$0."

29. Paragraph 9 of the Meter Service Contract provides:

[Martin Brown] shall comply with the requirements of the Tennessee Department of Health that [Martin Brown]'s existing, or any future, water supply lines from wells, springs, private supplies, etc., will in no way be interconnected to [Defendant]'s lines. These lines will be completely separate from [Defendant]'s lines at all times.

30. Martin Brown paid \$950.00 to Defendant upon executing the Meter Service Contract.

31. Martin Brown complied with all requirements relating to the interconnection of water lines under Paragraph 9 of the Meter Service Contract upon executing the Meter Service

Contract.

32. Defendant did not install a meter for Martin Brown until after June 26, 2015.

33. Between May 15, 2015 and June 26, 2015, Martin Brown demanded that Defendant install a meter on several occasions.

34. Despite Martin Brown's demand for the installation of a meter, Defendant refused to install a meter.

35. Between May 15, 2015 and June 26, 2015, Martin Brown needed water in order to develop Farmingdale Trails Subdivision.

36. Because Defendant refused to install a meter, Martin Brown tapped into Defendant's water line.

37. On June 19, 2015, Defendant sent an invoice to Defendant for "unauthorized service" in the amount of \$250.00.

38. Martin Brown's counsel contacted Defendant about Defendant's failure to install a meter and Defendant's unauthorized service fee on June 26, 2015.

39. Defendant installed a meter under the Meter Service Contract sometime after June 26, 2015.

40. In September 2015, Defendant sent an invoice to Martin Brown reflecting a balance forward of \$301.60.

41. On September 15, 2015, Defendant placed a lock on Martin Brown's meter.

42. When Martin Brown's counsel contacted Defendant about the lock on Martin Brown's meter, Defendant's general manager confirmed that the lock was placed on Martin Brown's meter because Martin Brown had not paid the unauthorized service fee or installed a backup generator for the water booster station for Farmingdale Trails Subdivision.

43. To avoid interruption of water service, Martin Brown paid the balance forward and all current charges reflected in Defendant's September 2015 invoice under protest.

44. A true and exact copy of the letter from Martin Brown's counsel to Defendant forwarding Martin Brown's payment under protest is attached hereto as *Exhibit 7*.

COUNT ONE: BREACH OF CONTRACT

45. Martin Brown and Trinity repeat the allegations in Paragraphs 1 through 44 as if fully realleged in this Paragraph.

46. The Meter Service Contract is an enforceable contract between Martin Brown and Defendant.

47. On May 15, 2015 or shortly thereafter, Martin Brown complied with all requirements for the installation of a meter under the Meter Service Contract.

48. Defendant's failure and refusal to install a water meter under the Meter Service Contract until sometime after June 26, 2015 constitutes nonperformance amounting to a material breach of Paragraph 1 of the Meter Service Contract requiring Defendant to provide water service to Martin Brown.

49. By complying with all requirements of the Meter Service Contract, Martin Brown was authorized to use Defendant's water when Martin Brown tapped into Defendant's water line prior to June 26, 2015.

50. As such, Defendant's charge for "unauthorized service" constitutes an additional breach of the Meter Service Contract.

51. As a direct and proximate result of Defendant's failure to timely install a water meter under the Meter Service Contract and assessment of an "unauthorized service" fee, Martin Brown has been damaged in an amount to be proven at trial to include the \$301.60 reflected on

Defendant's September 2015 invoice that Martin Brown paid under protest.

COUNT TWO: DECLARATORY JUDGMENT

52. Martin Brown and Trinity repeat the allegations in Paragraphs 1 through 51 as if fully realleged in this Paragraph.

53. In the September 2013 Letter, Defendant confirmed that the existing water booster pump station for Farmingdale Trails Subdivision is sufficient to provide water service to all phases of the Farmingdale Trails Subdivision.

54. The Water Service Contract requires Defendant to provide water service to Trinity upon compliance with all requirements approved by Defendant and TDEC.

55. By submitting the Water Distribution Report to TDEC, Defendant approved the Water Distribution Report without requiring a backup generator or power source for the water booster pump station servicing the Farmingdale Trails Subdivision.

56. TDEC approved the Water Distribution Report without requiring a backup generator or power source for the water booster pump station servicing the Farmingdale Trails Subdivision.

57. Defendant and TDEC, therefore, approved the Water Distribution Report without requiring a backup generator or power source for the water booster pump station servicing the Farmingdale Trails Subdivision.

58. Defendant is now demanding that Martin Brown or Trinity, or both, install a backup generator or power source for the water booster pump station servicing the Farmingdale Trails Subdivision.

59. There is an actual controversy between the parties regarding whether Martin Brown or Trinity must install a backup generator or power source for the water booster pump

station servicing the Farmingdale Trails Subdivision under the Water Service Contract or Tennessee law.

60. As a party to the Water Service Contract, Trinity is an interested person under a written contract that has standing to request that the Court determine any question of construction of the Water Service Contract or Tennessee law relating to the installation of a backup generator or power source for the water booster pump station servicing the Farmingdale Trails Subdivision under T.C.A. Section 29-14-103.

61. As a joint venturer with Trinity, Martin Brown is an interested person under a written contract that has standing to request that the Court determine any question of construction of the Water Service Contract or Tennessee law relating to the installation of a backup generator or power source for the water booster pump station servicing the Farmingdale Trails Subdivision under T.C.A. Section 29-14-103.

62. Trinity and Martin Brown are entitled to a declaratory judgment that neither Trinity nor Marti Brown are responsible for installing a backup generator or power supply for the water booster pump station servicing the Farmingdale Trails Subdivision under the Water Service Contract or Tennessee law.

63. All persons who have or claim any interest which would be affected by the request declaratory judgment have been made parties to this case.

WHEREFORE, in light of the foregoing, Martin Brown and Trinity respectfully request that the Court:

1. Issue process and cause process to be served on Defendant;
2. Enter a judgment in favor of Martin Brown and against Defendant in an amount to

be proved at trial in the amount of at least \$301.60;

3. Enter a declaratory judgment that neither Martin Brown nor Trinity are responsible for installing a backup generator or power supply for the water booster pump station servicing the Farmingdale Trails Subdivision;

4. Award prejudgment interest on all amounts awarded to Martin Brown or Trinity;

5. Award attorney's fees to Martin Brown and Trinity;

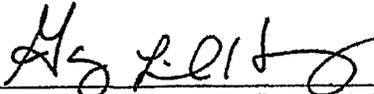
6. Tax all costs, including discretionary costs, to Defendant; and

7. Grant Martin Brown and Trinity such further relief that the Court deems equitable

and just.

Respectfully submitted,

GEARHISER, PETERS, ELLIOTT &
CANNON, PLLC

By: 

Gary L. Henry (BPR #0025448)

320 McCallie Avenue

Chattanooga, Tennessee 37402

Telephone: (423) 756-5171

Facsimile: (423) 266-1605

E-mail: ghenry@gearhiserpeters.com

*Attorneys for Plaintiffs Martin Brown
Construction Company, Inc. and Trinity
Development Enterprises, LLC*

OCOEE UTILITY DISTRICT

September 19, 2013

Jim Richmond
Richmond Surveying

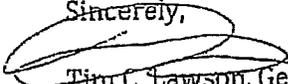
Re: Farmingdale Subdivision – Remaining Phase
Water Pump Station – Water Service

Dear Mr. Richmond,

The existing water booster pump station in Farmingdale Subdivision was designed and constructed at a capacity that will provide water service to the remaining phases of the development. The pumps will also provide the fire protection flows required by Bradley County as built.

Please let me know if you have any additional needs regarding this matter.

Sincerely,


Tim C. Lawson, General Manager
Ocoee Utility District



This instrument prepared by:
Branstetter, Stranch & Jennings, PLLC
227 Second Avenue North
Nashville, TN 37201-1631

WATER SERVICE CONTRACT

This CONTRACT made on the 15th day of August, 2014, by and between the OCOEE UTILITY DISTRICT of BRADLEY and POLK COUNTIES, TENNESSEE, hereinafter referred to as "District" and Farmingdale Trails Subdivision hereinafter referred to as "Developer".

WITNESSETH:

Whereas, the Developer is the owner of a tract of land located in Bradley County, Tennessee within the District upon which the Developer has received approval to develop a residential subdivision known as Farmingdale Subdivision (the Subdivision);

Whereas, Farmingdale Trails Subdivision, Phase I, containing 70 lots has received preliminary plat approval from the Bradley County Planning Commission subject to proper bond being given;

Whereas, the final plat of Farmingdale Subdivision, Phase VI, is currently being reviewed for final plat approval, and the Developer anticipates final plat approval;

Whereas, the final plat of Farmingdale Trails Subdivision, Phase I, is to be recorded in the future in the Register's Office for Bradley County, Tennessee by the Developer, a true copy of which will be incorporated in this Contract as an unattached Exhibit;

Whereas, the Developer has requested the District to make a commitment to serve the 70 lots in Farmingdale Trails Subdivision, Phase I, to which the District has agreed; and

Whereas, the District is willing and able to serve Farmingdale Trails Subdivision, Phase I, upon the terms, provisions and conditions hereinafter set out, all of which are acceptable to the Developer.

NOW THEREFORE, for and in consideration of the mutual covenants of the parties, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Upon completion by the Developer of all the District's requirements set forth herein, the District hereby agrees to provide water service to Farmingdale Trails Subdivision, Phase I, and agrees to and will permit the Developer to connect



onto the District's water main or mains and to install the water mains, appurtenances, and other water system improvements for water/wastewater service (hereinafter the water system improvements) to Farmingdale Trails Subdivision, Phase I. The District's obligation to provide water/wastewater service includes the obligation to provide water for normal domestic use but does not include an obligation to provide water for irrigation purposes when such demand exceeds the District's ability to provide such water for irrigation purposes.

2. At its own expense and at no cost and expense to the District, the Developer shall furnish, install, lay and construct all water system improvements as required by the District to be installed to serve Farmingdale Trails Subdivision, Phase I, including all labor and material. The construction and installation of the water system improvements shall be in strict accordance with the plans, specifications and requirements approved by the District and State of Tennessee and shall be subject to inspection and approval by the District.

This extension shall either be constructed or a performance bond executed securing the construction of the improvements before the plat for Phase I is signed. All water/wastewater system improvements shall be located as approved by the District.

3. The Developer shall give reasonable notice to the District before any work is commenced and reasonable notice of the several stages as the work progresses so that the District may observe the work and make reasonable inspections of same.

4. With respect to Phase I, the Developer agrees to pay the following:

A) Upon the execution of this Contract, the Developer shall pay the District the sum of \$250.00, which is the development fee for the 70 residential lots within the development;

~~B) Upon the execution of this Contract, the Developer shall pay the District the sum of \$_____ which is an amount equal to the fire hydrant connection fee of \$_____ for each of the _____ hydrants for Phase _____;~~

C) In the event the final design of the water line requires the installation of additional fire hydrants, the Developer shall pay an additional fire hydrant connection fee of \$2500.00 for each additional fire hydrant at the time such design is complete;

~~D) Upon execution of this Contract, the Developer shall pay the District the sum of \$_____, which is the development inspection fee of \$_____ for each of the _____ lots in the development;~~

~~bank with offices in Bradley or Polk Counties, Tennessee. Other surety instruments may be accepted as specifically approved by the District. The form and content of the bond and the security are to be as approved by the District.~~

8. The Developer further agrees to obtain at its own cost and expense, for and on behalf of itself and the District, all such licenses and permits as may be necessary or appropriate, particularly such as may be required by the State of Tennessee or Bradley or Polk Counties. The Developer further agrees to execute, acknowledge, and deliver to the District any and all easements upon the lands of Developer that may be necessary or appropriate for the construction, operation and maintenance of the District's system, or portion thereof, whether such is for the benefit of this development or others.

9. Upon installation, testing disinfection, approval and acceptance for use by the District, all water system components leading from the District's system to the discharge side of each meter, including without limitation, mains, equipment, facilities, instrumentalities, lateral lines, meter boxes, and connections, shall become and remain the sole property of the District without the necessity of a formal conveyance from the Developer to the District. The Developer does hereby warrant that the title to the same shall be free and unencumbered. Notwithstanding said provision as to title, the Developer further agrees that it will execute, acknowledge, and deliver a deed formally conveying title to said water system components it installs to the District upon demand by the District.

10. Both parties recognize that there may be failures of pressure or supply due to water line breaks, power failure, flood, or other causes. While the District will endeavor to satisfactorily serve the development in the same manner as it serves other areas and customers, it cannot and does not warrant or guarantee that there will be at all times adequate water or adequate pressure. The parties agree that the District shall not be responsible or liable for any failures to supply water or to supply water at a reasonable pressure.

11. The District shall be under no obligation to furnish any water for service to the 70 lots in Farmingdale Trails Subdivision, Phase I until the Developer shall have fully and satisfactorily performed this Contract.

12. The Contract is valid only so long as the Developer remains the owner of the development. This Contract is not assignable to or for the benefit of any other person or entity without the District's prior written consent. Except for the sale of lots within the development as shown on the final plat.

13. The Developer agrees to produce and submit to the District as built drawings, both hard copy and electronic, for all the facilities it constructs.

14. In the event the Developer fails to install the water system improvements in accordance with the terms of this Contract, the District may, in its

sole discretion, elect to accept all or a portion of the water system improvements installed. Should the District choose to accept all or a portion of these water system improvements, the District shall become sole owner of these water/wastewater system improvements upon giving the Developer written notice of its acceptance without the necessity of any further writing, contract, or deed. The District's election to accept such water system improvements under this paragraph shall not be construed as an assumption of any obligation related to these water system improvements of the Developer or of any third party.

15. In the event the Developer fails to install the water system improvements in accordance with the terms of this Contract, the amounts paid to the District under Paragraph 4 are not refundable to the Developer.

16. The Developer shall require any contractor or contractors which perform work to install the water system improvements to furnish the Developer bonds covering faithful performance and the payment of obligations arising from work on the water system improvements.

17. The Developer shall provide any lender or contractor which performs work on the installation of these water system improvements a copy of this Contract before entering into any contract with such lender or contractor.

18. The Developer covenants and agrees to hold the District harmless from the claim of any person, firm, or corporation, to defend any action at law or equity brought, and to protect the District against any judgments rendered growing out of the installation of the water system improvements herein provided for whether the same be on private or public property. The Developer further agrees to pay all the District's costs and expenses, including attorney fees, incurred by the District to defend any claim made against the District growing out of the installation of the water system improvements herein provided for whether the same be on private or public property.

19. In the event the Developer breaches any provision of this Contract and the District institutes legal action to enforce the provisions of the Contract or to recover damages caused by such breach, the Developer agrees to pay all the expenses of such legal action including the District's court costs and attorney fees.

20. The Developer understands and agrees that no third party shall obtain any benefits or rights under this Contract with respect to water tapping privileges, and no connection shall be made to any residence or other customer site until all necessary arrangements have been made in accordance with the District's Rules and Regulations and/or Development Policy.

21. The District's Development Policy is incorporated in this Contract and made a part of this Contract.

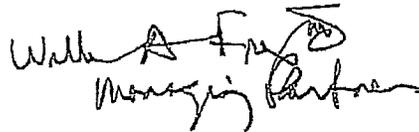
22. The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of the remaining provisions.

23. This Contract shall constitute the entire agreement of the parties. This Contract may be modified or amended only by an instrument in writing executed by all parties hereto.

24. Any and all notices permitted or required under this Agreement shall be deemed given if hand-delivered, or mailed by United States registered or certified mail, postage prepaid, return receipt requested, to the following addresses:

Developer

Trinity Development Ent. LLC



Wally A. Fry
Managing Partner

District

Ocoee Utility District
P.O. Box 305
Ocoee, TN 37361

In witness whereof, the parties have entered into this Contract as of the day and date first above written.

OCOEE UTILITY DISTRICT of
BRADLEY and POLK COUNTIES, TENNESSEE

By:



Tim C. Lawson, General Manager

Development

By: _____

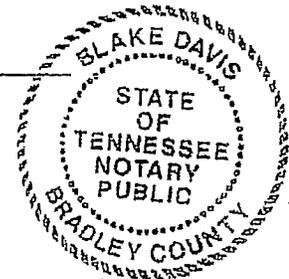
Titles: _____

State of Tennessee)
)
County of Bradley/Polk)

Before me, a Notary Public in and for said County and State aforesaid, personally appeared Tim C. Lawson, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the General Manager of the Ocoee Utility District of Bradley and Polk Counties, Tennessee, a public corporation, and that he as such General Manager executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as General Manager.

Witness my hand and official seal at Cleveland, Tennessee on this the 1st day of June, 2014.

Blake Davis
NOTARY PUBLIC



My Commission Expires: 2-13-16

State of Tennessee)
)
County of Bradley/Polk)

Before me, a Notary Public in and for said County and State aforesaid, personally appeared William A. Gray III with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself/herself to be the Chief Manager of Trans-Serviceport Inc. LLC the within named bargainer, and that he/she as such Chief Manager executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself/herself as Chief Manager.

Witness my hand and official seal at Cleveland, Tennessee on this the 21st day of July, 2014.

NOTARY PUBLIC

My Commission Expires: 7-21-15

OCOEE UTILITY DISTRICT

August 12, 2014

Bill Hench, P.E.
Tennessee Department of Environment & Conservation
Division of Water Resources
Engineering Section
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, TN 37243

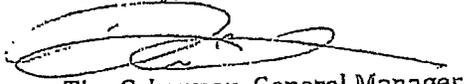
Re: Farmingdale Trail Water Design Approval
Ocoee Utility District - Bradley County

Dear Mr. Hench,

Please find enclosed four (4) sets of plans and specs for the Farmingdale Trail residential subdivision in Bradley County. The plans submittal form and check for the review fee is also enclosed.

Please let me know if you have any questions or comments regarding this request.

Sincerely,


Tim C. Lawson, General Manager
Ocoee Utility District

Attach: Farmingdale Trail Plans (4)



WATER DISTRIBUTION REPORT

Revision 2, July 30, 2014

Prepared for:

Trinity Development Group
2640 Peerless Road, Northwest
Cleveland, Tennessee 37312
(423) 476-3035

For a project located at:

Farmingdale Subdivision
Intersection of Home Place Ct SE and Timberdale Trail
Cleveland, Tennessee 37323

Prepared by:

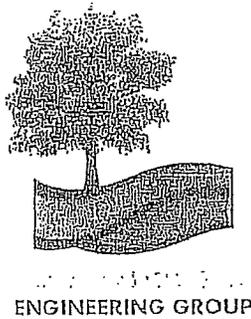


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Summary of Project

Phase X of the Farmingdale Subdivision Development in Cleveland, Tennessee is a single-family development project. This project will involve the subdivision of an existing 43 acre tract into 70 new single-family lots. The new lots will all be accessed from new public roads that will be constructed as part of this development. The existing public water will be extended to serve the new lots.

During the construction of the new roads, storm drainage and utilities, it is expected that 43 acres will be disturbed and coverage under the TNDCP is requested. The existing site is mostly woodlands and brush. The average slope on the property is 15% and this development will not substantially alter the average grade.

The proposed 6-inch water line will be installed parallel with the proposed roads and will serve the 70 residential homes and five new fire hydrants. This 4,193 linear foot expansion of the water distribution system will be able to adequately provide residential and fire flows to the new subdivision.

The Problem, Alternate Solutions and Recommendation

In order to develop the 43-acre tract of land for single-family residential use, residential water and fire protection is required in this section of Bradley County. The two alternatives evaluated were individual wells or connection to the existing public water system. The Ocoee Utility District's existing distribution system was evaluated and it was determined to have adequate capacity to serve the demands of the new development.

Due to the close proximity of public water it is recommended that this development be served by the existing Ocoee Utility District's distribution system.

General Information

The existing water system is owned and operated by the Ocoee Utility District. Once this development is complete, the expansion will also be owned and operated by this utility. Their contact information is:

Ocoee Utility District
5631 Waterlevel Highway
Cleveland, Tennessee 37323
(423)-559-8505

Extent of New Water Works

The proposed development will subdivide the existing 43-acre tract of land with the new roads that will allow for the construction of 70 additional homes. The new water line expansion runs parallel with the proposed roads with three terminations at the three proposed cul-de-sacs with no potential for further expansion of the line. The expansion will consist of 4,193 feet of 6-inch line. This parcel and all of the surrounding property is currently zoned and is being utilized as single family residential and no industrial, commercial, or institutional developments are expected.

Soil, Ground Water Conditions, and Foundation Problems

Table 1.1 below summarizes the soils found in the vicinity of this site according to the USDA Natural Resources Conservation Service.

Table 1.1 USDA Soil Data.

Soil Type
Clarksville Cherty Silt Loam
Greendale Cherty Silt Loam
Minvale Cherty Silt Loam
Fullerton Cherty Silt Loam

The USDA also approximates that groundwater is expected at five and a half feet or more over the entire areas.

Most homes in the vicinity of this project have crawl space foundations with some slab on grade. There are no known foundation issues due to ground water in this area.

Residential Water Consumption Assumptions

The proposed expansion is designed for a maximum of 70 single-family homes. It is assumed that these homes will have an instantaneous peak demand of 2 gallons per minute per connection. A minimum water pressure of 20 pounds per square inch or greater is provided to each connection point for these homes.

Fire Protection

There are five new fire hydrants proposed for this expansion. Each hydrant is capable of providing a minimum of 500 gallons per minute of flow without lowering the pressure in the immediate system below 20 pounds per square inch.

Wastewater System

The houses in the subdivision will be served by individual septic systems instead of a public wastewater system.

Distribution System Model

This water line expansion was modeled using the Hazen-Williams head loss formulas in EPANET 2.0 computer software program. The diagram for this model as well as the results of the simulation can be found in the Appendix of this document. In this computer program the existing distribution system was modeled as a pump and a reservoir at the tie in with the three point pump curve determined from a hydrant flow test from Ocoee Utility District. This flow test was run on a fire hydrant located at Farmingdale Place and Heather Oaks Trail. This test indicated that this hydrant was capable of providing 800 gallons per minute of flow with a residual pressure of 56 pounds per square inch. Under static conditions, this hydrant had a pressure of 80 pounds per square inch. An existing pump station was also modeled. Two Gould 30 horsepower and one Gould 7.5 horsepower pumps were added to the system after the fire hydrant. The pump station shall be set to a maximum pressure of 150 psi. The pump curve for two of the pumps in the existing pump house are no longer available and pump curves for Gould 30 horsepower were assumed to be reasonably close and were used in this model.

Two computer simulations were run. First, the simulation evaluated the effect of the 70 new single-family homes for peak demand. This simulation predicted that if 70 new homes were added to the system as shown there would be a minimum pressure in the system at Junct Node_5 of 70.72 pounds per square inch, and a maximum velocity in the 6-inch diameter pipe of Pipe ExPI_1 and 2 and Pipe 1 of 1.54 feet per second. The second simulation evaluated the effect of fire flow on the system. Under fire flow conditions the minimum pressure in the system was found at Junct Ex_2 and the pressure at this point dropped to 31 pounds per square inch. The maximum velocity in the new system was found in the 6-inch diameter water line of Pipe ExPI_1 and 2 and Pipe 1, 5, 8, and 9 under this fire flow was 5.67 feet per second.

