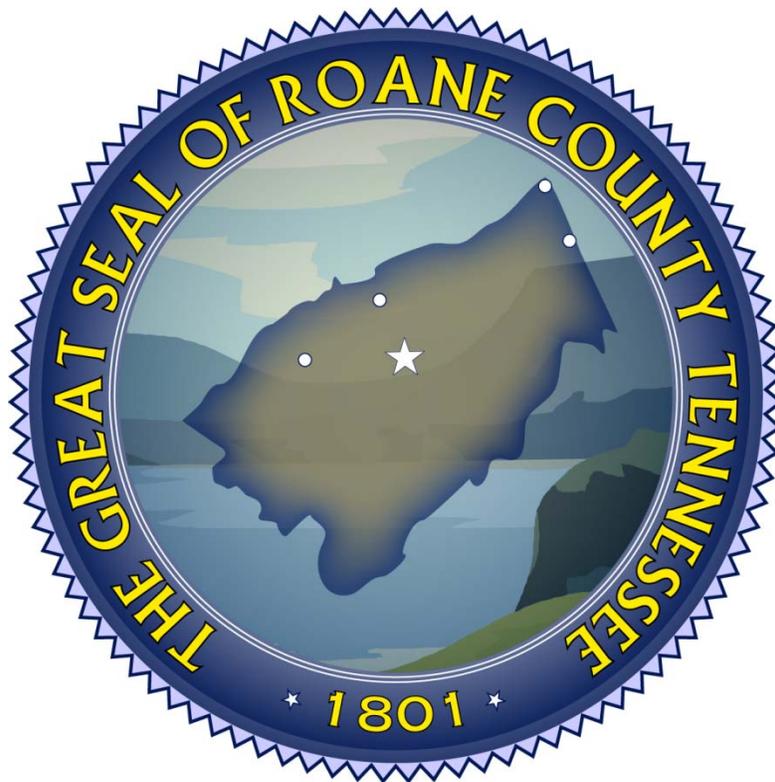


Fund 204
Sewer System Operations
Operational and Financial Review
As of September 2012



Ron Woody, CPA, CGFM, CSBA, Roane county Executive

Kaley Walker, MBA, Director of Accounts and Budgets

Debbie Terry, Sewer System Operations Clerk

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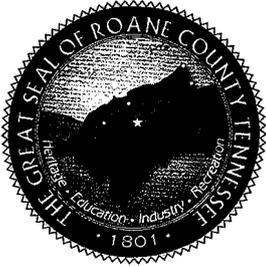
- Resolution #06-15-12 Establishing the Public Utility Board
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- Resolution #1-12-27 Set up “sinking fund” in Wastewater Fund 204
- Resolution #02-11-15 authorizing the SRF Loan

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- History & Current Operations
- Management & Operational Study (MTAS)
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Letter to

Stakeholders



Office of the County Executive Roane County Courthouse

September 30, 2012

To our Stakeholders:

Subject: Sewer System Operations

The Roane County Executive and Accounting Department are pleased to provide the following report to our stakeholders. This report is an attempt at compiling a comprehensive understanding of the overall operations regarding the Sewer System Operations.

Roane County Commission adopted Resolution #06-05-12 to create an Urban-Type Public Facility and to appoint the Roane County Board of Public Utilities pursuant to §TCA 5-16-103.

Our goal is to better inform stakeholders and tax payers of the developments taking place with the Sewer System Operations.

The Roane County Accounting and Budget Department has provided the financial information within this report based on the most reliable information possible understanding that much of the information has been estimated. Further within this document, or as a supplement document, the University of Tennessee Municipal Technical Advisory Service has also published a written report of plant operations. An executive summary of this report will be placed on our website www.roanegov.org.

Sincerely,

Ronald B. Woody

Roane County Executive

Objectives
&
Methodology

Objectives and Methodology

OBJECTIVES:

1. Understand current physical plant operations
 - Define Sewer System boundaries
 - Define plant capacity and expected demand from new customers
2. Understand financial operations
 - Provide analysis of current financials and impact of additional customers
3. Understand the State Revolving Fund Loan (SRF) impact on both physical plant and financial operations
 - Analysis of rate structure
 - Analysis of current billing practices
 - Review of additional expense related to debt repayment

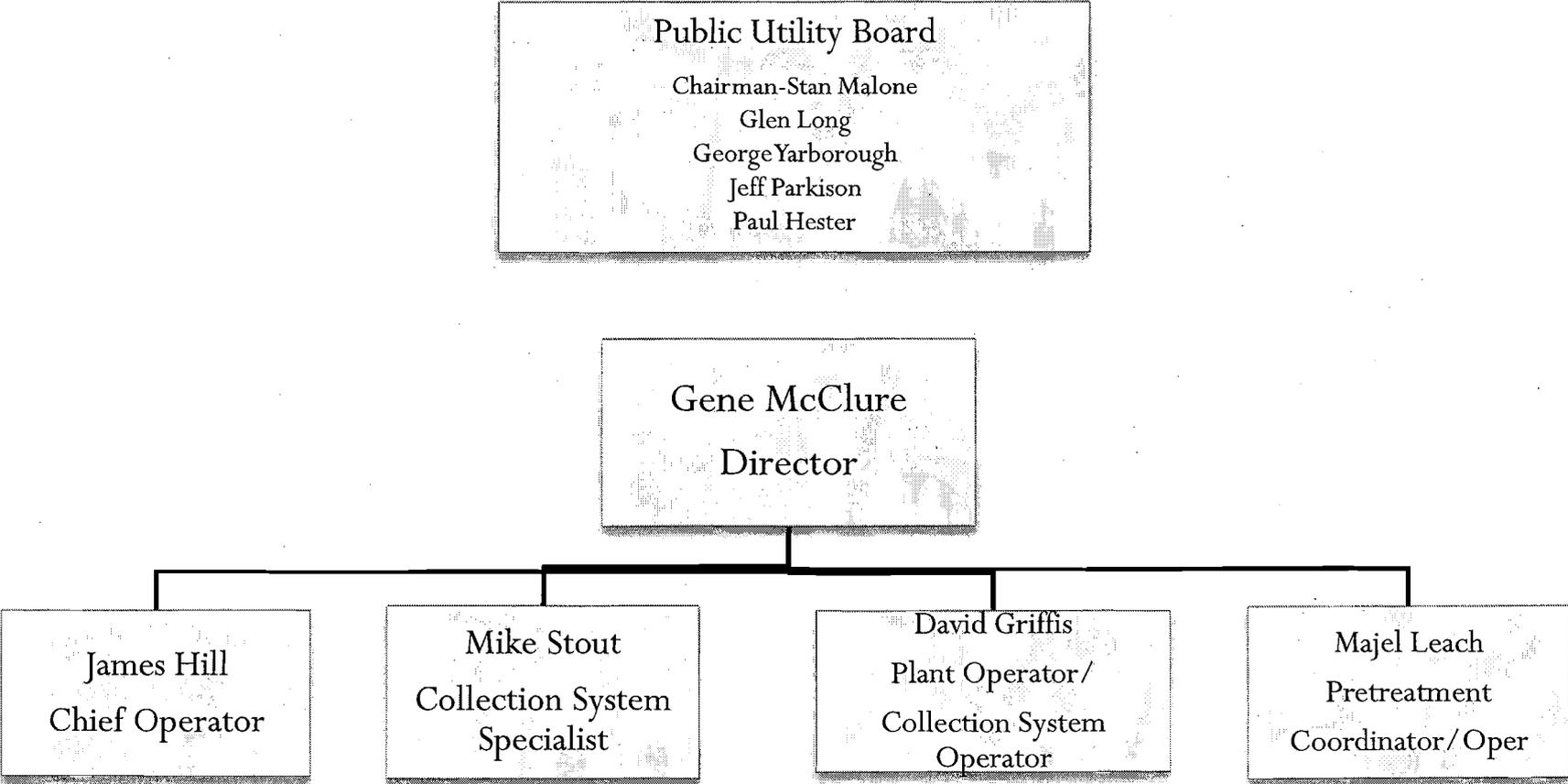
METHODOLOGY USED TO COMPILE THE REPORT:

1. Identify current plant operations
2. Identify customer base
 - Compare maps and customer listings provided by engineers and billing organizations to determine complete customer listing, including any customers who may have a line pass by their residence
3. Understand current financials
 - Review and extrapolate SRF loan repayment.
4. Create a pro forma of anticipated revenues from current and future customers
 - Analyze existing customers' monthly revenues with projected future customers' revenues
5. Incorporate Municipal Technical Advisory Service (MTAS) report on operations
 - Third party analysis and benchmarking of plant operations has been requested and will be included in a separate document

Organization Chart

Organization Chart

as of September 30, 2012



*History &
Current
Operations
Defined*

Roane County Sewer System

History

The Roane County Sewer plant was built in 1974, in between Rockwood and Harriman, TN. The sewer plant was built due to the need for sewer availability in the Roane County Industrial Park in Rockwood. Fixed Asset records reflect improvement and expansion to plant operations periodically since 1991. The plant has a 1,000,000 gallon per day capacity. As of the report date, the plant is operating at approximately 40% capacity.

Current Financial Operations Defined

Revenue

There are three (3) sources of revenue received by the sewer system operations:

1. User fees from residential and industrial customers which are collected by the associated water provider (Rockwood Water, Roane Central Utility and City of Kingston). This money is then forwarded on to Roane County.
2. Tap fees to new customers. This is a fee for the privilege to access the sewer system.
3. Charges for Commercial trucks to dump into our sewer system. (It is our understanding that this service has been discontinued).

In Fiscal Year 2012 Roane County posted \$947,260 in revenue.

Rockwood Water	\$403,069
Roane Central Utility District	\$386,906
City of Kingston	\$1,785
Taps for 2012	\$140,300
Commercial Trucks	\$15,200
Total	\$947,260

TCA § 5-16-108,

The board or other administrative agency is hereby authorized to require any person, firm or corporation owning or occupying property within an area of land in which sewerage facilities are maintained by the board or administrative agency to connect with and use such facilities.

Rate Structure:

The revenue collected for sewer usage comes from residential, commercial, and industrial customers.

Residential Rate: Currently rate is a flat fee of \$31.50 per month, regardless of water usage.

Step Systems: Additional charge of \$25.00 per month to cover maintenance.

Recommendation:

- The Public Utility Board (PUB) should consider changing the rate to one based on water usage.

Commercial & Industrial customers are charged per 1,000 gallons as follows:

\$59.35	0-3,000 Gallons
\$13.57	per 1,000 Gallons for 3,001-5,000 Gallons
\$11.71	per 1,000 Gallons for 5,001-11,000 Gallons
\$10.41	per 1,000 Gallons for 11,001-26,000 Gallons
\$8.89	per 1,000 Gallons for 26,001-101,000 Gallons
\$8.43	per 1,000 Gallons for 101,001 and up

Recommendation:

- That the PUB review and compare industrial rates to other similar sewer providers to insure the industrial rates are within acceptable credible limits.

Procedure for Collection of Revenue

Roane County has contracted with Roane Central Utility District, Rockwood Water, Sewer and Gas, and City of Kingston (Associated Utilities) for sewer billing based on the respective utility district water customers who are also sewer customers. The county does not have written contracts with these billing providers.

The Associated Utilities send out bills to customers. After customers pay their bills the Associated Utilities calculates payment due to the county and sends payment to the Roane County Trustee. Currently, reconciliation is not completed against a customer list once received to verify correct payment has been received.

Recommendation:

- Written contracts for billing services should be negotiated.
- A reconciliation of payment received to a customer listing should be done on a monthly basis.

Customer Information

Roane Central Utility District (as of March 2012) provided the following customer listing:

Webster Subdivision	45
Shenandoah Subdivision	24
Other residents	55
Commercial Customers	51
Total for RCUD	175

Rockwood Water, Sewer and Gas (as of March 2012) provided the following customer listing:

Residential Customers	88
Commercial Customers	41
Step Systems	48
Total RWSG	177

City of Kingston (as of March 2012) provided the following customer listing:

Commercial Customer	1
Total City of Kingston	1

Debt Analysis

The PUB and Roane County have three (3) outstanding loans.

- Rural Development Loan of 2002 for \$620,000 has a payment schedule of \$35,327 per year with a payoff in 2040. The loan has an interest rate of 4.75% and has the option of early payoff.
- 2010A Loan for \$305,000 has a payment schedule from \$33,000 to \$39,400 per year with a payoff in 2020. This is not a constant payment, therefore the fluctuation in payment. The loan has an interest rate of 3.00% and has the option of early payoff.
- State Revolving Fund Loan for \$4,468,000 has a payment schedule of \$265,433 per year starting February 2013 with a payoff in 2033. The loan has an interest rate of 1.77% and has the option of early payoff. (ref: section SRF tab)

Recommendation:

- If sufficient funds become available, the PUB should consider early payoff of the Rural Development Loan of 2002.

Sewer Rate Structure

Sewer Rate Structure

The sewer rate structure is comprised of three (3) parts: residential rates, step systems and commercial/industrial rates. The sewer rate structure is set by the Public Utility board (PUB) by authority of Tennessee Code Annotated § 5-16-101(a).

TCA § 5-16-101(a),

The various counties of this state are hereby authorized to establish, construct, install, acquire, operate and maintain urban type public facilities in any area or areas within their borders, and to charge fees, rates and charges for such facilities:

In the past, the residential rate was tiered based upon water usage. The PUB set a flat monthly rate charge for all residential customers. The PUB also set a tiered rate structure for commercial/industrial customers based on water usage.

The STEP System has a flat rate for maintenance fees. When a customer has problems with their systems, these fees offset the cost to replace or repair STEP systems.

Rate increases were enacted in March 2011 due to proposed sewer system expansion and additional debt obligations. The SRF loan required a rate increase for both residential and commercial/industrial customers in order for Roane County to qualify for the loan. The increased revenue from the rate increase and from additional customer brought on line through the sewer system expansion is slated to offset the additional debt repayment.

The following pages are the sewer rate structure since 2004. Information was submitted by Gene McClure, Director of Wastewater.

Roane County Wastewater System

Effective June 2004 - February 2011

Residential Rate Schedule

0-3,000 gal	\$17.22 (minimum bill)
next 2,000 gal	\$4.14/ 1,000 gal
next 6,000 gal	\$3.58/ 1,000 gal
next 15,000 gal	\$3.19/ 1,000 gal
next 75,000 gal	\$2.74/ 1,000 gal
101,000 gal and up	\$2.57/ 1,000 gal

Commercial Rate Schedule

0-3,000 gal	\$ 47.10 (minimum Bill)
3,001- 5,000 gal	\$ 10.77 /1,000 gal
5,001- 11,000 gal	\$ 9.29 /1,000gal
11,001-26,000 gal	\$ 8.26 /1,000 gal
26,001- 101,000 gal	\$ 7.13 /1,000 gal
101,001 gal and up	\$ 6.69 /1,000 gal

Effective Date 3/1/2011
(Ref: Minutes of Public Utilities Board tab)

Residential

\$31.50/month flat rate

Step Systems

\$25.00/month flat rate

Commercial & Industrial

0 -3,000 gallons	\$59.35 (minimum bill)
3,001 –5,000 gallons	\$ 13.57/1,000 gal
5,001 –11,000 gallons	\$ 11.71/1,000 gal
11,001–26,000 gallons	\$ 10.41/1,000 gal
26,001 –101,000 gallons	\$ 8.98/1,000 gal
101,001gallons and up	\$ 8.43/1,000 gal

*Wastewater
Customer
Pro Forma*

Wastewater Customer Pro Forma

During the application process for the SRF loan, Roane County was required to project the number of potential future customers. Potential future customer numbers were based on full build out of the sewer expansion project. Vaughn and Melton Consulting Engineers were contracted to provide maps and to estimate the number of future customers available in the expansion area. This information was used to extrapolate future revenues in order to ensure available cash flow for future debt repayment.

The following spreadsheets reflect data provided by Vaughn and Melton and the Associated Utilities. Data was taken from the customer lists provided by each of the utilities and was combined and compared to maps and data provided by Vaughn and Melton. Revenue amounts are actual receipts received from each of the billing agents in February 2012.

The first section of the Wastewater Customer Revenue Projections spreadsheet shows the current customer breakdown by customer type (residential or commercial) and water provider (Roane Central Utility District, Rockwood Water and City of Kingston). The anticipated annual revenues are based on February 2012 receipts multiplied by 12 months. At the current level of receipts, anticipated annual revenue for FY 12 shows an 18% increase over last year.

