

Cumberland Plateau Water Authority

Scheduled Meeting

August 24, 2023

Meeting Location: Cumberland Medical Center, Conference Rooms A & B.

Board Members Present: Kevin Chamberlin, Jeff Freitag, Greg Hanson, Thom Hassler, Missy Sliger, Sean Stephens, Greg Tabor

Board Members Absent: None

Michael Adams – Water Authority of Dickson County – first membrane plant within the state of Tennessee

- Started in 1998. 6 total districts within the county. They've grown out to part of Williamson and Hickman counties as well.
- 21,000 water connections within the Dickson County Water Authority
- Cumberland River Plant can treat 20 million gallons of water / day
- Annual budget – \$28 million. Capital improvement budget – \$6-7 million
- All utilities put all assets and liabilities into the Water Authority
- May 21st, 2001 – all but two utilities were members.
- One district is still holding out to be independent – their rate is 40% higher than the Water Authority Rate and every drop of water is from the Water Authority
- Water Authority of Dickson County has a consultant that they work with each year to set rates for water annually.
 - o Jackson & Thornton is who the Water Authority of Dickson County uses.
 - o Mike advises to do an annual increase to water rates to make sure we are covering our expenses.
- 80 – 85% of users are residential.
- Mike recommended engaging with Don Scholes with TAUD for consolidation / utility merging conversations and coordination.
- In combination of utilities to the Water Authority, no workers lost their jobs and no workers were forced to take a pay-cut.
- 85 employees currently at the Water Authority. All but one or two employees of the Water Authority were employed by the individual districts.

Seth McCormick – TDEC

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- State government invested \$1.2 billion to counties and cities to address water issues throughout – water loss, compliance, etc.
 - o The majority of those projects involve drinking water and wastewater projects.
- Seth will share his slide-deck for distribution after the summit.
- Seth and his team are the ones to reach out to regarding grants and loans for capital improvement projects.
- When taking on debt service, the state may request rates be raised in order to ensure enough revenue will cover the debt the CPWA may take on.
- Future grant opportunities – find on TDEC / SRF website
 - o lead service line inventory and funding in order to document for future replacement
 - maximum award amount is \$250,000.
 - o Asset management planning – funding for inventory, procuring software for management, rate studies. Seems like a great option for CPWA.
 - Maximum award amount is \$250,000.
 - o Evaluating how to make a more efficient storm water program. Has to be tied back to a water quality benefit – not just flood control.

Tim Begley – City of Crossville

- 3.58 million gallons pull from Meadow Park Lake
- Lake Tansi is connected to Meadow Park Lake as well – also yields 3.5 million gallons
- Holiday Hills water plant is 4 million gallons / day. Safe yield is 5 million gallons / day.
- 538 miles of transmission line. 75% is 50 years old or newer.
- Separate funds between city funds, water funds, and sewer funds. Those funds do not share money but do include the same employees.
- Billing dept oversees meter reading and billing. Also collect taxes and payment of invoices.
- Police, Fire and Recreation departments are the only ones that do not have any synergy with the water department.
- Ballpark around 12 employees for the City water plants.
- On average, we receive 54” of rain annually. Average pull is only 2” annually.
- Customer profile – 9,000 customers. Catoosa 5,000. Majority in Cumberland County but also East Putnam County. Roughly 20,000 customers served total.

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- City entered into an agreement in 2007 with Fall Creek Falls to provide 10 million gallons / month to Bledsoe County through South Cumberland District.
- Capital assets for water system around \$130 million. Net capital assets \$68 million.
- All billing and meter reading is done in house.
- Current challenges –
 - o Meeting raw water demand for future. Studies show meeting 80% of capacity around 2038.
 - o Replacing infrastructure – estimating to spend \$9 million on sewer and \$1 million on water system.
- Estimating a \$3 / thousand rate increase to accommodate debt service for raising the dam at Meadow Park Lake. This would be studied further should the project move forward.
- Water loss projections currently around 7 – 15%.
- Would be a good idea to get copies of the ARP score cards from all the various utilities