Appendix A

Plans Review Fee Worksheet

Effective September, 2008

TENNESSEE DEPARTMENT OF ENVIRONMENT & CONSERVATION
DIVISION OF WATER SUPPLY

PLANS REVIEW FEE WORKSHEET
(PLEASE SUBMIT THIS WORKSHEET WITH EACH PROJECT)

<u>ACTIVITY</u>	<u>FEE PAID</u>	<u>FEE DUE</u>
1. Well or Spring Development at \$200 each	= \$ _____	\$ _____
2. Chemical Control Plant at \$400	= \$ _____	\$ _____
3. Disinfection Systems		
a. Gaseous at \$300		
b. Hypochlorinator at \$150	= \$ _____	\$ _____
4. Filter Plant at \$1000	= \$ _____	\$ _____
5. Pump Stations at \$250 each	= \$ _____	\$ _____
6. Tanks at \$225 each	= \$ _____	\$ _____
7. Standard Specification at \$100	= \$ _____	\$ _____
8. Tank Recoating at \$50 each	= \$ _____	\$ _____
9. Sludge Treatment and Handling at \$150	= \$ _____	\$ _____
10. Water Lines		
a. 1000 feet or less at \$100	= \$ _____	\$ _____
b. Over 1000 feet at \$100 + (.01) (feet over 1000)	= \$ <u>131.93</u>	\$ _____
11. Change Orders at \$50 each	= \$ _____	\$ _____
12. Operation and Maintenance Manual at \$150	= \$ _____	\$ _____
13. New Water Source & Site Evaluation at \$300	= \$ _____	\$ _____
14. Site Evaluation for Water Plant Sludge Application at \$300	= \$ _____	\$ _____
15. Miscellaneous (Eng. Reports, Addendums etc.) at \$50 each	= \$ _____	\$ _____

TOTAL PLANS REVIEW FEE = 131.93 Payable to The State of Tennessee

Name of Project: Farmingdale

Name of Public Water System: Ocoee Utility District

County: Bradley

Engineer: Rocky Chambers

Payment by: Water System Engineer Other: _____

Address: _____

STATE ENGINEER USE ONLY

Project #: _____

PWSID #: _____

Comments: _____

FOR OFFICE USE ONLY

Postmark date: _____

Date Received: _____

Check #: _____

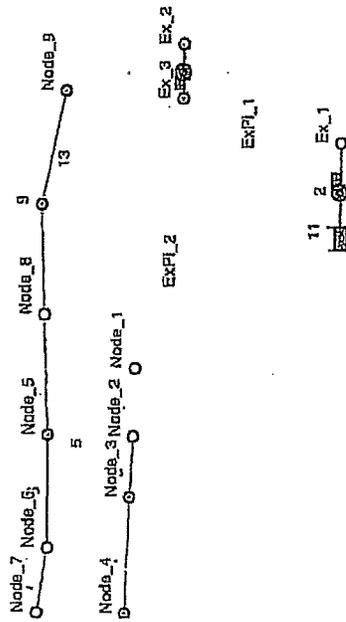
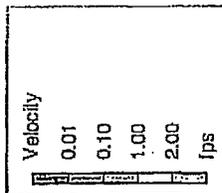
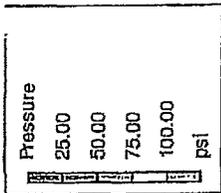
Check Amount: _____

Receipt #: _____

Cash Deposit #: _____

Appendix B

Instantaneous Peak Demand Results



Network Table - Links

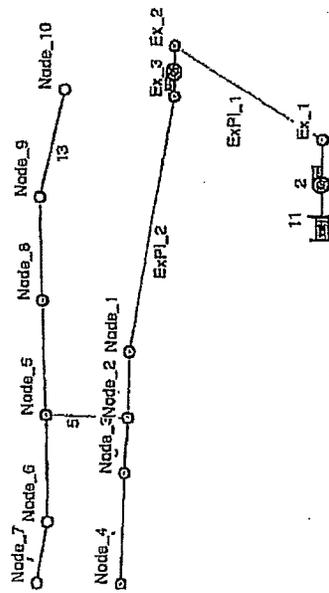
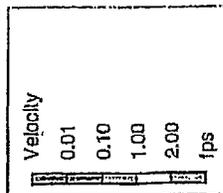
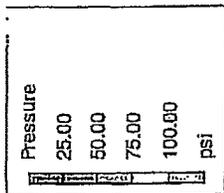
Link ID	Length ft	Diameter in	Flow GPM	Velocity fps	Unit Headloss ft/Kft	Friction Factor
Pipe 4	565	6	24.00	0.27	0.07	0.032
Pipe 6	583	6	30.00	0.34	0.11	0.031
Pipe 7	299	6	12.00	0.14	0.02	0.035
Pipe 8	650	6	68.00	0.77	0.51	0.028
Pipe ExPi_1	2232	6	136.00	1.54	1.84	0.025
Pipe ExPi_2	2275	6	-136.00	1.54	1.84	0.025
Pipe 1	336	6	136.00	1.54	1.84	0.025
Pipe 3	244	6	32.00	0.36	0.13	0.031
Pipe 5	423	6	98.00	1.11	1.00	0.026
Pipe 9	630	6	40.00	0.45	0.19	0.030
Pipe 13	463	6	16.00	0.18	0.04	0.034
Pump 2	#N/A	#N/A	136.00	0.00	-181.56	0.000
Pump 10	#N/A	#N/A	136.00	0.00	-104.00	0.000
Pump 11	#N/A	#N/A	0.00	0.00	0.00	0.000
Pump 12	#N/A	#N/A	0.00	0.00	0.00	0.000

Network Table - Nodes

Node ID	Elevation ft	Demand GPM	Head ft	Pressure psi
Junc Node_1	1019	0.00	1237.25	94.57
Junc Node_3	997	8.00	1236.60	103.82
Junc Node_4	1003	24.00	1236.56	101.20
Junc Node_5	1073	0.00	1236.21	70.72
Junc Node_6	1057	18.00	1236.14	77.62
Junc Node_7	1056	12.00	1236.14	78.05
Junc Node_8	1062	28.00	1235.88	75.34
Junc Node_9	988	16.00	1235.74	107.35
Junc Ex_1	960	0.00	1141.56	78.67
Junc Ex_2	972	0.00	1137.45	71.69
Junc Ex_3	972	0.00	1241.45	116.75
Junc Node_2	1010	6.00	1236.63	98.20
Junc 9	1004	24.00	1235.76	100.42
Resvr 11	960	-136.00	960.00	0.00

Appendix C

Fire Flow Demand Results



Network Table - Links

Link ID	Length ft	Diameter in	Flow GPM	Velocity fps	Unit Headloss ft/Kft	Friction Factor
Pipe 4	565	6	0.00	0.00	0.00	0.000
Pipe 6	583	6	0.00	0.00	0.00	0.000
Pipe 7	299	6	0.00	0.00	0.00	0.000
Pipe 8	650	6	500.00	5.67	20.55	0.021
Pipe ExPi_1	2252	6	500.00	5.67	20.55	0.021
Pipe ExPi_2	2275	6	-500.00	5.67	20.55	0.021
Pipe 1	336	6	500.00	5.67	20.55	0.021
Pipe 3	244	6	0.00	0.00	0.00	0.000
Pipe 5	423	6	500.00	5.67	20.55	0.021
Pipe 9	630	6	500.00	5.67	20.55	0.021
Pipe 13	463	6	0.00	0.00	0.00	0.000
Pump 2	#N/A	#N/A	500.00	0.00	-150.76	0.000
Pump 10	#N/A	#N/A	88.78	0.00	-234.44	0.000
Pump 11	#N/A	- #N/A	205.61	0.00	-234.44	0.000
Pump 12	#N/A	#N/A	205.61	0.00	-234.44	0.000

Network Table - Nodes

Node ID	Elevation ft	Demand GPM	Head ft	Pressure psi
Junc Node_1	1019	0.00	1252.60	101.22
Junc Node_3	997	0.00	1245.69	107.76
Junc Node_4	1003	0.00	1245.69	105.16
Junc Node_5	1073	0.00	1237.00	71.06
Junc Node_6	1057	0.00	1237.00	77.99
Junc Node_7	1056	0.00	1237.00	78.43
Junc Node_8	1062	0.00	1223.65	70.04
Junc Node_10	988	0.00	1210.70	96.50
Junc Ex_1	960	0.00	1110.76	65.32
Junc Ex_2	972	0.00	1064.90	40.25
Junc Ex_3	972	0.00	1299.34	141.84
Junc Node_2	1010	0.00	1245.69	102.13
Junc Node_9	1004	500.00	1210.70	89.56
Resvr 11	960	-500.00	960.00	0.00



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
Division of Water Resources
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243
Phone: 615-332-0191 Fax: 615-332-0686
For REGIONAL FIELD OFFICES
Call 1-888-891-TDEC

August 25, 2014

Mr. Tim C. Lawson
Ocoee Utility District
5631 Waterlevel Highway, SE
Cleveland, TN 37323

RE: Ocoee Utility District
PWSID # 0000525
Bradley County
Project Number WS 14-0929
Farmingdale Trail

Dear Mr. Lawson :

The Tennessee Department of Environment and Conservation, Division of Water Resources, acknowledges receipt of four sets of final construction documents on August 14, 2014.

This project consists of approximately 4,165 feet of 6-inch water line. As indicated by our stamp, this project has been approved for construction.

This letter, with the enclosed engineering documents bearing our official stamp, constitutes approval by the Commissioner of the Tennessee Department of Environment and Conservation for construction of the referenced facility. Approval is granted in accordance with the Tennessee Safe Drinking Water Act of 1983 and Regulations of the Tennessee Board of Water Quality, Oil and Gas. One complete set of plans and specifications, bearing the official stamp, must be kept at the construction site. Projects utilizing previously approved standard specifications are not required to maintain a stamped copy of the specifications at the construction site. All construction must conform with these approved documents. It is the responsibility of the water utility and/or their engineer to ensure that construction conforms to the plans and specifications. We have retained one set of this submittal for our records.

Approval expires one year from the stamped approval date unless construction is either underway or complete. Any request for its extension must be made prior to this expiration date.



Ocoee Utility District Water Service Contract

17744

The undersigned, Martin Brown Const hereinafter called "APPLICANT", requests the Ocoee Utility District, hereinafter called "DISTRICT", to furnish water service subject to the terms and conditions as hereinafter set forth:

1. The DISTRICT shall provide a complete water meter installation upon receipt of a non-refundable tapping fee of \$ 100.00.
2. The DISTRICT shall provide water service to the APPLICANT upon receipt of a non-refundable application fee of \$ 50.00, plus a refundable deposit of \$ 50.00.
3. Meter size 3/4 Agricultural Commercial Residential
4. The DISTRICT shall render a monthly statement for metered water which is due and payable upon receipt and becomes delinquent after the close of business on the due date. In the event that service is discontinued by the DISTRICT and the meter is disconnected for nonpayment of charges but later reconnected at the APPLICANT'S request and the DISTRICT'S option, the APPLICANT agrees to pay, prior to reconnection, all amounts due to the DISTRICT plus such reconnection fee and additional deposit as the DISTRICT shall determine.
5. The APPLICANT shall connect to the meter connection and install a service line from the meter to the place of actual use. This connection is restricted to one unit. NO OTHER CONNECTION OR UNIT WILL BE ADDED TO THIS SERVICE LINE WITHOUT THE DISTRICT'S WRITTEN PERMISSION. WATER SERVICE MAY BE PERMANENTLY TERMINATED IF ANY UNAUTHORIZED CONNECTIONS ARE FOUND.
6. The APPLICANT shall be responsible for the payment of all metered water until the DISTRICT receives a request from the APPLICANT for termination of service.
7. The APPLICANT agrees to pay the DISTRICT the minimum bill after water is available, whether the water is actually used or not.
8. The APPLICANT agrees to pay the DISTRICT in accordance with the DISTRICT'S rate schedule on file at the DISTRICT office.
9. The APPLICANT shall comply with the requirements of the Tennessee Department of Health that the APPLICANT'S existing, or any future, water supply lines from wells, springs, private supplies, etc., will in no way be interconnected to the DISTRICT'S lines. These lines will be completely separate from the DISTRICT'S lines at all times.
10. The APPLICANT shall install a shut-off valve and a pressure regulator on the APPLICANT'S service line immediately after the connection of the APPLICANT'S service line to the meter. The shut-off valve on the meter is to be operated by DISTRICT personnel only and is not to be operated by the APPLICANT.
11. It is unlawful for a person to in any way injure, remove, destroy or interfere with any DISTRICT lines or appurtenances. *Tennessee Code 65-35-102.*

The APPLICANT hereby agrees that the terms and conditions hereinafter set forth shall apply to this application and agrees to be bound by them.

9-15-15
Date

[Signature]
Applicant's Signature

[Signature]
Ocoee Utility District

Account Number _____

Name Martin Brown Const Telephone 313-1444

Service Address 100 Brown Meadow Trail DOB 1-18-59

Mailing Address 111 Birkes (unsub) drive

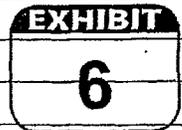
S.S. Number 101-7-111 Driver's License Number 17083096U

Employer Self Telephone _____

Spouse _____ Employer _____ Telephone _____

Relative _____ Relationship _____ Telephone _____

Owner Martin Brown Const Telephone _____



(See Reverse Side)

**GEARHISER, PETERS,
ELLIOTT & CANNON, PLLC**
ATTORNEYS AND COUNSELORS AT LAW

320 McCallie Avenue
Chattanooga, Tennessee 37402
Telephone 423.756.5171
Facsimile 423.266.1605
www.gearhiserpeters.com
ghenry@gearhiserpeters.com

September 17, 2015

VIA FEDERAL EXPRESS

Mr. Tim Lawson
Ocoee Utility District of Bradley and Polk Counties, Tennessee
Post Office Box 305
Ocoee, Tennessee 37361

Re: **Account No.:** 15-00988-001
 Customer Name: Martin Brown Construction Company, Inc.
 Service Location: 120 Briar Meadow Trail

Dear Mr. Lawson:

As you are aware from my prior correspondence, this firm represents Martin Brown Construction Company, Inc. ("Martin Brown"). Enclosed please find a copy of the most recent bill for the above-referenced account number in the amount of \$322.66. Martin Brown does not dispute \$21.06 of the charges on the enclosed bill for water service between July 20, 2015 and August 20, 2015. However, the enclosed bill indicates there is a balance forward of \$301.60, which you confirmed on September 15, 2015 represents an unauthorized use fee. Martin Brown's position on the validity of such a fee is outlined in my letter of August 10, 2015, a copy of which is enclosed with this letter. Martin Brown continues to dispute Ocoee Utility District of Bradley and Polk Counties, Tennessee's attempt to impose such a fee, which will be the subject of a forthcoming legal action.

In light of the above, enclosed please find a check for \$322.66, which Martin Brown is tendering in full satisfaction of the enclosed bill. Take notice that Martin Brown's tender of the enclosed payment is made under protest, and Martin Brown does not waive and expressly reserves any claims based on the assessment of an unauthorized use fee. The sole reason that Martin Brown is tendering payment for the unauthorized use fee is to prevent any interruption in Martin Brown's water service until all issues relating to the unwarranted and inappropriate unauthorized use fee are resolved.

*R. WAYNE PETERS
*ROBERT L. LOCKABY, JR.
 SAM D. ELLIOTT
 WADE K. CANNON
 LEE ANN ADAMS
*BEVERLY S. EDGE
 DAVID G. MCDOWELL
 *GARY L. HENRY
**ELIZABETH G. LAPORTE
 CORRIN P. FULTON
 STACY H. FARMER
***DAVID W. HUNTER
 JUSTIN B. FAITH
CHARLES J. GEARHISER (1938-2013)

*ALSO ADMITTED IN GEORGIA
**ALSO ADMITTED IN MISSISSIPPI
***ALSO ADMITTED IN ALABAMA

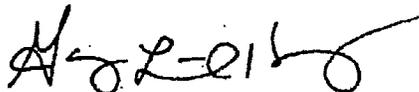


GEARHISER, PETERS, ELLIOTT & CANNON, PLLC

September 17, 2015

Page 2

Very truly yours,

A handwritten signature in black ink, appearing to read "Gary L. Henry". The signature is fluid and cursive, with a large initial "G" and "H".

Gary L. Henry

For Gearhiser, Peters, Elliott & Cannon, PLLC

GLH:jlo

cc: Mr. Lonnie R. Hood (via e-mail w/o enclosures)

**GEARHISER, PETERS,
ELLIOTT & CANNON, PLLC**
ATTORNEYS AND COUNSELORS AT LAW

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Chattanooga, Tennessee 37402
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*ALSO ADMITTED IN GEORGIA
**ALSO ADMITTED IN MISSISSIPPI
***ALSO ADMITTED IN ALABAMA

March 31, 2016

VIA E-MAIL TO *Betsy.Knotts@cot.tn.gov* AND U.S. MAIL

Betsy Knotts, Esq.
Assistant General Counsel
Comptroller of the Treasury
James K. Polk Building, Suite 1700
505 Deaderick Street
Nashville, Tennessee 37243

Re: Informal Hearing Written Complaint by Martin Brown Construction Company, Inc. and Trinity Development Enterprises, LLC against Ocoee Utility District of Bradley and Polk Counties, Tennessee

Dear Ms. Knotts:

As you are aware from our prior correspondence, this firm represents Martin Brown Construction Company, Inc. (“Martin Brown”) and Trinity Development Enterprises, LLC (“Trinity”) with regard to the informal hearing complaint against Ocoee Utility District of Bradley and Polk Counties, Tennessee (“OUD”). Martin Brown and Trinity’s informal complaint is scheduled to be heard by the Utility Management Review Board on April 7, 2016. The purpose of this letter is to respond to the Motion to Dismiss that OUD submitted to the Board on March 18, 2016.

The Motion to Dismiss is based on two grounds. First, OUD claims that the request for an informal hearing fails to comply with the written complaint and timing requirements under T.C.A. Section 7-82-702. And second, OUD claims that a pending lawsuit between the parties with the Bradley County Chancery Court precludes the Board’s consideration of Martin Brown and Trinity’s request for an informal hearing. Both of these grounds will be addressed in turn.

Because Martin Brown and Trinity submitted a written complaint to OUD and OUD never took any action on that complaint, Martin Brown and Trinity’s request for an informal hearing complies in all respects with Section 7-82-702(a)(9). Section 7-82-702(a)(9) provides, in relevant part, “The written complaint [with the Board] must be filed within thirty (30) days after the utility board *has taken action upon a written complaint to the board of commissioners of the utility district.*” Tenn. Code Ann. § 7-82-702(a)(9) (2015) (emphasis added).

In order to be heard by the OUD board of commissioners, OUD required Martin Brown and Trinity to submit a written complaint. Martin Brown is in possession of that written complaint,

GEARHISER, PETERS, ELLIOTT & CANNON, PLLC

March 31, 2016

Page 2

but recently changed offices and could not locate the written complaint prior to the submission of this letter; upon locating the written complaint, Martin Brown and Trinity will supplement this letter with a copy of the written complaint submitted to OUD. Regardless, a complaint was clearly before the OUD board of commissioners as evidenced by the October 21, 2015 minutes attached to the Motion to Dismiss, which confirm that Lonnie Hood of Martin Brown was present and complained to the OUD board of commissioners. Even if Martin Brown had not submitted a formal written complaint to OUD, OUD's consideration of Martin Brown's dissatisfaction is a waiver of the technical requirement under Section 7-82-702(a)(9) that a written complaint be submitted to OUD. The written complaint requirement under Section 7-82-702(a)(9) is not a basis for dismissing Martin Brown and Trinity's request for an informal hearing.

In addition, the minutes of the October 21, 2015 meeting confirm that "[n]o action was taken [on Martin Brown and Trinity's complaint]." Section 7-82-702(a)(9) expressly requires that action be taken in order to trigger the thirty-day deadline for requesting an informal hearing. Because OUD's board of commissioners did not – and still has not – taken action on Martin Brown and Trinity's complaint, the thirty-day deadline under Section 7-82-702(a)(9) has not been triggered, and Martin Brown and Trinity's complaint is timely and properly before the Board.

Finally, OUD claims that the pending litigation between the parties precludes the Board's consideration of Martin Brown and Trinity's complaint. There is nothing in Tennessee law in general – or Section 7-82-702(a)(9) in particular – that prevents the Board from reviewing Martin Brown and Trinity's complaint while the litigation is pending. This is highlighted by the fact that the Motion to Dismiss cites no legal authority preventing the Board from acting on Martin Brown and Trinity's complaint at this time. The pending lawsuit, therefore, is not a basis for dismissing Martin Brown and Trinity's complaint to the Board.

We look forward to presenting this matter to the Board on April 7, 2016. If you have any questions or need any additional information in the meantime, feel free to contact us.

Very truly yours,



Gary L. Henry

For Gearhiser, Peters, Elliott & Cannon, PLLC

cc: Donald L. Scholes, Esq. (via e-mail and U.S. mail)
Mr. Lonnie Hood (via e-mail, w/enclosures)

RECEIVED

MAR 18 2016

DEPT: COMPTROLLER
OFFICE OF ADMINISTRATION

BEFORE THE UTILITY MANAGEMENT REVIEW BOARD

In re:

**COMPLAINT BY MARTIN BROWN CONSTRUCTION COMPANY, INC. AND
TRINITY DEVELOPMENT ENTERPRISES, LLC AGAINST OCOEE UTILITY
DISTRICT**

RESPONSE TO COMPLAINT

By letter dated January 25, 2016, from attorney Gary L. Henry, Martin Brown Construction Company, Inc. and Trinity Development Enterprises, LLC (the Complainants) filed an informal complaint with the Utility Management Review Board (UMRB) against Ocoee Utility District (the District) pursuant to T.C.A. § 7-82-702(a)(9). The Complainants seek a review by the UMRB of two actions taken by the District and request the UMRB find: (1) that requiring the Complainants to install a backup power supply to a District pump station to provide service to Complainants' Subdivision is unreasonable and unjust; and (2) that the District's assessment of its fee against the Complainants for their unauthorized connection to the District's water system is unreasonable and unjust.

Introduction

Pursuant to Rule 1715-01-.05(c)(2), the Board's review of complaints is limited to whether the utility district had rules and regulations in place and resolved the complaint in accordance with its rules and regulations. The District has filed with the UMRB a Motion to Dismiss the informal complaint filed by Martin Brown Construction Company, Inc. and Trinity Development Enterprises, LLC against the District. The Complainants filed a lawsuit in the

Chancery Court of Bradley County on September 18, 2015, seeking the same relief they are requesting from the UMRB. This lawsuit is still pending. If the UMRB does not grant this Motion to Dismiss, the District submits this Response requesting the UMRB find the complaints made by the Complainants have no merit and to dismiss the informal complaint.

When the Complainants filed their lawsuit, the Complainants requested the issuance of a temporary injunction to require the District to begin providing water service to the Farmington Trails Subdivision pending a final decision in the lawsuit. The District filed a Response in Opposition to Plaintiffs' Motion for Temporary Injunction and an affidavit of Tim Lawson in support of its opposition. This Response and Mr. Lawson's affidavit outline the events leading up to the dispute which is the subject of this complaint and states the District's position in the dispute. I have attached the District's Response in Opposition to a Plaintiffs' Motion for Temporary Injunction as Exhibit 1 and Mr. Lawson's affidavit as Exhibit 2 to this Response to Complaint.¹

The District's Requirement that the Complainants Pay the Cost of a Backup Generator is Consistent with its Rules and Policies Governing Service to Developments.

The District's rule for Subdivision and Developments requires that any person developing property by subdividing the property must install and construct at its expense all of the water system improvements required by the District to allow it to provide domestic water service and to provide water for fire protection. This rule is attached as Exhibit 3 to this Response. The water system improvements which must be constructed by a developer to serve a planned subdivision depend upon the District's existing water system in place to serve the subdivision, the size of the subdivision and the water services requested by the developer.

¹ The court never ruled upon the Motion for Temporary Injunction. The parties reached an agreement on providing service to a limited number of lots in the Subdivision pending a final decision in the case.

Pursuant to this rule, the District required the Complainants to pay all of the costs and expenses of the water system improvements necessary to serve the Farmingdale Trails Subdivision (the Subdivision). These improvements included not only the on-site water lines within the planned Subdivision but also the installation of a new backup generator in an existing pump station which would serve the Subdivision.

The Complainants requested water service for 70 residential lots in Phase 1 of the Subdivision. The District must design and operate its water system in conformance with TDEC's Design Criteria for Community Public Water Systems. Rule 0400-45-.01(3). Section 7.6.6 of the Design Criteria states, "When power failure would result in cessation of minimum essential service, power supply shall be provided from at least two independent sources or standby or auxiliary source shall be provided," A copy of this section is attached at Exhibit 4. Section 7.4.3 of the Design Criteria states "Booster pumps shall not serve more than 50 service connections unless gravity storage is provided or service pressure can be maintained above 20 psi without the pumps running." *See* Exhibit 4.