The second section of the spreadsheet shows the anticipated new customers added due to the current sewer expansion project. These estimates are based on the assumption that all customers identified by maps provided by Vaughn and Melton are brought on line.

The bottom section of the spreadsheet reflects the total number of customers and the anticipated annual revenue upon full build out of the sewer expansion project. Projected monthly revenues are calculated on the current residential monthly flat rate and current commercial monthly average rate of existing customers.

The Wastewater Customers Projections spreadsheet shows existing and future customers broken down by subdivision.

Current and Potential New Customer Count by Subdivision and Water Provider

Existing	Residential		Comm. / Ind
RCUD			
Webster	66		-
Shenandoah	36		-
Other	73		50
TVA	-		1
	<u>175</u>		<u>51</u>
ROCKWOOD WATER	88		41
KINGSTON	-		1
Total Existing Customers	<u>263</u>		<u>93</u>

New - Full Build Out Entire Fiscal Year 2014			
RCUD			
Residential	82		-
Medical Center	-		1
Other	-		10
	<u>82</u>		<u>11</u>
ROCKWOOD WATER			
Dodson	56		
Garfield	17		-
Harbin	39		-
Post Oak	36		-
College Grove & Delozier	<u>137</u>		<u>-</u>
	285		-
Total New Customers	<u>367</u>		<u>11</u>
Total Potential Customers	630		104

Wastewater Customer Revenue Projections

Customer Information and Estimated New Customer Revenue

Existing Based on July 2012 payment RCUD	Residential		Average Bill	Comm. / Ind		Average Bill		Annual
	customers	payments		customers	payments	Monthly		
	175	\$ 8,928	\$ 51.02	51	\$ 27,952	\$ 548.07	\$ 36,880	\$ 442,557
Based on April 2012 payment								
Step System Payments	48	\$ 1,170	\$ 24.38					
ROCKWOOD WATER	<u>88</u>	<u>\$ 2,665</u>	<u>\$ 30.29</u>	<u>41</u>	<u>\$ 24,473</u>	<u>\$ 596.91</u>	<u>\$ 28,308</u>	<u>\$ 339,701</u>
Total Existing Customers	<u>263</u>	<u>\$ 12,763</u>	<u>\$ 48.53</u>	<u>92</u>	<u>\$ 52,425</u>	<u>\$ 569.84</u>	<u>\$ 65,188</u>	<u>\$ 782,258</u>

Current Monthly Revenue	
Residential	12,763
Commercial	<u>52,425</u>
Monthly Estimate	65,188
	<u>12</u>
Annual Revenue (Est.)	782,258

806,959 Prior Year Annual Collections

Wastewater Customer Revenue Projections

Customer Information and Estimated New Customer Revenue

New for 2014 Bdgt Full Build Out	Residential		Average Bill	Comm. / Ind		Average Bill	Monthly	Annual @ 90%
	customers	payments		customers	payments			
RCUD	82	\$ 2,583	\$ 31.50	11	\$ 660	\$ 60.00	2,919	35,024
ROCKWOOD WATER	<u>285</u>	<u>\$ 8,978</u>	<u>\$ 31.50</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>8,080</u>	<u>96,957</u>
Total New Customers	<u>367</u>	<u>11,561</u>	<u>\$ 31.50</u>	<u>11</u>	<u>\$ 660</u>	<u>\$ 60.00</u>	<u>10,998</u>	<u>131,981</u>
		Old \$ 12,763			\$ 52,425			
		New \$ 10,404			\$ 594			
Total Potential Customers	630	\$ 23,168		103	\$ 53,019			

Projected Monthly Revenue	
Residential	\$ 23,168
Commercial	\$ 53,019
Monthly Estimate	76,187
	12
Projected Annual Revenue	<u>914,239</u>

Growth Over FY12
13.29%

806,959 Prior Year Annual Collections

Financials

Description of Basic Financial Statements

Balance Sheet:

The balance sheet is a summary of assets, liabilities, and equity information. The balance sheet shows available cash (cash with trustee), current outstanding encumbrances (purchase orders) and current revenue and expenditures. Fund 204 is an Enterprise Fund which means the balance sheet is set up similar to a company with the assets, accumulated depreciation and net assets included.

Assets:

The County Trustee is considered the PUB's banker. The County Accounting Department reconciles cash with the trustee on a monthly basis. All property, plant and equipment assets are shown on the balance sheet along with associated accumulated depreciation. Construction in progress is used to show assets that are in progress but not in service. Asset, accumulated depreciation, and construction in progress are only updated on an annual basis on June 30 each year.

Liabilities:

General obligation bonds payable, is the outstanding principal owed updated on an annual basis. Loans Payable is the outstanding principal amount owed related to the State Revolving Loan . This has not been set up as up publication due to a need to wait for some final information on audit of breakdown between federal and state funding sources for the Loans Payable.

Equity:

Equity includes three main categories; encumbrances, designations and net assets-unrestricted. Encumbrances is amount reserved to cover current obligations (purchase orders) that have not been paid. Designations include \$400,000 of cash flow money loaned to it from the primary government as well as \$200,000 set aside to establish a sinking fund to assist with principal repayment of the Loans Payable. All accounts close into Net Assets-Unrestricted. In relation to a company's balance sheet this is similar to Retained Earnings.

Revenues:

Revenue is cash inflow received for providing a service to the customer. The revenue for Wastewater is from collections for monthly sewer fees, sewer taps, and usage of our system to dump septic tanks.

Expenditures:

Expenditures are disbursements of cash for goods or services provided in the operation and maintenance of the Wastewater system. Expenditures are broken down into object codes to best describe the expense. The 100-200 lines are for salaries and benefits, the 300-500 line are for operating expenses, the 600 lines are for debt repayment, and the 700 lines are for capital purchases.

Subfund MTW:

To maintain the integrity of the money involved in the State Revolving Loan Roane County set up a sub fund within the wastewater fund. A sub fund operates independently and has its own balance sheet, statement of revenues and statement of expenditures. Money that is received and expended in the subfund can be tracked separately from operational revenue and expenditures.

Balance Sheet
SEPTEMBER 30, 2012

204 PUBLIC UTILITY - WASTEWATER

Fnd-Funct-Obj	Sub Cost Fnd-Centr-Obj	Sub Fnd-Centr-Obj	Account Name	Amount
ASSETS				
204-11140			CASH WITH TRUSTEE	414,472.40
204-11140-	-	-SINK	CASH WITH TRUSTEE	200,000.00
204-11140-	-MTW		CASH WITH TRUSTEE	90,869.26
204-13200			LAND	5,000.00
204-13300			BUILDINGS AND IMPROVEMENTS	692,938.00
204-13310			ACCUMULATED DEPRECIATION-BUILDINGS & IMPR	658,291.00-
204-13400			INFRASTRUCTURE	5,782,800.32
204-13410			ACCUMULATED DEPRECIATION - INFRASTRUCTUR	1,318,010.50-
204-13700			MACHINERY AND EQUIPMENT	683,627.00
204-13710			ACCUMULATED DEPRECIATION-MACH & EQUIP	147,900.00-
204-13800			CONSTRUCTION IN PROGRESS	160,280.00
204-14100			ESTIMATED REVENUES	787,600.00
204-14100-	-MTW		ESTIMATED REVENUES	2,565,000.00
204-14200			UNLIQUIDATED ENCUMBRANCES (CONTROL)	60,350.38
204-14200-	-MTW		UNLIQUIDATED ENCUMBRANCES (CONTROL)	1,659,817.24
204-14500			EXPENDITURES - CURRENT YEAR (CONTROL)	127,716.71

Total ASSETS				11,106,269.81
LIABILITIES				
204-21330			RETIREMENT CONTRIBUTIONS	2,123.91-
204-21340			EMPLOYEE INSURANCE DEDUCTIONS	4,679.20-
204-21341			COMPANY #1	65.54-
204-21343			COMPANY #3	124.02-
204-21345			COMPANY #5	151.50-
204-21730			GENERAL OBLIGATION BONDS PAYABLE	805,560.00-
204-28100			APPROPRIATIONS (CONTROL)	860,800.00-
204-28100-	-MTW		APPROPRIATIONS (CONTROL)	2,565,000.00-
204-28500			REVENUES (CONTROL)	120,275.20-
204-28510-	-MTW		TRANSFERS FROM OTHER FUNDS (CONTROL)	158,717.02

Total LIABILITIES				4,200,062.35-
EQUITIES				
204-34110			ENCUMBRANCES - CURRENT YEAR	60,350.38-
204-34110-	-MTW		ENCUMBRANCES - CURRENT YEAR	1,659,817.24-
204-34530			RESTRICTED FOR PUBLIC HEALTH AND WELFARE	2,413,921.06-
204-34530			BUDGET RESTRICTED FOR PUBLIC HEALTH AND WE	73,200.00
204-34585-	-MTW		RESTRICTED FOR CAPITAL PROJECTS	249,586.28-
204-35110			DESIGNATED FOR PURPOSE 1	400,000.00-
204-35110-	-	-SINK	DESIGNATED FOR PURPOSE 1	200,000.00-
204-39900			NET ASSETS - UNRESTRICTED	1,995,732.50-

Total EQUITIES				6,906,207.46-

Balance Sheet
SEPTEMBER 30, 2012

204 PUBLIC UTILITY - WASTEWATER

Sub Cost Sub
Fnd-Funct-Obj-Fnd-Centr-Obj

Account Name

Amount

EQUITIES

Fund Is In Balance

0.00
=====

* End of Report: Roane Co Director of Accounts *

Statement Of Estimated, Realized, And Unrealized Revenue
 SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
 43000 CHARGES FOR CURRENT SERVICES
 43100 GENERAL SERVICE CHARGES

Funct-Obj-Fnd-Centr-Obj	Sub Cost Sub	Orig Est	Total	Year-To-Date	Percent	Unrealized	Current
		Amendments	Estimated	Realized	Realized		Revenue
43115-	- -RCUD	350,000.00	350,000.00	61,245.53-	17.5	288,754.47	0.00
	WATER TREATMENT CHARGES	0.00					
43115-	- -RW	350,000.00	350,000.00	32,729.67-	9.4	317,270.33	32,580.36-
	WATER TREATMENT CHARGES	0.00					
43193		14,600.00	14,600.00	12,100.00-	82.9	2,500.00	2,500.00-
	WATER TAP SALES	0.00					
43193-	- -GVB	73,000.00	73,000.00	14,200.00-	19.5	58,800.00	7,100.00-
	WATER TAP SALES	0.00					
Total GENERAL SERVICE CHARGES		787,600.00	787,600.00	120,275.20-	15.3	667,324.80	42,180.36-
		0.00					
Total CHARGES FOR CURRENT SERVICES		787,600.00	787,600.00	120,275.20-	15.3	667,324.80	42,180.36-
		0.00					

Statement Of Estimated, Realized, And Unrealized Revenue
 SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
 49000 OTHER SOURCES (NON-REVENUE)

Funct-Obj-Fnd-Centr-Obj	Sub Cost Sub Amendments	Orig Est	Total	Year-To-Date	Percent	Unrealized	Current
			Estimated	Realized	Realized		Revenue
49500- -MTW OTHER LOANS ISSUED	2,565,000.00 0.00	2,565,000.00	2,565,000.00	158,717.02	6.2-	2,723,717.02	220,289.00-
	0.00 0.00	0.00	0.00	0.00	0.0	0.00	0.00
Total OTHER SOURCES (NON-REVENUE)	2,565,000.00 0.00	2,565,000.00	2,565,000.00	158,717.02	6.2-	2,723,717.02	220,289.00-
Total Revenue	3,352,600.00 0.00	3,352,600.00	3,352,600.00	38,441.82	1.1-	3,391,041.82	262,469.36-
Total Other Sources	0.00 0.00	0.00	0.00	0.00	0.0	0.00	0.00
Total PUBLIC UTILITY - WASTEWATER	3,352,600.00 0.00	3,352,600.00	3,352,600.00	38,441.82	1.1-	3,391,041.82	262,469.36-

* End of Report: Roane Co Director of Accounts *

Statement Of Expenditures And Encumbrances
SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
50000 GENERAL COUNTY OPERATIONS
55000 PUBLIC HEALTH AND WELFARE
55739 OTHER WASTE COLLECTION

Sub Cost Sub Obj-Fnd-Centr-Obj	Title	Original Appro Amendments	Total Appropriation	YTD Expenditures YTD Encumbrances	Unencumb Balance Percent Used	SEPTEMBER Expen SEPTEMBER Encum
103	ASSISTANT(S)	128,295.00- 0.00	128,295.00-	21,370.85 0.00	106,924.15- 16.66%	9,789.20 0.00
105	SUPERVISOR/DIRECTOR	51,000.00- 0.00	51,000.00-	10,788.41 0.00	40,211.59- 21.15%	3,923.06 0.00
187	OVERTIME PAY	15,300.00- 0.00	15,300.00-	3,258.42 0.00	12,041.58- 21.30%	1,036.66 0.00
191	BOARD AND COMMITTEE MEMBERS FEES	6,120.00- 0.00	6,120.00-	900.00 0.00	5,220.00- 14.71%	0.00 0.00
199	OTHER PER DIEM & FEES	2,400.00- 0.00	2,400.00-	584.68 0.00	1,815.32- 24.36%	271.36 0.00
201	SOCIAL SECURITY	15,538.00- 0.00	15,538.00-	2,783.42 0.00	12,754.58- 17.91%	1,065.43 0.00
204	STATE RETIREMENT	18,005.00- 0.00	18,005.00-	3,537.85 0.00	14,467.15- 19.65%	1,372.89 0.00
206	LIFE INSURANCE	330.00- 0.00	330.00-	71.74 0.00	258.26- 21.74%	27.58 0.00
207	MEDICAL INSURANCE	49,200.00- 0.00	49,200.00-	9,960.50 0.00	39,239.50- 20.24%	3,685.34 0.00
208	DENTAL INSURANCE	1,050.00- 0.00	1,050.00-	227.50 0.00	822.50- 21.67%	87.50 0.00
299	OTHER FRINGE BENEFITS	2,400.00- 0.00	2,400.00-	0.00 0.00	2,400.00- 0.00%	0.00 0.00
301	ACCOUNTING SERVICES	24,000.00- 0.00	24,000.00-	0.00 0.00	24,000.00- 0.00%	0.00 0.00
302	ADVERTISING	1,600.00- 0.00	1,600.00-	0.00 0.00	1,600.00- 0.00%	0.00 0.00
307	COMMUNICATION	7,200.00- 0.00	7,200.00-	425.08 0.00	6,774.92- 5.90%	177.63 0.00
320	DUES AND MEMBERSHIPS	900.00- 0.00	900.00-	348.00 0.00	552.00- 38.67%	0.00 0.00
321	ENGINEERING SERVICES	28,000.00- 0.00	28,000.00-	0.00 0.00	28,000.00- 0.00%	0.00 0.00

Statement Of Expenditures And Encumbrances
SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
50000 GENERAL COUNTY OPERATIONS
55000 PUBLIC HEALTH AND WELFARE
55739 OTHER WASTE COLLECTION

Sub Cost Sub Obj-Fnd-Centr-Obj	Title	Original Appro Amendments	Total Appropriation	YTD Expenditures YTD Encumbrances	Unencumb Balance Percent Used	SEPTEMBER Expen SEPTEMBER Encum
331	LEGAL SERVICES	7,500.00- 0.00	7,500.00-	0.00 0.00	7,500.00- 0.00%	0.00 0.00
333	LICENSES	3,730.00- 0.00	3,730.00-	0.00 0.00	3,730.00- 0.00%	0.00 0.00
334	MAINTENANCE AGREEMENTS	10,260.00- 0.00	10,260.00-	280.00 0.00	9,980.00- 2.73%	0.00 0.00
335	MAINTENANCE AND REPAIR SERVICES-BUILDING	25,000.00- 0.00	25,000.00-	4,779.27 3,150.56	17,070.17- 31.72%	3,273.12 349.44-
336	MAINTENANCE AND REPAIR SERVICES-EQUIPMENT	26,000.00- 0.00	26,000.00-	4,206.24 16,261.14	5,532.62- 78.72%	1,370.57 6,465.28
338	MAINTENANCE AND REPAIR SERVICES-VEHICLES	3,000.00- 0.00	3,000.00-	544.03 2,278.95	177.02- 94.10%	423.06 785.00
348	POSTAL CHARGES	300.00- 0.00	300.00-	33.54 0.00	266.46- 11.18%	33.54 0.00
349	PRINTING, STATIONERY AND FORMS	410.00- 0.00	410.00-	0.00 0.00	410.00- 0.00%	0.00 0.00
351	RENTALS	1,000.00- 0.00	1,000.00-	290.00 1,000.00	290.00 129.00%	290.00 1,000.00
355	TRAVEL	900.00- 0.00	900.00-	0.00 0.00	900.00- 0.00%	0.00 0.00
359	DISPOSAL FEES	25,000.00- 0.00	25,000.00-	6,313.75 4,000.00	14,686.25- 41.26%	693.72 4,000.00
361	PERMITS	400.00- 0.00	400.00-	0.00 0.00	400.00- 0.00%	0.00 0.00
409	CRUSHED STONE	1,200.00- 0.00	1,200.00-	0.00 0.00	1,200.00- 0.00%	0.00 0.00
410	CUSTODIAL SUPPLIES	0.00 0.00	0.00	159.39 840.61	1,000.00 0.00%	0.00 0.00
412	DIESEL FUEL	2,000.00- 0.00	2,000.00-	204.38 0.00	1,795.62- 10.22%	171.57 0.00
415		70,000.00-	70,000.00-	10,838.21	59,161.79-	5,569.94

