

RESOLUTION 11-139

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

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

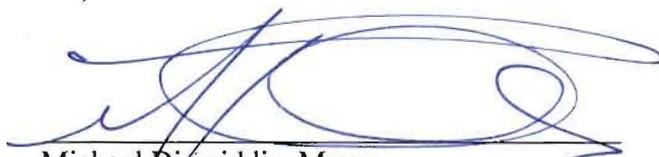
WHEREAS, the Duck River Comprehensive Regional Water Supply Plan has recommended two water supply infrastructure projects: increasing the capacity of Normandy Reservoir and constructing a new intake at Williamsport. The Duck River Agency Technical Advisory Committee has recommended that the Duck River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

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

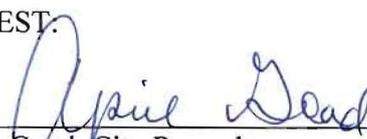
WHEREAS, the analyses for these projects will require the Agency to disburse funds from its Water Supply Escrow Fund upon approval from a simple majority of the agency members, which includes Spring Hill Board of Mayor and Aldermen; and

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 Program Budget, as outlined in the attached request letter, disbursement table, and agency program outline.

Passed and adopted this 19th day of December, 2011.

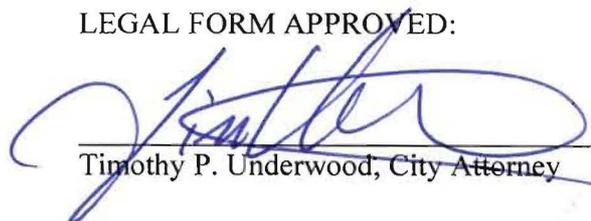

Michael Dinwiddie, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Timothy P. Underwood, City Attorney

Tennessee Duck River Development Agency

210 East Depot Street • Shelbyville, TN 37160 • O (931)684-7820 • F (931)685-0949 • www.duckriveragency.org

October 24, 2011

Ms. Caryl Giles
City of Spring Hill Water System
3893 Mahlon Moore Rd
Spring Hill, TN 37174

RE: Approval of Disbursements from Water Supply Escrow Fund for
Duck River Agency FY2012 Program Budget

Dear Ms. Giles:

As you know, the Duck River Comprehensive Regional Water Supply Plan recommends 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 FY2012.

This work 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 of a simple majority of these water systems.

Enclosed is the Agency's FY2012 Program Budget, a summary of that budget, and a table showing proposed disbursements from the Escrow Fund for FY2012. By this letter, the Agency requests that your water system approve these disbursements, memorialize 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 Doug Murphy, the Agency's Executive Director, or Ms. Justice.

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

Sincerely,



Doug Murphy
DRA Executive Director

FY2012 Duck River Agency Program

On-Going Annual Programs and Contracts

1. **USGS Gaging Stations:** Contract #12ESTNGEMLO0004 with USGS to operate gaging stations at Shelbyville and Columbia. Estimated budget for FY2012 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, 2012. This is a reimbursable contract with TVA paying the DRA share (see item #3 below).
2. **USGS Gaging Stations:** Contract #12ESTNGEMLO0005 with USGS to operate gaging stations at Rock Creek, Fountain Creek, Milltown and Garrison Fork. Estimated DRA budget for FY2012 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, 2012.
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 FY2012.
4. **Annual Duck River Cleanup:** Provide T-shirts and plastic garbage bags for volunteers. Estimated budget for FY2012 is \$3,000.00.

Contracts for the Duck River Regional Water Supply Implementation Program:

5. **Duck River Regional Drought Management Plan:** Contract with O&G is for \$58,300.00 which was approved in FY2011 and carried over into FY2012 with a balance of \$31,468.
6. **O'Brien & Gere Engineers, Inc (O&G):** FY2012 contract with O&G is for \$280,423.00. This contract is for time and materials and not to exceed \$280,423.00 without written approval from the DRA Board. There are 4 components (Program Management, Normandy Dam Reservoir Capacity Improvements, Relocate Columbia Intake, and Optimizing Normandy Reservoir Releases) to the O&G contract which are summarized as follows: (refer to O&G contract for details)
 - a. **Program Management:** An O&G Principal Project Manager will be assigned to assist the DRA executive director with the following activities for water supply projects but not limited to: 1)implementation planning, 2)scheduling, 3)developing scopes of services, 4)coordinating studies and analyses needed to improve storage in Normandy Reservoir, 5)preparing an MOU/MOA with TVA, 6)locating a site for new intake near Williamsport, 7)developing scope of work for a water-use efficiency program, 8)developing

organizational, contractual and financial strategy approaches. Estimated budget for Program Management Services for FY2012 is \$126,295.00.

- b. **Normandy Reservoir Capacity Improvements:** O&G is contracting with DRA with direction and cooperation from TVA to conduct stability analyses for Normandy Dam. The initial analyses will determine the cost of raising the dam to increase water and flood storage. Step 2 of engineering analyses, includes subsurface investigations, could begin in late FY2012 and will be budgeted separate estimated budget for Normandy Dam Analyses conducted by O&G for FY2012 is \$109,428.
 - c. **Relocate Columbia Intake:** An O&G Task Manager will work with DRA to begin preliminary investigations for an intake site. Estimated budget for relocation of Columbia intake for FY2012 is \$7,080.00.
 - d. **Optimizing Normandy Reservoir Releases:** An O&G Task Manager will facilitate meetings and evaluate information from regulatory agencies that will be prepared in a report/document recommending improvements to operations for Normandy Reservoir releases. This project is not limited to a one year agreement and the estimated budget for Optimizing Normandy Reservoir Releases is \$37,620.00 and is included in the \$280,423 contract with O&G.
7. **HydroLogic's, Inc.:** HydroLogic's has given DRA a proposal to provide on-call and as-needed modeling support with the Duck River OASIS model. The agreement is for time and materials by a written Task Order from the DRA executive director upon which HydroLogic's will provide a budget estimate. The budget for FY2012 is \$15,000.00.

FY 2012 Funding Source

	Projects	Water Supply Escrow Fund	Trust B	Total
On-Going Annual Programs and Contracts	USGS Gages		\$37,000	\$37,000
	Duck River Clean-up		\$3,000	\$3,000
Contracts for the Duck River Regional Water Supply Implementation Program	Duck River Regional DMP (O&G Contract: Total \$58,300)		\$31,468	\$31,468
	O&G Contract for FY 2012 Total: \$280,423			
	a) Program Management	\$126,295		\$126,295
	b) Normandy Reservoir Capacity Improvements	\$109,428		\$109,428
	c) Relocate Columbia Intake	\$7,080		\$7,080
	d) Optimizing Normandy Releases		\$37,620	\$37,620
	HydroLogic's contract	\$15,000		\$15,000
Total		\$257,803	\$109,088	\$366,891