Mr. Lawson determined that providing service to the 70 lots in the Subdivision would necessitate the need to have a backup power supply on the existing pump station which would pump water to the Subdivision. This existing pump station was originally built to serve a new development with 30 homes. By agreeing to serve 70 additional residential lots in the Farmington Trails Subdivision, the District knew that its existing pump station would be serving 100 lots upon the completion of the Subdivision. In case of a power outage, gravity storage in this part of the District's water system will not allow it to maintain 20 psi on the part of its system serving the Subdivision or provide adequate fire flows. When fully built out the District knew that it could not continue to provide minimum essential water service in the event of a

power outage at the pump station as required by the TDEC Design Criteria. The most economical way for the District to be able to continue to provide essential water service to the 70 lots in the new Subdivision should a power outage occur is to install a backup generator as an alternative power source for the pump station. The additional demand on the existing pump station which is requiring the back up power supply is the demand of the Farmington Trails Subdivision. In accordance with its Subdivision and Developments rule, the District is requiring the Complainants to pay the cost for the installation of a new backup generator for the pump station.

Both Mr. Lawson and another District employee, Blake Davis, worked with Complainants' engineer, Rocky Chambers, to determine the water system improvements to District's water system which would be needed to serve the Farmingdale Trails Subdivision. The District required the Complainants to build new on-site water lines within the property being subdivided in accordance with the water line construction plans and specifications approved by the District and its engineer. Mr. Lawson informed the Complainants that they would be required to pay for the installation of a new backup generator in an existing pump station to serve the Subdivision. Mr. Lawson confirmed this requirement to Mr. Chambers in a letter dated July 21, 2014, which included a list of the items which needed to be revised on the water construction plans and which included the specifications for the back up generator. This letter is attached as Exhibit 5 to this Response.

Because the water line construction plans submitted to TDEC did not include any plans for the backup generator, the Complainants claim that they were somehow misled to believe that they would have no obligation to pay for the installation of a backup generator. Therefore, they claim imposing the cost of the installation of the backup generator on them is an unjust and

unreasonable requirement for service to the Subdivision. Their claim is groundless. The plans for the on-site water line construction for the Subdivision submitted to TDEC did not include any provision for the installation of the backup generator for the District's existing pump station because no plans were required. The installation of the backup generator in an existing pump station requires no modification to the design or operation of its existing pumping station which would require TDEC approval. Moreover, Mr. Lawson's letter to Mr. Chambers confirming the need for the backup generator was dated July 21, 2014, before the District submitted the water line construction plans to TDEC on August 12, 2014. Finally, the Complainants have provided nothing to the UMRB which indicates that District changed its mind about the need for the backup generator to serve the Subdivision.

The District's rule requires the developer to pay the cost of the installation of the water system improvements needed to provide the water service requested by the developer. The District's commitment to serve 70 new lots in the Subdivision generated the need for the backup power supply to its existing pump station to maintain essential service once approximately 20 new homes were built in the Subdivision. Requiring the Complainants to bear the cost of the backup power supply which was to be needed because of the number of lots in its Subdivision was not an just or unreasonable condition to place on the developer for the District to commit to providing service to the Subdivision.

Complainants Are Seeking Review of the Imposition of the Authorized Access Fee

Under T.C.A. § 7-82-702(a)(9), the UMRB may review the justness and reasonableness of fees or charges against the customer or the developer related to the construction of utility system improvements to be dedicated to the utility district for a new subdivision. The unauthorized access fee which the District charged the Complainant Martin Brown Construction

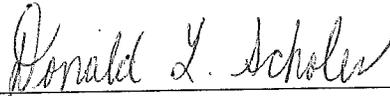
was assessed for it tapping the District's water line to obtain water without permission and without the water being metered in late July 2015. This act is a violation of T.C.A. § 65-35-102. This fee was not a fee imposed upon the Complainants related to the water system improvements the District is requiring it construct for water service to the Subdivision. The District's unauthorized access fee is charged to anyone who illegally taps the District's water line to obtain unmetered water. Because this fee is not a fee or charge related to the construction of water system improvements for the Subdivision, the imposition of this fee upon the Complainants is not reviewable by the UMRB under T.C.A. § 7-82-702(a)(9).

The Complainants illegally obtain water service from the District not just once, but twice. On September 14 or 15, 2015, the Complainants cut off a meter lock placed by the District on its meter to obtain unmetered water a second time. If Complainants believed they were being irreparably harmed because the District would not authorize it to install a tap or obtain metered water, they could have sought injunctive relief from the courts to order the District to allow the connection – which they did but not before illegally tapping the District's water line and then illegally tampering with the District. Under these circumstances the District was justified in charging the Complainants its \$250.00 fee for the unauthorized tap to water system which was the first of two incidents which violated T.C.A. § 65-35-102. The purpose of the fee is to discourage such illegal tapping to protect the integrity of its water system and to insure all water used by a customer is paid. The fee is not a fee related to the construction of water system improvements for a new development.

For these reasons, the District requests that the UMRB dismiss the informal complaint filed against it by Martin Brown Construction, Inc. and Trinity Development Enterprises, Inc.

Dated this 18th day of March, 2016.

Respectfully submitted,



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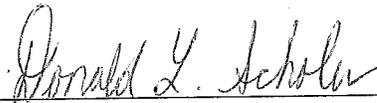
Attorney for Ocoee Utility District

CERTIFICATE OF SERVICE

I hereby certify that on March 18, 2016, a true and exact copy of the foregoing

Response to Complaint was mailed via U.S mail upon the following:

Gary L. Henry
Gearhiser, Peters, Elliott & Cannon, PLLC
320 McCallie Avenue
Chattanooga, TN 37402



Donald L. Scholes

**IN THE CHANCERY COURT OF TENNESSEE
FOR THE 10th JUDICIAL DISTRICT
AT CLEVELAND**

MARTIN BROWN CONSTRUCTION)
COMPANY, INC. and TRINITY)
DEVELOPMENT ENTERPRISES, LLC,)
Plaintiffs,)

v.)

Case No. 2015-CV-205

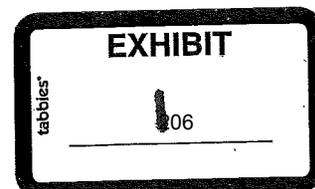
OCOEE UTILITY DISTRICT OF)
BRADLEY AND POLK COUNTIES,)
TENNESSEE,)
Defendant.)

**DEFENDANT'S RESPONSE IN OPPOSITION TO PLAINTIFFS' MOTION FOR
TEMPORARY INJUNCTION**

Defendant Ocoee Utility District of Bradley and Polk Counties ("Ocoee" or "Defendant") hereby submits its response in opposition to Plaintiffs' Motion for Temporary Injunction filed by Plaintiffs, ("Wildwood" or "Defendant") on September 18, 2015.

INTRODUCTION

Ocoee Utility District of Bradley and Polk Counties, Tennessee, provides water service to approximately 7,000 customers in Bradley and Polk Counties. Ocoee is a utility district created under the Utility District Act of 1937 codified in T.C.A § 7-82-101 *et seq.* The Complaint and the Plaintiffs' Motion of Temporary Injunction were filed on September 18, 2015; however, Ocoee was not served until Monday, October 12, 2015, a week before the hearing set on the Motion. Ocoee asserts that no grounds exist for the grant of the Motion, and Ocoee submits the affidavit of Tim Lawson, the General Manager of Ocoee, in opposition to the Motion.



STATEMENT OF FACTS

In 2013 the Plaintiff's made application to Ocoee to provide water service to a new subdivision which came to be known as Farmingdale Trails Subdivision. Tim Lawson Affidavit at ¶ 1 (hereafter Lawson Aff.). Ocoee's rule for Subdivision and Developments require that any person developing property by subdividing the property must install and construct at its expense all of the water system improvements required by Ocoee to allow it to provide domestic water service to provide water for fire protection when requested. See Exhibit 1 to Lawson Aff. The District's requires that all of the costs and expenses of water system improvements need to serve the subdivision and to maintain service to its existing customers be borne by the developer. Lawson Aff. at ¶ 2-3. Water system improvements to be constructed may include new water lines, pump stations and water tanks both or upgrades of existing water system improvements both onsite within the developers property or offsite. Lawson Aff. at 4. The water system improvements which must be constructed depend upon the Ocoee's existing water system in place to serve the subdivision, the size of the subdivision and the water services requested by the developer. Lawson Aff. at ¶ 5.

Primarily through Mr. Lawson and another Ocoee employee, Blake Davis, Ocoee worked with Plaintiffs and it engineer, Rocky Chambers, to determine the water system improvements to Ocoee's water system which would be needed to serve Farmingdale Trails Subdivision. Lawson Aff. at ¶ 6. Ocoee required the Plaintiffs to build new onsite water lines within the planned subdivision in accordance with water line construction plans and specifications approved by Ocoee. Lawson Aff. at ¶ 7. Mr. Lawson informed the Plaintiffs that they would be required to pay for the installation of a new back up generator in an existing pump station locate on which would serve Farmingdale Trails, Lawson Aff. at ¶ 8. Mr. Lawson wrote Rocky Chambers on

July 21, 2014, informing him of the items which needed to be revised on the water construction plans, including the specifications for the back up generator. *See* Lawson Aff. at ¶ 9 and Exhibit 2 to Lawson Aff..

Ocoee entered into Water Service Contract with Plaintiff Trinity Development Enterprises, LLC (Trinity) dated August 1, 2014, which set forth the terms and conditions for Ocoee to provide water service. Complaint at Ex. 2. In paragraph 2 of this Contract, Trinity agreed to “furnish, install, lay and construct all water system improvements as required by the District to be installed to serve Farmingdale Trails Subdivision, Phase 1, including all labor and material. *Id.* Trinity requested water service for the planned 70 residential lots in Phase 1. Lawson Aff. at ¶ 11. The installation of a back up generator at existing pump station was one of the water system improvements Ocoee required of Trinity. *Id.* The design and plans for the construction of the onsite water lines within Farmingdale were submitted to the Tennessee Department of Environment and Conservation (TDEC) on August 12, 2014. Complaint at Exhibit 3. These plans were approved by TDEC on August 25, 2014. Complaint at Ex. 5. Water line plans must be approved by TDEC.

Pursuant to T.C.A § 68-221(a)(1), TDEC exercises general supervision over the construction of public water systems in Tennessee. In exercising this general supervision, TDEC has adopted Rule 0400-45-.05, a copy of this Rule is attached as Exhibit 1. TDEC exercises this supervision by requiring that plans for the construction of water lines and other water system improvements be submitted to it for approval. Subsection (7) requires that all plans be prepared by an engineer licensed in Tennessee. .

The plans for the water line construction for Farmingdale Trails did not include any provision for the installation of the backup generator for Ocoee’s existing pumping station.

Lawson Aff. at ¶ 14. None were required. *Id.* Ocoee's requirement that its existing pumping station have a back up power source in case of a power outage requires no modification to the design or operation of its existing pumping station. *Id.* An engineer is not required for the installation of a back up generator. Lawson Aff. at ¶ 15. Ocoee is required to design and operate its water system in conformance with TDEC's Design Criteria for Community Public Water Systems. Rule 0400-45-.01(3). Section 7.6.6 of the Design Criteria states, "When power failure would result in cessation of minimum essential service, power supply shall be provided from at least two independent sources or standby or auxiliary source shall be provided," a copy of which is attached at Exhibit 2. Section 7.4.3 of the Design Criteria states "Booster pumps shall not serve more than 50 service connections unless gravity storage is provided or service pressure can be maintained above 20 psi without the pumps running." *Id.* Ocoee will generally require a pump station to have a back up power supply when the pump station serves more than 50 residential service connections to meet the Design Criteria when gravity storage is not sufficient to maintain minimum service pressures. Lawson Aff. at ¶ 16

When built, the existing pump station was constructed to serve only 30 homes. Lawson Aff. at ¶ 17. Therefore, the pump station did not require a backup generator at that time. *Id.* When the Plaintiffs requested water service from Ocoee for 70 lots in Farmingdale Trails, this existing pump station would be serving approximately 100 homes when the subdivision was built out. *Id.* Therefore, Mr. Lawson informed the Plaintiffs that it would be responsible to pay for the cost of the installation of a backup generator for the pump station. Lawson Aff. at ¶ 8-9. Ocoee requested the Plaintiffs to pay for the installation of the generator because Ocoee's obligation to provide water service to 70 additional homes served by this pump station generated the need for the backup power supply.

Any subdivision in Bradley County must comply with the Subdivision Regulations for Bradley County. Section 6.14.01 of the Regulations provide that all water lines and appurtenances to serve a subdivision must be adequate to provide water for domestic use and fire protection and must be approved by TDEC or the water district, in this case Ocoee. A copy of Section 6.14.01 is attached as Exhibit 3. The Section further provides, “The entire cost and expense of installing the required water system, including connection to the existing water supply and including but not limited to the cost of pipe, valves, fittings, fire hydrants, trenching, back filling, and services shall be born by the Subdivider including the stipulated payment of tapping and stubbing-out the system to serve each lot.” *Id.* The Bradley County Subdivision Regulations make it clear, just as Ocoee’s rule, that the developer is to provide all of the water system improvements needed to provide domestic water and water for fire protection at the developer’s expense.

Upon the build out of Farmingdale Trails, the pump station serving this subdivision will need a backup generator to provide adequate water for domestic use and fire protection. Lawson Aff. at ¶ 18. Ocoee will not be able to provide water for domestic use at the minimum pressure required by TDEC in a power outage. *Id.* If a backup generator is not installed, water for fire protection for Farmington Trails may be severely compromised in a power outage. *Id.*

Plaintiffs knew that Ocoee the installation of the generator was a condition precedent to Ocoee’s obligation to provide water service to Farmingdale Trails. Plaintiffs began the construction of the water system improvements in the fall of 2014 after the construction plans were approved by TDEC. A final plat for Farmingdale Trails, Section One was filed on March 11, 2015. Curiously, only 21 lots are on the final plat for Section One. *See* Exhibit 4. Plaintiff did not pay for the installation of the generator as requested before it sought to obtain water

service for the first lot upon which it planned to construct a house. Lawson Aff. at ¶ 20. Trinity made application for water service for this lot on May 15, 2015. *Id.*

Rather than fully complete these items, Plaintiff illegally tapped Ocoee's water main in late July in violation of T.C.A. § 65-35-102. Lawson Aff. at ¶ 21. A copy of T.C.A. § 65-35-102 is attached as Exhibit 5. When Ocoee discovered the illegal tap, it locked the meter off at the house on September 2, 2015, but it informed Trinity that it would allow it to have water if it paid for water used and a tampering fee of \$250 adopted by Ocoee for unauthorized tampering with its water system. . Lawson Aff. at ¶ 221-22. Before paying this bill, Trinity cut the lock on this meter on September 14 or 15 and began using water unmetered in violation of T.C.A. 65-35-102. Lawson Aff. at ¶ 24.

On September 17, 2015, counsel for Trinity sent a check for payment on this meter in the amount of \$322.66 to pay under protest the bill for water usage and the \$250 authorized use fee. Lawson Aff. at ¶ 25. Before counsel for Trinity paid the amount owed under protest, Trinity had tampered twice with Ocoee's water system to obtain unmetered. Lawson Aff. at ¶ 26. Even after this second tampering, Ocoee offered to accommodate Plaintiffs by allowing it to install additional meters so it can continue to begin the construction of houses while it completes the water system construction and the generator is installed. Lawson Aff. at ¶ 27.

ARGUMENT

No grounds have been shown to justify the issuance of a temporary injunction in this case. Plaintiffs have not suffered irreparable harm. Ocoee allowed Plaintiffs to get water service for the first lot upon which it chose to build upon payment of all water usage and fees charged for water service. Even after it illegally tapped its line to get water, Ocoee allowed service to this lot until its bill for water service was not paid. After Plaintiffs illegally obtained water from

Ocoee a second time, it still offered to accommodate Plaintiffs by allowing it to install additional meters while it completed the construction and the generator is installed. Since Ocoee has agreed to allow the connection of additional meters at this time, no temporary injunction is needed. However, at some point the back up generator must be installed by Plaintiffs.

Ocoee will suffer harm if this injunction is issued. Unless the generator is installed before homes sold to the public, Ocoee is going to be placed in the untenable position of having to tell home buyers that water service is not available when Plaintiffs sell homes and lots to the public. Therefore, the only way Ocoee can provide service to new customers in Farmingdale Trails upon request is upon the completion of all water system improvements Plaintiffs are required to complete.

There is no substantial likelihood that Plaintiffs will succeed on the merits in this case. Plaintiff's obligations are clear on what they must do under Ocoee's rule, Bradley County Subdivision Regulations and its contract with Ocoee: it must install all water system improvements needed to serve Farmingdale Trails, including the installation of the back up generator. Instead of meeting its obligations, Plaintiffs instead have twice illegally obtained water from Ocoee. As soon as all its obligations are met, water service can be made available to all lots in Farmingdale Trails. For Ocoee to do otherwise would result in Plaintiffs being treated more favorably than other developments served by Ocoee.

The public interest does not favor the entry of a temporary injunction. New lot owners in Farmingdale Trails must have adequate water for domestic use and fire protection. If Plaintiffs do not install the generator, Ocoee cannot provide water for domestic use and fire protection in accordance with TDEC rules governing public water systems. Moreover, the public interest is certainly not served by permitting Plaintiffs to illegally obtaining water from Ocoee which can

potentially contaminate its public water system. Finally, the cost of the generator and cost of water stolen from Ocoee will be born by other customers of Ocoee which is contrary to Ocoee's rule and the Bradley County Subdivision Regulation and not in the public interest

CONCLUSION

For these reasons the Motion for Temporary Injunction should be denied.

Respectfully submitted this 16th day of October 2015.



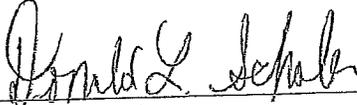
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Counsel for Defendant

CERTIFICATE OF SERVICE

I hereby certify that on October 16, 2015, a true and exact copy of the foregoing document was emailed to and mailed via U.S mail to the following. upon the following:

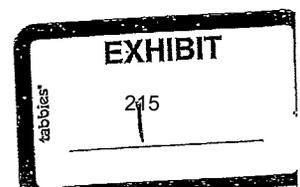
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Donald L. Scholes

0400-45-01-.05 SUPERVISION OF DESIGN AND CONSTRUCTION.

- (1) Engineering - Plan documents for public water systems shall be submitted to the Department at least thirty (30) days prior to the date on which action by the Department is desired.
- (2) Expiration of Approval - Approval of engineering reports, proposals, preliminary plans, survey and basis of design data shall be null and void after a period of one year from the date stamped on the documents, unless the general and detailed plan documents have been submitted to the Department. Approval of all other plan documents by the Department shall be null and void after a period of one year from the date stamped on the plan documents, unless the construction is either underway or completed.
- (3) General Practice - All plan documents for public water system design and construction shall present all information in conformance with accepted engineering practices and the "Design Criteria for community Public Water Systems" as published by the Department.
- (4) Revisions to Plan Documents - Any deviations from plan documents approved by the Department, which affect location, sanitary and/or mineral quality, capacity, hydraulic conditions, operating units, or the function of unit processes or distribution and storage, must be approved in writing before such changes are made. Any revisions must be made on the master work, i.e., the original tracings. Revised plan documents must be submitted in time to permit the review and approval of such revisions before any construction which will be affected by such revisions is begun.
- (5) Copies of Plan Documents - Generally, only two copies of the engineering report and two sets of the preliminary plans shall be required by the Department for review and/or approval. At least four complete sets of the detailed plan documents shall be required for final review. Upon the granting by the Department of its approval for construction the documents shall be so stamped and two sets returned to the engineer's office, one set forwarded to the appropriate Field Office for filing or use in field inspection of construction, and one set retained for the Department files. Upon completion of the project, one set of "As Built" plans and one copy of the executed contract documents shall be submitted to the Department and one set each to the owner. In addition, shop drawings, instruction manuals, etc., on all equipment furnished by the project shall be compiled into one or more documents and given to the owner.
- (6) Supervision of Construction - One set of the plan document stamped "APPROVED FOR CONSTRUCTION" shall be available at the job sites at all times during construction. The engineer or a person qualified other than the contractor or his representative, and approved by the public water system shall provide continuous adequate inspection during construction to assure that all work is done in accordance with approved plan documents. The Department's representative shall have access to the project at any time during construction. If the Department's representative observes work being done in a manner that does not conform to the approved plan documents, he shall have the authority, through the engineer's representative, the water system's agent or directly to the contractor, to order the cessation of all work affected by the nonconformity until such discrepancies are rectified.
- (7) Engineer's Seal - Plan documents for non-transient non-community and community public water systems shall be prepared by a person qualified under T.C.A. §§ 62-2-101 et seq. and shall have the necessary professional seal affixed as required by T.C.A. § 62-2-306.
- (8) (a) Ownership and Operational Organization - No person shall operate a public water system without notifying the Division of Water Supply prior to placing the new system in operation. Any person operating a public water system other than an individual, a municipality, any agency or instrumentality of the United States, any facility owned and



(Rule 0400-45-01-.05, continued)

operated by the State of Tennessee, or any organization otherwise exempt by law must have a charter or appropriate authorization lawfully issued as set forth in one or more of the following:

Utility District – T.C.A. §§ 7-82-101 et seq.
General Corporation Act – T.C.A. §§ 48 -1-101 et seq.
Tennessee Regulatory Authority – T.C.A. §§ 65-4-101 et seq.
Urban Type Public Facilities – T.C.A. §§ 5-16-101 et seq.

- (b) All public water systems shall comply with all laws, rules and regulations, and policies of the Department. Construction modification and treatment processes must be approved in accordance with all federally designated best available technologies and Tennessee Laws. Every public water system shall, within thirty (30) days following any change in ownership or operation of the system, file a written report of such change in ownership or operation with the Department. Such report shall, at a minimum, contain the name, home address, business address, and home and business phone numbers of the person assuming ownership or operation of the system, and the date such change of ownership or operation became effective.
- (c) All persons owning or operating a public water system shall keep the Department advised of their current address and must readily accept all mail sent to them by the Department. For purposes of this rule, registered or certified mail sent with proper postage to the registered owner or operator's last known address shall be considered adequate notification regardless of whether it is accepted or returned unclaimed.
- (d) Because of the Department's statutory duty to supervise the construction, operation, and maintenance of public water systems, and because written communication is a necessary aspect of such supervision, an owner or operator's refusal to accept mail or failure to claim registered or certified mail is a violation of this Chapter and may result in enforcement action.
- (9) Interconnection of Systems - Insofar as feasible, public water systems shall be connected with a municipal, county, regional or other existing approved water system capable of supplying the demand. Where such connection is not feasible, other approved sources may be considered. Each public water system shall be designed in such a manner as will facilitate the connection of the system at an appropriate time to an expanding municipal, county or regional system. Each public water system shall be designed to provide service to all service areas anticipated or projected by the owner.
- (10) System Capacity - Whenever a public water system reaches eighty (80) per cent of the design capacity based on average day usage, the supplier of water shall immediately obtain the services of a competent engineer to prepare plan documents for expansion of said system.
- (11) Turbidimeters – All community water systems using ground water formations under the direct influence of surface water, and serving more than 50 connections or 150 individuals, shall be required to install turbidity monitoring equipment with power cutoff ability and recording unit. Those systems not included in the above may be required to install turbidity monitoring devices if the Department finds that the system cannot meet the microbiological standard, the turbidity can be seen without an instrument, or there is an outbreak of illness that may be water related. All filter plants serving community water systems shall be required to have continuous recording turbidimeters on the filter effluent line(s). Such instrumentation may be pen and ink, digital, computerized or other record keeping or recording devices approved by the Department. If pen and ink recorders are used they shall be limited to two pens and two filters and shall use a scale of 0 to 2.0 NTU unless specific alternatives are approved in writing by the Department.

(Rule 0400-45-01-.05, continued)

- (12) Monitoring of new sources - All new surface or ground water sources added to an existing water system or proposed for use by a new water system shall have the required biological and chemical water quality monitoring completed prior to being placed in service. The parameters to be monitored shall be those required for drinking water for the specific type of system involved.
- (13) Delegation of Plans Review Authority – Under T.C.A. § 68-221-706, any unit of local government may petition the Commissioner for certification to review and approve plans for water distribution facilities within its jurisdiction. The unit of local government must have adequate experience and expertise in water distribution and must adopt standards and impose requirements which are at least as stringent as the Department's. The request for certification must be in writing and contain at least the following:
- (a) The names of the individual(s) responsible for the review and approval together with his/her experience and education. This person(s) must be employed by the unit of local government and be a registered professional engineer in Tennessee.
 - (b) A copy of the standards, requirements and design criteria legally adopted and enforceable by the unit of local government.
 - (c) The type of projects the unit of local government wishes to receive certification to review. This may include but is not limited to water lines, distribution pumping stations and distribution storage tanks.
 - (d) Procedures for maintaining records of all projects reviewed and approved by the unit of local government.
 - (e) The wording to be used on the approval stamp.
 - (f) Plans review authority fee.