Statement Of Expenditures And Encumbrances
SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
50000 GENERAL COUNTY OPERATIONS
55000 PUBLIC HEALTH AND WELFARE
55739 OTHER WASTE COLLECTION

Sub Cost Sub Obj-Fnd-Centr-Obj	Title	Original Appro Amendments	Total Appropriation	YTD Expenditures YTD Encumbrances	Unencumb Balance Percent Used	SEPTEMBER SEPTEMBER	Expen Encum
	ELECTRICITY	0.00		0.00	15.48%		0.00
422	FOOD SUPPLIES	500.00- 0.00	500.00-	0.00 0.00	500.00- 0.00%		0.00 0.00
425	GASOLINE	10,000.00- 0.00	10,000.00-	1,671.20 0.00	8,328.80- 16.71%		973.43 0.00
433	LUBRICANTS	650.00- 0.00	650.00-	0.00 0.00	650.00- 0.00%		0.00 0.00
450	TIRES AND TUBES	850.00- 0.00	850.00-	0.00 0.00	850.00- 0.00%		0.00 0.00
451	UNIFORMS	3,000.00- 0.00	3,000.00-	536.87 1,616.27	846.86- 71.77%		0.00 0.00
454	WATER AND SEWER	12,000.00- 0.00	12,000.00-	4,380.46 0.00	7,619.54- 36.50%		1,801.29 0.00
463	TESTING	7,000.00- 0.00	7,000.00-	108.50 1,607.00	5,284.50- 24.51%		1,197.50- 802.50-
468	CHEMICALS	34,500.00- 0.00	34,500.00-	7,953.52 5,220.31	21,326.17- 38.19%		5,462.02 2,266.87
502	BUILDING AND CONTENTS INSURANCE	2,100.00- 0.00	2,100.00-	2,336.34 0.00	236.34 111.25%		0.00 0.00
506	LIABILITY INSURANCE	19,000.00- 0.00	19,000.00-	4,581.75 13,745.25	673.00- 96.46%		0.00 0.00
510	TRUSTEE'S COMMISSION	7,000.00- 0.00	7,000.00-	1,439.91 0.00	5,560.09- 20.57%		0.00 0.00
511	VEHICLE AND EQUIPMENT INSURANCE	1,600.00- 0.00	1,600.00-	883.43 2,650.29	1,933.72 220.86%		0.00 0.00
513	WORKMAN'S COMPENSATION INSURANCE	5,060.00- 0.00	5,060.00-	0.00 0.00	5,060.00- 0.00%		0.00 0.00
599	OTHER CHARGES	3,900.00- 0.00	3,900.00-	507.27 0.00	3,392.73- 13.01%		507.27 0.00
613	INTEREST ON OTHER LOANS	54,000.00- 0.00	54,000.00-	7,252.20 0.00	46,747.80- 13.43%		2,417.40 0.00

Statement Of Expenditures And Encumbrances
SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
50000 GENERAL COUNTY OPERATIONS
55000 PUBLIC HEALTH AND WELFARE
55739 OTHER WASTE COLLECTION

Sub Cost Sub Obj-Fnd-Centr-Obj	Title	Original Appro Amendments	Total Appropriation	YTD Expenditures YTD Encumbrances	Unencumb Balance Percent Used	SEPTEMBER Expen SEPTEMBER Encum
715		0.00	0.00	3,560.00	3,560.00	3,560.00
LAND		0.00		0.00	0.00%	0.00
799		35,000.00-	35,000.00-	0.00	27,020.00-	0.00
OTHER CAPITAL OUTLAY		0.00		7,980.00	22.80%	7,980.00
799- -DOCC -CAP		10,600.00-	10,600.00-	0.00	10,600.00-	0.00
OTHER CAPITAL OUTLAY		0.00		0.00	0.00%	0.00
799- -GVB -CAP		53,000.00-	53,000.00-	10,600.00	42,400.00-	10,600.00
OTHER CAPITAL OUTLAY		0.00		0.00	20.00%	0.00
Total OTHER WASTE COLLECTION		787,798.00-	787,798.00-	127,716.71	599,730.91-	57,386.08
		0.00		60,350.38	23.87%	21,345.21
Total PUBLIC HEALTH AND WELFARE		787,798.00-	787,798.00-	127,716.71	599,730.91-	57,386.08
				60,350.38	23.87%	21,345.21
Total GENERAL COUNTY OPERATIONS		787,798.00-	787,798.00-	127,716.71	599,730.91-	57,386.08
		0.00		60,350.38	23.87%	21,345.21

Statement Of Expenditures And Encumbrances
 SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
 91170 PUBLIC UTILITY PROJECTS

Sub Cost Sub Obj-Fnd-Centr-Obj	Title	Original Appro Amendments	Total Appropriation	YTD Expenditures YTD Encumbrances	Unencumb Balance Percent Used	SEPTEMBER SEPTEMBER	Expen Encum
720-MTW		2,565,000.00-	2,565,000.00-	0.00	905,182.76-		0.00
PLANT OPERATION EQUIPMENT		0.00		1,659,817.24	64.71%	1,648,213.40	
Total PUBLIC UTILITY PROJECTS		2,565,000.00-	2,565,000.00-	0.00	905,182.76-		0.00
		0.00		1,659,817.24	64.71%	1,648,213.40	
		0.00	0.00	0.00	0.00		0.00
		0.00		0.00	0.00		0.00

Statement Of Expenditures And Encumbrances
 SEPTEMBER 27, 2012

204 PUBLIC UTILITY - WASTEWATER
 99000 OTHER USES
 99100 TRANSFERS OUT

Sub Cost Obj-Fnd-Centr-Obj	Sub Title	Original Appro Amendments	Total Appropriation	YTD Expenditures YTD Encumbrances	Unencumb Balance Percent Used	SEPTEMBER SEPTEMBER	Expn Encum
590		73,002.00-	73,002.00-	0.00	73,002.00-		0.00
	TRANSFERS TO OTHER FUNDS	0.00		0.00	0.00%		0.00
Total TRANSFERS OUT		73,002.00-	73,002.00-	0.00	73,002.00-		0.00
		0.00		0.00	0.00%		0.00
Total OTHER USES		73,002.00-	73,002.00-	0.00	73,002.00-		0.00
		0.00		0.00	0.00%		0.00
Total Expenditures		3,352,798.00-	3,352,798.00-	127,716.71	1,504,913.67-	57,386.08	
		0.00		1,720,167.62	55.11%	1,669,558.61	
Total Other Uses		73,002.00-	73,002.00-	0.00	73,002.00-		0.00
		0.00		0.00	0.00%		0.00
Total PUBLIC UTILITY - WASTEWATER		3,425,800.00-	3,425,800.00-	127,716.71	1,577,915.67-	57,386.08	
		0.00		1,720,167.62	53.94%	1,669,558.61	

* End of Report: Roane Co Director of Accounts *

Fixed Assets

Fixed Assets

The following is a listing of all Fixed Assets for the Wastewater Treatment Plant. The spreadsheet contains the department code, class, and asset number, description of item, numbers of years of depreciation on each asset, date of purchase, remaining life and remaining depreciation value. Several assets have had their life changed as of 7/1/2011 and the new depreciation amounts are reflected on this schedule. The extended years on the spreadsheet are the annual depreciation per year till fully depreciated.

The Fixed Asset Listing is updated throughout the year as purchases are made.

Sewer lines purchased with SRF loan monies are scheduled on 40 year depreciation. Some additional related items will be purchased with loan. These items will be set up as individual listings with their own depreciation schedules.

Recommendation:

- Change depreciation life to a max of 40 years for sewer lines and 10 years for step systems.

Fund 204- Waste Water Treatment Plant

		2012							
Asset #	Description	Purchased Date	Original Cost	Depreciated Life to Date	Remaining Life	Updated Depr Life	Exp. Date	Remaining Life	Updated Annual Depr
37/200/305	Wastewater-Sewage (land)	0	5,000	-	5,000	0	0		
37/300/510	WWT Plant	1974	692,938	658,291	34,647	40	2014	2	17,324
37/400/1	RC Park Sewer Lines	1974	235,366	174,565	60,801	40			
		2012	60,801	20,846	39,955	2	2014	2	20,846
37/400/2	Webster Area Sewer Lines	1999	559,917	135,314	424,603	40			
		2012	424,603	15,210	409,393	27	2039	27	15,210
37/400/4	Midtown Sewer Ext	2007	86,491	7,640	78,851	40			
		2012	78,851	2,216	76,635	35	2047	35	2,216
37/400/5	Midtown Sewerlines Ext	2003	672,280	109,806	562,474	40			
		2012	562,474	17,669	544,805	31	2043	31	17,669
37/400/511	Midtown Sewerline Ext	2003	667,340	154,322	513,018	40	2043	31	16,684
37/400/512	Sewerline Ext	2004	6,702	1,354	5,348	40	2044	32	168
37/400/7	IP - Cardiff-Sewer Lines	1974	564,877	418,950	145,928	40			
		2012	145,928	50,032	95,896	2	2014	2	50,032
37/400/8	Webster Area Pumping St	1999	61,000	18,427	42,573	20			
		2012	42,573	5,378	37,195	7	2019	7	5,378
		2003	33,626	7,005	26,621	20			38

Fund 204- Waste Water Treatment Plant

						2012			
		Purchased		Depreciated		Remaining		Updated	
Asset #	Description	Date	Original Cost	Life to Date	Life	Depr Life	Exp. Date	Remaining Life	Updated Annual Depr
37/400/9	Midtown Pumping St	2012	26,621	2,282	24,339	11	2023	11	2,282
		2003	100,000	20,625	79,375	20			
37/400/10	Swan Pond Rd Pumping St	2012	79,375	6,755	72,620	11	2023	11	6,755
37/400/513	Midtown Sewer-Phase I	2012	1,894,715	3,947	1,890,768	40	2052	40	47,368
37/400/419	Webster (Harbor) Sub Ext	2007	34,375	5,013	29,362	40	2047	34	859
		2003	25,674	5,296	20,379	20			
37/400/409	Mfg'r Rd Pumping St	2012	20,379	1,734	18,645	11	2023	11	1,734
		2010	40,294	1,679	38,615	20			
37/400/426	Pump Station-Animal Shlt	2011	38,615	2,106	36,509	18	2030	17	2,106
37/400/518	Pump Station-Elec Panel	2012	49,124	205	48,919	20	2032	20	2,456
37/400/514	Keylon Dr- Pump Station	2012	55,370	1,154	54,216	20	2032	20	2,769
		2011	104,159	751	103,408	20			
37/400/24	Bob's Burger-Pump St	2012	103,408	5,236	98,172	19	2031	19	5,236
		2009	51,735	2,802	48,933	20			
37/400/15	Animal Shelter-Sewer Pump	2012	48,933	2,744	46,189	17	2029	17	2,744
		2010	31,886	5,580	26,306				
37/700/6	Blower/Exhaust	2012	26,306	3,189	23,117	10	2020	7	3,189

Fund 204- Waste Water Treatment Plant

Asset #	Description	Purchased		Depreciated	Remaining	2012		Remaining	Updated
		Date	Original Cost			Life to Date	Life		
37/700/508	Screw Screen Bar	2011	52,035	217	51,818				
		2012	51,818	5,225	46,593	10	2021	9	5,225
37/700/504	Trailer/Belt Press	2006	159,000	67,133	91,867	15	2021	8.7	10,600
37/720/245	2012-Combination Truck	2012	298,186	4,141	294,044	6	2018	6	49,698
37/720/246	2012-Backhoe(14027)	2012	70,999	5,917	65,082	6	2018	5	11,833
	Total		6,553,089	1,950,754	4,602,335				300,379
	Calculated Remainder of SRF Lo	2013	3,039,232		3,039,232	40	2053	40	75,981
37/800/408	Midtown Sewer Project Phase II	2013	<u>177,374</u>		<u>177,374</u>	40	2053	40	4,434
			3,216,606		177,374				

Fund 204- Waste Water Treatment Plant

Asset #	Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
37/200/305	Wastewater-Sewage (land)										
37/300/510	WWT Plant	17,324	17,324								
37/400/1	RC Park Sewer Lines	20,846	19,109								
37/400/2	Webster Area Sewer Lines	15,210	15,210	15,210	15,210	15,210	15,210	15,210	15,210	15,210	15,210
37/400/4	Midtown Sewer Ext	2,216	2,216	2,216	2,216	2,216	2,216	2,216	2,216	2,216	2,216
37/400/5	Midtown Sewerlines Ext	17,669	17,669	17,669	17,669	17,669	17,669	17,669	17,669	17,669	17,669
37/400/511	Midtown Sewerline Ext	16,684	16,684	16,684	16,684	16,684	16,684	16,684	16,684	16,684	16,684
37/400/512	Sewerline Ext	168	168	168	168	168	168	168	168	168	168
37/400/7	IP - Cardiff-Sewer Lines	45,864									
37/400/8	Webster Area Pumping St	5,378	5,378	5,378	5,378	5,378	5,378	4,927			

Fund 204- Waste Water Treatment Plant

Asset #	Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
37/400/9	Midtown Pumping St	2,282	2,282	2,282	2,282	2,282	2,282	2,282	2,282	2,282	2,282
37/400/10	Swan Pond Rd Pumping St	6,755	6,755	6,755	6,755	6,755	6,755	6,755	6,755	6,755	6,755
37/400/513	Midtown Sewer-Phase I	47,368	47,368	47,368	47,368	47,368	47,368	47,368	47,368	47,368	47,368
37/400/419	Webster (Harbor) Sub Ext	859	859	859	859	859	859	859	859	859	859
37/400/409	Mfg'r Rd Pumping St	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734	1,734
37/400/426	Pump Station-Animal Shlt	2,106	2,106	2,106	2,106	2,106	2,106	2,106	2,106	2,106	2,106
37/400/518	Pump Station-Elec Panel	2,456	2,456	2,456	2,456	2,456	2,456	2,456	2,456	2,456	2,456
37/400/514	Keylon Dr- Pump Station	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769	2,769
37/400/24	Bob's Burger-Pump St	5,236	5,236	5,236	5,236	5,236	5,236	5,236	5,236	5,236	5,236
37/400/15	Animal Shelter-Sewer Pump	2,744	2,744	2,744	2,744	2,744	2,744	2,744	2,744	2,744	2,744
37/700/6	Blower/Exhaust	3,189	3,189	3,189	3,189	3,189	3,189	3,189	794		42

Fund 204- Waste Water Treatment Plant

Asset #	Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
37/700/508	Screw Screen Bar	5,225	5,225	5,225	5,225	5,225	5,225	5,225	5,225	4,793	
37/700/504	Trailer/Belt Press	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	7,067	
37/720/245	2012-Combination Truck	49,698	49,698	49,698	49,698	49,698	45,556				
37/720/246	2012-Backhoe(14027)	<u>11,833</u>	<u>11,833</u>	<u>11,833</u>	<u>11,833</u>	<u>11,833</u>	<u>5,917</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total	296,211	248,610	212,178	212,178	212,178	202,120	150,196	142,874	138,115	126,255
	Calculated Remainder of SRF Lo	75,981	75,981	75,981	75,981	75,981	75,981	75,981	75,981	75,981	75,981
37/800/408	Midtown Sewer Project Phase II	<u>4,434</u>									
		80,415									