Everett Bolin – Crab Orchard

- Formed in 1966. Billing currently 9,200 customers each month.
- Two sewer systems. One in meridian that serves 66 homes, one in Fairfield to serve about 60 customers.
- 1.8 million gallons / day. Safe yield is 3 million gallons / day. Contract currently in place to not exceed 2 million gallons / day for more than 30 days.
- 16 employees. 6 in office, 5 outside, 5 treatment plant.
- Water plant has been entirely rebuilt and before the year ends, controls will be rebuilt so the entire plant runs “like new”
- Current capital plan to replace lines out in Homestead area.
- Connection active with Crossville at First Street – contract to serve up to 1 million gallons / day maximum.
- Billing currently outsourced because it’s a cheaper option.
- \$19 million assets, \$2 million liability. Close to \$5 million in cash currently.
- Water loss is high – currently around 20%.
- Water lines currently operating off of GPS / GIS system so that service workers can find everything they need off their smart phone.

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- Studies previously done to pull water from Daddy's Creek but never went forward due to lack of regional concept. Yield would have been around 800,000 gallons / day and stay below 5% out of the source.
- 10" line currently run up airport road to serve that area, including Flatrock
- Current challenges –
 - o Raw water supply.

Joe Salvato – South Cumberland

- 5 service techs, 4 office staff
- Buys all water through city – 519 million gallons / year on average.
- Water loss around 20%
- Current debts are at \$1.8 million
- Liquid reserves at around \$3 million
- Currently under contract to pull from City through 2028
- Operating budget at \$2.8 million
- City of Crossville has not pulled from Lake Tansi since 2018.
- Currently outsource billing efforts due to cost.
- Currently rates are 3.88 bought from the city. 9.91 / thousand gallons rate out to customers
- Current challenges –
 - o Completing existing projects
 - o Depreciation

Melissa Bryant – West Cumberland

- Currently buying water from Bondecroft District
- 250,000 – 300,000 purchased per day.
- Just replaced service lines in 2016 which reduced water loss. Currently at 13%.
- Meters and valves operate off of GPS.
- Board members elected by served customers. Most customers residential.
- 4H camp, Pleasant Hill School included in footprint.

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- \$2.8 million long-term debt. \$1 million liquid funding
- Entered into contract this past July with Bondecroft to last 7 years.
- Current rate at 12.13 per thousand. 4.06 is what is charged from Bondecroft.
 - o \$3 million infrastructure fee to put in the 12" line to Bondecroft
- Current water source is the Firestone Lake.
- Current challenges –
 - o High rates, but have not been raised for last 6 years.
 - o Trouble retaining field employees.

Facilitated Strategic Planning Session

- Looking forward with the growth that our county has experienced.
- Three questions that Mike Adams recommended asking:
 - o What happens if you do nothing?
 - Water supply shortages
 - Clean up misinformation
 - Single point failures
 - Are there other sources here that are untapped for water usage?
 - Not being able to support the businesses in our community.
 - o How do we communicate effectively?
 - Responsible social media communication.
 - Newspapers
 - A CPWA Newsletter Email
 - o What is it we need to consider regarding technical infrastructure?
 - System integration
 - Billing software – West, South and Crab Orchard are the same.
 - Detailed Capital Expenditures Budget and Capital Budgeting Plan
- Mike's recommendations:

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- Immediately hire someone to perform a study on existing systems and what it would take to integrate.
- Would it be a more cost-effective option to run a pipe to connect our system to Watts Bar rather than building a new reservoir on the Cumberland Plateau.
- It would be ideal to have a collective location for all the various studies that have occurred on the Cumberland Plateau so that information is readily available for all to access.
- Do relatively recent studies and projections change in their outcome based on increased growth that our area has experienced in recent years.
- Important to remember to build to the highest growth expectations so that we don't under-deliver
- Tim Begley currently has his salary with the City split up in three different services – water, sewer and general. What does that look like if the City joins the Water Authority?
- Next Steps –
 - Board to have a formal discussion to hire general manager of the Cumberland Plateau Water Authority.
 - Ask Attorney General regarding legal action for path forward. How does the City legally join the Water Authority and what does that look like?