The Division of Water Supply will be responsible for reviewing the application for certification and shall have up to 60 days from the receipt of the complete application to make a written response. Units of local government will not be certified to review projects involving state or federal funds, raw water pump stations, new water sources, treatment facilities, sludge handling facilities, or any project designed by the staff of the local government. Any unit of local government which receives certification for plans review shall submit one copy of any plan documents it has approved to the Division of Water Supply. This shall be done within 10 days of the local government's approval. The commissioner may periodically review the unit of local government's plans review program and prescribe changes as deemed appropriate. The Division of Water Supply may execute a written agreement with a unit of local government which has received plans review certification. Failure to comply with the terms of the agreement may result in revocation of the plans review certification.

Authority: T.C.A. §§ 68-221-701 et seq. and 4-5-201 et seq. **Administrative History:** Original rule filed August 1, 2012; effective October 30, 2012. Rule was previously numbered 1200-05-01.

0400-45-01-.06 MAXIMUM CONTAMINANT LEVELS.

- (1) Inorganic Chemicals
 - (a) The maximum contaminant level for fluoride applies to community water systems. The maximum contaminant levels for nitrate, nitrite and total nitrate and nitrite are applicable to both community water systems and non-community water systems. The

7.4.3 Booster pumps shall not serve more than 50 service connections unless gravity storage is provided or service pressure can be maintained above 20 psi without the pumps running.

7.5 AUTOMATIC AND REMOTE CONTROLLED STATIONS - All automatic stations should be provided with automatic signaling apparatus which will report when the station is out of service. All remote controlled stations shall be electrically operated and controlled and shall have signaling apparatus of proven performance. Installation of electrical equipment shall conform with the National Electrical Code.

7.6 APPURTENANCES

7.6.1 Valves - Pumps shall be adequately valved to permit satisfactory operation, maintenance and repair of the equipment. If foot valves are necessary they shall have a net valve area of at least 2½ times the area of the suction pipe and they shall be screened. Each pump shall have a positive acting check valve on the discharge side between the pump and shutoff valve.

7.6.2 Piping - In general, piping shall:

- a. be designed so that the friction head will be minimized;
- b. not be subject to contamination;
- c. have watertight joints;
- d. be protected against surge or water hammer;
- e. be such that each pump has an individual suction line or the lines shall be so manifolded that they will insure similar hydraulic and operation conditions.

7.6.3 Gauges and Meters - Each pump shall:

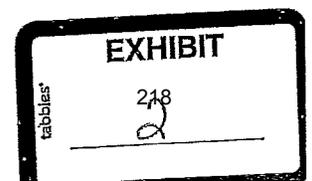
- a. shall have a standard pressure gauge on its discharge line;
- b. shall have a compound gauge on its suction line;
- c. shall have recording gauges in larger stations;
- d. should have a means for measuring the discharge.

The larger stations should have indicating, totalizing and recording metering of the total water pumped.

7.6.4 Water Seals - Water seals shall not be supplied with water of a lesser sanitary quality than that of the water being pumped.

7.6.5 Controls - Pumps, their prime movers and accessories, shall be controlled in such a manner that they will operate at rated capacity without dangerous overload. Where two or more pumps are installed, provision shall be made for proper alternation. Provision shall be made to prevent operation of the pump during the backspin cycle. Electrical controls should be located above grade.

7.6.6 Power - When power failure would result in cessation of minimum essential service, power supply shall be provided from at least two independent sources or standby or auxiliary source shall be provided.



G. Developments in or Adjacent to a Flood Zone.

Developers are required to provide hydraulic studies for any development or improvement of greater than or equal to 5 acres or greater than or equal to 50 lots that includes any portion of a flood zone. Any change would require a Conditional Letter from FEMA. The as-built for the development along with the appropriate hydraulic calculations would require FEMA approval before any local approval could be given. The installation of a permanent reference point by the developer would also be a part of this approval for new developments.

Section 6.12. Sidewalks. For the safety of pedestrians and of children at play or on approaches to community facilities, installation of sidewalks on at least one side of the road shall be encouraged by the developer to provide a safe route to a nearby school or recreation facility.

When sidewalks are provided, the following specifications shall be met: in single-family residential areas, concrete sidewalks shall be four (4) feet wide and four (4) inches thick; in multi-family or group housing, development sidewalks shall be five (5) feet wide and four (4) inches thick.

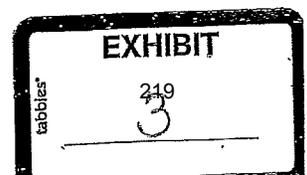
Section 6.13. Road Signs. Stop signs, speed limit and road name signs of a type specified by the county engineer or Pike Road Department, and approved by the planning commission, shall be installed at the intersection of all roads within the subdivision and at the point existing roads are intersected by the roads of the subdivision. The road name signs shall state the name of both intersecting roads. A sign with a minimum of six (6) inch high green blades with white reflective letters will be acceptable. Stop signs shall be 24" by 24" in size and shall be reflective. Speed limit signs shall establish a maximum 25 mile per hour limit. All signs must meet MUTCD standards.

Private roads shall have signs with dimensions as described in this section, but the road name signs shall be black letters on white background.

Section 6.14. Required Utilities. The developer shall see that each lot is (A) provided with a public water supply which includes nearby fire hydrants or is approved for a water well, and is (B) provided with public sewerage or is approved for an individual septic tank system in accordance with the requirements which follow and is (C) provided with electricity to the property line :

6.14.01. Water Supply System. Water mains and appurtenances properly connected with the community water supply and approved by the Tennessee Department of Environment and Conservation Division of Water Supply or the water district involved, and the planning commission, shall be constructed in each subdivision to adequately serve for both domestic use and fire protection of all lots. All construction of water lines and appurtenances may be made by the water utility district serving the area, either with their own forces or by contract, upon the Subdivider making proper bond or financial arrangements with said district. The Subdivider may construct said water lines and appurtenances, but said construction shall be subject at all times to the inspection and approval of said district or local health authority and all inspections will be at the cost of the Subdivider. Once the Utility and State have reviewed and approved the plans, a copy of the State-Approved Plans (or Plans approved by Cleveland Utilities as designated by the State) shall be submitted to the Planning & Engineering Staff by the developer before consideration of the final plat will be given.

No fire hydrant shall be located on less than a six (6) inch main. Therefore, six (6) inch (or greater) water lines shall be installed in all subdivisions in order to provide current and future fire protection for the development, however, with the approval of the TDEC's Division of Water Supply, pumps will be required for both domestic and fire flow if quantity is available but pressure is not. Smaller lines may be installed at the recommendation of the utility, on dead-end/cul-de-sac roads serving five or less lots, and for which the required fire protection can be provided at the



intersection of the cul-de-sac with an existing or new road on a 6 inch or greater waterline. If this cul-de-sac development is further subdivided, it will be the requirement of the developer to upgrade the line to adequately support fire flows for the entire development. When adequate fire flow is available, no lot should be more than five hundred (500) feet, measured along the road, from a fire hydrant, and no setback line of any lot should be more than six hundred (600) feet from a fire hydrant. Fire hydrants shall be located not more than one thousand (1,000) feet apart in order to maintain a good fire insurance rating and safety level. For those lines that cannot provide 500 gpm at 20 psi residual required for adequate fire flow (e.g. a 6 inch line coming off a 4 inch main), fire hydrants may be installed according to Rule 1200-5-1-.17 Section 18 of the Tennessee Division of Water Supply (See Appendix) as adopted by the local utility systems. Additional hydrants may be required by the local water district. Bradley County will not require the developer to install hydrants on subdivisions created by minor subdivision plats.

The specifications of all material, including but not limited to fire hydrants, and the manner in which all lines and appurtenances are laid, shall meet the inspection and approval of the water district involved.

All water construction plans for subdivisions shall include a service line from the main water line to the property line of each proposed lot in order that each proposed lot, at the time of construction, may be served by water without the installing of additional lines or cutting the road pavement. The end of each service line shall be properly marked.

The entire cost and expense of installing the required water supply system, including the connection to the existing water supply and including but not limited to the cost of pipe, valves, fittings, fire hydrants, trenching, back filling, and services shall be born by the Subdivider, including the stipulated payment for tapping and stubbing-out the system to serve each lot.

Private wells may be allowed whenever the proposed subdivision is more than one thousand (1,000) feet from an existing public water supply system. If private wells are to be used, the lots must be approved by the local health authority.

Sewage Disposal. These standards for development of sanitary sewer systems are established to insure healthful living conditions and protect the health of the community, to provide the best possible method of waste disposal, and to provide the necessary current and future sanitary disposal systems at the least ultimate cost to the community and individual homeowners.

6.14.02.

- A. **Required Public Sanitary Improvements.** When any portion of a proposed subdivision is located within a reasonable distance, as hereinafter defined, of an existing public sanitary sewer line, sanitary sewers shall be installed to serve all the lots within the subdivision. Said reasonable distance as used in this section shall be determined by the Bradley County Regional Planning Commission but in no case shall be less than three hundred (300) nor more than one thousand (1,000) feet. Should the subdivision have elevations which are below those of the nearest public sanitary sewer, a lift station shall be installed by the Subdivider, provided the public sanitary sewer is within a reasonable distance of any portion of the subdivision.

All sanitary sewer construction shall be built in accordance with the rules and regulations of the Tennessee Department of Environment and Conservation and/or those of the applicable local utility district. All construction of sanitary sewers and appurtenances shall be by an appropriate utility district, either with their own forces or by contract, upon the Subdivider making proper bond or financial arrangements with said district. The Subdivider may construct such sanitary sewers and appurtenances but said construction shall be subject at



1 of 1 DOCUMENT

TENNESSEE CODE ANNOTATED
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*** Current through the 2015 Regular Session and amendments approved at the November 4, 2014 General Election

Title 65 Public Utilities and Carriers
Chapter 35 Fraud, Theft or Destruction of Property

GO TO THE TENNESSEE ANNOTATED STATUTES ARCHIVE DIRECTORY

Tenn. Code Ann. § 65-35-102 (2015)

65-35-102. Prohibited acts.

It is unlawful for a person to:

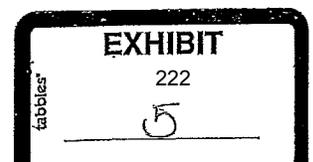
(1) (A) Knowingly tap, cut, burn, break down, injure, destroy or otherwise interrupt or interfere with the current, lines, cables, poles, towers, fixtures or appliances utilized to furnish service to the general public by any telephone or telegraph company, or electric light or power company engaged in furnishing communication, light, heat or power by electricity; or

(B) In any way injure, remove, destroy or interfere with any gas, sanitary sewer, or water fixtures or appliances;

(2) Obtain or attempt to obtain, by the use of any fraudulent scheme, device, means or method, telephone or telegraph service or the transmission of a message, signal or other communication by telephone or telegraph, or over telephone or telegraph facilities with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person for the purpose of avoiding payment, to conceal or to assist another to conceal from any supplier of telecommunication service or from any lawful authority the existence or place of origin or of destination of any telecommunication, or for any person to assist another in avoiding payment for such service, either through the making of multiple applications for service at one (1) address, or otherwise;

(3) Obtain or attempt to obtain by use of any fraudulent scheme, device, means or method, electric, sanitary sewer, water, or gas service, with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person to assist another in avoiding payment for electric, sanitary sewer, water, or gas service, either through the making of multiple applications for service at one (1) address, or otherwise;

(4) Divert or use electrical power with the intent to defraud or deprive any public or private electric power supplier from receiving proper charges or payment for such electrical power; or



Tenn. Code Ann. § 65-35-102

(5) Commit any of the following acts which would make gas, electricity, telephone, sanitary sewer service, or water available to tenant or occupant by committing any of the acts:

(A) Connect any tube, pipe, wire or other instrument with any meter, device or other instrument used for conducting telephone, gas, electricity, sanitary sewer service, or water in such a manner as to permit the use of the telephone, gas, electricity, sanitary sewer service, or water without same passing through a meter or other instrument recording the usage for billing;

(B) Alter, injure or prevent the action of a meter, valve, stopcock, or other instrument used for measuring quantities of telephone, gas, electricity, sanitary sewer service, or water;

(C) Break, deface or cause to be broken or defaced any seal, locking device or other parts that make up a metering device for recording usage of telephone, gas, electricity, sanitary sewer service, or water or a security system for such recording device;

(D) Remove a metering device for measuring quantities of telephone, gas, electricity, sanitary sewer service, or water;

(E) Transfer from one (1) location to another a metering device for measuring utilities of telephone, gas, electricity, sanitary sewer service, or water;

(F) Use a metering device belonging to the utility that has not been assigned to the location and installed by the utility;

(G) Adjust the indicated consumption, jam the measuring device, bypass the meter or measuring device with a jumper so that it does not indicate use or registers incorrectly or otherwise obtain quantities of telephone, gas, electricity, sanitary sewer service, or water from the utility without same passing through a metering device for measuring quantities of consumption for billing; or

(H) Fabricate or use a device to pick or otherwise tamper with the locks used to deter electric current diversion, telephone diversion, gas diversion, water diversion, sanitary sewer service diversion, meter tampering and meter thefts.

HISTORY: Acts 1990, ch. 851, § 2; 1997, ch. 116, §§ 2-4.

NOTES: Cross-References.

Destruction or interference with utility lines, fixtures or appliances, § 39-14-411.

Theft of services, § 39-14-104.

Section to Section References.

This section is referred to in §§ 65-35-103, 65-35-104, 65-35-105.

4. Water system improvements to be constructed may include new water lines, pump stations and water tanks both or upgrades of existing water system improvements both onsite within the developer's property or offsite.

5. The water system improvements which must be constructed depend upon the Ocoee's existing water system in place to serve the subdivision, the size of the subdivision and the water services requested by the developer

6. I and another Ocoee employee, Blake Davis, worked with Plaintiffs and their engineer, Rocky Chambers, to determine the water system improvements to Ocoee's water system which would be needed to serve Farmingdale Trails Subdivision.

7. Ocoee required the Plaintiffs to build new onsite water lines within the planned subdivision in accordance with water line construction plans and specifications approved by Ocoee.

8. I informed Rocky Chambers and other representatives of Plaintiffs on several occasions that they would be required to pay for the installation of a new back up generator in an existing pump station which would serve Farmingdale Trails.

9. I wrote Rocky Chambers on July 21, 2014, informing him of the items which needed to be revised on the water construction plans, including the specifications for the back up generator. A copy of this letter is attached as Exhibit 2.

10. Ocoee entered into Water Service Contract with Plaintiff Trinity Development Enterprises, LLC (Trinity) dated August 1, 2014, which set forth the terms and conditions for Ocoee to provide water service which is attached as Exhibit 2 to the Complaint. In paragraph 2 of this Contract, Trinity agreed to "furnish, install, lay and construct all water system

improvements as required by the District to be installed to serve Farmingdale Trails Subdivision, Phase 1, including all labor and material.

11. Trinity requested water service for the 70 residential lots in Phase 1. The installation of a back up generator at an existing pump station was one of the water system improvements Ocoee required of Trinity.

12. The design and plans for the construction of the onsite water lines within Farmingdale were submitted to the Tennessee Department of Environment and Conservation (TDEC) with a cover letter dated August 12, 2014 which is attached as Exhibit 3 to Mr. Hood's affidavit.

13. These plans were approved by TDEC on August 25, 2014.

14. The plans for the water line construction for Farmingdale Trails did not include any provision for the installation of the backup generator for Ocoee's existing pumping station. None were required. Ocoee's requirement that its existing pumping station have a back up power source in case of a power outage requires no modification to the design or operation of its existing pumping station.

15. An engineer is not required for the installation of a back up generator.

16. Ocoee will generally require a pump station to have a back up power supply when the pump station serves more than 50 residential service connections to meet the Design Criteria when gravity storage is not sufficient to maintain minimum service pressures.

17. When built, the existing pump station was constructed to serve only 30 homes. Therefore, the pump station did not require a backup generator at that time. When the Plaintiffs requested water service from Ocoee for 70 lots in Farmingdale Trails, this existing pump station would be serving approximately 100 homes when the subdivision was built out.

18. Upon the build out of Farmingdale Trails, the pump station serving this subdivision will need a backup generator to provide adequate water for domestic use and fire protection. Ocoee will not be able to provide water for domestic use at the minimum pressure required by TDEC in a power outage. If a backup generator is not installed, water for fire protection for Farmington Trails may be severely compromised in a power outage.

19. Plaintiffs began the construction of the water system improvements in the fall of 2014 after the construction plans were approved by TDEC. A final plat for Farmingdale Trails, Section One was filed on March 11, 2015. This final plat on has 21 lots on it.

20. Plaintiff did not pay for the installation of the generator as requested before it sought to obtain water service for the first lot upon which it planned to construct a house. Trinity made an application for water service for this lot on May 15, 2015.

21. Rather than fully complete the remaining items identified by Ocoee as needing completing for service to the subdivision, Plaintiff chose to illegally tap into Ocoee's water main in late July in violation of T.C.A. § 65-35-102. Trinity was charged \$250 for the unauthorized tap of Ocoee's line to obtain water which is a fee adopted by Ocoee for tampering with its water system.

22. To accommodate Trinity's request for water, Ocoee still permitted it to have service at this location provided it paid the \$250 fee and paid for water measured by the meter.

23. When payment for this service was not timely paid by the due date on Trinity's bill, water service was disconnected on September 2, 2015, and a lock was placed on the District's meter to prevent water from being taken from the meter.

24. On September 14 or 15, 2015, Trinity cut the lock on this meter to obtain unmetered water in violation of T.C.A. § 65-35-102.

25. On September 17, 2015, counsel for Trinity sent a check for payment on this meter in the amount of \$322.66 to pay under protest the bill for water usage and the \$250 authorized use fee.

26. Before counsel for Trinity paid the amount owed under protest, Trinity had tampering with Ocoee's water system to obtain unmetered water twice.

27. Even after this second tampering, Ocoee offered to accommodate Plaintiffs by allowing it to install additional meters so it can continue to begin the construction of houses while it completes the water system construction and the generator is installed.

Further Affiant Sayeth Not.


Tim Lawson

Sworn to and subscribed before me this the 17th day of ^{October} September, 2015.


Notary Public

My Commission Expires: 2-13-16



CERTIFICATE OF SERVICE

I hereby certify that on October 16, 2015, a true and exact copy of the foregoing document was emailed to and mailed via U.S. mail upon the following:

Gary L. Henry
Gearhiser, Peters, Elliott & Cannon, PLLC
320 McCallie Avenue
Chattanooga, TN 37402



~~Donald L. Schales~~

Benjamin A. Gestel

SUBDIVISIONS AND DEVELOPERS

The General Manager and Board of Commissioners are responsible for administering this policy.

Recordkeeping Duration

All documents/contracts regarding subdivisions shall be kept a minimum of ten years.

Omissions

In the absence of specific rules or policies, the disposition of the District regarding development matters will be decided by the Board of Commissioners.

Policy Statement

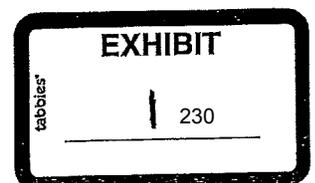
1. The costs and expenses incidental to the installation, connection, and inspection of UTILITY service facilities for residential subdivisions and commercial developments shall be borne by the DEVELOPER. In addition, the DEVELOPER shall indemnify the UTILITY from any loss or damage that may directly or indirectly result from the installation of utility lines and other facilities by the DEVELOPER for a period of one year after UTILITY acceptance of the facilities.

Request for Service

2. A DEVELOPER seeking to obtain service from the UTILITY will submit to the UTILITY a preliminary plat, which shall include the number, size and estimated cost of each unit and any other information that will assist the UTILITY in making a determination of availability of service. Each plat shall show the number of units and size (single family, duplex, etc.) to be served in the development.

The DEVELOPER or his assignee will be responsible for obtaining all easements.

3. Upon receipt of the documents required by Paragraph 2 herein, and determination that the development is to be pursued, the UTILITY may select to submit the documents to its engineer for the preparation of plans and specifications or may select to accept plans and specifications submitted by the DEVELOPER for review and approval by the UTILITY'S engineer.



4. In the event a planned development includes a fire protection system, the DEVELOPER shall submit total fire protection plans including the number and location of sprinkler heads and hydrants to be privately owned. The plans shall be stamped by a qualified p.e., recognized by the State of Tennessee.

The UTILITY shall require all developments requiring the installation of water mains to provide hydrants/fire protection in accordance to the Bradley County Subdivision regulations current as of 02/15/06, which call for hydrants to be located no further than 500 linear feet from any lot line, or 600 linear feet from any building site on said lot.

5. The UTILITY may confer with its attorney during any of these procedures. Upon the UTILITY'S approval of the plans, specifications and other necessary information, the same will be referred to the UTILITY'S attorney for the drafting of a contract between the UTILITY and the DEVELOPER.

Construction

6. Before any work is begun on any project, the appropriate contract shall have been signed by the UTILITY and the DEVELOPER.

It is the UTILITY'S standard policy to require the DEVELOPER to directly contract with necessary consultants and contractors for the completion of the extension of water mains and appurtenances. Each consultant/contractor must be either on the UTILITY'S approved list or be individually approved prior to the start of the project. However, the UTILITY reserves the right to administer and manage the extension project internally. If so chosen an alternate contract will be used as an agreement between the UTILITY and DEVELOPER. When the UTILITY excersizes this right 10b and 11 below will apply.

The DEVELOPER shall notify the UTILITY of the proposed starting date of construction and all progress thereon shall be reported weekly to the UTILITY.

7. The DEVELOPER shall obtain all permits (building, plumbing, electrical, etc.) to serve these facilities and shall comply with the requirements of all other governmental agencies having jurisdiction. When the plan calls for the installation of mains under streets to be opened and dedicated within the development, the DEVELOPER shall execute a Deed of Dedication to the UTILITY of _____-foot easements within which such lines are to be installed or shall execute a Deed conveying in fee simple the property within which such lines are to be installed. The Deeds are to be executed before trenching for the installation of such lines. These Deeds shall describe the easements and

property of reference in the book and page of the recorded plat.

8. The UTILITY'S policies regarding the requirement of easements are as follows:

(a) All system improvements include storage tanks, access roads, booster or pumping stations and other facilities shall be constructed on easements approved by the UTILITY or on property conveyed in fee simple to the UTILITY.

(b) All easements shall be obtained by the DEVELOPER or his agent.

(c) All easements shall be shown on all final subdivisions plats before the plat will be approved by the UTILITY.

(d) Any easements that are required outside a proposed development shall be obtained by the DEVELOPER or his agent prior to the initiation of system construction, except those covered in (e) below.

(e) If a line within a public right-of-way must be extended to bring service to a new development, the UTILITY may make application to obtain the necessary permission to use such public right-of-way from the state, county, or other governmental authority having jurisdiction over the particular right-of-way.

9. The DEVELOPER will pay the UTILITY for hydraulic modeling, plans and review fees related to water and wastewater plans. After the UTILITY'S engineer has either prepared the plans and specifications or reviewed and approved the DEVELOPER'S plans and specifications, or the UTILITY has accepted said plans and specifications, the UTILITY will send the plans and review fee to the Tennessee Department of Environment and Conservation for approval.

10. The UTILITY will approve a final plat provided:

(a) the UTILITY'S inspector has approved the development construction checklist, provided the developer prior to construction. The checklist includes but is not limited to the following items: all system improvements have been constructed and the plat constitutes an "as-built" condition (final or "as built" plat must be submitted in hard copy and approved electronic file format); all testing has been performed in a manner consistent with UTILITY requirements; all applicable fees and charges have been paid; All other infrastructure construction inside the development has been completed without conflict with the alignment of the water mains and appurtenances; and

(b) If consultants and contractors have been contracted directly by the UTILITY, the DEVELOPER will give the UTILITY a bond or letter of credit for 100% of the

construction costs of proposed improvements as estimated by the UTILITY or the UTILITY'S engineer. The UTILITY shall hold the bond until all improvements are constructed in full adherence to the plan or until a corrected and amended plat is recorded noting all differences from the original plan. No service shall be initiated within a plated subdivision or development of any kind until either (a) or (b) above are completed to the satisfaction of the UTILITY. The UTILITY, in writing, may waive the bond for contracts under \$25,000.