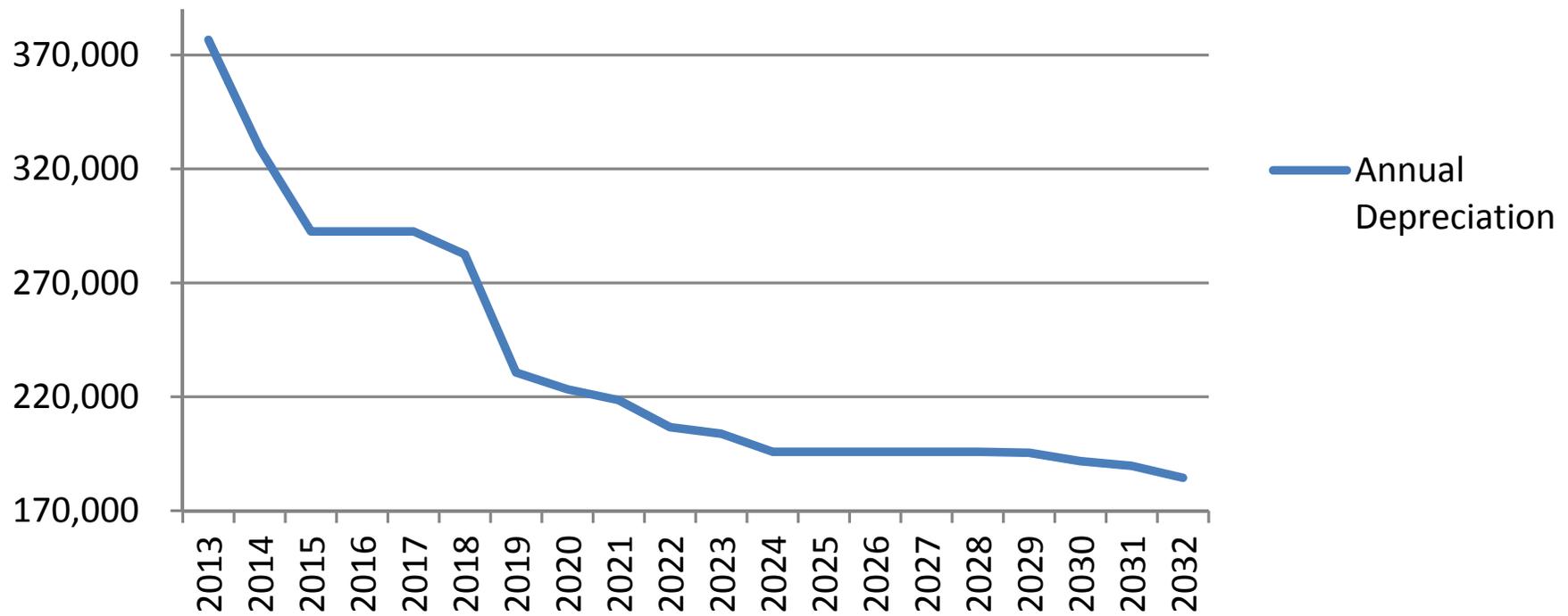
Fund 204- Waste Water Treatment Plant

Asset #	Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
37/200/305	Wastewater-Sewage (land)										
37/300/510	WWT Plant										
37/400/1	RC Park Sewer Lines										
37/400/2	Webster Area Sewer Lines	15,210	15,210	15,210	15,210	15,210	15,210	15,210	15,210	15,210	15,210
37/400/4	Midtown Sewer Ext	2,216	2,216	2,216	2,216	2,216	2,216	2,216	2,216	2,216	2,216
37/400/5	Midtown Sewerlines Ext	17,669	17,669	17,669	17,669	17,669	17,669	17,669	17,669	17,669	17,669
37/400/511	Midtown Sewerline Ext	16,684	16,684	16,684	16,684	16,684	16,684	16,684	16,684	16,684	16,684
37/400/512	Sewerline Ext	168	168	168	168	168	168	168	168	168	168
37/400/7	IP - Cardiff-Sewer Lines										
37/400/8	Webster Area Pumping St										

Fund 204- Waste Water Treatment Plant

Asset #	Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
37/700/508	Screw Screen Bar										
37/700/504	Trailer/Belt Press										
37/720/245	2012-Combination Truck										
37/720/246	2012-Backhoe(14027)	-	-	-	-	-	-	-	-	-	-
	Total	123,378	115,484	115,484	115,484	115,484	115,484	115,025	111,341	109,322	104,039
	Calculated Remainder of SRF Lo	75,981	75,981	75,981	75,981	75,981	75,981	75,981	75,981	75,981	75,981
37/800/408	Midtown Sewer Project Phase II	<u>4,434</u>									
		80,415									

Annual Depreciation



*Wastewater
Budget
Projection*

Financial Pro Forma 2011-2032

The following section will detail cash and non cash revenues and expenditures related to the Wastewater system. For 2011 we have used figures from the audit. For 2012 we have not completed the audit as of publication so we have used the actual figures from the accounting system with expectations they will be fairly close. For the remaining years all figures are estimated.

Revenues:

For 2013 revenue estimates are based on average monthly collections from recent months per water provider (Kingston, Roane Central or Rockwood). New customers from the expansion in Midtown and Rockwood are showing the New Customer row for their first year, for all subsequent years they are combined with current customer water treatment charges. New customers are based on a 90% collection for 2014 with the remaining 10% being added in 2015. It is also estimated that Roane Central will add 10 new commercial/industrial customers for 2016 and 2017. There are also budgeted 2 new residential customers per year based on the 2 budgeted sewer tap installations. The actual number of sewer taps could vary drastically. Should additional sewer taps be made it will marginally increase the revenue (\$378/yr). Other than these items revenue is held constant.

Current revenue estimates include the additional customers that are located within Harbin Subdivision and the residential area that was to be serviced by the CDBG Grant which was denied in September, 2012. Should these locations be removed it will mean a reduction in revenue for each year starting in 2014. 2014 would be reduced from \$928,781 to \$893,459 and would change ending cash from \$524,436 to \$489,114.

Additional revenue sources are unable to be estimated at this point include any revenue generated from a pre-treatment program that is looking to be implemented. In addition, the industrial customer base revenue could be vastly greater than budgeted depending on the size and type of industrial customers that may locate in our service area.

Expenditures:

Some estimated growth has been added to certain expenditure lines. Salaries are grown by 2% each year, in anticipation but not promise of increased wages for employees. Benefits that are tied to salaries are also increased by 2% each year. Medical insurance typically increases about 5% each year. Board Fees and Cell Phone Stipends are held constant as are dental insurance and life insurance.

Operating expenditures are estimated with some changes as well however the majority of expenditures are held constant. It is anticipated that engineering expenditures should go down once all construction is complete. Diesel and Gasoline are budgeted with 2% growth in expense each year. Electricity is also budgeted with 2% growth in expenditure. Due to an increase in customer base testing expenses are grown at 2% and chemicals are grown at 3% year over year. Each of the insurance categories are estimated to increase by 5% on average each year. Depreciation budgeted comes directly from the asset listing and depreciation schedule within this report.

Fund 204 Wastewater Treatment Plant		2011	2012	2013	2014	2015	2016	2017	2018
		Audit	Actual	Budget	Budget	Budget	Budget	Budget	Budget
Revenue									
43115-	Water Treatment Charges	71,727	16,985						
43115- -KINGS	Water Treatment Charges	-	-	1,800	1,800	1,800	1,800	1,800	1,800
43115- - - RCUD	Water Treatment Charges	274,028	386,906	396,000	406,000	441,024	444,524	456,524	468,524
RCUD New Customers	Water Treatment Charges	-	-	10,000	35,024	3,500	12,000	12,000	-
43115- - - RW	Water Treatment Charges	247,297	370,069	360,000	375,000	471,957	479,757	480,513	481,269
RW New Customers	Water Treatment Charges	-	-	-	96,957	7,800	756	756	756
43193	Water Tap Sales	37,800	49,500	14,600	7,300	7,300	7,300	7,300	7,300
43193- - - GVB	Water Tap Sales	<u>74,800</u>	<u>90,800</u>	<u>73,000</u>	<u>7,300</u>	<u>7,300</u>	<u>7,300</u>	<u>7,300</u>	<u>7,300</u>
Total Revenues		705,652	914,260	855,400	929,381	940,681	953,437	966,193	966,949

Expenditures

55739-103	Assistant(s)	82,612	84,730	128,295	130,861	133,478	136,148	138,871	141,648
55739-105	Supervisor/Director	50,000	50,000	51,000	52,020	53,060	54,121	55,204	56,308
55739-187	Overtime Pay	15,139	16,112	15,300	15,606	15,918	16,236	16,561	16,892
55739-188	Bonus Payments	-	2,240	-	-	-	-	-	-
55739-191	Board & Committee Mbr Fees	5,500	5,900	6,120	6,120	6,120	6,120	6,120	6,120
55739-199	Other Per Diem & Fees	1,200	2,336	2,400	2,400	2,400	2,400	2,400	2,400
55739-201	Social Security	10,996	11,759	15,538	15,849	16,166	16,489	16,819	17,155
55739-204	State Retirement	13,556	14,506	18,005	18,365	18,732	19,107	19,489	19,879
55739-206	Life Insurance	265	265	330	337	343	350	357	364
55739-207	Medical Insurance	34,456	36,340	49,200	51,660	54,243	56,955	59,803	62,793
55739-208	Dental Insurance	840	840	1,050	1,071	1,092	1,114	1,137	1,159
55739-299	Other Fringe Benefits	-	-	2,400	2,400	2,400	2,400	2,400	2,400
55739-301	Accounting Service	-	-	24,000	24,000	24,000	24,000	24,000	24,000
55739-302	Advertising	-	20	1,600	1,600	1,600	1,600	1,600	1,600
55739-305	Audit Services	3,000	-	-	-	-	-	-	-
55739-307	Communication	2,730	1,917	7,200	4,500	4,500	4,500	4,500	4,500
55739-320	Dues & Memberships	72	1,426	900	900	900	900	900	900
55739-321	Engineering Services	2,448	20,279	28,000	28,000	10,000	10,000	10,000	10,000
55739-331	Legal Services	-	-	7,500	7,500	7,500	7,500	7,500	7,500
55739-332	Evaluation & Testing	453	-	-	-	-	-	-	-
55739-333	Licenses	440	3,685	3,730	3,730	3,730	3,730	3,730	3,730
55739-334	Maintenance Agreements	2,899	2,800	10,260	4,760	4,760	4,760	4,760	4,760
55739-335	Maint/Rpr Srv/Building	18,030	13,523	25,000	25,000	25,000	25,000	25,000	25,000
55739-336	Maint/Rpr Srv/Equipment	44,845	31,404	26,000	26,000	26,000	26,000	26,000	26,000
55739-338	Maint/Rpr Srv/Vehicle	765	2,318	3,000	3,000	3,000	3,000	3,000	3,000
55739-348	Postal Charges	85	41	300	300	300	300	300	300
55739-349	Printing, Stationery & Forms	-	-	410	500	500	500	500	500

Fund 204 Wastewater Treatment Plant		2011	2012	2013	2014	2015	2016	2017	2018
		Audit	Actual	Budget	Budget	Budget	Budget	Budget	Budget
55739-351	Rentals	96	261	1,000	1,000	1,000	1,000	1,000	1,000
55739-355	Travel	-	-	900	900	900	900	900	900
55739-359	Disposal Fees	10,521	11,176	25,000	25,000	25,000	25,000	25,000	25,000
55739-361	Permits	-	5,874	400	5,000	5,000	5,000	5,000	5,000
55739-399	Other Contracted Services	-	9,048	-	5,000	5,000	5,000	5,000	5,000
55739-409	Crushed Stone	-	403	1,200	600	600	600	600	600
55739-412	Diesel Fuel	2,136	899	2,000	2,040	2,081	2,122	2,165	2,208
55739-415	Electricity	68,135	66,559	70,000	71,400	72,828	74,285	75,770	77,286
55739-422	Food supplies	64	89	500	500	500	500	500	500
55739-425	Gasoline	5,635	8,369	10,000	10,200	10,404	10,612	10,824	11,041
55739-433	Lubricants	-	-	650	400	400	400	400	400
55739-450	Tires & Tubes	631	-	850	700	700	700	700	700
55739-451	Uniforms	1,365	2,087	3,000	3,000	3,000	3,000	3,000	3,000
55739-454	Water & Sewer	4,068	26,190	12,000	12,000	12,000	12,000	12,000	12,000
55739-463	Testing	5,694	6,797	7,000	7,140	7,283	7,428	7,577	7,729
55739-468	Chemicals	924	22,091	34,500	35,535	36,601	37,699	38,830	39,995
55739-502	Building & Contents Ins	553	1,919	2,015	2,116	2,222	2,333	2,449	2,572
55739-506	Liability Insurance	2,880	18,046	19,000	19,950	20,948	21,995	23,095	24,249
55739-508	Prem on Corp Surety Bonds	977	-	-	-	-	-	-	-
55739-510	Trustee's Commission	7,429	9,753	7,000	9,294	9,407	9,534	9,662	9,669
55739-511	Vehicle & Equipment Ins	2,145	1,445	1,600	1,680	1,764	1,852	1,945	2,042
55739-513	Workman's Comp Ins	3,500	3,500	5,060	5,313	5,579	5,858	6,150	6,458
55739-	Depreciation	110,753	-	296,211	329,025	292,593	292,593	292,593	282,535
55739-516	Other Self-Insured Claims	-	13,388	-	-	-	-	-	-
55739-599	Other Charges	2,244	540	3,900	3,900	3,900	3,900	3,900	3,900
55739-733	Solid Waste Equipment	544	-	-	-	-	-	-	-
55739-733- - - CAP	Solid Waste Equipment	481	-	-	-	-	-	-	-
Total Expenditures		521,107	510,875	931,324	978,171	935,452	947,543	960,011	962,693
Net Income Operating		184,545	403,386	(75,924)	(48,790)	5,230	5,895	6,182	4,256
Interest on Loans		-	(12,309)	(54,000)	(78,000)	(76,000)	(73,000)	(70,000)	(67,000)
Interest on Bonds		(36,221)	(34,542)	(33,344)	(32,274)	(30,882)	(29,466)	(28,025)	(24,745)
Net Income		148,324	356,534	(163,268)	(159,064)	(101,652)	(96,571)	(91,843)	(87,488)

