

RESOLUTION 12-63

A RESOLUTION SUPPORTING APPROVAL OF DISBURSEMENTS FROM WATER SUPPLY ESCROW FUND FOR DUCK RIVER AGENCY FISCAL YEAR 2012-2013 PROGRAM BUDGET

WHEREAS, the City of Spring Hill is a Member of Duck River Agency Technical Advisory Committee; and

WHEREAS, the Duck River Comprehensive Regional Water Supply Plan has recommended two water supply infrastructure projects: increasing the capacity of Normandy Reservoir and constructing a new intake at Williamsport. The Duck River Agency Technical Advisory Committee has recommended that the Duck River Agency begin the initial analyses of these projects in fiscal year 2012-2013; and

WHEREAS, according to each water system's agreement, the governing board of each system is required to approve decisions regarding of the use of cooperative funds from customer fees; and

WHEREAS, the analyses for these projects will require the Agency to disburse funds from its Water Supply Escrow Fund upon approval from a simple majority of the agency members, which includes Spring Hill Board of Mayor and Aldermen; and

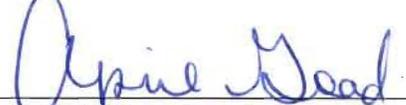
NOW, THEREFORE, BE IT RESOLVED, by the Board of Mayor and Alderman of Spring Hill, Tennessee, supports and approves of disbursement from Water Supply Escrow Fund for Duck River Agency in the fiscal year 2012-2013 Program Budget, as outlined in the attached request letter, disbursement table, and agency program outline.

Passed and adopted this 16th day of July, 2012.



Michael Dinwiddie, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Timothy P. Underwood, City Attorney

Tennessee Duck River Development Agency

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May 23, 2012

Ms. Caryl Giles
City of Spring Hill Water System
P.O. Box 789
Spring Hill, TN 37174

RE: Approval of Disbursements from Water Supply Escrow Fund for
Duck River Agency FY2013 Program Budget

Dear Mr. Giles:

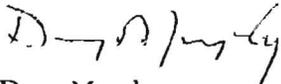
As you know, the Duck River Comprehensive Regional Water Supply Plan recommends two water supply infrastructure projects for future water demands: 1) increasing the capacity of Normandy Reservoir and 2) constructing a new intake for Columbia Power and Water Systems near Williamsport. The Duck River Agency Technical Advisory Committee (DRATAC) has recommended to the DRA Board the proposed FY 2013 Program and Budget presented by Doug Murphy, Executive Director. The DRA Board approved the program and budget at the April 26, 2012 board meeting.

This program will require the Agency to disburse funds from its Water Supply Escrow Fund. Section 5 of the Modification Agreement between the Agency and the Manchester, Tullahoma, Shelbyville, Lewisburg, Columbia, Bedford County, and Spring Hill water systems authorizes the Agency to disburse monies from the Escrow Fund for water supply infrastructure projects upon the approval by simple majority vote of the water systems.

Enclosed is the Agency's FY2013 Program and Budget, a summary of that budget, and a table showing proposed disbursements from the Water Supply Escrow Fund for FY2013. By this letter, the Agency requests that your water system approve these disbursements, authorize that approval by means of a letter or board resolution, and send that letter or resolution to Linda Justice, the Agency's Finance Director, at Duck River Agency, 210 E Depot Street, Shelbyville, TN 37160 or linda@duckriveragency.org. If you have any questions about this request, please contact Mr. Murphy or Ms. Justice at 931-684-7820.

On behalf of the Agency, I want to thank you and your system for your cooperation with the Agency as it works to provide a water supply solution for the Duck River region.

Sincerely,



Doug Murphy
DRA Executive Director

FY2013 Duck River Agency Program

Annual Programs and Contracts

1. **USGS Gaging Stations:** Contract #12ESTNGEML00004 with USGS to operate gaging stations at Shelbyville and Columbia. Estimated budget for FY2013 is \$30,400. Total cost for operation of the gaging stations is \$51,300 with USGS Federal Matching Funds of \$20,900.00. This agreement will be renewed October 1, 2013. This is a reimbursable contract with TVA paying the DRA share (see item #3 below).
2. **USGS Gaging Stations:** Contract #12ESTNGEML00005 with USGS to operate gaging stations at Rock Creek, Fountain Creek, Milltown and Sowell Mill Pike Bridge. Estimated DRA budget for FY2013 is \$37,600.00. Total cost for operation of the gaging stations is \$61,600.00 with USGS Federal Matching Funds of \$24,000.00. This agreement will be renewed October 1, 2013.
3. **USGS Gaging Stations:** Contract #99997672 with TVA will reimburse the Agency \$30,400 for its payments to USGS for gaging stations at Shelbyville and Columbia during FY2013.
4. **Annual Duck River Cleanup:** Provide T-shirts and plastic garbage bags for volunteers. Estimated budget for FY2013 is \$3,000.00.