11. Prior to the execution of a contract for over \$25,000, the UTILITY shall require the DEVELOPER to post a bond with corporate surety authorized to do business in the State of Tennessee or obtain an irrevocable letter of credit issued by a national bank or a bank authorized to do business in the State of Tennessee for the costs to construct the system improvements to serve the developments. The UTILITY'S manager may authorize reduction of the bond or letter of credit on the basis of certification by the UTILITY'S engineer as to percentage of completion of the project as designed by such engineer, with the bond to be reduced to 50% after the project shall be certified as 65% complete, reduced to 25% upon certification that the construction is 90% complete and to 10% upon certification that the construction is 100% complete, subject only to acceptance by the UTILITY.

12. No utility lines or other facilities shall be covered prior to inspection and approval by the UTILITY.

13. Where private lines are permitted by the UTILITY and are not to be dedicated to the UTILITY, the UTILITY'S engineer shall check and approve these lines.

14. Prior to the execution of the contract, the DEVELOPER must pay all fees and charges established by the UTILITY for the DEVELOPER which may include but are not limited to the following:

- (a) All Tap Fees;
- (b) Connection Fees;
- (c) Storage Fees;
- (d) A Security Deposit or Non-Refundable Service Charge;
- (e) Plan Review Fees;
- (f) Inspection Fees;
- (g) Other : _____

15. Upon execution of the contract, the DEVELOPER will make a non-refundable payment to the UTILITY of _____%

of the estimated costs of utility construction covered under this contract for engineering, inspection, legal, and administrative expenses.

Ownership of Utility Lines

16. The DEVELOPER will be permitted to connect to the UTILITY'S existing lines provided the lines extended to and throughout the development shall become the property of the UTILITY free and clear of the claims of any persons or entities, except as provided otherwise herein.

The contract entered between the parties shall operate as a conveyance of the facilities when the same are installed and accepted without the necessity of any further writing, contract or deed; however, the UTILITY may also require a deed of exchange thereof.

17. All long side meter sets (meter sets serving lots on opposite side of the road from the UTILITY main) will be installed by the DEVELOPER. The DEVELOPER is not responsible for the prepayment of the tap fee for long side nor short side meter taps, which will be the responsibility of the eventual lot builder/owner.

18. Each family residence or duplex shall be served with a separate meter of minimum size specified by the UTILITY.

19. Apartment complexes or other types of dwellings or businesses shall be served by a meter of a size approved by the UTILITY.

20. All water services will be installed in a manner to comply with the utility's cross-connection program.

Adoption Date: _____

Effective Date: _____

OCOEE UTILITY DISTRICT

July 21, 2014

Rocky Chambers, P.E.
Chattanooga Engineering Group
400 East Main Street, Suite 130
Chattanooga, TN 37408

Re: Ocoee Utility District Review
Farmingdale Subdivision

Mr. Chambers,

The District's review of the proposed new phases of the Farmingdale Subdivision is complete. Following are the comments and recommendations of the review:

1. The 4" sections of pipeline need to be replaced with 6" pipeline.
2. According to the plans it does not appear that the hydrant locations will allow all the lots in the phases to comply with Bradley County regulations. Several lots appear to be 700 ft + from the nearest hydrant.
3. The double valves on the main at each hydrant is not acceptable. Each hydrant should have it's own auxiliary valve.
4. Each water line in the cul-de-sacs should be shown "wrapping" the cul-de-sac on the outside of the pavement, with the water main avoiding cover by pavement or curbing.
5. The long side services should be shown with language regarding the District's casing requirements, which is fairly flexible in regards to material - 2" conduit, PVC or HDPE or similar. Conduit/casing should extend a minimum of 1' further than curbing/pavement.
6. There is no reference to the Ocoee Utility District's Standard Specifications or the installation of water mains.
7. No instructions regarding flushing and washout / disinfection of line are specified.

EXHIBIT

tabbies

2

8. Hydrants should be designated as Mueller Super Centurion 250 with the Tamper-Proof Operating Nut. One tamper-proof operating nut wrench should be delivered to the Ocoee Utility District's inspector.
9. Details/specifications for a back up generator for the booster pump station should be included. The back up power supply specifications must be included in the plans submittal to the Division of Water Resources, engineering staff.
10. The District typically attempts to achieve a minimum of 50psi average at each service connection (at the meter). I'd like to see something that shows the anticipated pressures at the highest lots in elevation. In addition, in achieving the pressures at the highest elevations, we need to be careful as to not over-pressurize the lots much lower in elevation.

Please review these additions to the current plan sets and make the necessary changes prior to submitting final sets to the District. The plans review check to TDEC should also accompany the sets.

Sincerely,



Tim C. Lawson, General Manager

Cc: Blake Davis, OUD
Cc: Greg Sanford, Jacobs Engineering Group

STATEMENT OF FACTS

In 2013 the Plaintiff's made application to Ocoee to provide water service to a new subdivision which came to be known as Farmingdale Trails Subdivision. Tim Lawson Affidavit at ¶ 1 (hereafter Lawson Aff.). Ocoee's rule for Subdivision and Developments require that any person developing property by subdividing the property must install and construct at its expense all of the water system improvements required by Ocoee to allow it to provide domestic water service to provide water for fire protection when requested. *See* Exhibit 1 to Lawson Aff. The District's requires that all of the costs and expenses of water system improvements need to serve the subdivision and to maintain service to its existing customers be borne by the developer. Lawson Aff. at ¶ 2-3. Water system improvements to be constructed may include new water lines, pump stations and water tanks both or upgrades of existing water system improvements both onsite within the developers property or offsite. Lawson Aff. at 4. The water system improvements which must be constructed depend upon the Ocoee's existing water system in place to serve the subdivision, the size of the subdivision and the water services requested by the developer. Lawson Aff. at ¶ 5.

Primarily through Mr. Lawson and another Ocoee employee, Blake Davis, Ocoee worked with Plaintiffs and it engineer, Rocky Chambers, to determine the water system improvements to Ocoee's water system which would be needed to serve Farmingdale Trails Subdivision. Lawson Aff. at ¶ 6. Ocoee required the Plaintiffs to build new onsite water lines within the planned subdivision in accordance with water line construction plans and specifications approved by Ocoee. Lawson Aff. at ¶ 7. Mr. Lawson informed the Plaintiffs that they would be required to pay for the installation of a new back up generator in an existing pump station locate on which would serve Farmingdale Trails, Lawson Aff. at ¶ 8. Mr. Lawson wrote Rocky Chambers on

July 21, 2014, informing him of the items which needed to be revised on the water construction plans, including the specifications for the back up generator. *See* Lawson Aff. at ¶ 9 and Exhibit 2 to Lawson Aff.

Ocoee entered into Water Service Contract with Plaintiff Trinity Development Enterprises, LLC (Trinity) dated August 1, 2014, which set forth the terms and conditions for Ocoee to provide water service. Complaint at Ex. 2. In paragraph 2 of this Contract, Trinity agreed to “furnish, install, lay and construct all water system improvements as required by the District to be installed to serve Farmingdale Trails Subdivision, Phase 1, including all labor and material. *Id.* Trinity requested water service for the planned 70 residential lots in Phase 1. Lawson Aff. at ¶ 11. The installation of a back up generator at existing pump station was one of the water system improvements Ocoee required of Trinity. *Id.* The design and plans for the construction of the onsite water lines within Farmingdale were submitted to the Tennessee Department of Environment and Conservation (TDEC) on August 12, 2014. Complaint at Exhibit 3. These plans were approved by TDEC on August 25, 2014. Complaint at Ex. 5. Water line plans must be approved by TDEC.

Pursuant to T.C.A § 68-221(a)(1), TDEC exercises general supervision over the construction of public water systems in Tennessee. In exercising this general supervision, TDEC has adopted Rule 0400-45-.05, a copy of this Rule is attached as Exhibit 1. TDEC exercises this supervision by requiring that plans for the construction of water lines and other water system improvements be submitted to it for approval. Subsection (7) requires that all plans be prepared by an engineer licensed in Tennessee. .

The plans for the water line construction for Farmingdale Trails did not include any provision for the installation of the backup generator for Ocoee’s existing pumping station.

Lawson Aff. at ¶ 14. None were required. *Id.* Ocoee's requirement that its existing pumping station have a back up power source in case of a power outage requires no modification to the design or operation of its existing pumping station. *Id.* An engineer is not required for the installation of a back up generator. Lawson Aff. at ¶ 15. Ocoee is required to design and operate its water system in conformance with TDEC's Design Criteria for Community Public Water Systems. Rule 0400-45-.01(3). Section 7.6.6 of the Design Criteria states, "When power failure would result in cessation of minimum essential service, power supply shall be provided from at least two independent sources or standby or auxiliary source shall be provided," a copy of which is attached at Exhibit 2. Section 7.4.3 of the Design Criteria states "Booster pumps shall not serve more than 50 service connections unless gravity storage is provided or service pressure can be maintained above 20 psi without the pumps running." *Id.* Ocoee will generally require a pump station to have a back up power supply when the pump station serves more than 50 residential service connections to meet the Design Criteria when gravity storage is not sufficient to maintain minimum service pressures. Lawson Aff. at ¶ 16

When built, the existing pump station was constructed to serve only 30 homes. Lawson Aff. at ¶ 17. Therefore, the pump station did not require a backup generator at that time. *Id.* When the Plaintiffs requested water service from Ocoee for 70 lots in Farmingdale Trails, this existing pump station would be serving approximately 100 homes when the subdivision was built out. *Id.* Therefore, Mr. Lawson informed the Plaintiffs that it would be responsible to pay for the cost of the installation of a backup generator for the pump station. Lawson Aff. at ¶ 8-9. Ocoee requested the Plaintiffs to pay for the installation of the generator because Ocoee's obligation to provide water service to 70 additional homes served by this pump station generated the need for the backup power supply.

Any subdivision in Bradley County must comply with the Subdivision Regulations for Bradley County. Section 6.14.01 of the Regulations provide that all water lines and appurtenances to serve a subdivision must be adequate to provide water for domestic use and fire protection and must be approved by TDEC or the water district, in this case Ocoee. A copy of Section 6.14.01 is attached as Exhibit 3. The Section further provides, “The entire cost and expense of installing the required water system, including connection to the existing water supply and including but not limited to the cost of pipe, valves, fittings, fire hydrants, trenching, back filling, and services shall be born by the Subdivider including the stipulated payment of tapping and stubbing-out the system to serve each lot.” *Id.* The Bradley County Subdivision Regulations make it clear, just as Ocoee’s rule, that the developer is to provide all of the water system improvements needed to provide domestic water and water for fire protection at the developer’s expense.

Upon the build out of Farmingdale Trails, the pump station serving this subdivision will need a backup generator to provide adequate water for domestic use and fire protection. Lawson Aff. at ¶ 18. Ocoee will not be able to provide water for domestic use at the minimum pressure required by TDEC in a power outage. *Id.* If a backup generator is not installed, water for fire protection for Farmington Trails may be severely compromised in a power outage. *Id.*

Plaintiffs knew that Ocoee the installation of the generator was a condition precedent to Ocoee’s obligation to provide water service to Farmingdale Trails. Plaintiffs began the construction of the water system improvements in the fall of 2014 after the construction plans were approved by TDEC. A final plat for Farmingdale Trails, Section One was filed on March 11, 2015. Curiously, only 21 lots are on the final plat for Section One. *See* Exhibit 4. Plaintiff did not pay for the installation of the generator as requested before it sought to obtain water

service for the first lot upon which it planned to construct a house. Lawson Aff. at ¶ 20. Trinity made application for water service for this lot on May 15, 2015. *Id.*

Rather than fully complete these items, Plaintiff illegally tapped Ocoee's water main in late July in violation of T.C.A. § 65-35-102. Lawson Aff. at ¶ 21. A copy of T.C.A. § 65-35-102 is attached as Exhibit 5. When Ocoee discovered the illegal tap, it locked the meter off at the house on September 2, 2015, but it informed Trinity that it would allow it to have water if it paid for water used and a tampering fee of \$250 adopted by Ocoee for unauthorized tampering with its water system. . Lawson Aff. at ¶ 221-22. Before paying this bill, Trinity cut the lock on this meter on September 14 or 15 and began using water unmetered in violation of T.C.A. 65-35-102. Lawson Aff. at ¶ 24.

On September 17, 2015, counsel for Trinity sent a check for payment on this meter in the amount of \$322.66 to pay under protest the bill for water usage and the \$250 authorized use fee. Lawson Aff. at ¶ 25. Before counsel for Trinity paid the amount owed under protest, Trinity had tampered twice with Ocoee's water system to obtain unmetered. Lawson Aff. at ¶ 26. Even after this second tampering, Ocoee offered to accommodate Plaintiffs by allowing it to install additional meters so it can continue to begin the construction of houses while it completes the water system construction and the generator is installed. Lawson Aff. at ¶ 27.

ARGUMENT

No grounds have been shown to justify the issuance of a temporary injunction in this case. Plaintiffs have not suffered irreparable harm. Ocoee allowed Plaintiffs to get water service for the first lot upon which it chose to build upon payment of all water usage and fees charged for water service. Even after it illegally tapped its line to get water, Ocoee allowed service to this lot until its bill for water service was not paid. After Plaintiffs illegally obtained water from

Ocoee a second time, it still offered to accommodate Plaintiffs by allowing it to install additional meters while it completed the construction and the generator is installed. Since Ocoee has agreed to allow the connection of additional meters at this time, no temporary injunction is needed. However, at some point the back up generator must be installed by Plaintiffs.

Ocoee will suffer harm if this injunction is issued. Unless the generator is installed before homes sold to the public, Ocoee is going to be placed in the untenable position of having to tell home buyers that water service is not available when Plaintiffs sell homes and lots to the public. Therefore, the only way Ocoee can provide service to new customers in Farmingdale Trails upon request is upon the completion of all water system improvements Plaintiffs are required to complete.

There is no substantial likelihood that Plaintiffs will succeed on the merits in this case. Plaintiff's obligations are clear on what they must do under Ocoee's rule, Bradley County Subdivision Regulations and its contract with Ocoee: it must install all water system improvements needed to serve Farmingdale Trails, including the installation of the back up generator. Instead of meeting its obligations, Plaintiffs instead have twice illegally obtained water from Ocoee. As soon as all its obligations are met, water service can be made available to all lots in Farmingdale Trails. For Ocoee to do otherwise would result in Plaintiffs being treated more favorably than other developments served by Ocoee.

The public interest does not favor the entry of a temporary injunction. New lot owners in Farmingdale Trails must have adequate water for domestic use and fire protection. If Plaintiffs do not install the generator, Ocoee cannot provide water for domestic use and fire protection in accordance with TDEC rules governing public water systems. Moreover, the public interest is certainly not served by permitting Plaintiffs to illegally obtaining water from Ocoee which can

potentially contaminate its public water system. Finally, the cost of the generator and cost of water stolen from Ocoee will be born by other customers of Ocoee which is contrary to Ocoee's rule and the Bradley County Subdivision Regulation and not in the public interest

CONCLUSION

For these reasons the Motion for Temporary Injunction should be denied.

Respectfully submitted this 16th day of October 2015.



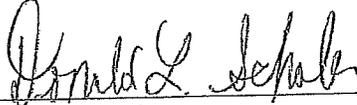
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Counsel for Defendant

CERTIFICATE OF SERVICE

I hereby certify that on October 16, 2015, a true and exact copy of the foregoing document was emailed to and mailed via U.S mail to the following. upon the following:

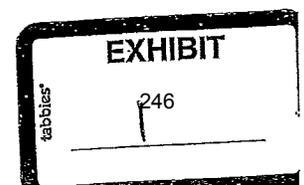
Gary L. Henry
Gearhiser, Peters, Elliott & Cannon, PLLC
320 McCallie Avenue
Chattanooga, TN 37402



Donald L. Scholes

0400-45-01-.05 SUPERVISION OF DESIGN AND CONSTRUCTION.

- (1) Engineering - Plan documents for public water systems shall be submitted to the Department at least thirty (30) days prior to the date on which action by the Department is desired.
- (2) Expiration of Approval - Approval of engineering reports, proposals, preliminary plans, survey and basis of design data shall be null and void after a period of one year from the date stamped on the documents, unless the general and detailed plan documents have been submitted to the Department. Approval of all other plan documents by the Department shall be null and void after a period of one year from the date stamped on the plan documents, unless the construction is either underway or completed.
- (3) General Practice - All plan documents for public water system design and construction shall present all information in conformance with accepted engineering practices and the "Design Criteria for community Public Water Systems" as published by the Department.
- (4) Revisions to Plan Documents - Any deviations from plan documents approved by the Department, which affect location, sanitary and/or mineral quality, capacity, hydraulic conditions, operating units, or the function of unit processes or distribution and storage, must be approved in writing before such changes are made. Any revisions must be made on the master work, i.e., the original tracings. Revised plan documents must be submitted in time to permit the review and approval of such revisions before any construction which will be affected by such revisions is begun.
- (5) Copies of Plan Documents - Generally, only two copies of the engineering report and two sets of the preliminary plans shall be required by the Department for review and/or approval. At least four complete sets of the detailed plan documents shall be required for final review. Upon the granting by the Department of its approval for construction the documents shall be so stamped and two sets returned to the engineer's office, one set forwarded to the appropriate Field Office for filing or use in field inspection of construction, and one set retained for the Department files. Upon completion of the project, one set of "As Built" plans and one copy of the executed contract documents shall be submitted to the Department and one set each to the owner. In addition, shop drawings, instruction manuals, etc., on all equipment furnished by the project shall be compiled into one or more documents and given to the owner.
- (6) Supervision of Construction - One set of the plan document stamped "APPROVED FOR CONSTRUCTION" shall be available at the job sites at all times during construction. The engineer or a person qualified other than the contractor or his representative, and approved by the public water system shall provide continuous adequate inspection during construction to assure that all work is done in accordance with approved plan documents. The Department's representative shall have access to the project at any time during construction. If the Department's representative observes work being done in a manner that does not conform to the approved plan documents, he shall have the authority, through the engineer's representative, the water system's agent or directly to the contractor, to order the cessation of all work affected by the nonconformity until such discrepancies are rectified.
- (7) Engineer's Seal - Plan documents for non-transient non-community and community public water systems shall be prepared by a person qualified under T.C.A. §§ 62-2-101 et seq. and shall have the necessary professional seal affixed as required by T.C.A. § 62-2-306.
- (8) (a) Ownership and Operational Organization - No person shall operate a public water system without notifying the Division of Water Supply prior to placing the new system in operation. Any person operating a public water system other than an individual, a municipality, any agency or instrumentality of the United States, any facility owned and



(Rule 0400-45-01-.05, continued)

operated by the State of Tennessee, or any organization otherwise exempt by law must have a charter or appropriate authorization lawfully issued as set forth in one or more of the following:

Utility District – T.C.A. §§ 7-82-101 et seq.
General Corporation Act – T.C.A. §§ 48-1-101 et seq.
Tennessee Regulatory Authority – T.C.A. §§ 65-4-101 et seq.
Urban Type Public Facilities – T.C.A. §§ 5-16-101 et seq.

- (b) All public water systems shall comply with all laws, rules and regulations, and policies of the Department. Construction modification and treatment processes must be approved in accordance with all federally designated best available technologies and Tennessee Laws. Every public water system shall, within thirty (30) days following any change in ownership or operation of the system, file a written report of such change in ownership or operation with the Department. Such report shall, at a minimum, contain the name, home address, business address, and home and business phone numbers of the person assuming ownership or operation of the system, and the date such change of ownership or operation became effective.
 - (c) All persons owning or operating a public water system shall keep the Department advised of their current address and must readily accept all mail sent to them by the Department. For purposes of this rule, registered or certified mail sent with proper postage to the registered owner or operator's last known address shall be considered adequate notification regardless of whether it is accepted or returned unclaimed.
 - (d) Because of the Department's statutory duty to supervise the construction, operation, and maintenance of public water systems, and because written communication is a necessary aspect of such supervision, an owner or operator's refusal to accept mail or failure to claim registered or certified mail is a violation of this Chapter and may result in enforcement action.
- (9) Interconnection of Systems - Insofar as feasible, public water systems shall be connected with a municipal, county, regional or other existing approved water system capable of supplying the demand. Where such connection is not feasible, other approved sources may be considered. Each public water system shall be designed in such a manner as will facilitate the connection of the system at an appropriate time to an expanding municipal, county or regional system. Each public water system shall be designed to provide service to all service areas anticipated or projected by the owner.
- (10) System Capacity - Whenever a public water system reaches eighty (80) per cent of the design capacity based on average day usage, the supplier of water shall immediately obtain the services of a competent engineer to prepare plan documents for expansion of said system.
- (11) Turbidimeters – All community water systems using ground water formations under the direct influence of surface water, and serving more than 50 connections or 150 individuals, shall be required to install turbidity monitoring equipment with power cutoff ability and recording unit. Those systems not included in the above may be required to install turbidity monitoring devices if the Department finds that the system cannot meet the microbiological standard, the turbidity can be seen without an instrument, or there is an outbreak of illness that may be water related. All filter plants serving community water systems shall be required to have continuous recording turbidimeters on the filter effluent line(s). Such instrumentation may be pen and ink, digital, computerized or other record keeping or recording devices approved by the Department. If pen and ink recorders are used they shall be limited to two pens and two filters and shall use a scale of 0 to 2.0 NTU unless specific alternatives are approved in writing by the Department.

(Rule 0400-45-01-.05, continued)

- (12) Monitoring of new sources - All new surface or ground water sources added to an existing water system or proposed for use by a new water system shall have the required biological and chemical water quality monitoring completed prior to being placed in service. The parameters to be monitored shall be those required for drinking water for the specific type of system involved.
- (13) Delegation of Plans Review Authority – Under T.C.A § 68-221-706, any unit of local government may petition the Commissioner for certification to review and approve plans for water distribution facilities within its jurisdiction. The unit of local government must have adequate experience and expertise in water distribution and must adopt standards and impose requirements which are at least as stringent as the Department's. The request for certification must be in writing and contain at least the following:
- (a) The names of the individual(s) responsible for the review and approval together with his/her experience and education. This person(s) must be employed by the unit of local government and be a registered professional engineer in Tennessee.
 - (b) A copy of the standards, requirements and design criteria legally adopted and enforceable by the unit of local government.
 - (c) The type of projects the unit of local government wishes to receive certification to review. This may include but is not limited to water lines, distribution pumping stations and distribution storage tanks.
 - (d) Procedures for maintaining records of all projects reviewed and approved by the unit of local government.
 - (e) The wording to be used on the approval stamp.
 - (f) Plans review authority fee.

The Division of Water Supply will be responsible for reviewing the application for certification and shall have up to 60 days from the receipt of the complete application to make a written response. Units of local government will not be certified to review projects involving state or federal funds, raw water pump stations, new water sources, treatment facilities, sludge handling facilities, or any project designed by the staff of the local government. Any unit of local government which receives certification for plans review shall submit one copy of any plan documents it has approved to the Division of Water Supply. This shall be done within 10 days of the local government's approval. The commissioner may periodically review the unit of local government's plans review program and prescribe changes as deemed appropriate. The Division of Water Supply may execute a written agreement with a unit of local government which has received plans review certification. Failure to comply with the terms of the agreement may result in revocation of the plans review certification.

Authority: T.C.A. §§ 68-221-701 et seq. and 4-5-201 et seq. **Administrative History:** Original rule filed August 1, 2012; effective October 30, 2012. Rule was previously numbered 1200-05-01.

0400-45-01-.06 MAXIMUM CONTAMINANT LEVELS.

- (1) Inorganic Chemicals
 - (a) The maximum contaminant level for fluoride applies to community water systems. The maximum contaminant levels for nitrate, nitrite and total nitrate and nitrite are applicable to both community water systems and non-community water systems. The

7.4.3 Booster pumps shall not serve more than 50 service connections unless gravity storage is provided or service pressure can be maintained above 20 psi without the pumps running.

7.5 AUTOMATIC AND REMOTE CONTROLLED STATIONS - All automatic stations should be provided with automatic signaling apparatus which will report when the station is out of service. All remote controlled stations shall be electrically operated and controlled and shall have signaling apparatus of proven performance. Installation of electrical equipment shall conform with the National Electrical Code.