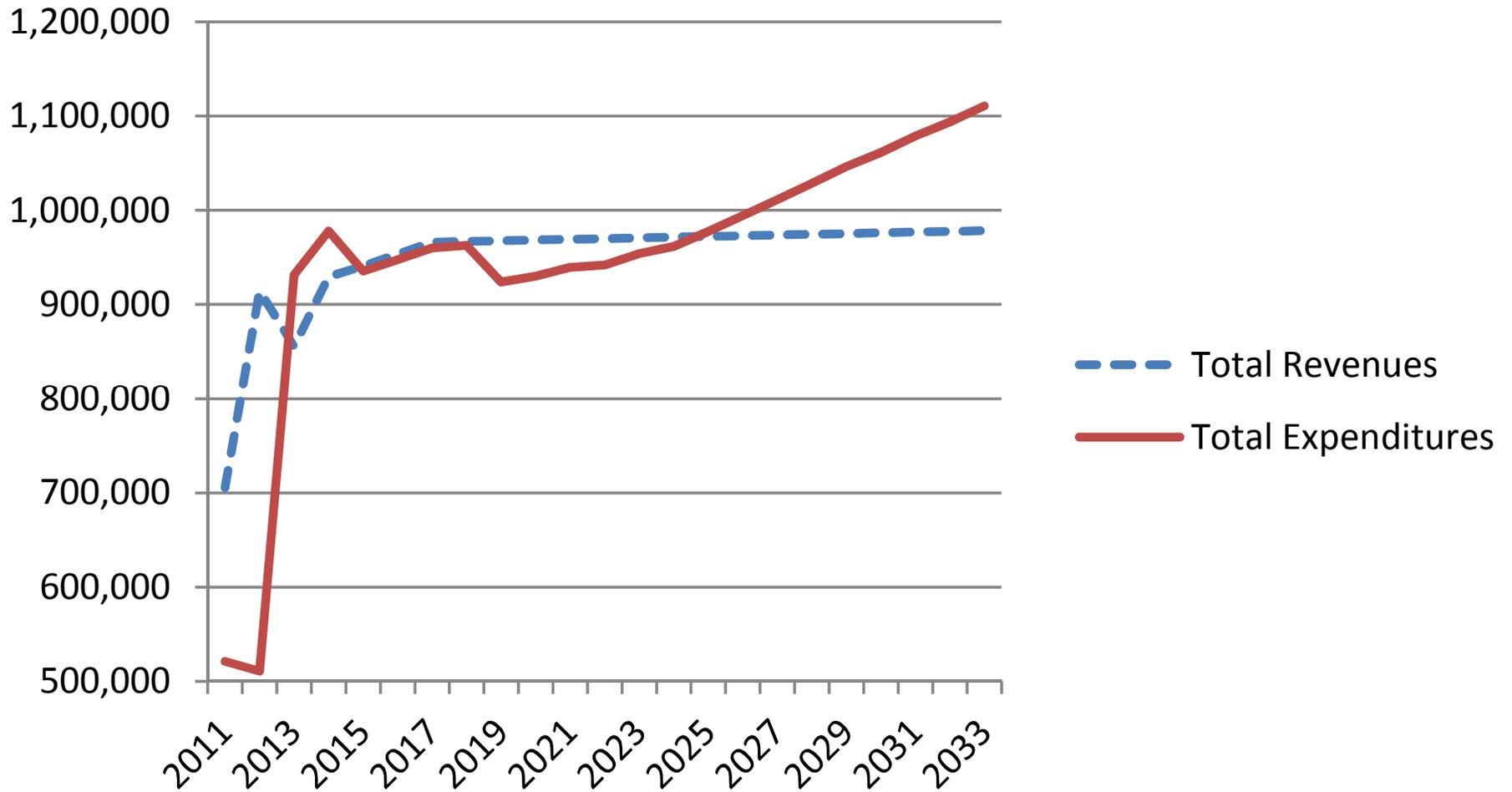
Fund 204 Wastewater Treatment Plant		2019	2020	2021	2022	2023	2024	2025	2026
		Budget							
Revenue									
43115-	Water Treatment Charges								
43115- -KINGS	Water Treatment Charges	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
43115- - - RCUD	Water Treatment Charges	468,524	468,524	468,524	468,524	468,524	468,524	468,524	468,524
RCUD New Customers	Water Treatment Charges	-	-	-	-	-	-	-	-
43115- - - RW	Water Treatment Charges	482,025	482,781	483,537	484,293	485,049	485,805	486,561	487,317
RW New Customers	Water Treatment Charges	756	756	756	756	756	756	756	756
43193	Water Tap Sales	7,300	7,300	7,300	7,300	7,300	7,300	7,300	7,300
43193- - - GVB	Water Tap Sales	<u>7,300</u>							
Total Revenues		967,705	968,461	969,217	969,973	970,729	971,485	972,241	972,997
Expenditures									
55739-103	Assistant(s)	144,481	147,371	150,318	153,324	156,391	159,519	162,709	165,963
55739-105	Supervisor/Director	57,434	58,583	59,754	60,949	62,168	63,412	64,680	65,974
55739-187	Overtime Pay	17,230	17,575	17,926	18,285	18,651	19,024	19,404	19,792
55739-188	Bonus Payments	-	-	-	-	-	-	-	-
55739-191	Board & Committee Mbr Fees	6,120	6,120	6,120	6,120	6,120	6,120	6,120	6,120
55739-199	Other Per Diem & Fees	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
55739-201	Social Security	17,498	17,848	18,205	18,569	18,941	19,320	19,706	20,100
55739-204	State Retirement	20,277	20,682	21,096	21,518	21,948	22,387	22,835	23,291
55739-206	Life Insurance	372	379	387	394	402	410	419	427
55739-207	Medical Insurance	65,933	69,229	72,691	76,325	80,142	84,149	88,356	92,774
55739-208	Dental Insurance	1,182	1,206	1,230	1,255	1,280	1,306	1,332	1,358
55739-299	Other Fringe Benefits	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
55739-301	Accounting Service	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
55739-302	Advertising	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
55739-305	Audit Services	-	-	-	-	-	-	-	-
55739-307	Communication	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
55739-320	Dues & Memberships	900	900	900	900	900	900	900	900
55739-321	Engineering Services	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
55739-331	Legal Services	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
55739-332	Evaluation & Testing	-	-	-	-	-	-	-	-
55739-333	Licenses	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730
55739-334	Maintenance Agreements	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760
55739-335	Maint/Rpr Srv/Building	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
55739-336	Maint/Rpr Srv/Equipment	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
55739-338	Maint/Rpr Srv/Vehicle	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
55739-348	Postal Charges	300	300	300	300	300	300	300	300
55739-349	Printing, Stationery & Forms	500	500	500	500	500	500	500	500

Fund 204 Wastewater Treatment Plant		2019	2020	2021	2022	2023	2024	2025	2026
		Budget							
55739-351	Rentals	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
55739-355	Travel	900	900	900	900	900	900	900	900
55739-359	Disposal Fees	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
55739-361	Permits	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
55739-399	Other Contracted Services	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
55739-409	Crushed Stone	600	600	600	600	600	600	600	600
55739-412	Diesel Fuel	2,252	2,297	2,343	2,390	2,438	2,487	2,536	2,587
55739-415	Electricity	78,831	80,408	82,016	83,656	85,330	87,036	88,777	90,552
55739-422	Food supplies	500	500	500	500	500	500	500	500
55739-425	Gasoline	11,262	11,487	11,717	11,951	12,190	12,434	12,682	12,936
55739-433	Lubricants	400	400	400	400	400	400	400	400
55739-450	Tires & Tubes	700	700	700	700	700	700	700	700
55739-451	Uniforms	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
55739-454	Water & Sewer	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
55739-463	Testing	7,883	8,041	8,202	8,366	8,533	8,704	8,878	9,055
55739-468	Chemicals	41,195	42,431	43,704	45,015	46,365	47,756	49,189	50,664
55739-502	Building & Contents Ins	2,700	2,836	2,977	3,126	3,282	3,447	3,619	3,800
55739-506	Liability Insurance	25,462	26,735	28,072	29,475	30,949	32,496	34,121	35,827
55739-508	Prem on Corp Surety Bonds	-	-	-	-	-	-	-	-
55739-510	Trustee's Commission	9,677	9,685	9,692	9,700	9,707	9,715	9,722	9,730
55739-511	Vehicle & Equipment Ins	2,144	2,251	2,364	2,482	2,606	2,737	2,873	3,017
55739-513	Workman's Comp Ins	6,781	7,120	7,476	7,850	8,242	8,654	9,087	9,541
55739-	Depreciation	230,612	223,289	218,531	206,670	203,793	195,899	195,899	195,899
55739-516	Other Self-Insured Claims	-	-	-	-	-	-	-	-
55739-599	Other Charges	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900
55739-733	Solid Waste Equipment	-	-	-	-	-	-	-	-
55739-733- - - CAP	Solid Waste Equipment	-	-	-	-	-	-	-	-
Total Expenditures		923,916	930,162	939,410	942,011	954,068	961,599	977,535	994,000
Net Income Operating		43,789	38,299	29,807	27,962	16,661	9,886	(5,293)	(21,002)
Interest on Loans		(62,000)	(58,000)	(55,000)	(51,000)	(47,000)	(43,000)	(40,000)	(35,000)
Interest on Bonds		<u>(24,762)</u>	<u>(23,001)</u>	<u>(21,209)</u>	<u>(20,523)</u>	<u>(19,803)</u>	<u>(19,049)</u>	<u>(18,258)</u>	<u>(17,429)</u>
Net Income		<u>(42,973)</u>	<u>(42,701)</u>	<u>(46,402)</u>	<u>(43,561)</u>	<u>(50,142)</u>	<u>(52,163)</u>	<u>(63,551)</u>	<u>(73,431)</u>

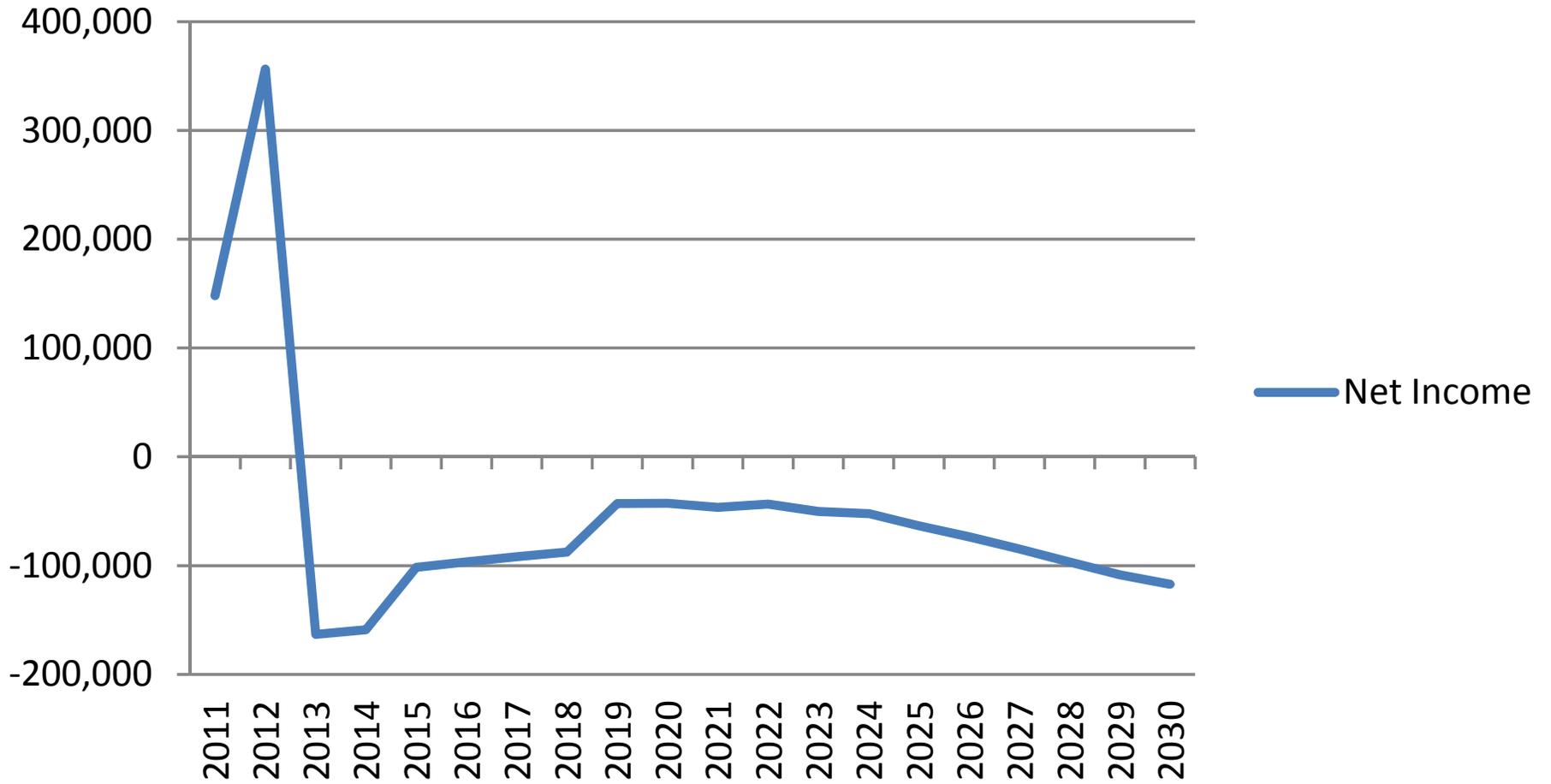
Fund 204 Wastewater Treatment Plant		2027	2028	2029	2030	2031	2032
		Budget	Budget	Budget	Budget	Budget	Budget
Revenue							
43115-	Water Treatment Charges						
43115- -KINGS	Water Treatment Charges	1,800	1,800	1,800	1,800	1,800	1,800
43115- - - RCUD	Water Treatment Charges	468,524	468,524	468,524	468,524	468,524	468,524
RCUD New Customers	Water Treatment Charges	-	-	-	-	-	-
43115- - - RW	Water Treatment Charges	488,073	488,829	489,585	490,341	491,097	491,853
RW New Customers	Water Treatment Charges	756	756	756	756	756	756
43193	Water Tap Sales	7,300	7,300	7,300	7,300	7,300	7,300
43193- - - GVB	Water Tap Sales	7,300	7,300	7,300	7,300	7,300	7,300
Total Revenues		973,753	974,509	975,265	976,021	976,777	977,533
Expenditures							
55739-103	Assistant(s)	169,283	172,668	176,122	179,644	183,237	186,902
55739-105	Supervisor/Director	67,293	68,639	70,012	71,412	72,840	74,297
55739-187	Overtime Pay	20,188	20,592	21,004	21,424	21,852	22,289
55739-188	Bonus Payments	-	-	-	-	-	-
55739-191	Board & Committee Mbr Fees	6,120	6,120	6,120	6,120	6,120	6,120
55739-199	Other Per Diem & Fees	2,400	2,400	2,400	2,400	2,400	2,400
55739-201	Social Security	20,502	20,912	21,330	21,757	22,192	22,636
55739-204	State Retirement	23,757	24,232	24,717	25,211	25,716	26,230
55739-206	Life Insurance	435	444	453	462	471	481
55739-207	Medical Insurance	97,413	102,283	107,397	112,767	118,406	124,326
55739-208	Dental Insurance	1,385	1,413	1,441	1,470	1,500	1,530
55739-299	Other Fringe Benefits	2,400	2,400	2,400	2,400	2,400	2,400
55739-301	Accounting Service	24,000	24,000	24,000	24,000	24,000	24,000
55739-302	Advertising	1,600	1,600	1,600	1,600	1,600	1,600
55739-305	Audit Services	-	-	-	-	-	-
55739-307	Communication	4,500	4,500	4,500	4,500	4,500	4,500
55739-320	Dues & Memberships	900	900	900	900	900	900
55739-321	Engineering Services	10,000	10,000	10,000	10,000	10,000	10,000
55739-331	Legal Services	7,500	7,500	7,500	7,500	7,500	7,500
55739-332	Evaluation & Testing	-	-	-	-	-	-
55739-333	Licenses	3,730	3,730	3,730	3,730	3,730	3,730
55739-334	Maintenance Agreements	4,760	4,760	4,760	4,760	4,760	4,760
55739-335	Maint/Rpr Srv/Building	25,000	25,000	25,000	25,000	25,000	25,000
55739-336	Maint/Rpr Srv/Equipment	26,000	26,000	26,000	26,000	26,000	26,000
55739-338	Maint/Rpr Srv/Vehicle	3,000	3,000	3,000	3,000	3,000	3,000
55739-348	Postal Charges	300	300	300	300	300	300
55739-349	Printing, Stationery & Forms	500	500	500	500	500	500

Fund 204 Wastewater Treatment Plant		2027	2028	2029	2030	2031	2032
		Budget	Budget	Budget	Budget	Budget	Budget
55739-351	Rentals	1,000	1,000	1,000	1,000	1,000	1,000
55739-355	Travel	900	900	900	900	900	900
55739-359	Disposal Fees	25,000	25,000	25,000	25,000	25,000	25,000
55739-361	Permits	5,000	5,000	5,000	5,000	5,000	5,000
55739-399	Other Contracted Services	5,000	5,000	5,000	5,000	5,000	5,000
55739-409	Crushed Stone	600	600	600	600	600	600
55739-412	Diesel Fuel	2,639	2,692	2,746	2,800	2,856	2,914
55739-415	Electricity	92,364	94,211	96,095	98,017	99,977	101,977
55739-422	Food supplies	500	500	500	500	500	500
55739-425	Gasoline	13,195	13,459	13,728	14,002	14,282	14,568
55739-433	Lubricants	400	400	400	400	400	400
55739-450	Tires & Tubes	700	700	700	700	700	700
55739-451	Uniforms	3,000	3,000	3,000	3,000	3,000	3,000
55739-454	Water & Sewer	12,000	12,000	12,000	12,000	12,000	12,000
55739-463	Testing	9,236	9,421	9,609	9,802	9,998	10,198
55739-468	Chemicals	52,184	53,750	55,362	57,023	58,734	60,496
55739-502	Building & Contents Ins	3,990	4,189	4,399	4,619	4,850	5,092
55739-506	Liability Insurance	37,619	39,500	41,475	43,548	45,726	48,012
55739-508	Prem on Corp Surety Bonds	-	-	-	-	-	-
55739-510	Trustee's Commission	9,738	9,745	9,753	9,760	9,768	9,775
55739-511	Vehicle & Equipment Ins	3,168	3,326	3,493	3,667	3,851	4,043
55739-513	Workman's Comp Ins	10,018	10,519	11,045	11,598	12,177	12,786
55739-	Depreciation	195,899	195,899	195,440	191,756	189,738	184,454
55739-516	Other Self-Insured Claims	-	-	-	-	-	-
55739-599	Other Charges	3,900	3,900	3,900	3,900	3,900	3,900
55739-733	Solid Waste Equipment	-	-	-	-	-	-
55739-733- - - CAP	Solid Waste Equipment	-	-	-	-	-	-
Total Expenditures		1,011,016	1,028,605	1,046,330	1,061,450	1,078,880	1,093,715
Net Income Operating		(37,263)	(54,096)	(71,065)	(85,429)	(102,103)	(116,182)
Interest on Loans		(31,000)	(27,000)	(23,000)	(18,000)	(14,000)	(9,000)
Interest on Bonds		(16,559)	(15,648)	(14,692)	(13,689)	(12,638)	(11,536)
Net Income		(84,822)	(96,744)	(108,757)	(117,118)	(128,741)	(136,718)