Contracts for the Duck River Regional Water Supply Implementation Program:

5. **O'Brien & Gere Engineers, Inc (OBG):** OBG has been the Agency's primary consultant since July 2009. The first project the Agency contracted with OBG was to develop a long term comprehensive regional water supply plan which was completed and approved by the Agency Board of Directors and members of DRATAC in October 2010. Upon approval the Agency contracted with OBG to be the primary consultant to begin implementation of the water supply plan recommended programs and projects. Listed below is a summary of OBG current contracts and estimated budgets for the FY2013 Program:
 - a. **Program Management:** An O&G Principal Project Manager will be assigned to assist the DRA executive director with the following activities for implementing water supply projects but not limited to: 1)implementation planning, 2)scheduling, 3)progress reports. OBG's estimated budget for FY2013 services is \$8,260.00.
 - b. **Duck River Regional Drought Management Plan:** The Agency contracted with OBG in FY2011 to develop the plan and HydroLogic's, Inc. to provide modeling support. The planning phase of the project will be completed in FY2012 with an estimated budget of \$114,420.

Regional Drought Management Plan Exercise: In FY2013 OBG will prepare and participate in a Virtual Drought Exercise with DRATAC and local agencies. The exercise will be initiated every 5 years for updating the plan. OBG's estimated budget for FY2013 services is \$8,470.

- c. **Optimizing Normandy Reservoir Releases:** The Agency contracted with OBG in FY2012 to study and recommend improvements for reservoir releases that would improve water storage conditions during periods of drought. The study phase and recommendation report may continue into FY2013. OBG's estimated budget is \$37,620.00.
- d. **Water-Use Efficiency Program:** In FY2013 OBG will assist the Agency in developing a regional water-use efficiency program. A two-part report will be developed that documents existing water utility programs and also includes a plan for implementing future water-use efficiency projects. OBG's estimated budget for services is \$19,890.
- e. **Normandy Reservoir Capacity Improvements:** OBG began Phase I with initial investigations and engineering analyses in FY2011 and continued in FY2012 to determine the feasibility of raising Normandy Dam for capacity improvements. Activities #1 and #2 below summarize Phase I and II. OBG's estimated budget for FY2013 services is \$15,080 and listed in activities #3 and #4 below.
 - 1) Phase I: OBG is completing stability analyses, developing alternatives, writing a summary report and developing a plan for geotechnical investigations. The stability analyses will determine the cost of raising the dam to increase water storage and is projected to be completed late summer 2012. OBG's estimated budget for Phase I investigations is \$109,428.00.
 - 2) Phase II: The summary report and plan developed in Phase I for geotechnical investigations will provide estimated cost for the next phase of engineering analyses and investigations. This budget will be submitted for approval at appropriate time.
 - 3) TVA Agreement: OBG will assist the Agency with developing a preliminary Memorandum of Agreement with TVA. OBG's estimated budget for services is \$10,120.
 - 4) DRUC Intake Improvements: OBG will review and document existing reports and data that will help decide feasibility of improving or relocating the DRUC intake for deeper withdrawals in lieu of increasing winter storage capacity. OBG's estimated budget for initial study is \$4,960.00.
- f. **Columbia Water Supply Intake near Williamsport:** OBG will begin initial investigations for a new water intake in spring of 2012. Estimated budget for FY 2012 services is \$7,080. From discussion with utility managers and community leaders a new approach needs to be considered for long term water supply needs in Maury County. To determine the best location and size of the pumping facility it is recommended that a strategic plan for Maury County be developed that will determine the feasibility of a pipe line for Columbia Power and Water or a new regional treatment plant to serve all the county. OBG's estimated budget for developing a strategic plan is \$44,230.

- g. **Financial Planning:** OBG will provide assistance to the Agency regarding the development of funding options for implementing the Water Supply Plan. OGB's estimated budget for assistance with developing funding options is \$7,800.

- 6. **HydroLogic's, Inc.:** HydroLogic's developed and has provided on-call and as-needed modeling support for the Duck River OASIS Model. The Agency has a agreement and budget for \$15,000 for HydroLogic's services. The agreement is for time and materials by a written Task Order per model run from the DRA executive director upon which HydroLogic's will provide a budget estimate.

- 7. **Financial Planning Consultant:** The Agency plans to investigate the need for a financial consultant and possibly retaining a consulting firm in late FY2013.