7.6 APPURTENANCES

7.6.1 Valves - Pumps shall be adequately valved to permit satisfactory operation, maintenance and repair of the equipment. If foot valves are necessary they shall have a net valve area of at least 2½ times the area of the suction pipe and they shall be screened. Each pump shall have a positive acting check valve on the discharge side between the pump and shutoff valve.

7.6.2 Piping - In general, piping shall:

- a. be designed so that the friction head will be minimized;
- b. not be subject to contamination;
- c. have watertight joints;
- d. be protected against surge or water hammer;
- e. be such that each pump has an individual suction line or the lines shall be so manifolded that they will insure similar hydraulic and operation conditions.

7.6.3 Gauges and Meters - Each pump shall:

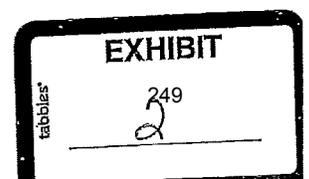
- a. shall have a standard pressure gauge on its discharge line;
- b. shall have a compound gauge on its suction line;
- c. shall have recording gauges in larger stations;
- d. should have a means for measuring the discharge.

The larger stations should have indicating, totalizing and recording metering of the total water pumped.

7.6.4 Water Seals - Water seals shall not be supplied with water of a lesser sanitary quality than that of the water being pumped.

7.6.5 Controls - Pumps, their prime movers and accessories, shall be controlled in such a manner that they will operate at rated capacity without dangerous overload. Where two or more pumps are installed, provision shall be made for proper alternation. Provision shall be made to prevent operation of the pump during the backspin cycle. Electrical controls should be located above grade.

7.6.6 Power - When power failure would result in cessation of minimum essential service, power supply shall be provided from at least two independent sources or standby or auxiliary source shall be provided.



G. Developments in or Adjacent to a Flood Zone.

Developers are required to provide hydraulic studies for any development or improvement of greater than or equal to 5 acres or greater than or equal to 50 lots that includes any portion of a flood zone. Any change would require a Conditional Letter from FEMA. The as-built for the development along with the appropriate hydraulic calculations would require FEMA approval before any local approval could be given. The installation of a permanent reference point by the developer would also be a part of this approval for new developments.

Section 6.12. Sidewalks. For the safety of pedestrians and of children at play or on approaches to community facilities, installation of sidewalks on at least one side of the road shall be encouraged by the developer to provide a safe route to a nearby school or recreation facility.

When sidewalks are provided, the following specifications shall be met: in single-family residential areas, concrete sidewalks shall be four (4) feet wide and four (4) inches thick; in multi-family or group housing, development sidewalks shall be five (5) feet wide and four (4) inches thick.

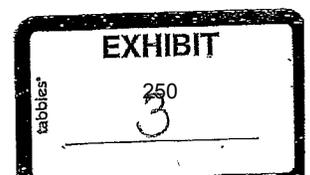
Section 6.13. Road Signs. Stop signs, speed limit and road name signs of a type specified by the county engineer or Pike Road Department, and approved by the planning commission, shall be installed at the intersection of all roads within the subdivision and at the point existing roads are intersected by the roads of the subdivision. The road name signs shall state the name of both intersecting roads. A sign with a minimum of six (6) inch high green blades with white reflective letters will be acceptable. Stop signs shall be 24" by 24" in size and shall be reflective. Speed limit signs shall establish a maximum 25 mile per hour limit. All signs must meet MUTCD standards.

Private roads shall have signs with dimensions as described in this section, but the road name signs shall be black letters on white background.

Section 6.14. Required Utilities. The developer shall see that each lot is (A) provided with a public water supply which includes nearby fire hydrants or is approved for a water well, and is (B) provided with public sewerage or is approved for an individual septic tank system in accordance with the requirements which follow and is (C) provided with electricity to the property line :

6.14.01. Water Supply System. Water mains and appurtenances properly connected with the community water supply and approved by the Tennessee Department of Environment and Conservation Division of Water Supply or the water district involved, and the planning commission, shall be constructed in each subdivision to adequately serve for both domestic use and fire protection of all lots. All construction of water lines and appurtenances may be made by the water utility district serving the area, either with their own forces or by contract, upon the Subdivider making proper bond or financial arrangements with said district. The Subdivider may construct said water lines and appurtenances, but said construction shall be subject at all times to the inspection and approval of said district or local health authority and all inspections will be at the cost of the Subdivider. Once the Utility and State have reviewed and approved the plans, a copy of the State-Approved Plans (or Plans approved by Cleveland Utilities as designated by the State) shall be submitted to the Planning & Engineering Staff by the developer before consideration of the final plat will be given.

No fire hydrant shall be located on less than a six (6) inch main. Therefore, six (6) inch (or greater) water lines shall be installed in all subdivisions in order to provide current and future fire protection for the development, however, with the approval of the TDEC's Division of Water Supply, pumps will be required for both domestic and fire flow if quantity is available but pressure is not. Smaller lines may be installed at the recommendation of the utility, on dead-end/cul-de-sac roads serving five or less lots, and for which the required fire protection can be provided at the



intersection of the cul-de-sac with an existing or new road on a 6 inch or greater waterline. If this cul-de-sac development is further subdivided, it will be the requirement of the developer to upgrade the line to adequately support fire flows for the entire development. When adequate fire flow is available, no lot should be more than five hundred (500) feet, measured along the road, from a fire hydrant, and no setback line of any lot should be more than six hundred (600) feet from a fire hydrant. Fire hydrants shall be located not more than one thousand (1,000) feet apart in order to maintain a good fire insurance rating and safety level. For those lines that cannot provide 500 gpm at 20 psi residual required for adequate fire flow (e.g. a 6 inch line coming off a 4 inch main), fire hydrants may be installed according to Rule 1200-5-1-.17 Section 18 of the Tennessee Division of Water Supply (See Appendix) as adopted by the local utility systems. Additional hydrants may be required by the local water district. Bradley County will not require the developer to install hydrants on subdivisions created by minor subdivision plats.

The specifications of all material, including but not limited to fire hydrants, and the manner in which all lines and appurtenances are laid, shall meet the inspection and approval of the water district involved.

All water construction plans for subdivisions shall include a service line from the main water line to the property line of each proposed lot in order that each proposed lot, at the time of construction, may be served by water without the installing of additional lines or cutting the road pavement. The end of each service line shall be properly marked.

The entire cost and expense of installing the required water supply system, including the connection to the existing water supply and including but not limited to the cost of pipe, valves, fittings, fire hydrants, trenching, back filling, and services shall be born by the Subdivider, including the stipulated payment for tapping and stubbing-out the system to serve each lot.

Private wells may be allowed whenever the proposed subdivision is more than one thousand (1,000) feet from an existing public water supply system. If private wells are to be used, the lots must be approved by the local health authority.

Sewage Disposal. These standards for development of sanitary sewer systems are established to insure healthful living conditions and protect the health of the community, to provide the best possible method of waste disposal, and to provide the necessary current and future sanitary disposal systems at the least ultimate cost to the community and individual homeowners.

6.14.02.

- A. **Required Public Sanitary Improvements.** When any portion of a proposed subdivision is located within a reasonable distance, as hereinafter defined, of an existing public sanitary sewer line, sanitary sewers shall be installed to serve all the lots within the subdivision. Said reasonable distance as used in this section shall be determined by the Bradley County Regional Planning Commission but in no case shall be less than three hundred (300) nor more than one thousand (1,000) feet. Should the subdivision have elevations which are below those of the nearest public sanitary sewer, a lift station shall be installed by the Subdivider, provided the public sanitary sewer is within a reasonable distance of any portion of the subdivision.

All sanitary sewer construction shall be built in accordance with the rules and regulations of the Tennessee Department of Environment and Conservation and/or those of the applicable local utility district. All construction of sanitary sewers and appurtenances shall be by an appropriate utility district, either with their own forces or by contract, upon the Subdivider making proper bond or financial arrangements with said district. The Subdivider may construct such sanitary sewers and appurtenances but said construction shall be subject at



1 of 1 DOCUMENT

TENNESSEE CODE ANNOTATED
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*** Current through the 2015 Regular Session and amendments approved at the November 4, 2014 General Election

Title 65 Public Utilities and Carriers
Chapter 35 Fraud, Theft or Destruction of Property

GO TO THE TENNESSEE ANNOTATED STATUTES ARCHIVE DIRECTORY

Tenn. Code Ann. § 65-35-102 (2015)

65-35-102. Prohibited acts.

It is unlawful for a person to:

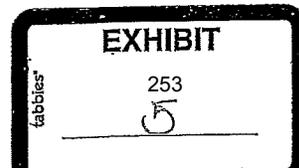
(1) (A) Knowingly tap, cut, burn, break down, injure, destroy or otherwise interrupt or interfere with the current, lines, cables, poles, towers, fixtures or appliances utilized to furnish service to the general public by any telephone or telegraph company, or electric light or power company engaged in furnishing communication, light, heat or power by electricity; or

(B) In any way injure, remove, destroy or interfere with any gas, sanitary sewer, or water fixtures or appliances;

(2) Obtain or attempt to obtain, by the use of any fraudulent scheme, device, means or method, telephone or telegraph service or the transmission of a message, signal or other communication by telephone or telegraph, or over telephone or telegraph facilities with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person for the purpose of avoiding payment, to conceal or to assist another to conceal from any supplier of telecommunication service or from any lawful authority the existence or place of origin or of destination of any telecommunication, or for any person to assist another in avoiding payment for such service, either through the making of multiple applications for service at one (1) address, or otherwise;

(3) Obtain or attempt to obtain by use of any fraudulent scheme, device, means or method, electric, sanitary sewer, water, or gas service, with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person to assist another in avoiding payment for electric, sanitary sewer, water, or gas service, either through the making of multiple applications for service at one (1) address, or otherwise;

(4) Divert or use electrical power with the intent to defraud or deprive any public or private electric power supplier from receiving proper charges or payment for such electrical power; or



Tenn. Code Ann. § 65-35-102

(5) Commit any of the following acts which would make gas, electricity, telephone, sanitary sewer service, or water available to tenant or occupant by committing any of the acts:

(A) Connect any tube, pipe, wire or other instrument with any meter, device or other instrument used for conducting telephone, gas, electricity, sanitary sewer service, or water in such a manner as to permit the use of the telephone, gas, electricity, sanitary sewer service, or water without same passing through a meter or other instrument recording the usage for billing;

(B) Alter, injure or prevent the action of a meter, valve, stopcock, or other instrument used for measuring quantities of telephone, gas, electricity, sanitary sewer service, or water;

(C) Break, deface or cause to be broken or defaced any seal, locking device or other parts that make up a metering device for recording usage of telephone, gas, electricity, sanitary sewer service, or water or a security system for such recording device;

(D) Remove a metering device for measuring quantities of telephone, gas, electricity, sanitary sewer service, or water;

(E) Transfer from one (1) location to another a metering device for measuring utilities of telephone, gas, electricity, sanitary sewer service, or water;

(F) Use a metering device belonging to the utility that has not been assigned to the location and installed by the utility;

(G) Adjust the indicated consumption, jam the measuring device, bypass the meter or measuring device with a jumper so that it does not indicate use or registers incorrectly or otherwise obtain quantities of telephone, gas, electricity, sanitary sewer service, or water from the utility without same passing through a metering device for measuring quantities of consumption for billing; or

(H) Fabricate or use a device to pick or otherwise tamper with the locks used to deter electric current diversion, telephone diversion, gas diversion, water diversion, sanitary sewer service diversion, meter tampering and meter thefts.

HISTORY: Acts 1990, ch. 851, § 2; 1997, ch. 116, §§ 2-4.

NOTES: Cross-References.

Destruction or interference with utility lines, fixtures or appliances, § 39-14-411.

Theft of services, § 39-14-104.

Section to Section References.

This section is referred to in §§ 65-35-103, 65-35-104, 65-35-105.

SUBDIVISIONS AND DEVELOPERS

The General Manager and Board of Commissioners are responsible for administering this policy.

Recordkeeping Duration

All documents/contracts regarding subdivisions shall be kept a minimum of ten years.

Omissions

In the absence of specific rules or policies, the disposition of the District regarding development matters will be decided by the Board of Commissioners.

Policy Statement

1. The costs and expenses incidental to the installation, connection, and inspection of UTILITY service facilities for residential subdivisions and commercial developments shall be borne by the DEVELOPER. In addition, the DEVELOPER shall indemnify the UTILITY from any loss or damage that may directly or indirectly result from the installation of utility lines and other facilities by the DEVELOPER for a period of one year after UTILITY acceptance of the facilities.

Request for Service

2. A DEVELOPER seeking to obtain service from the UTILITY will submit to the UTILITY a preliminary plat, which shall include the number, size and estimated cost of each unit and any other information that will assist the UTILITY in making a determination of availability of service. Each plat shall show the number of units and size (single family, duplex, etc.) to be served in the development.

The DEVELOPER or his assignee will be responsible for obtaining all easements.

3. Upon receipt of the documents required by Paragraph 2 herein, and determination that the development is to be pursued, the UTILITY may select to submit the documents to its engineer for the preparation of plans and specifications or may select to accept plans and specifications submitted by the DEVELOPER for review and approval by the UTILITY'S engineer.



4. In the event a planned development includes a fire protection system, the DEVELOPER shall submit total fire protection plans including the number and location of sprinkler heads and hydrants to be privately owned. The plans shall be stamped by a qualified p.e., recognized by the State of Tennessee.

The UTILITY shall require all developments requiring the installation of water mains to provide hydrants/fire protection in accordance to the Bradley County Subdivision regulations current as of 02/15/06, which call for hydrants to be located no further than 500 linear feet from any lot line, or 600 linear feet from any building site on said lot.

5. The UTILITY may confer with its attorney during any of these procedures. Upon the UTILITY'S approval of the plans, specifications and other necessary information, the same will be referred to the UTILITY'S attorney for the drafting of a contract between the UTILITY and the DEVELOPER.

Construction

6. Before any work is begun on any project, the appropriate contract shall have been signed by the UTILITY and the DEVELOPER.

It is the UTILITY'S standard policy to require the DEVELOPER to directly contract with necessary consultants and contractors for the completion of the extension of water mains and appurtenances. Each consultant/contractor must be either on the UTILITY'S approved list or be individually approved prior to the start of the project. However, the UTILITY reserves the right to administer and manage the extension project internally. If so chosen an alternate contract will be used as an agreement between the UTILITY and DEVELOPER. When the UTILITY excersizes this right 10b and 11 below will apply.

The DEVELOPER shall notify the UTILITY of the proposed starting date of construction and all progress thereon shall be reported weekly to the UTILITY.

7. The DEVELOPER shall obtain all permits (building, plumbing, electrical, etc.) to serve these facilities and shall comply with the requirements of all other governmental agencies having jurisdiction. When the plan calls for the installation of mains under streets to be opened and dedicated within the development, the DEVELOPER shall execute a Deed of Dedication to the UTILITY of _____-foot easements within which such lines are to be installed or shall execute a Deed conveying in fee simple the property within which such lines are to be installed. The Deeds are to be executed before trenching for the installation of such lines. These Deeds shall describe the easements and

property of reference in the book and page of the recorded plat.

8. The UTILITY'S policies regarding the requirement of easements are as follows:

(a) All system improvements include storage tanks, access roads, booster or pumping stations and other facilities shall be constructed on easements approved by the UTILITY or on property conveyed in fee simple to the UTILITY.

(b) All easements shall be obtained by the DEVELOPER or his agent.

(c) All easements shall be shown on all final subdivisions plats before the plat will be approved by the UTILITY.

(d) Any easements that are required outside a proposed development shall be obtained by the DEVELOPER or his agent prior to the initiation of system construction, except those covered in (e) below.

(e) If a line within a public right-of-way must be extended to bring service to a new development, the UTILITY may make application to obtain the necessary permission to use such public right-of-way from the state, county, or other governmental authority having jurisdiction over the particular right-of-way.

9. The DEVELOPER will pay the UTILITY for hydraulic modeling, plans and review fees related to water and wastewater plans. After the UTILITY'S engineer has either prepared the plans and specifications or reviewed and approved the DEVELOPER'S plans and specifications, or the UTILITY has accepted said plans and specifications, the UTILITY will send the plans and review fee to the Tennessee Department of Environment and Conservation for approval.

10. The UTILITY will approve a final plat provided:

(a) the UTILITY'S inspector has approved the development construction checklist, provided the developer prior to construction. The checklist includes but is not limited to the following items: all system improvements have been constructed and the plat constitutes an "as-built" condition (final or "as built" plat must be submitted in hard copy and approved electronic file format); all testing has been performed in a manner consistent with UTILITY requirements; all applicable fees and charges have been paid; All other infrastructure construction inside the development has been completed without conflict with the alignment of the water mains and appurtenances; and

(b) If consultants and contractors have been contracted directly by the UTILITY, the DEVELOPER will give the UTILITY a bond or letter of credit for 100% of the

construction costs of proposed improvements as estimated by the UTILITY or the UTILITY'S engineer. The UTILITY shall hold the bond until all improvements are constructed in full adherence to the plan or until a corrected and amended plat is recorded noting all differences from the original plan. No service shall be initiated within a plated subdivision or development of any kind until either (a) or (b) above are completed to the satisfaction of the UTILITY. The UTILITY, in writing, may waive the bond for contracts under \$25,000.

11. Prior to the execution of a contract for over \$25,000, the UTILITY shall require the DEVELOPER to post a bond with corporate surety authorized to do business in the State of Tennessee or obtain an irrevocable letter of credit issued by a national bank or a bank authorized to do business in the State of Tennessee for the costs to construct the system improvements to serve the developments. The UTILITY'S manager may authorize reduction of the bond or letter of credit on the basis of certification by the UTILITY'S engineer as to percentage of completion of the project as designed by such engineer, with the bond to be reduced to 50% after the project shall be certified as 65% complete, reduced to 25% upon certification that the construction is 90% complete and to 10% upon certification that the construction is 100% complete, subject only to acceptance by the UTILITY.

12. No utility lines or other facilities shall be covered prior to inspection and approval by the UTILITY.

13. Where private lines are permitted by the UTILITY and are not to be dedicated to the UTILITY, the UTILITY'S engineer shall check and approve these lines.

14. Prior to the execution of the contract, the DEVELOPER must pay all fees and charges established by the UTILITY for the DEVELOPER which may include but are not limited to the following:

- (a) All Tap Fees;
- (b) Connection Fees;
- (c) Storage Fees;
- (d) A Security Deposit or Non-Refundable Service Charge;
- (e) Plan Review Fees;
- (f) Inspection Fees;
- (g) Other : _____

15. Upon execution of the contract, the DEVELOPER will make a non-refundable payment to the UTILITY of _____%

of the estimated costs of utility construction covered under this contract for engineering, inspection, legal, and administrative expenses.

Ownership of Utility Lines

16. The DEVELOPER will be permitted to connect to the UTILITY'S existing lines provided the lines extended to and throughout the development shall become the property of the UTILITY free and clear of the claims of any persons or entities, except as provided otherwise herein.

The contract entered between the parties shall operate as a conveyance of the facilities when the same are installed and accepted without the necessity of any further writing, contract or deed; however, the UTILITY may also require a deed of exchange thereof.

17. All long side meter sets (meter sets serving lots on opposite side of the road from the UTILITY main) will be installed by the DEVELOPER. The DEVELOPER is not responsible for the prepayment of the tap fee for long side nor short side meter taps, which will be the responsibility of the eventual lot builder/owner.

18. Each family residence or duplex shall be served with a separate meter of minimum size specified by the UTILITY.

19. Apartment complexes or other types of dwellings or businesses shall be served by a meter of a size approved by the UTILITY.

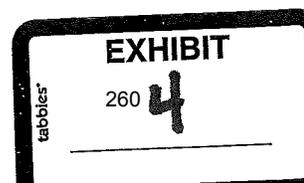
20. All water services will be installed in a manner to comply with the utility's cross-connection program.

Adoption Date: _____

Effective Date: _____

**COMMUNITY
PUBLIC WATER SYSTEMS
DESIGN CRITERIA**

**Division of Water Supply
Tennessee Department of Environment and Conservation
2008**



7.3.5 Ventilation - Adequate ventilation shall be provided for all pumping stations. Forced ventilation of at least 6 changes of air per hour shall be provided for:

- a. all rooms, compartments, pits and other enclosures below grade floor;
- b. any area where unsafe atmosphere may develop or where excessive heat may be built up.

7.3.6 Dehumidification - In areas where excess moisture could cause hazards to safety or damage to equipment means for dehumidification shall be provided.

7.3.7 Lighting - Pump stations shall be adequately lighted throughout. All electrical work shall conform to the requirements of the American Insurance Association and related agencies and to relevant State and/or local codes.

7.3.8 Sanitary and Other Conveniences - Pumping stations which are manned for extended periods shall be provided with potable water, lavatory and toilet facilities. Plumbing must be so installed as to prevent contamination of a public water supply. Wastes shall be discharged in accordance with Section 4.11 of these standards.

7.3.9 Pumps - At least 2 pumping units shall be provided. Each pumping unit shall be capable of carrying the peak demand. If more than 2 units are installed, they shall have sufficient capacity so that any 1 pump can be taken out of service and the remaining pumps are capable of carrying the peak demand. The pumping units shall:

- a. have ample capacity to supply the peak demand without dangerous overloading;
- b. be driven by a prime mover able to operate against the maximum head and air temperature which may be encountered;
- c. have spare parts and tools readily available.

3600 RPM pumps are not desirable and should be avoided if at all possible.

7.3.10 Suction Lift - Suction lift pumps will be considered on an individual basis based on justification of design engineer.

7.4 BOOSTER PUMPS - Booster pumps shall be located or controlled so that:

- a. they will not produce negative pressure anywhere in the distribution system;
- b. the pressure in the suction line shall be maintained at or above 20 psi by the use of a pressure sustaining valve or low pressure cutoff device.
- c. automatic or remote control devices shall have a range between the start and cutoff pressure which will prevent excessive cycling.

7.4.1 In-line Booster Pumps - In addition to the other requirements of this section, in-line booster pumps shall be accessible for servicing and repairs.

7.4.2 The criteria in this section also apply to fire pumps.

7.4.3 Booster pumps shall not serve more than 50 service connections unless gravity storage is provided or service pressure can be maintained above 20 psi without the pumps running.

7.5 AUTOMATIC AND REMOTE CONTROLLED STATIONS - All automatic stations should be provided with automatic signaling apparatus which will report when the station is out of service. All remote controlled stations shall be electrically operated and controlled and shall have signaling apparatus of proven performance. Installation of electrical equipment shall conform with the National Electrical Code.

7.6 APPURTENANCES

7.6.1 Valves - Pumps shall be adequately valved to permit satisfactory operation, maintenance and repair of the equipment. If foot valves are necessary they shall have a net valve area of at least 2½ times the area of the suction pipe and they shall be screened. Each pump shall have a positive acting check valve on the discharge side between the pump and shutoff valve.

7.6.2 Piping - In general, piping shall:

- a. be designed so that the friction head will be minimized;
- b. not be subject to contamination;
- c. have watertight joints;
- d. be protected against surge or water hammer;
- e. be such that each pump has an individual suction line or the lines shall be so manifolded that they will insure similar hydraulic and operation conditions.

7.6.3 Gauges and Meters - Each pump shall:

- a. shall have a standard pressure gauge on its discharge line;
- b. shall have a compound gauge on its suction line;
- c. shall have recording gauges in larger stations;
- d. should have a means for measuring the discharge.

The larger stations should have indicating, totalizing and recording metering of the total water pumped.

7.6.4 Water Seals - Water seals shall not be supplied with water of a lesser sanitary quality than that of the water being pumped.

7.6.5 Controls - Pumps, their prime movers and accessories, shall be controlled in such a manner that they will operate at rated capacity without dangerous overload. Where two or more pumps are installed, provision shall be made for proper alternation. Provision shall be made to prevent operation of the pump during the backspin cycle. Electrical controls should be located above grade.

7.6.6 Power - When power failure would result in cessation of minimum essential service, power supply shall be provided from at least two independent sources or standby or auxiliary source shall be provided.

7.6.7 Auxiliary Power Supply - When automatic pre-lubrication of pump bearings is necessary, and an auxiliary power supply is provided, the pre-lubrication line shall be provided with a valved by-pass around the automatic control.