Operating Revenues and Expenditures Pro Forma



Net Income Pro Forma

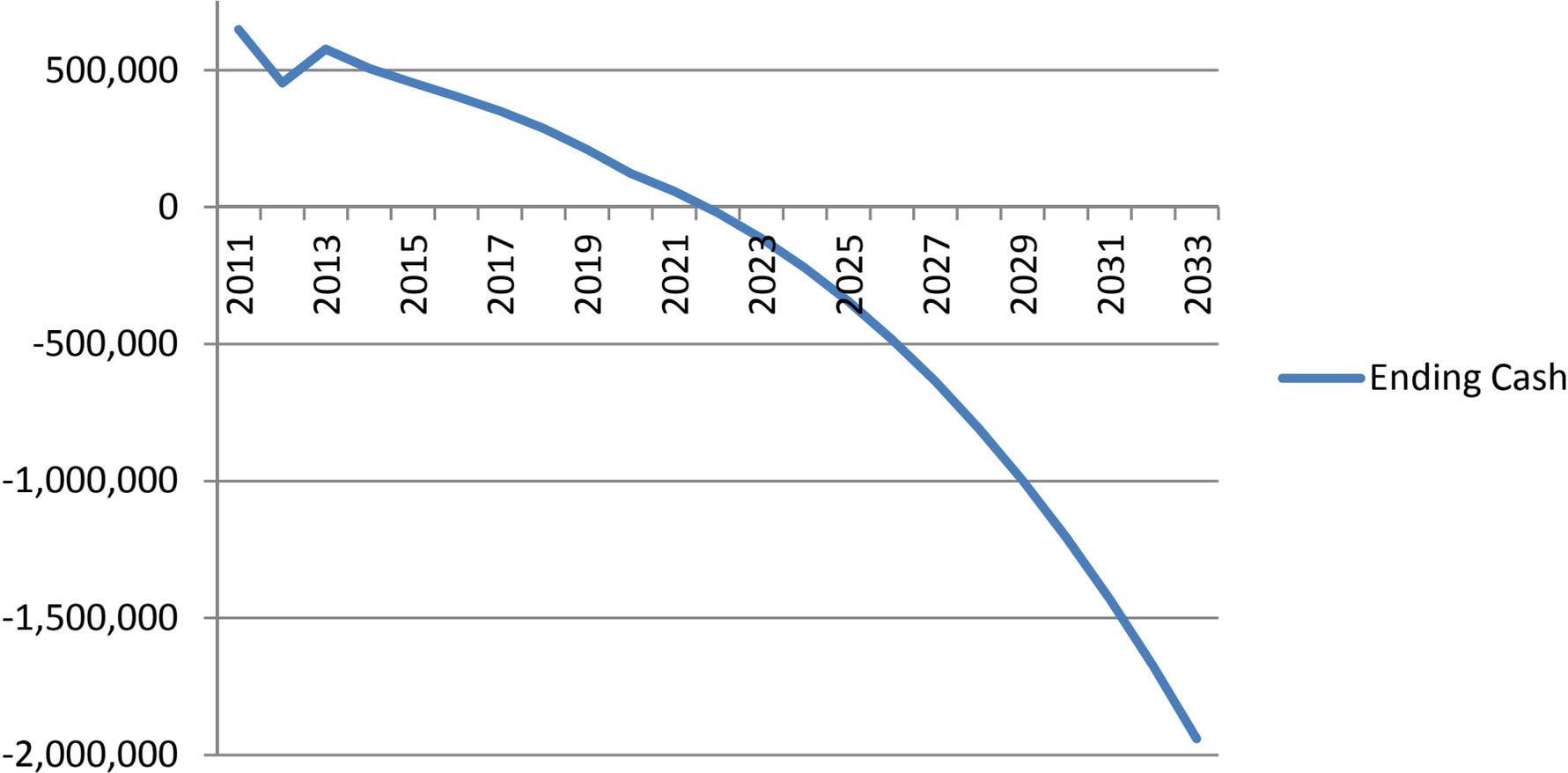


Fund 204 Wastewater Treatment Plant	2011 Audit	2012 Actual	2013 Budget	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget
Cash Flow								
Cash Flow from Operating Activities								
Net Income Operating		403,386	(75,924)	(48,790)	5,230	5,895	6,182	4,256
Depreciation		-	296,211	329,025	292,593	292,593	292,593	282,535
Receipts from Customers revenue	636,561							
Payments to vendors expend-depr-emp-insur	171,454							
Payments to employees salary + bene	201,492							
Payments to Insurers bld, lia, bond, veh, w.c ins	10,055	-	-	-	-	-	-	-
cash from operations	253,560	403,386	220,287	280,236	297,823	298,488	298,775	286,791
Cash Flows from Capital and Related Financing								
Grant Revenue	-	1,960,083	3,624,947	-	-	-	-	-
Acquisition of Capital Assets 700's backed into	(248,005)	(138,336)	(98,600)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Acquisition of Capital Assets MTW	(149,352)	(2,339,089)	(3,096,589)	-	-	-	-	-
99100-590 Principal on Bonds	(28,796)	(34,223)	(39,671)	(40,141)	(40,633)	(41,149)	(46,690)	(47,258)
99100-590 Interest on Bonds	(36,221)	(34,542)	(33,344)	(32,274)	(30,882)	(29,466)	(28,025)	(24,745)
55739-612 Principal on Other Loans	-	-	-	(190,000)	(192,000)	(195,000)	(198,000)	(201,000)
55739-613 Interest on Other Loans	-	(12,309)	(54,000)	(78,000)	(76,000)	(73,000)	(70,000)	(67,000)
Net cash used in capital financing	(462,374)	(598,417)	302,743	(350,415)	(349,515)	(348,615)	(352,715)	(350,002)
Cash Flows from Noncapital Financing								
Transfers from Other Funds Close of 128	472,155	-	-	-	-	-	-	-
Transfers from Other Funds Seed Money from 101	400,000	-	-	-	-	-	-	-
Transfers to Other Funds	(15,409)	-	(400,000)	-	-	-	-	-
Net cash used in noncapital financing	856,746	-	(400,000)	-	-	-	-	-
Increase (Decrease) in Cash	647,933	(195,031)	123,030	(70,179)	(51,692)	(50,127)	(53,940)	(63,211)
Beginning Cash	-	647,933	452,902	575,932	505,753	454,061	403,933	349,993
Ending Cash	647,933	452,902	575,932	505,753	454,061	403,933	349,993	286,782

Fund 204 Wastewater Treatment Plant	2019 Budget	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget
Cash Flow								
Cash Flow from Operating Activities								
Net Income Operating	43,789	38,299	29,807	27,962	16,661	9,886	(5,293)	(21,002)
Depreciation	230,612	223,289	218,531	206,670	203,793	195,899	195,899	195,899
Receipts from Customers revenue								
Payments to vendors expend-depr-emp-insur								
Payments to employees salary + bene								
Payments to Insurers bld, lia, bond, veh, w.c ins	-	-	-	-	-	-	-	-
cash from operations	274,401	261,588	248,338	234,632	220,454	205,785	190,606	174,897
Cash Flows from Capital and Related Financing								
Grant Revenue	-	-	-	-	-	-	-	-
Acquisition of Capital Assets 700's backed into	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Acquisition of Capital Assets MTW	-	-	-	-	-	-	-	-
99100-590 Principal on Bonds	(47,853)	(48,477)	(14,131)	(14,817)	(15,537)	(16,291)	(17,082)	(17,911)
99100-590 Interest on Bonds	(24,762)	(23,001)	(21,209)	(20,523)	(19,803)	(19,049)	(18,258)	(17,429)
55739-612 Principal on Other Loans	(206,000)	(210,000)	(213,000)	(217,000)	(221,000)	(225,000)	(228,000)	(233,000)
55739-613 Interest on Other Loans	(62,000)	(58,000)	(55,000)	(51,000)	(47,000)	(43,000)	(40,000)	(35,000)
Net cash used in capital financing	(350,615)	(349,477)	(313,340)	(313,340)	(313,340)	(313,340)	(313,340)	(313,340)
Cash Flows from Noncapital Financing								
Transfers from Other Funds Close of 128	-	-	-	-	-	-	-	-
Transfers from Other Funds Seed Money from 101	-	-	-	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-	-	-	-
Net cash used in noncapital financing	-	-	-	-	-	-	-	-
Increase (Decrease) in Cash	(76,214)	(87,889)	(65,003)	(78,708)	(92,886)	(107,555)	(122,734)	(138,443)
Beginning Cash	286,782	210,568	122,679	57,676	(21,032)	(113,917)	(221,472)	(344,206)
Ending Cash	<u>210,568</u>	<u>122,679</u>	<u>57,676</u>	<u>(21,032)</u>	<u>(113,917)</u>	<u>(221,472)</u>	<u>(344,206)</u>	<u>(482,649)</u>

Fund 204 Wastewater Treatment Plant	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget	2032 Budget
Cash Flow						
Cash Flow from Operating Activities						
Net Income Operating	(37,263)	(54,096)	(71,065)	(85,429)	(102,103)	(116,182)
Depreciation	195,899	195,899	195,440	191,756	189,738	184,454
Receipts from Customers revenue						
Payments to vendors expend-depr-emp-insur						
Payments to employees salary + bene						
Payments to Insurers bld, lia, bond, veh, w.c ins	-	-	-	-	-	-
cash from operations	158,637	141,804	124,375	106,327	87,635	68,272
Cash Flows from Capital and Related Financing						
Grant Revenue	-	-	-	-	-	-
Acquisition of Capital Assets 700's backed into	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Acquisition of Capital Assets MTW	-	-	-	-	-	-
99100-590 Principal on Bonds	(18,781)	(19,692)	(20,648)	(21,651)	(22,702)	(23,804)
99100-590 Interest on Bonds	(16,559)	(15,648)	(14,692)	(13,689)	(12,638)	(11,536)
55739-612 Principal on Other Loans	(237,000)	(241,000)	(245,000)	(250,000)	(254,000)	(259,000)
55739-613 Interest on Other Loans	(31,000)	(27,000)	(23,000)	(18,000)	(14,000)	(9,000)
Net cash used in capital financing	(313,340)	(313,340)	(313,340)	(313,340)	(313,340)	(313,340)
Cash Flows from Noncapital Financing						
Transfers from Other Funds Close of 128	-	-	-	-	-	-
Transfers from Other Funds Seed Money from 101	-	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-	-
Net cash used in noncapital financing	-	-	-	-	-	-
Increase (Decrease) in Cash	(154,703)	(171,536)	(188,965)	(207,013)	(225,705)	(245,068)
Beginning Cash	(482,649)	(637,353)	(808,889)	(997,854)	(1,204,867)	(1,430,573)
Ending Cash	<u>(637,353)</u>	<u>(808,889)</u>	<u>(997,854)</u>	<u>(1,204,867)</u>	<u>(1,430,573)</u>	<u>(1,675,640)</u>

Ending Cash Pro Forma



Debt

Debt

There are three loans in the Wastewater Treatment Plant fund.

1. The Rural Debt Development loan (RDD02) was received in 2002 in the amount of \$620,000. The purpose of this loan was to expand sewer lines into the Webster Subdivision in Harriman. It is a 38 year loan at 4.75% interest. RDD02 can be paid off early if cash is available.
2. The 2010A loan was received in 2010 in the amount of \$305,000. The purpose of this loan was to fund capital expenses which include engineering fees to Vaughn and Melton Consulting Engineers, Bob's Burger pumping station and the Screw Screen Bar. It is a 10 year loan at 3.00 % interest. This loan cannot be paid off early.
3. A State Revolving Fund (SRF) loan was received in 2011 in the amount of \$5.5M. The purpose of this loan was to fund the Midtown Expansion Project. This is a 20 year loan at 1.77% interest. Of the \$5,585,000, \$1,117,000 is in the form of a grant and will not require repayment which leaves \$4,468,000 to be repaid.
Repayment will start when certification of completion is received or 90% of the loan has been received by Roane County. Until one of these conditions is met, interest payments are due monthly and vary depending on the amount of funds that have been received by Roane County.

Amortization schedules for all three (3) loans are provided on the following pages.

\$620,000

R0002

Correct on
multi-yr

Roane County, Tennessee
Sewer Revenue and Tax Bonds, Series 2002

Debt Service

Date	Principal	Coupon	Interest	Total P+I
06/30/2010	-	-	-	-
06/30/2011	8,777.46	4.750%	26,549.74	35,327.20
06/30/2012	9,203.58	4.750%	26,123.60	35,327.18
06/30/2013	9,650.42	4.750%	25,676.79	35,327.21
06/30/2014	10,118.92	4.750%	25,208.30	35,327.22
06/30/2015	10,610.18	4.750%	24,717.05	35,327.23
06/30/2016	11,125.28	4.750%	24,201.92	35,327.20
06/30/2017	11,665.39	4.750%	23,661.83	35,327.22
06/30/2018	12,231.71	4.750%	23,095.49	35,327.20
06/30/2019	12,825.53	4.750%	22,501.67	35,327.20
06/30/2020	13,448.19	4.750%	21,879.02	35,327.21
06/30/2021	14,101.07	4.750%	21,226.14	35,327.21
06/30/2022	14,785.62	4.750%	20,541.56	35,327.18
06/30/2023	15,503.47	4.750%	19,823.76	35,327.23
06/30/2024	16,256.12	4.750%	19,071.10	35,327.22
06/30/2025	17,045.32	4.750%	18,281.89	35,327.21
06/30/2026	17,872.85	4.750%	17,454.39	35,327.24
06/30/2027	18,740.52	4.750%	16,586.69	35,327.21
06/30/2028	19,650.31	4.750%	15,676.87	35,327.18
06/30/2029	20,604.31	4.750%	14,722.89	35,327.20
06/30/2030	21,604.61	4.750%	13,722.60	35,327.21
06/30/2031	22,653.46	4.750%	12,673.74	35,327.20
06/30/2032	23,753.25	4.750%	11,573.97	35,327.22
06/30/2033	24,906.44	4.750%	10,420.80	35,327.24
06/30/2034	26,115.56	4.750%	9,211.64	35,327.20
06/30/2035	27,383.45	4.750%	7,943.80	35,327.25
06/30/2036	28,712.83	4.750%	6,614.37	35,327.20
06/30/2037	30,106.76	4.750%	5,220.42	35,327.18
06/30/2038	31,568.39	4.750%	3,758.82	35,327.21
06/30/2039	33,100.97	4.750%	2,226.22	35,327.19
06/30/2040	28,808.44	4.750%	630.90	29,439.34
Total	\$562,930.41	-	\$490,997.98	\$1,053,928.39

Date And Term Structure

Dated.....	6/20/2010
First Coupon Date.....	7/20/2010
Frequency of Interest Payments.....	12 Per Year
First Serial Maturity Date.....	7/20/2010

Yield Statistics

Average Coupon.....	4.7500005%
Average Life.....	18.362 Years
Weighted Average Maturity.....	18.362 Years
Bond Yield for Arbitrage Purposes.....	4.7972543%
Bond Year Dollars.....	\$10,336.80