OCOEE UTILITY DISTRICT

July 21, 2014

Rocky Chambers, P.E.
Chattanooga Engineering Group
400 East Main Street, Suite 130
Chattanooga, TN 37408

Re: Ocoee Utility District Review
Farmingdale Subdivision

Mr. Chambers,

The District's review of the proposed new phases of the Farmingdale Subdivision is complete. Following are the comments and recommendations of the review:

1. The 4" sections of pipeline need to be replaced with 6" pipeline.
2. According to the plans it does not appear that the hydrant locations will allow all the lots in the phases to comply with Bradley County regulations. Several lots appear to be 700 ft + from the nearest hydrant.
3. The double valves on the main at each hydrant is not acceptable. Each hydrant should have it's own auxiliary valve.
4. Each water line in the cul-de-sacs should be shown "wrapping" the cul-de-sac on the outside of the pavement, with the water main avoiding cover by pavement or curbing.
5. The long side services should be shown with language regarding the District's casing requirements, which is fairly flexible in regards to material - 2" conduit, PVC or HDPE or similar. Conduit/casing should extend a minimum of 1' further than curbing/pavement.
6. There is no reference to the Ocoee Utility District's Standard Specifications or the installation of water mains.
7. No instructions regarding flushing and washout / disinfection of line are specified.



8. Hydrants should be designated as Mueller Super Centurion 250 with the Tamper-Proof Operating Nut. One tamper-proof operating nut wrench should be delivered to the Ocoee Utility District's inspector.
9. Details/specifications for a back up generator for the booster pump station should be included. The back up power supply specifications must be included in the plans submittal to the Division of Water Resources, engineering staff.
10. The District typically attempts to achieve a minimum of 50psi average at each service connection (at the meter). I'd like to see something that shows the anticipated pressures at the highest lots in elevation. In addition, in achieving the pressures at the highest elevations, we need to be careful as to not over-pressurize the lots much lower in elevation.

Please review these additions to the current plan sets and make the necessary changes prior to submitting final sets to the District. The plans review check to TDEC should also accompany the sets.

Sincerely,



Tim C. Lawson, General Manager

Cc: Blake Davis, OUD
Cc: Greg Sanford, Jacobs Engineering Group

Miscellaneous:

1. Conflict of Interest
2. Annual Water Loss Report
3. Complaint Statistics
4. Next UMRB Meeting
5. Open Discussion

**UTILITY MANAGEMENT REVIEW BOARD (THE "BOARD")
MEMBER AND DESIGNEE STATEMENT AND DISCLOSURE**

Rule 1715-01-.03(2)(b) provides that no Board member may participate in making a decision in any case involving a utility district in which the Board member has a financial interest, a conflict of interest as proscribed by State law or a contract of employment.

In addition to the statutory provision, I understand the importance to avoid any action, whether or not specifically prohibited by statute or regulation, which might result in or create the appearance of:

- Using public office for private gain;
- Losing complete independence or impartiality;
- Making a government decision outside of official channels; or
- Affecting adversely the confidence of the public in the integrity of the government.

I will avoid all known conflicts of interest, and to the extent I become aware of a conflict of interest in connection with any matter brought before the Board, I will disclose such conflict to the other Board members and other appropriate person(s) and will recuse myself from participating in any consideration of the matter.

I hereby affirm that the answers given to the following questions are true and accurate to the best of my actual knowledge and belief:

1. Are you employed by or hold an official relation to any utility district in Tennessee?

No

Yes – please explain:

2. Do you or any of your family members, directly or indirectly, own any bonds, notes or other obligations of any utility district in Tennessee?

No

Yes, direct ownership – please list amounts, issues, maturities:

Yes, indirect ownership – please explain the nature of ownership and degree to which you or your family members exercise control over investment decisions:

3. Are you or any of your family members employed by, have any financial interest in or hold any official relation to any entity that has contracted with or intends to contract with any utility district in Tennessee?

No

Yes - please explain:

4. Do you or any of your family members have an account for services from any utility district in Tennessee?

No

Yes – please provide names of such utility districts:

Signature

_____,
Date

Name (*Type or Print*)



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT

SUITE 1500

JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7841

January 29, 2016

MEMORANDUM

TO: Lieutenant Governor Ron Ramsey
Speaker of the Senate

Representative Beth Harwell
Speaker of the House of Representatives

FROM: Jim Arnette, Director
Division of Local Government Audit

SUBJECT: Water Loss Filing per Section 7-82-401(i) and 68-221-1010 (d)(3),
Tennessee Code Annotated

Beginning in January 2013, the Utility Management Review Board and the Water and Wastewater Financing Board began requiring utility districts, cities and other water systems to use a water loss evaluation tool developed by the American Water Works Association (AWWA). This tool produces a number of performance indicators and calculates a "validity score" based on information entered by system personnel.

The attached spreadsheet presents one of the performance indicators and the validity score for each financial report received between January 1, 2013 and December 31, 2015.

If you have any questions or need additional information, please contact me.

Enclosures:

1. Description of Data
2. Schedule of Water Loss in Tennessee Local Governments

cc: Mr. Justin P. Wilson
Comptroller of the Treasury

Non-Revenue Water as Percent by Cost of Operating System

Non-Revenue water is defined as:
the cost of water that is produced and/or purchased that does not produce any revenue for the system (non-revenue water). It includes apparent losses, real losses, unbilled meter and unbilled unmetered amounts.

Cost to operate the system is defined as:
the costs for operations, maintenance and any annually incurred costs for long-term upkeep of the system, such as repayment of capital bonds for infrastructure expansion or improvement. Typical costs include employee salaries and benefits, materials, equipment, insurance, fees, administrative costs and all other costs that exist to sustain the drinking water supply. These costs should not include any costs to operate wastewater, biosolids or other systems outside of drinking water.

The performance indicator “non-revenue water as a percent by cost of operating system” is determined by:

- (1) converting the non-revenue water, which is expressed in million gallons, to a monetary amount; and
- (2) calculating the cost to operate the system;
- (3) expressing the monetary cost of non-revenue water as a percentage of the cost to operate the system.

Validity Score

The validity score helps assess the reliability of the data that was used to produce the performance indicator. The maximum validity score is 100. The validity score is calculated based on data entered by system personnel. The input data ranks the reliability input items based on specific criteria established by the American Water Works Association (AWWA).

Excessive Water Loss

The Utility Management Review Board and the Water and Wastewater Financing Board developed and adopted a phase-in schedule related to the definition of excessive water loss. A water system is deemed to have excessive water loss if it does not comply with the parameters for the applicable year the schedule is submitted.

Validity Score of	65 or less (1/1/2013 to 12/31/2014)
	70 or less (1/1/2015 to 12/31/2016)
	75 or less (1/1/2017 to 12/31/2018)
	80 or less (1/1/2019 to 12/31/2020)

Non-Revenue Water as Percent by Cost of Operating System of	30% or greater (1/1/2013 to 12/31/2014)
	25% or greater (1/1/2015 to 12/31/2016)
	20% or greater (1/1/2017 to 12/31/2018)
	20% or greater (1/1/2019 to 12/31/2020)

Division of Local Government Audit
 Schedule of Water Loss in Tennessee Local Governments
 As Reported in Annual Financial Audit Reports for the Fiscal Years Ended 2015, 2014, 2013, and 2012
 Received During the Period January 1, 2013 through December 31, 2015

Entity Name	Fiscal Year End	2015 Measurement Indicators		2014 Measurement Indicators		2013 Measurement Indicators		2012 Measurement Indicators	
		Non-Revenue Water Percentage	Validity Score Percentage						
<i>Municipalities</i>									
1. Adamsville	6/30	(1) %	(1) %	9.0 %	71 %	15.1 %	71 %	(3) %	(3) %
2. Alamo	6/30	(1)	(1)	15.0	78	18.3	67	11.2	67
3. Alcoa	6/30	4.4	87	8.0	86	6.9	85	3.0	84
4. Alexandria	6/30	9.8	86	13.2	85	25.6	83	(3)	(3)
5. Algood	6/30	8840.3	88	9.9	83	9.2	82	(3)	(3)
6. Allardt	6/30	17.7	76	15.2	76	19.1	79	(3)	(3)
7. Ashland City	6/30	19.5	79	21.0	77	26.8	77	(3)	(3)
8. Athens	6/30	7.6	94	9.2	94	8.7	94	(3)	(3)
9. Atoka	6/30	(1)	(1)	0.8	90	0.9	96	1.2	94
10. Atwood	6/30	15.8	80	16.9	81	20.7	69	(3)	(3)
11. Bartlett	6/30	(2)	(2)	4.1	82	3.8	82	(3)	(3)
12. Baxter	6/30	8.3	91	6.9	84	8.6	78	(3)	(3)
13. Bell Buckle	6/30	3.9	82	8.5	79	2.3	79	(3)	(3)
14. Bells	6/30	(1)	(1)	17.6	68	5.6	67	(3)	(3)
15. Benton	6/30	(1)	(1)	9.5	81	15.2	76	9.7	58
16. Bethel Springs	6/30	7.0	84	10.5	83	6.9	83	(3)	(3)
17. Big Sandy	6/30	9.6	82	10.0	82	8.7	75	(3)	(3)
18. Bluff City	6/30	(1)	(1)	12.0	77	16.9	69	5.7	72
19. Bolivar	6/30	(1)	(1)	3.5	82	4.2	82	(2)	(2)
20. Bradford	6/30	(1)	(1)	6.1	84	8.0	69	(3)	(3)
21. Brentwood	6/30	25.7	83	17.6	88	17.2	85	(3)	(3)
22. Brighton	6/30	(1)	(1)	0.6	68	5.1	66	7.0	66
23. Bristol	6/30	(1)	(1)	11.2	90	15.4	91	(2)	(2)
24. Bruceton	6/30	(1)	(1)	8.8	80	12.0	77	(2)	(2)
25. Byrdstown	6/30	(1)	(1)	49.2	82	28.1	82	(3)	(3)
26. Camden	6/30	(1)	(1)	8.6	84	19.3	84	(3)	(3)
27. Carthage	6/30	(1)	(1)	13.2	79	14.6	80	(3)	(3)
28. Celina	6/30	13.1	72	28.7	82	4.0	83	(3)	(3)

Division of Local Government Audit
 Schedule of Water Loss in Tennessee Local Governments
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		Non-Revenue Water Percentage	Validity Score Percentage						
<i>Municipalities</i>									
29. Centerville	6/30	20.8 %	82 %	13.8 %	81 %	1.6 %	82 %	(3) %	(3) %
30. Chapel Hill	6/30	(1)	(1)	19.5	68	12.1	66	(3)	(3)
31. Clarksville	6/30	23.8	88	17.5	94	7.9	87	(3)	(3)
32. Cleveland	6/30	13.1	82	12.3	82	7.8	82	(3)	(3)
33. Clifton	6/30	3.3	84	16.6	83	15.3	81	(3)	(3)
34. Clinton	6/30	3.3	84	5.3	80	8.1	87	(3)	(3)
35. Collierville	6/30	2.6	76	1.5	75	1.7	75	(3)	(3)
36. Collinwood	6/30	(1)	(1)	86.8	68	7.4	46	(2)	(2)
37. Columbia	6/30	1.1	87	6.7	78	6.6	78	(3)	(3)
38. Cookeville	6/30	11.0	85	11.5	84	11.7	83	(3)	(3)
39. Copperhill	6/30	(1)	(1)	47.2	73	24.7	73	(2)	(2)
40. Covington	6/30	(1)	(1)	13.0	81	21.7	80	(3)	(3)
41. Cowan	6/30	34.2	74	27.4	74	16.3	75	(3)	(3)
42. Crossville	6/30	23.7	88	7.7	88	24.1	75	(3)	(3)
43. Cumberland City	6/30	10.6	81.0	13.0	80	12.8	75	(3)	(3)
44. Cumberland Gap	6/30	(1)	(1)	30.4	81	26.4	82	42.3	66
45. Dandridge	6/30	(1)	(1)	17.5	80	9.5	81	7.9	80
46. Dayton	6/30	(1)	(1)	14.7	87	12.9	88	12.2	88
47. Decatur	6/30	(1)	(1)	14.9	76	5.7	77	9.1	75
48. Decaturville	6/30	7.9	76	13.7	65	13.6	67	(3)	(3)
49. Decherd	6/30	(1)	(1)	15.4	76	20.2	79	(2)	(2)
50. Dover	6/30	17.1	80	12.0	82	9.1	84	(3)	(3)
51. Dresden	6/30	(1)	(1)	19.3	72	13.4	71	8.6	71
52. Dunlap	6/30	(1)	(1)	0.4	64	10.8	64	(2)	(2)
53. Dyer	6/30	(1)	(1)	9.9	81	10.0	70	(3)	(3)
54. Dyersburg	6/30	(1)	(1)	37876771.6	85	1.4	76	1.0	76
55. Eastview	6/30	(1)	(1)	12.4	80	12.3	75	(3)	(3)
56. Elizabethton	6/30	17.2	77	16.6	77	18.7	77	(3)	(3)

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<i>Municipalities</i>									
57. Englewood	6/30	(1) %	(1) %	27.0 %	82 %	15.5 %	69 %	(2) %	(2) %
58. Erin	6/30	26.3	83	35.1	81	32.3	80	(3)	(3)
59. Erwin	6/30	(1)	(1)	6.9	86	6.8	86	(3)	(3)
60. Estill Springs	6/30	9.3	83	9.4	73	10.4	67	(3)	(3)
61. Etowah	6/30	11.6	81	12.0	77	7.6	72	(2)	(2)
62. Fayetteville	6/30	15.6	90	16.8	82	17.2	81	(3)	(3)
63. Franklin	6/30	16.3	81	16.4	83	17.9	84	(3)	(3)
64. Friendship	6/30	(1)	(1)	24.9	82	27.1	68	(3)	(3)
65. Friendsville	6/30	9.1	88	17.7	82	9.0	77	28.4	62
66. Gainesboro	6/30	24.4	84	39.3	83	25.1	83	(3)	(3)
67. Gallatin	6/30	(1)	(1)	7.4	84	4.4	79	(3)	(3)
68. Gallaway	6/30	7.0	72	17.5	84	(2)	(2)	(3)	(3)
69. Gates	6/30	(1)	(1)	(1)	(1)	3.2	82	15.2	77
70. Gatlinburg	6/30	9.2	76	16.1	75	12.6	71	(3)	(3)
71. Germantown	6/30	5.0	79	43.9	80	3.6	80	(3)	(3)
72. Gibson	6/30	(1)	(1)	15.2	78	8.7	77	(2)	(2)
73. Gleason	6/30	(1)	(1)	14.4	81	14.9	68	8.6	71
74. Grand Junction	6/30	(1)	(1)	13.5	74	(2)	(2)	(2)	(2)
75. Graysville	6/30	(1)	(1)	10.4	90	(2)	(2)	(2)	(2)
76. Greenbrier	6/30	(1)	(1)	(2)	82	2.1	79	(3)	(3)
77. Greeneville	6/30	6.0	92	29.5	92	12.6	90	(3)	(3)
78. Greenfield	6/30	(1)	(1)	9.6	68	13.0	68	(3)	(3)
79. Halls	6/30	(1)	(1)	17.7	84	3.0	60	(3)	(3)
80. Harriman	6/30	18.5	83	21.2	80	20.7	79	(3)	(3)
81. Henderson	6/30	11.2	71	15.4	74	14.7	71	(3)	(3)
82. Henning	6/30	(1)	(1)	5.8	48	24.0	66	1.3	42
83. Henry	6/30	(1)	(1)	22.8	76	20.3	75	18.4	73
84. Hohenwald	6/30	25.3	83	47.3	81	48.0	81	(3)	(3)

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85. Hollow Rock	6/30	(1) %	(1) %	7.1 %	83 %	6.7 %	73 %	(2) %	(2) %
86. Hornsby	6/30	82.0	(2)	8.5	66	(2)	(2)	(2)	(2)
87. Humboldt	6/30	(1)	(1)	5.2	82	2.7	76	(3)	(3)
88. Huntingdon	6/30	(1)	(1)	8.7	80	12.6	77	8.4	74
89. Huntland	6/30	(1)	(1)	7.0	76	8.0	75	(3)	(3)
90. Jamestown	6/30	(1)	(1)	2.9	83	17.6	84	(3)	(3)
91. Jasper	6/30	(1)	(1)	11.5	77	11.2	74	(3)	(3)
92. Jefferson City	6/30	(1)	(1)	8.7	78	0.0	71	0.0	71
93. Jellico	6/30	(1)	(1)	0.0	74	32.2	74	(3)	(3)
94. Johnson City	6/30	9.0	77	9.2	79	8.5	77	(3)	(3)
95. Jonesborough	6/30	11.1	74	11.3	75	12.0	75	(3)	(3)
96. Kenton	6/30	(1)	(1)	12.9	74	22.2	70	30.0	41
97. Kingsport	6/30	9.1	79	8.4	79	7.9	78	(3)	(3)
98. Kingston	6/30	(1)	(1)	4.9	93	15.7	94	(3)	(3)
99. Knoxville	6/30	10.2	94	11.3	85	10.4	88	(3)	(3)
100. Lafayette	6/30	18.6	72	29.1	70	28.3	68	(3)	(3)
101. LaFollette	6/30	4.7	90	7.0	87	11.9	82	(3)	(3)
102. LaGrange	6/30	(1)	(1)	9.6	76	11.2	72	14.1	67
103. Lake City	6/30	(1)	(1)	16.0	73	21.3	79	23.0	79
104. LaVergne	6/30	22.0	79	5.4	75	3.4	71	(3)	(3)
105. Lawrenceburg	6/30	10.7	83	14.1	80	28.2	83	(3)	(3)
106. Lebanon	6/30	(1)	(1)	19.2	71	19.1	71	(2)	(2)
107. Lenoir City	6/30	(1)	(1)	14.1	71	11.2	72	15.3	62
108. Lewisburg	6/30	(1)	(1)	8.3	84	8.9	80	(3)	(3)
109. Lexington	6/30	(1)	(1)	9.9	82	14.8	87	2.1	83
110. Linden	6/30	23.4	77	56.4	65	4.5	82	(3)	(3)
111. Livingston	6/30	(1)	(1)	1.2	78	1.1	78	(2)	(2)
112. Lobelville	6/30	9.4	73	52.0	85	3.0	85	(3)	(3)

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<i>Municipalities</i>									
113. Loretto	6/30	(1) %	(1) %	14.2 %	74 %	17.6 %	75 %	(2) %	(2) %
114. Loudon	6/30	(1)	(1)	11.0	75	7.8	78	15.0	78
115. Lynnville	6/30	10.9	81	14.3	82	21.7	82	(3)	(3)
116. Madisonville	6/30	16.8	84	21.3	78	19.3	67	0.4	69
117. Manchester	6/30	(1)	(1)	16.5	93	19.9	92	20.5	92
118. Martin	6/30	(1)	(1)	8.8	84	9.6	81	(2)	(2)
119. Mason	6/30	(1)	(1)	(1)	(1)	10.6	73	10.2	73
120. Maryville	6/30	5.8	78	6.1	75	5.6	70	(3)	(3)
121. Maury City	6/30	(1)	(1)	(1)	(1)	9.2	67	(3)	(3)
122. Maynardville	6/30	(1)	(1)	3.6	84	8.9	85	12.0	85
123. McEwen	6/30	(1)	(1)	5.1	75	21.3	74	18.6	73
124. McKenzie	6/30	18.5	75	16.3	72	15.1	73	(3)	(3)
125. McLemoresville	6/30	3.3	73	4.4	73	2.7	59	(3)	(3)
126. McMinnville	6/30	(1)	(1)	29.7	91	36.6	82	(3)	(3)
127. Memphis	6/30	2.6	73	5.5	71	3.8	78	(3)	(3)
128. Michie	6/30	6.8	78	20.6	71	18.0	72	(3)	(3)
129. Middleton	6/30	7.6	83	3065.3	69	4.3	69	(3)	(3)
130. Milan	6/30	7.8	94	14.2	94	7.2	77	(3)	(3)
131. Millington	6/30	5.2	79	2.3	65	2.2	61	(3)	(3)
132. Monteagle	6/30	(1)	(1)	9.8	76	22.8	62	(3)	(3)
133. Monterey	6/30	48.5	82	46.2	81	1.5	81	(3)	(3)
134. Morristown	6/30	3.5	89	4.9	86	16.0	83	(3)	(3)
135. Moscow	6/30	(1)	(1)	22.1	74	(2)	(2)	(2)	(2)
136. Mosheim	6/30	(1)	(1)	18.8	73	29.1	68	(3)	(3)
137. Mount Pleasant	6/30	(1)	(1)	4.1	84	8.3	86	9.8	86
138. Mountain City	6/30	11.9	73	10.6	72	10.7	70	(3)	(3)
139. Munford	6/30	(1)	(1)	2.1	71	3.8	71	3.9	69
140. Murfreesboro	6/30	10.0	81	33.3	80	14.7	73	(3)	(3)

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<i>Municipalities</i>									
141. New Johnsonville	6/30	6.6 %	83 %	11.8 %	81 %	28.5 %	81 %	38.0 %	84 %
142. Newbern	6/30	(1)	(1)	18.6	77	4.3	70	(3)	(3)
143. Newport	6/30	24.0	80	6.3	76	5.0	76	(3)	(3)
144. Niota	6/30	(1)	(1)	24.6	74	20.0	77	18.6	77
145. Norris	6/30	11.6	85	8.9	85	10.7	85	(3)	(3)
146. Oak Ridge	6/30	8.5	74	12.8	75	9.5	77	11.5	75
147. Oakland	6/30	(1)	(1)	5.1	66	26.3	62	39.0	62
148. Obion	6/30	(1)	(1)	122.9	80	19.1	74	10.6	74
149. Oliver Springs	6/30	(1)	(1)	12.6	77	6.3	73	9.7	69
150. Oneida	6/30	6.1	89	13.8	77	15.2	68	(3)	(3)
151. Paris	6/30	8.7	77	13.8	78	14.3	78	(3)	(3)
152. Parsons	6/30	9.2	85	13.0	85	26.3	85	(3)	(3)
153. Petersburg	6/30	(1)	(1)	8.3	80	4.8	79	5.1	79
154. Pigeon Forge	6/30	11.1	80	12.2	81	13.7	81	(3)	(3)
155. Pikeville	6/30	(1)	(1)	15.8	81	22.8	83	15.6	68
156. Piperton	6/30	5.7	84	5.7	71	(2)	(2)	(2)	(2)
157. Portland	6/30	10.5	85	11.6	85	13.4	87	(2)	(2)
158. Pulaski	6/30	(1)	(1)	10.7	74	4.5	79	(3)	(3)
159. Puryear	6/30	(1)	(1)	6.6	75	10.1	70	(3)	(3)
160. Ramer	6/30	11.8	69	11.8	69	13.1	67	12.7	67
161. Red Boiling Springs	6/30	2.4	83	4.3	83	3.2	83	(3)	(3)
162. Ridgely	6/30	7.6	78	12.8	79	12.9	67	(3)	(3)
163. Ripley	6/30	(1)	(1)	6.4	70	9.0	69	(3)	(3)
164. Rockwood	6/30	(1)	(1)	35.9	77	19.5	82	14.7	83
165. Rogersville	6/30	(1)	(1)	1.1	79	1.6	80	2.4	80
166. Rossville	6/30	(1)	(1)	3.8	71	3.6	80	7.1	75
167. Rutherford	6/30	5.4	78	14.4	77	11.7	78	7.9	66
168. Rutledge	6/30	(1)	(1)	18.8	78	17.2	78	(2)	(2)

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169. Saint Joseph	6/30	22.9 %	81 %	5.5 %	81 %	10.6 %	77 %	(2) %	(2) %
170. Sardis	6/30	40.7	77	6.4	73	8.2	72	(3)	(3)
171. Savannah	6/30	(1)	(1)	7.6	79	7.8	79	(3)	(3)
172. Scotts Hill	6/30	10.5	81	7.1	76	12.0	70	(3)	(3)
173. Selmer	6/30	(1)	(1)	8.3	83	8.8	74	(3)	(3)
174. Sevierville	6/30	6.0	86	6.3	87	4.0	86	5.0	84
175. Sharon	6/30	(1)	(1)	8.7	83	14.6	83	(3)	(3)
176. Shelbyville	6/30	(1)	(1)	23.1	79	24.9	79	(3)	(3)
177. Signal Mountain	6/30	(1)	(1)	15.4	84	11.4	80	(3)	(3)
178. Smithville	6/30	(1)	(1)	23.8	87	17.3	87	(3)	(3)
179. Smyrna	6/30	10.1	92	17.9	91	4.9	90	(3)	(3)
180. Somerville	6/30	(1)	(1)	13.9	80	19.7	76	9.2	73
181. South Fulton	6/30	(1)	(1)	22.9	67	16.0	67	11.0	80
182. South Pittsburg	6/30	(1)	(1)	14.9	76	2.7	78	(3)	(3)
183. Sparta	6/30	(1)	(1)	2.6	81	2.5	80	2.4	77
184. Spencer	6/30	(1)	(1)	15.1	80	11.7	77	(3)	(3)
185. Spring City	6/30	(1)	(1)	1.7	67	7.5	71	9.5	73
186. Spring Hill	6/30	(1)	(1)	4.9	84	5.2	73	11.2	75
187. Springfield	6/30	10.6	70	11.8	69	38.0	67	(3)	(3)
188. Stanton	6/30	(1)	(1)	11.9	74	69.0	97	(2)	(2)
189. Sweetwater	6/30	44.4	81	7.8	83	7.8	83	(3)	(3)
190. Tellico Plains	6/30	(1)	(1)	6.0	73	8.3	60	(3)	(3)
191. Tennessee Ridge	6/30	3.6	78	3.0	74	14.7	71	(3)	(3)
192. Tiptonville	6/30	11.2	58	8.9	58	11.9	58	(3)	(3)
193. Toone	6/30	(1)	(1)	11.1	69	11.6	68	10.6	68
194. Tracy City	6/30	(1)	(1)	3.6	75	4.5	68	5.5	60
195. Trenton	6/30	(1)	(1)	13.0	82	15.6	76	(3)	(3)
196. Trezevant	6/30	(1)	(1)	13.6	76	15.5	79	(3)	(3)

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197. Trimble	6/30	(1) %	(1) %	7.8 %	73 %	7.9 %	73 %	(2) %	(2) %
198. Troy	6/30	(1)	(1)	17.0	80	18.6	79	(3)	(3) %
199. Tullahoma	6/30	(1)	(1)	8.3	81	9.8	80	10.2	88
200. Union City	6/30	(1)	(1)	6.5	81	8.5	72	7.0	71
201. Vanleer	6/30	6.6	83	14.0	81	32.5	83	(3)	(3)
202. Wartrace	6/30	73.2	81	14.5	77	20.1	77	(3)	(3)
203. Watertown	6/30	(1)	(1)	7.9	77	11.6	80	8.7	81
204. Waverly	6/30	(1)	(1)	10.9	76	16.5	76	(3)	(3)
205. Waynesboro	6/30	(1)	(1)	21.4	72	29.7	75	37.2	86
206. Westmoreland	6/30	21.5	82	26.8	71	30.7	61	(3)	(3)
207. White Pine	6/30	(1)	(1)	8.0	72	8.9	77	(3)	(3)
208. Whiteville	6/30	(1)	(1)	14863.1	70	26.2	67	(3)	(3)
209. Whitwell	6/30	(1)	(1)	12.5	85	10.8	82	(3)	(3)
210. Winchester	6/30	(1)	(1)	11.7	85	14.4	84	28.7	88
211. Woodbury	6/30	23.6	82	24.5	82	41.3	82	(3)	(3)
<i>Utility Districts</i>									
1. Alpha-Talbott Utility District	12/31	(1) %	(1) %	16.2 %	86 %	12.6 %	87 %	17.2 %	87 %
2. Arthur-Shawnee Utility District	6/30	10.2	71	12.4	72	15.9	71	(3)	(3)
3. Bangham Utility District	5/31	17.2	80	16.9	80	19.3	80	(3)	(3)
4. Bean Station Utility District	8/31	(1)	(1)	10.7	83	15.1	85	(3)	(3)
5. Bedford County Utility District	6/30	9.5	80	7.4	77	6.7	81	(3)	(3)
6. Belvidere Rural Utility District	9/30	(1)	(1)	18.0	84	10.1	69	8.5	67
7. Big Creek Utility District	2/28	6.6	83	5.6	82	6.9	78	(3)	(3)
8. Bloomingdale Utility District	6/30	(1)	(1)	5.2	88	5.5	92	(3)	(3)
9. Blountville Utility District	6/30	(1)	(1)	10.9	88	9.6	85	(3)	(3)
10. Bon Aqua-Lyles Utility District	8/31	(1)	(1)	(2)	87	7.3	83	(2)	(2)

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<i>Utility Districts</i>									
11. Bon De Croft Utility District	6/30	(1) %	(1) %	6.3 %	82 %	3.0 %	75 %	(3) %	(3) %
12. Bristol-Bluff City Suburban Utility District	7/31	(1)	(1)	58.1	84	18.0	82	20.2	82
13. Brownlow Utility District	6/30	2.0	84	2.0	84	1.7	84	(3)	(3)
14. Cagle-Fredonia Utility District	12/31	(1)	(1)	6.7	82	6.5	80	6.8	83
15. Calhoun-Charleston Utility District	9/30	(1)	(1)	12.9	80	15.1	84	14.6	79
16. Carderview Utility District	6/30	4.2	71	3.1	71	4.1	68	3.3	71
17. Castalian Springs-Bethpage Utility District	8/31	15.5	84	15.5	80	13.8	80	(3)	(3)
18. Cedar Grove Utility District	6/30	(1)	(1)	9.4	80	8.0	78	(3)	(3)
19. Center Grove-Winchester Springs Utility District	9/30	(1)	(1)	5.3	84	6.5	83	16.1	83
20. Chanutte Pall Mall Utility District	6/30	3.6	81	8.0	83	13.8	83	(3)	(3)
21. Cherokee Hills Utility District	12/31	(1)	(1)	(2)	(2)	(2)	(2)	(2)	(2)
22. Chuckey Utility District	6/30	(1)	(1)	15.3	84	13.1	81	(3)	(3)
23. Claiborne County Utility District	7/31	12.6	82	12.5	79	14.2	71	(3)	(3)
24. Clarksburg Utility District	12/31	(1)	(1)	8.9	79	5.7	69	4.8	71
25. Clearfork Utility District	12/31	(1)	(1)	9.3	78	15.2	72	16.6	59
26. Cold Springs Utility District	8/31	(1)	(1)	2.9	82	4.5	81	(3)	(3)
27. Consolidated Utility District of Rutherford County	9/30	2.6	78	2.7	81	5.6	83	(3)	(3)
28. Cookeville Boat Dock Utility District	12/31	(1)	(1)	19.0	82	20.4	87	13.7	84
29. Copper Basin Utility District	6/30	7.2	82	7.0	86	6.5	70	(3)	(3)
30. Cordell Hull Utility District	12/31	(1)	(1)	10.6	86	13.5	87	8.1	84
31. County Wide Utility District	12/31	(1)	(1)	8.0	81	8.0	83	4.6	69
32. Crab Orchard Utility District	12/31	(1)	(1)	10.5	78	16.9	42	10.2	67
33. Crockett Mills Utility District	12/31	(1)	(1)	12.1	79	15.7	73	12.4	67
34. Cross Anchor Utility District	6/30	(1)	(1)	18.1	82	16.5	81	(3)	(3)
35. Cumberland Heights Utility District	7/31	(1)	(1)	10.2	84	10.5	83	(3)	(3)
36. Cumberland Utility District	9/30	(1)	(1)	12.7	91	20.7	92	14.7	91
37. Cunningham Utility District	12/31	(1)	(1)	9.6	91	11353.8	93	0.1	93
38. Dekalb Utility District	6/30	14.7	85	13.3	89	11.8	85	(3)	(3)

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		Non-Revenue Water Percentage	Validity Score Percentage							
<i>Utility Districts</i>										
39. Dewhite Utility District	12/31	(1) %	(1) %	11.8 %	84 %	13.8 %	77 %	19.8 %	77 %	
40. Double Springs Utility District	4/30	11.6	87	4.7	86	9.8	83	(3)	(3)	
41. Dry Run Utility District	9/30	(1)	(1)	17.0	75	37.9	75	(3)	(3)	
42. Dyersburg Suburban Utility District	1/31	(1)	(1)	10.2	69	10.9	66	10.9	66	
43. East Fork Utility District	12/31	(1)	(1)	3.8	79	11.6	77	7.6	73	
44. East Montgomery Utility District	12/31	(1)	(1)	12.1	87	11.5	93	10.7	94	
45. East Sevier County Utility District	6/30	(1)	(1)	11.0	76	36.4	57	52.5	58	
46. Eastside Utility District	10/31	(1)	(1)	17.3	81	15.8	82	14.6	82	
47. Fairview Utility District	12/31	(1)	(1)	6.6	81	7.6	79	9.0	79	
48. Fall Creek Falls Utility District	12/31	(1)	(1)	16.9	85	15.5	82	14.0	83	
49. Fall River Utility District	12/31	(1)	(1)	7.3	75	3.5	80	12.7	78	
50. Fentress County Utility District	6/30	1.5	80	1.2	80	1.0	80	(3)	(3)	
51. First Utility District of Carter County	10/31	(1)	(1)	5.7	88	5.1	82	(2)	81	
52. First Utility District of Hardin County	3/31	15.8	87	14.7	78	15.2	77	(3)	(3)	
53. First Utility District of Hawkins County	6/30	(1)	(1)	8.4	80	11.3	78	(3)	(3)	
54. First Utility District of Knox County	12/31	(1)	(1)	4.1	85	8.0	79	6.7	75	
55. First Utility District of Tipton County	12/31	(1)	(1)	5.1	79	7.2	75	5.3	75	
56. Gladeville Utility District	12/31	(1)	(1)	6.9	79	8.0	80	7.9	77	
57. Glen Hills Utility District	6/30	5.0	80	5.6	88	4.8	90	(3)	(3)	
58. Grandview Utility District	12/31	(1)	(1)	14.6	82	9.1	70	7.8	67	
59. Griffith Creek Utility District	12/31	(1)	(1)	6.0	85	8.8	82	5.2	79	
60. H.B. and T.S. Utility District	9/30	(1)	(1)	10.4	85	11.1	85	10.0	85	
61. Hallsdale-Powell Utility District	3/31	11.9	72	12.8	75	12.4	72	(3)	(3)	
62. Hampton Utility District	11/30	16.5	82	14.3	82	8.0	79	40.9	63	
63. Harbor Utility District	6/30	16.0	70	12.1	71	4.7	71	(3)	(3)	
64. Harpeth Valley Utility District	12/31	(1)	(1)	3.8	77	3.2	71	4.5	68	
65. Hartsville-Trousdale Water/Sewer Utility District	6/30	35.5	67	20.2	66	20.6	66	19.0	69	
66. Haywood County Utility District	6/30	(1)	(1)	11.5	84	31.4	97	29.7	97	

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<i>Utility Districts</i>									
67. Hendersonville Utility District	6/30	6.9 %	94 %	10.0 %	95 %	4.4 %	95 %	(3) %	(3) %
68. Hillsville Utility District	12/31	(1)	(1)	6.6	77	6.2	76	14.9	73
69. Hixson Utility District	4/30	10.5	85	15.2	86	4.2	81	(3)	(3)
70. Holston Utility District	2/28	48.2	90	11.1	82	9.6	82	(3)	(3)
71. Hornbeak Utility District	4/30	2.3	81	2.6	83	1.9	78	(3)	(3)
72. Huntsville Utility District	8/31	5.0	82	6.4	82	8.3	84	6.9	73
73. Inter mont Utility District	12/31	(1)	(1)	8.9	84	10.5	83	15.1	83
74. Iron City Utility District	12/31	(1)	(1)	6.1	81	6.3	86	0.7	86
75. Jackson County Utility District	12/31	(1)	(1)	(2)	80	14.4	79	13.9	75
76. Knox-Chapman Utility District	2/28	10.3	81	11.7	82	14.2	82	(3)	(3)
77. Laguardo Utility District	12/31	(1)	(1)	12.6	82	7.3	83	7.8	80
78. Lakeview Utility District	12/31	(1)	(1)	3.5	77	2.7	74	3.8	74
79. Leoma Utility District	12/31	(1)	(1)	7.5	80	6.9	66	(2)	(2)
80. Lone Oak Utility District	12/31	(1)	(1)	12.4	76	11.3	84	15.6	87
81. Luttrell-Blaine-Corryton Utility District	7/31	7.1	87	6.2	89	5.6	82	(3)	(3)
82. Madison Utility District of Davidson County	6/30	27.5	94	29.3	94	3.2	87	(3)	(3)
83. Mallory Valley Utility District	9/30	(1)	(1)	0.4	96	0.5	97	(3)	(3)
84. Martel Utility District	12/31	(1)	(1)	6.1	86	5.3	91	(2)	(2)
85. Mid-Hawkins County Utility District	6/30	(1)	(1)	3.7	76	3.7	77	(3)	(3)
86. Milcrofton Utility District	9/30	(1)	(1)	8.5	97	13.0	94	10.0	94
87. Minor Hill Utility District	12/31	(1)	(1)	(1)	(1)	16.8	73	15.3	53
88. Mooresburg Utility District	12/31	(1)	(1)	2.9	81	17.5	62	(2)	(2)
89. Mowbray Utility District	5/31	(1)	(1)	(1)	(1)	26.5	80	(3)	(3)
90. New Canton Utility District	12/31	(1)	(1)	16.2	80	12.9	83	(3)	(3)
91. New Market Utility District	12/31	(1)	(1)	11.9	75	15.3	82	13.8	82
92. Nolensville-College Grove Utility District	9/30	(1)	(1)	20.4	90	8.8	84	9.8	83
93. North Overton Utility District	5/31	10.0	84	9.9	83	17.2	83	(3)	(3)
94. North Stewart Utility District	5/31	14.0	84	10.3	80	11.2	71	(3)	(3)

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<i>Utility Districts</i>									
95. North Utility District of Decatur & Benton Counties	3/31	7.2 %	84 %	5.5 %	72 %	9.9 %	70 %	(3) %	(3) %
96. North Utility District of Rhea County	9/30	(1)	(1)	5.9	79	10.0	74	6.6	67
97. North West Utility District	8/31	4.9	86	9.0	79	5.6	75	(3)	(3)
98. Northeast Henry County Public Utility District	6/30	(1)	(1)	8.6	71	12.6	72	(3)	(3)
99. Northeast Knox Utility District	1/31	2.8	82	3.8	82	4.1	82	(3)	(3)
100. Northeast Lawrence Utility District	12/31	(1)	(1)	5.6	76	16.1	78	14.4	76
101. Northwest Clay Utility District	8/31	(1)	(1)	12.5	72	12.1	70	12.4	68.0
102. Northwest Dyersburg Utility District	6/30	(1)	(1)	(1)	(1)	6.4	69	(3)	(3)
103. Northwest Henry Utility District	6/30	(1)	(1)	15.1	74	8.3	72	(3)	(3)
104. Ocoee Utility District	6/30	4.4	88	7.3	85	9.0	88	9.2	88
105. O'Connor Utility District	12/31	(1)	(1)	20.6	83	19.1	82	16.6	80
106. Old Gainesboro Road Utility District	12/31	(1)	(1)	11.4	90	10.4	90	9.2	90
107. Old Knoxville Highway Utility District	6/30	(1)	(1)	17.8	76	18.2	86	(3)	(3)
108. Perryville Utility District	12/31	(1)	(1)	0.6	80	3.7	82	6.5	82
109. Persia Utility District	12/31	(1)	(1)	12.4	90	11.8	90	4.8	97
110. Plateau Utility District	6/30	7.6	82	13.0	83	4.4	76	(3)	(3)
111. Pleasant View Utility District	11/30	(1)	(1)	10.8	78	10.2	77	11.1	75
112. Poplar Grove Utility District	6/30	3.9	86	3.7	86	5.9	80	(3)	(3)
113. Quebec-Walling Utility District	12/31	(1)	(1)	10.2	84	10.8	75	10.8	80
114. Reelfoot Utility District	6/30	(1)	(1)	1.5	71	1.1	69	1.8	69
115. Riceville Utility District	6/30	6.4	82	7.5	83	8.7	83	(3)	(3)
116. River Road Utility District	6/30	18.1	94	16.3	93	10.6	94	(3)	(3)
117. Roan Mountain Utility District	3/31	24.0	89	7.4	76	40.9	63	(3)	(3)
118. Roane Central Utility Distret	6/30	(1)	(1)	12.6	85	2.6	86	13.5	84
119. Russellville-Whitesburg Utility District	6/30	11.0	91	13.4	89	13.6	89	(3)	(3)
120. Sale Creek Utility District	5/31	(1)	(1)	(1)	(1)	6.2	71	(3)	(3)
121. Saltillo Utility District	10/31	(1)	(1)	9.5	69	11.1	69	8.7	66
122. Samburg Utility District	1/31	23.7	72	26.1	67	32.5	65	(3)	(3)
123. Savannah Valley Utility District	4/30	10.3	93	6.9	89	18.5	84	(3)	(3)

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<i>Utility Districts</i>									
124. Second South Cheatham Utility Distirct	7/31	4.5 %	88 %	4.1 %	90 %	5.6 %	88 %	(3) %	(3) %
125. Sewanee Utility District	12/31	(1)	(1)	6.2	81	8.0	83	11.2	77
126. Shady Grove Utility District	9/30	(1)	(1)	12.1	88	11.6	84	(3)	(3)
127. Siam Utility District	1/31	5.0	81	7.3	73	14.9	72	(3)	(3)
128. Smith Utility District	12/31	(1)	(1)	3.6	83	5.5	80	2.8	81
129. Sneedville Utility District	3/31	6.2	76	6.1	76	5.8	69	(2)	(2)
130. South Blount Utility District	6/30	2.1	93	1.7	93	3.1	96	(3)	(3)
131. South Bristol-Weaver Pike Utility District	11/30	(1)	(1)	18.5	92	21.3	82	17.0	82
132. South Cumberland Utility District	12/31	(1)	(1)	7.8	79	8.5	79	9.6	79
133. South Elizabethton Utility District	2/28	15.5	83	16.0	73	17.4	73	(3)	(3)
134. South Giles Utility District	12/31	(1)	(1)	(1)	(1)	10.6	75	17.8	69
135. South Side Utility District	12/31	(1)	(1)	9.2	81	0.9	69	0.9	69
136. Spring Creek Utility District of Hardeman County	6/30	(1)	(1)	8.1	66	7.9	54	(3)	(3)
137. Springville Utility District	12/31	(1)	(1)	1.4	85	4.0	85	4.0	85
138. Summertown Utility District	6/30	20.0	75	21.4	75	21.1	70	8.6	68
139. Surgoinsvile Utility District	4/30	13.4	72	11.7	68	12.1	66	(3)	(3)
140. Sylvia Tennessee City Pond Utility District	12/31	(1)	(1)	10.7	88	14.5	87	15.9	86
141. Tarpley Shop Utility District	6/30	10.8	84	12.2	85	23.1	83	(3)	(3)
142. Tuckaleechee Utility District	6/30	(1)	(1)	21.7	86	29.7	86	20.2	84
143. Twenty Five Utility District	12/31	(1)	(1)	18.8	84	14.8	81	16.1	81
144. Unicoi Water Utility District	9/30	22.3	83	15.8	83	15.8	88	(2)	(2)
145. Union Fork-Bakewell Utility District	6/30	3.9	86	4.2	86	9.6	80	(3)	(3)
146. Walden's Ridge Utility District	8/31	(1)	(1)	5.8	89	9.1	92	(3)	(3)
147. Warren County Utility District	6/30	(1)	(1)	4.5	92	4.8	86	(3)	(3)
148. Watts Bar Utility District	9/30	(1)	(1)	3.7	67	4.2	67	3.3	67
149. Webb Creek Utility District	12/31	(1)	(1)	4.9	82	5.3	84	4.9	77
150. West Cumberland Utility District	6/30	13.0	88	14.0	83	13.0	86	(3)	(3)
151. West Knox Utility District	6/30	5.5	87	3.9	88	4.5	89	(3)	(3)

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Utility Districts									
152. West Overton Utility District	12/31	(1) %	(1) %	14.8 %	89 %	17.1 %	94 %	2.0 %	94 %
153. West Point Utility District	12/31	(1)	(1)	4.3	80	7.9	78	20.0	76
154. West Stewart Utility District of Stewart County	6/30	3.3	52	-	-	-	-	-	-
155. West Warren-Viola Utility District	12/31	(1)	(1)	4.9	87	2.4	83	3.0	83
156. West Wilson Utility District	5/31	2.6	83	3.7	82	4.3	81	(3)	(3)
157. White House Utility District	12/31	(1)	(1)	10.4	92	11.5	91	11.2	90
158. Witt Utility District	9/30	(1)	(1)	616.9	72	4.4	70	10.3	74
159. Woodlawn Utility District	12/31	(1)	(1)	12.2	84	17.5	85	8.8	85
Counties									
1. Lincoln County	6/30	19.0 %	75 %	33.3 %	70 %	15.9 %	68 %	(2) %	(2) %
Metropolitan Governments									
1. Metro Lynchburg-Moore County	6/30	7.2 %	77 %	10.9 %	76 %	8.9 %	71 %	(3) %	(3) %
2. Metro Nashville-Davidson County	6/30	11.3	82	20.0	80	9.0	79	(3)	(3)
Other Governmental Entities									
1. Adams-Cedar Hill Water System	6/30	10.5 %	87 %	5.4 %	83 %	3.7 %	82 %	(3) %	(3) %
2. Anderson County Water Authority	6/30	3.7	83	6.1	85	7.3	84	(3)	(3)
3. Brownsville Energy Authority	6/30	(1)	(1)	20.6	67	0.4	100	(3)	(3)
4. Caryville-Jacksboro Utility Commission	6/30	3.7	94	3.1	96	2.1	95	(3)	(3)
5. Cunningham-East Montgomery Water Treatment	12/31	(1)	(1)	0.0	99	0.0	97	0.0	97
6. Dowelltown-Liberty Waterworks	6/30	23.2	84	25.5	85	0.6	85	(3)	(3)
7. Duck River Utility Commission	6/30	0.0	91	0.0	86	0.0	72	(2)	(2)
8. Gibson County Municipal Water District	11/30	(1)	(1)	8.7	74	7.8	73	6.2	74
9. Hiwassee Utilities Commission	6/30	(1)	(1)	24.9	93	3.6	90	(3)	(3)
10. Jackson Energy Authority	6/30	4.0	91	6.1	90	5.9	90	(3)	(3)

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<i>Other Governmental Entities</i>									
11. Lauderdale County Water System	6/30	(1) %	(1) %	8.6 %	67 %	9.7 %	69 %	(3) %	(3) %
12. Marshall County Board of Public Utilities	6/30	9.2	72	6.4	72	9.2	71	(3)	(3)
13. Maury County Board of Public Utilities	6/30	11.7	76	10.6	73	7.3	73	(3)	(3)
14. Tellico Area Services System	6/30	4.2	91	4.6	90	3.8	92	(3)	(3)
15. Watauga River Regional Water Authority	6/30	0.8	82	0.2	86	5.9	86	3.7	83
16. Water Authority of Dickson County	6/30	(1)	(1)	11.1	84	18.7	83	18.1	83
17. Wilson County Water & Wastewater Authority	6/30	(1)	(1)	5.7	82	4.8	83	(3)	(3)

Footnotes:

- (1) As of December 31, 2015, the annual financial audit report had not been filed with our office.
- (2) The schedule of water loss was incomplete, illegible, inaccurate, in an old format, or not included in the local government's annual financial audit report; therefore, the indicators are not available for this year.
- (3) The annual financial audit report was received prior to January 1, 2013; therefore the American Water Works Association (AWWA) reporting format was not applicable for this fiscal year.
- (4) A border of a single line indicates that the water system was referred due to technical issues as described in footnote (2).
- (5) A border of a double line indicates the water system was referred due to either the validity score and/or the non-revenue water as a percent by cost of operating system exceeding the parameters set by the board.

Complaint Statistics

December 4, 2015 – March 31, 2016

Complaints Received by Phone: 21

Complaints Received by Email: 1

**Next Regularly
Scheduled UMRB
Meeting**

June 2, 2016