Morgan Keegan & Company, Inc - 865-777-5840

Knoxville Public Finance - SPG

\$305,000
 Roane County, Tennessee
 General Obligation Bonds, Series 2010A
 Wastewater

EQUIP

Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/05/2010	-	-	-	-	-
12/01/2010	-	-	5,164.31	5,164.31	-
06/01/2011	20,000.00	3.000%	4,512.50	24,512.50	-
06/30/2011	-	-	-	-	29,676.81
12/01/2011	-	-	4,212.50	4,212.50	-
06/01/2012	25,000.00	3.000%	4,212.50	29,212.50	-
06/30/2012	-	-	-	-	33,425.00
12/01/2012	-	-	3,837.50	3,837.50	-
06/01/2013	30,000.00	2.000%	3,837.50	33,837.50	-
06/30/2013	-	-	-	-	37,675.00
12/01/2013	-	-	3,537.50	3,537.50	-
06/01/2014	30,000.00	3.000%	3,537.50	33,537.50	-
06/30/2014	-	-	-	-	37,075.00
12/01/2014	-	-	3,087.50	3,087.50	-
06/01/2015	30,000.00	3.000%	3,087.50	33,087.50	-
06/30/2015	-	-	-	-	36,175.00
12/01/2015	-	-	2,637.50	2,637.50	-
06/01/2016	30,000.00	3.000%	2,637.50	32,637.50	-
06/30/2016	-	-	-	-	35,275.00
12/01/2016	-	-	2,187.50	2,187.50	-
06/01/2017	35,000.00	3.000%	2,187.50	37,187.50	-
06/30/2017	-	-	-	-	39,375.00
12/01/2017	-	-	1,662.50	1,662.50	-
06/01/2018	35,000.00	3.000%	1,662.50	36,662.50	-
06/30/2018	-	-	-	-	38,325.00
12/01/2018	-	-	1,137.50	1,137.50	-
06/01/2019	35,000.00	3.250%	1,137.50	36,137.50	-
06/30/2019	-	-	-	-	37,275.00
12/01/2019	-	-	568.75	568.75	-
06/01/2020	35,000.00	3.250%	568.75	35,568.75	-
06/30/2020	-	-	-	-	36,137.50
Total	\$305,000.00	-	\$55,414.31	\$360,414.31	-

Date And Term Structure

Dated.....	5/05/2010
First Coupon Date.....	12/01/2010
Frequency of Interest Payments.....	2 Per Year
First Serial Maturity Date.....	6/01/2011

Yield Statistics

Average Coupon.....	3.0413537%
Average Life.....	5.974 Years
Weighted Average Maturity.....	5.932 Years
Bond Yield for Arbitrage Purposes.....	2.6732596%
Bond Year Dollars.....	\$1,822.03

Loan Amortization Schedule

Enter values	
Loan amount	\$ 4,468,000.00
Annual interest rate	1.77 %
Loan period in years	20
Number of payments per year	12
Start date of loan	1/1/2013
Optional extra payments	

Loan summary	
Scheduled payment	\$ 22,119.41
Scheduled number of payments	240
Actual number of payments	240
Total early payments	\$ -
Total interest	\$ 840,658.34

Lender name:

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Pay't	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	2/1/2013	\$4,468,000.00	\$ 22,119.41	\$-	\$22,119.41	\$ 15,529.11	\$6,590.30	\$4,452,470.89	\$ 6,590.30
2	3/1/2013	\$4,452,470.89	\$ 22,119.41	\$-	\$22,119.41	\$ 15,552.02	\$6,567.39	\$4,436,918.88	\$ 13,157.69
3	4/1/2013	\$4,436,918.88	\$ 22,119.41	\$-	\$22,119.41	\$ 15,574.95	\$6,544.46	\$4,421,343.92	\$ 19,702.15
4	5/1/2013	\$4,421,343.92	\$ 22,119.41	\$-	\$22,119.41	\$ 15,597.93	\$6,521.48	\$4,405,745.99	\$ 26,223.63
5	6/1/2013	\$4,405,745.99	\$ 22,119.41	\$-	\$22,119.41	\$ 15,620.93	\$6,498.48	\$4,390,125.06	\$ 32,722.11
6	7/1/2013	\$4,390,125.06	\$ 22,119.41	\$-	\$22,119.41	\$ 15,643.98	\$6,475.43	\$4,374,481.08	\$ 39,197.54
7	8/1/2013	\$4,374,481.08	\$ 22,119.41	\$-	\$22,119.41	\$ 15,667.05	\$6,452.36	\$4,358,814.03	\$ 45,649.90
8	9/1/2013	\$4,358,814.03	\$ 22,119.41	\$-	\$22,119.41	\$ 15,690.16	\$6,429.25	\$4,343,123.87	\$ 52,079.15
9	10/1/2013	\$4,343,123.87	\$ 22,119.41	\$-	\$22,119.41	\$ 15,713.30	\$6,406.11	\$4,327,410.57	\$ 58,485.26
10	11/1/2013	\$4,327,410.57	\$ 22,119.41	\$-	\$22,119.41	\$ 15,736.48	\$6,382.93	\$4,311,674.09	\$ 64,868.19
	12/1/2013	\$4,311,674.09	\$ 22,119.41	\$-	\$22,119.41	\$ 15,759.69	\$6,359.72	\$4,295,914.40	\$ 71,227.91
12	1/1/2014	\$4,295,914.40	\$ 22,119.41	\$-	\$22,119.41	\$ 15,782.94	\$6,336.47	\$4,280,131.47	\$ 77,564.38
13	2/1/2014	\$4,280,131.47	\$ 22,119.41	\$-	\$22,119.41	\$ 15,806.22	\$6,313.19	\$4,264,325.25	\$ 83,877.58
14	3/1/2014	\$4,264,325.25	\$ 22,119.41	\$-	\$22,119.41	\$ 15,829.53	\$6,289.88	\$4,248,495.72	\$ 90,167.46
15	4/1/2014	\$4,248,495.72	\$ 22,119.41	\$-	\$22,119.41	\$ 15,852.88	\$6,266.53	\$4,232,642.84	\$ 96,433.99
16	5/1/2014	\$4,232,642.84	\$ 22,119.41	\$-	\$22,119.41	\$ 15,876.26	\$6,243.15	\$4,216,766.58	\$102,677.14
17	6/1/2014	\$4,216,766.58	\$ 22,119.41	\$-	\$22,119.41	\$ 15,899.68	\$6,219.73	\$4,200,866.90	\$108,896.87
18	7/1/2014	\$4,200,866.90	\$ 22,119.41	\$-	\$22,119.41	\$ 15,923.13	\$6,196.28	\$4,184,943.77	\$115,093.15
19	8/1/2014	\$4,184,943.77	\$ 22,119.41	\$-	\$22,119.41	\$ 15,946.62	\$6,172.79	\$4,168,997.15	\$121,265.94
20	9/1/2014	\$4,168,997.15	\$ 22,119.41	\$-	\$22,119.41	\$ 15,970.14	\$6,149.27	\$4,153,027.01	\$127,415.21
21	10/1/2014	\$4,153,027.01	\$ 22,119.41	\$-	\$22,119.41	\$ 15,993.69	\$6,125.71	\$4,137,033.32	\$133,540.92
22	11/1/2014	\$4,137,033.32	\$ 22,119.41	\$-	\$22,119.41	\$ 16,017.29	\$6,102.12	\$4,121,016.03	\$139,643.05
23	12/1/2014	\$4,121,016.03	\$ 22,119.41	\$-	\$22,119.41	\$ 16,040.91	\$6,078.50	\$4,104,975.12	\$145,721.55
24	1/1/2015	\$4,104,975.12	\$ 22,119.41	\$-	\$22,119.41	\$ 16,064.57	\$6,054.84	\$4,088,910.55	\$151,776.38
25	2/1/2015	\$4,088,910.55	\$ 22,119.41	\$-	\$22,119.41	\$ 16,088.27	\$6,031.14	\$4,072,822.28	\$157,807.53
26	3/1/2015	\$4,072,822.28	\$ 22,119.41	\$-	\$22,119.41	\$ 16,112.00	\$6,007.41	\$4,056,710.29	\$163,814.94
27	4/1/2015	\$4,056,710.29	\$ 22,119.41	\$-	\$22,119.41	\$ 16,135.76	\$5,983.65	\$4,040,574.53	\$169,798.59
28	5/1/2015	\$4,040,574.53	\$ 22,119.41	\$-	\$22,119.41	\$ 16,159.56	\$5,959.85	\$4,024,414.96	\$175,758.44
29	6/1/2015	\$4,024,414.96	\$ 22,119.41	\$-	\$22,119.41	\$ 16,183.40	\$5,936.01	\$4,008,231.57	\$181,694.45
30	7/1/2015	\$4,008,231.57	\$ 22,119.41	\$-	\$22,119.41	\$ 16,207.27	\$5,912.14	\$3,992,024.30	\$187,606.59
31	8/1/2015	\$3,992,024.30	\$ 22,119.41	\$-	\$22,119.41	\$ 16,231.17	\$5,888.24	\$3,975,793.12	\$193,494.83
32	9/1/2015	\$3,975,793.12	\$ 22,119.41	\$-	\$22,119.41	\$ 16,255.11	\$5,864.29	\$3,959,538.01	\$199,359.12
33	10/1/2015	\$3,959,538.01	\$ 22,119.41	\$-	\$22,119.41	\$ 16,279.09	\$5,840.32	\$3,943,258.92	\$205,199.44
	11/1/2015	\$3,943,258.92	\$ 22,119.41	\$-	\$22,119.41	\$ 16,303.10	\$5,816.31	\$3,926,955.81	\$211,015.75
35	12/1/2015	\$3,926,955.81	\$ 22,119.41	\$-	\$22,119.41	\$ 16,327.15	\$5,792.26	\$3,910,628.66	\$216,808.01
36	1/1/2016	\$3,910,628.66	\$ 22,119.41	\$-	\$22,119.41	\$ 16,351.23	\$5,768.18	\$3,894,277.43	\$222,576.18
37	2/1/2016	\$3,894,277.43	\$ 22,119.41	\$-	\$22,119.41	\$ 16,375.35	\$5,744.06	\$3,877,902.08	\$228,320.24

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Pay't	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
38	3/1/2016	\$3,877,902.08	\$ 22,119.41	\$-	\$22,119.41	\$ 16,399.50	\$5,719.91	\$3,861,502.58	\$234,040.15
39	4/1/2016	\$3,861,502.58	\$ 22,119.41	\$-	\$22,119.41	\$ 16,423.69	\$5,695.72	\$3,845,078.88	\$239,735.86
40	5/1/2016	\$3,845,078.88	\$ 22,119.41	\$-	\$22,119.41	\$ 16,447.92	\$5,671.49	\$3,828,630.97	\$245,407.36
41	6/1/2016	\$3,828,630.97	\$ 22,119.41	\$-	\$22,119.41	\$ 16,472.18	\$5,647.23	\$3,812,158.79	\$251,054.59
42	7/1/2016	\$3,812,158.79	\$ 22,119.41	\$-	\$22,119.41	\$ 16,496.48	\$5,622.93	\$3,795,662.31	\$256,677.52
43	8/1/2016	\$3,795,662.31	\$ 22,119.41	\$-	\$22,119.41	\$ 16,520.81	\$5,598.60	\$3,779,141.50	\$262,276.12
44	9/1/2016	\$3,779,141.50	\$ 22,119.41	\$-	\$22,119.41	\$ 16,545.18	\$5,574.23	\$3,762,596.33	\$267,850.36
45	10/1/2016	\$3,762,596.33	\$ 22,119.41	\$-	\$22,119.41	\$ 16,569.58	\$5,549.83	\$3,746,026.75	\$273,400.19
46	11/1/2016	\$3,746,026.75	\$ 22,119.41	\$-	\$22,119.41	\$ 16,594.02	\$5,525.39	\$3,729,432.73	\$278,925.57
47	12/1/2016	\$3,729,432.73	\$ 22,119.41	\$-	\$22,119.41	\$ 16,618.50	\$5,500.91	\$3,712,814.23	\$284,426.49
48	1/1/2017	\$3,712,814.23	\$ 22,119.41	\$-	\$22,119.41	\$ 16,643.01	\$5,476.40	\$3,696,171.22	\$289,902.89
49	2/1/2017	\$3,696,171.22	\$ 22,119.41	\$-	\$22,119.41	\$ 16,667.56	\$5,451.85	\$3,679,503.66	\$295,354.74
50	3/1/2017	\$3,679,503.66	\$ 22,119.41	\$-	\$22,119.41	\$ 16,692.14	\$5,427.27	\$3,662,811.52	\$300,782.01
51	4/1/2017	\$3,662,811.52	\$ 22,119.41	\$-	\$22,119.41	\$ 16,716.76	\$5,402.65	\$3,646,094.76	\$306,184.66
52	5/1/2017	\$3,646,094.76	\$ 22,119.41	\$-	\$22,119.41	\$ 16,741.42	\$5,377.99	\$3,629,353.34	\$311,562.65
53	6/1/2017	\$3,629,353.34	\$ 22,119.41	\$-	\$22,119.41	\$ 16,766.11	\$5,353.30	\$3,612,587.23	\$316,915.94
54	7/1/2017	\$3,612,587.23	\$ 22,119.41	\$-	\$22,119.41	\$ 16,790.84	\$5,328.57	\$3,595,796.38	\$322,244.51
55	8/1/2017	\$3,595,796.38	\$ 22,119.41	\$-	\$22,119.41	\$ 16,815.61	\$5,303.80	\$3,578,980.77	\$327,548.31
56	9/1/2017	\$3,578,980.77	\$ 22,119.41	\$-	\$22,119.41	\$ 16,840.41	\$5,279.00	\$3,562,140.36	\$332,827.30
57	10/1/2017	\$3,562,140.36	\$ 22,119.41	\$-	\$22,119.41	\$ 16,865.25	\$5,254.16	\$3,545,275.11	\$338,081.46
58	11/1/2017	\$3,545,275.11	\$ 22,119.41	\$-	\$22,119.41	\$ 16,890.13	\$5,229.28	\$3,528,384.98	\$343,310.74
59	12/1/2017	\$3,528,384.98	\$ 22,119.41	\$-	\$22,119.41	\$ 16,915.04	\$5,204.37	\$3,511,469.94	\$348,515.11
60	1/1/2018	\$3,511,469.94	\$ 22,119.41	\$-	\$22,119.41	\$ 16,939.99	\$5,179.42	\$3,494,529.94	\$353,694.53
61	2/1/2018	\$3,494,529.94	\$ 22,119.41	\$-	\$22,119.41	\$ 16,964.98	\$5,154.43	\$3,477,564.97	\$358,848.96
62	3/1/2018	\$3,477,564.97	\$ 22,119.41	\$-	\$22,119.41	\$ 16,990.00	\$5,129.41	\$3,460,574.96	\$363,978.37
63	4/1/2018	\$3,460,574.96	\$ 22,119.41	\$-	\$22,119.41	\$ 17,015.06	\$5,104.35	\$3,443,559.90	\$369,082.72
64	5/1/2018	\$3,443,559.90	\$ 22,119.41	\$-	\$22,119.41	\$ 17,040.16	\$5,079.25	\$3,426,519.74	\$374,161.97
65	6/1/2018	\$3,426,519.74	\$ 22,119.41	\$-	\$22,119.41	\$ 17,065.29	\$5,054.12	\$3,409,454.45	\$379,216.08
66	7/1/2018	\$3,409,454.45	\$ 22,119.41	\$-	\$22,119.41	\$ 17,090.46	\$5,028.95	\$3,392,363.99	\$384,245.03
67	8/1/2018	\$3,392,363.99	\$ 22,119.41	\$-	\$22,119.41	\$ 17,115.67	\$5,003.74	\$3,375,248.31	\$389,248.77
68	9/1/2018	\$3,375,248.31	\$ 22,119.41	\$-	\$22,119.41	\$ 17,140.92	\$4,978.49	\$3,358,107.40	\$394,227.26
69	10/1/2018	\$3,358,107.40	\$ 22,119.41	\$-	\$22,119.41	\$ 17,166.20	\$4,953.21	\$3,340,941.19	\$399,180.47
70	11/1/2018	\$3,340,941.19	\$ 22,119.41	\$-	\$22,119.41	\$ 17,191.52	\$4,927.89	\$3,323,749.67	\$404,108.35
71	12/1/2018	\$3,323,749.67	\$ 22,119.41	\$-	\$22,119.41	\$ 17,216.88	\$4,902.53	\$3,306,532.79	\$409,010.89
72	1/1/2019	\$3,306,532.79	\$ 22,119.41	\$-	\$22,119.41	\$ 17,242.27	\$4,877.14	\$3,289,290.52	\$413,888.02
73	2/1/2019	\$3,289,290.52	\$ 22,119.41	\$-	\$22,119.41	\$ 17,267.71	\$4,851.70	\$3,272,022.81	\$418,739.72
74	3/1/2019	\$3,272,022.81	\$ 22,119.41	\$-	\$22,119.41	\$ 17,293.18	\$4,826.23	\$3,254,729.64	\$423,565.96
75	4/1/2019	\$3,254,729.64	\$ 22,119.41	\$-	\$22,119.41	\$ 17,318.68	\$4,800.73	\$3,237,410.95	\$428,366.68
76	5/1/2019	\$3,237,410.95	\$ 22,119.41	\$-	\$22,119.41	\$ 17,344.23	\$4,775.18	\$3,220,066.73	\$433,141.87
77	6/1/2019	\$3,220,066.73	\$ 22,119.41	\$-	\$22,119.41	\$ 17,369.81	\$4,749.60	\$3,202,696.91	\$437,891.46
78	7/1/2019	\$3,202,696.91	\$ 22,119.41	\$-	\$22,119.41	\$ 17,395.43	\$4,723.98	\$3,185,301.48	\$442,615.44
79	8/1/2019	\$3,185,301.48	\$ 22,119.41	\$-	\$22,119.41	\$ 17,421.09	\$4,698.32	\$3,167,880.39	\$447,313.76
80	9/1/2019	\$3,167,880.39	\$ 22,119.41	\$-	\$22,119.41	\$ 17,446.79	\$4,672.62	\$3,150,433.61	\$451,986.39
81	10/1/2019	\$3,150,433.61	\$ 22,119.41	\$-	\$22,119.41	\$ 17,472.52	\$4,646.89	\$3,132,961.09	\$456,633.27
82	11/1/2019	\$3,132,961.09	\$ 22,119.41	\$-	\$22,119.41	\$ 17,498.29	\$4,621.12	\$3,115,462.79	\$461,254.39
83	12/1/2019	\$3,115,462.79	\$ 22,119.41	\$-	\$22,119.41	\$ 17,524.10	\$4,595.31	\$3,097,938.69	\$465,849.70
84	1/1/2020	\$3,097,938.69	\$ 22,119.41	\$-	\$22,119.41	\$ 17,549.95	\$4,569.46	\$3,080,388.74	\$470,419.16
85	2/1/2020	\$3,080,388.74	\$ 22,119.41	\$-	\$22,119.41	\$ 17,575.84	\$4,543.57	\$3,062,812.90	\$474,962.73
86	3/1/2020	\$3,062,812.90	\$ 22,119.41	\$-	\$22,119.41	\$ 17,601.76	\$4,517.65	\$3,045,211.14	\$479,480.38
87	4/1/2020	\$3,045,211.14	\$ 22,119.41	\$-	\$22,119.41	\$ 17,627.72	\$4,491.69	\$3,027,583.42	\$483,972.07
88	5/1/2020	\$3,027,583.42	\$ 22,119.41	\$-	\$22,119.41	\$ 17,653.72	\$4,465.69	\$3,009,929.70	\$488,437.75

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Pay't	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
89	6/1/2020	\$3,009,929.70	\$ 22,119.41	\$-	\$22,119.41	\$ 17,679.76	\$4,439.65	\$2,992,249.93	\$492,877.40
	7/1/2020	\$2,992,249.93	\$ 22,119.41	\$-	\$22,119.41	\$ 17,705.84	\$4,413.57	\$2,974,544.09	\$497,290.97
91	8/1/2020	\$2,974,544.09	\$ 22,119.41	\$-	\$22,119.41	\$ 17,731.96	\$4,387.45	\$2,956,812.13	\$501,678.42
92	9/1/2020	\$2,956,812.13	\$ 22,119.41	\$-	\$22,119.41	\$ 17,758.11	\$4,361.30	\$2,939,054.02	\$506,039.72
93	10/1/2020	\$2,939,054.02	\$ 22,119.41	\$-	\$22,119.41	\$ 17,784.31	\$4,335.10	\$2,921,269.72	\$510,374.82
94	11/1/2020	\$2,921,269.72	\$ 22,119.41	\$-	\$22,119.41	\$ 17,810.54	\$4,308.87	\$2,903,459.18	\$514,683.70
95	12/1/2020	\$2,903,459.18	\$ 22,119.41	\$-	\$22,119.41	\$ 17,836.81	\$4,282.60	\$2,885,622.37	\$518,966.30
96	1/1/2021	\$2,885,622.37	\$ 22,119.41	\$-	\$22,119.41	\$ 17,863.12	\$4,256.29	\$2,867,759.26	\$523,222.59
97	2/1/2021	\$2,867,759.26	\$ 22,119.41	\$-	\$22,119.41	\$ 17,889.46	\$4,229.94	\$2,849,869.79	\$527,452.54
98	3/1/2021	\$2,849,869.79	\$ 22,119.41	\$-	\$22,119.41	\$ 17,915.85	\$4,203.56	\$2,831,953.94	\$531,656.09
99	4/1/2021	\$2,831,953.94	\$ 22,119.41	\$-	\$22,119.41	\$ 17,942.28	\$4,177.13	\$2,814,011.66	\$535,833.23
100	5/1/2021	\$2,814,011.66	\$ 22,119.41	\$-	\$22,119.41	\$ 17,968.74	\$4,150.67	\$2,796,042.92	\$539,983.89
101	6/1/2021	\$2,796,042.92	\$ 22,119.41	\$-	\$22,119.41	\$ 17,995.25	\$4,124.16	\$2,778,047.67	\$544,108.06
102	7/1/2021	\$2,778,047.67	\$ 22,119.41	\$-	\$22,119.41	\$ 18,021.79	\$4,097.62	\$2,760,025.88	\$548,205.68
103	8/1/2021	\$2,760,025.88	\$ 22,119.41	\$-	\$22,119.41	\$ 18,048.37	\$4,071.04	\$2,741,977.51	\$552,276.72
104	9/1/2021	\$2,741,977.51	\$ 22,119.41	\$-	\$22,119.41	\$ 18,074.99	\$4,044.42	\$2,723,902.52	\$556,321.13
105	10/1/2021	\$2,723,902.52	\$ 22,119.41	\$-	\$22,119.41	\$ 18,101.65	\$4,017.76	\$2,705,800.87	\$560,338.89
106	11/1/2021	\$2,705,800.87	\$ 22,119.41	\$-	\$22,119.41	\$ 18,128.35	\$3,991.06	\$2,687,672.51	\$564,329.95
107	12/1/2021	\$2,687,672.51	\$ 22,119.41	\$-	\$22,119.41	\$ 18,155.09	\$3,964.32	\$2,669,517.42	\$568,294.26
108	1/1/2022	\$2,669,517.42	\$ 22,119.41	\$-	\$22,119.41	\$ 18,181.87	\$3,937.54	\$2,651,335.55	\$572,231.80
109	2/1/2022	\$2,651,335.55	\$ 22,119.41	\$-	\$22,119.41	\$ 18,208.69	\$3,910.72	\$2,633,126.86	\$576,142.52
110	3/1/2022	\$2,633,126.86	\$ 22,119.41	\$-	\$22,119.41	\$ 18,235.55	\$3,883.86	\$2,614,891.31	\$580,026.38
111	4/1/2022	\$2,614,891.31	\$ 22,119.41	\$-	\$22,119.41	\$ 18,262.45	\$3,856.96	\$2,596,628.87	\$583,883.35
112	5/1/2022	\$2,596,628.87	\$ 22,119.41	\$-	\$22,119.41	\$ 18,289.38	\$3,830.03	\$2,578,339.48	\$587,713.37
3	6/1/2022	\$2,578,339.48	\$ 22,119.41	\$-	\$22,119.41	\$ 18,316.36	\$3,803.05	\$2,560,023.12	\$591,516.43
114	7/1/2022	\$2,560,023.12	\$ 22,119.41	\$-	\$22,119.41	\$ 18,343.38	\$3,776.03	\$2,541,679.75	\$595,292.46
115	8/1/2022	\$2,541,679.75	\$ 22,119.41	\$-	\$22,119.41	\$ 18,370.43	\$3,748.98	\$2,523,309.32	\$599,041.44
116	9/1/2022	\$2,523,309.32	\$ 22,119.41	\$-	\$22,119.41	\$ 18,397.53	\$3,721.88	\$2,504,911.79	\$602,763.32
117	10/1/2022	\$2,504,911.79	\$ 22,119.41	\$-	\$22,119.41	\$ 18,424.66	\$3,694.74	\$2,486,487.12	\$606,458.06
118	11/1/2022	\$2,486,487.12	\$ 22,119.41	\$-	\$22,119.41	\$ 18,451.84	\$3,667.57	\$2,468,035.28	\$610,125.63
119	12/1/2022	\$2,468,035.28	\$ 22,119.41	\$-	\$22,119.41	\$ 18,479.06	\$3,640.35	\$2,449,556.22	\$613,765.98
120	1/1/2023	\$2,449,556.22	\$ 22,119.41	\$-	\$22,119.41	\$ 18,506.31	\$3,613.10	\$2,431,049.91	\$617,379.08
121	2/1/2023	\$2,431,049.91	\$ 22,119.41	\$-	\$22,119.41	\$ 18,533.61	\$3,585.80	\$2,412,516.30	\$620,964.88
122	3/1/2023	\$2,412,516.30	\$ 22,119.41	\$-	\$22,119.41	\$ 18,560.95	\$3,558.46	\$2,393,955.35	\$624,523.34
123	4/1/2023	\$2,393,955.35	\$ 22,119.41	\$-	\$22,119.41	\$ 18,588.33	\$3,531.08	\$2,375,367.03	\$628,054.42
124	5/1/2023	\$2,375,367.03	\$ 22,119.41	\$-	\$22,119.41	\$ 18,615.74	\$3,503.67	\$2,356,751.28	\$631,558.09
125	6/1/2023	\$2,356,751.28	\$ 22,119.41	\$-	\$22,119.41	\$ 18,643.20	\$3,476.21	\$2,338,108.08	\$635,034.30
126	7/1/2023	\$2,338,108.08	\$ 22,119.41	\$-	\$22,119.41	\$ 18,670.70	\$3,448.71	\$2,319,437.38	\$638,483.01
127	8/1/2023	\$2,319,437.38	\$ 22,119.41	\$-	\$22,119.41	\$ 18,698.24	\$3,421.17	\$2,300,739.14	\$641,904.18
128	9/1/2023	\$2,300,739.14	\$ 22,119.41	\$-	\$22,119.41	\$ 18,725.82	\$3,393.59	\$2,282,013.32	\$645,297.77
129	10/1/2023	\$2,282,013.32	\$ 22,119.41	\$-	\$22,119.41	\$ 18,753.44	\$3,365.97	\$2,263,259.88	\$648,663.74
130	11/1/2023	\$2,263,259.88	\$ 22,119.41	\$-	\$22,119.41	\$ 18,781.10	\$3,338.31	\$2,244,478.78	\$652,002.05
131	12/1/2023	\$2,244,478.78	\$ 22,119.41	\$-	\$22,119.41	\$ 18,808.80	\$3,310.61	\$2,225,669.98	\$655,312.65
132	1/1/2024	\$2,225,669.98	\$ 22,119.41	\$-	\$22,119.41	\$ 18,836.55	\$3,282.86	\$2,206,833.43	\$658,595.52
133	2/1/2024	\$2,206,833.43	\$ 22,119.41	\$-	\$22,119.41	\$ 18,864.33	\$3,255.08	\$2,187,969.10	\$661,850.59
134	3/1/2024	\$2,187,969.10	\$ 22,119.41	\$-	\$22,119.41	\$ 18,892.16	\$3,227.25	\$2,169,076.94	\$665,077.85
135	4/1/2024	\$2,169,076.94	\$ 22,119.41	\$-	\$22,119.41	\$ 18,920.02	\$3,199.39	\$2,150,156.92	\$668,277.24
136	5/1/2024	\$2,150,156.92	\$ 22,119.41	\$-	\$22,119.41	\$ 18,947.93	\$3,171.48	\$2,131,208.99	\$671,448.72
137	6/1/2024	\$2,131,208.99	\$ 22,119.41	\$-	\$22,119.41	\$ 18,975.88	\$3,143.53	\$2,112,233.12	\$674,592.25
138	7/1/2024	\$2,112,233.12	\$ 22,119.41	\$-	\$22,119.41	\$ 19,003.87	\$3,115.54	\$2,093,229.25	\$677,707.80
139	8/1/2024	\$2,093,229.25	\$ 22,119.41	\$-	\$22,119.41	\$ 19,031.90	\$3,087.51	\$2,074,197.35	\$680,795.31

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Pay't	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
140	9/1/2024	\$2,074,197.35	\$ 22,119.41	\$-	\$22,119.41	\$ 19,059.97	\$3,059.44	\$2,055,137.39	\$683,854.75
141	10/1/2024	\$2,055,137.39	\$ 22,119.41	\$-	\$22,119.41	\$ 19,088.08	\$3,031.33	\$2,036,049.30	\$686,886.08
142	11/1/2024	\$2,036,049.30	\$ 22,119.41	\$-	\$22,119.41	\$ 19,116.24	\$3,003.17	\$2,016,933.07	\$689,889.25
143	12/1/2024	\$2,016,933.07	\$ 22,119.41	\$-	\$22,119.41	\$ 19,144.43	\$2,974.98	\$1,997,788.63	\$692,864.23
144	1/1/2025	\$1,997,788.63	\$ 22,119.41	\$-	\$22,119.41	\$ 19,172.67	\$2,946.74	\$1,978,615.96	\$695,810.97
145	2/1/2025	\$1,978,615.96	\$ 22,119.41	\$-	\$22,119.41	\$ 19,200.95	\$2,918.46	\$1,959,415.01	\$698,729.42
146	3/1/2025	\$1,959,415.01	\$ 22,119.41	\$-	\$22,119.41	\$ 19,229.27	\$2,890.14	\$1,940,185.74	\$701,619.56
147	4/1/2025	\$1,940,185.74	\$ 22,119.41	\$-	\$22,119.41	\$ 19,257.64	\$2,861.77	\$1,920,928.10	\$704,481.33
148	5/1/2025	\$1,920,928.10	\$ 22,119.41	\$-	\$22,119.41	\$ 19,286.04	\$2,833.37	\$1,901,642.06	\$707,314.70
149	6/1/2025	\$1,901,642.06	\$ 22,119.41	\$-	\$22,119.41	\$ 19,314.49	\$2,804.92	\$1,882,327.57	\$710,119.63
150	7/1/2025	\$1,882,327.57	\$ 22,119.41	\$-	\$22,119.41	\$ 19,342.98	\$2,776.43	\$1,862,984.60	\$712,896.06
151	8/1/2025	\$1,862,984.60	\$ 22,119.41	\$-	\$22,119.41	\$ 19,371.51	\$2,747.90	\$1,843,613.09	\$715,643.96
152	9/1/2025	\$1,843,613.09	\$ 22,119.41	\$-	\$22,119.41	\$ 19,400.08	\$2,719.33	\$1,824,213.01	\$718,363.29
153	10/1/2025	\$1,824,213.01	\$ 22,119.41	\$-	\$22,119.41	\$ 19,428.70	\$2,690.71	\$1,804,784.31	\$721,054.00
154	11/1/2025	\$1,804,784.31	\$ 22,119.41	\$-	\$22,119.41	\$ 19,457.35	\$2,662.06	\$1,785,326.96	\$723,716.06
155	12/1/2025	\$1,785,326.96	\$ 22,119.41	\$-	\$22,119.41	\$ 19,486.05	\$2,633.36	\$1,765,840.91	\$726,349.42
156	1/1/2026	\$1,765,840.91	\$ 22,119.41	\$-	\$22,119.41	\$ 19,514.79	\$2,604.62	\$1,746,326.11	\$728,954.03
157	2/1/2026	\$1,746,326.11	\$ 22,119.41	\$-	\$22,119.41	\$ 19,543.58	\$2,575.83	\$1,726,782.54	\$731,529.87
158	3/1/2026	\$1,726,782.54	\$ 22,119.41	\$-	\$22,119.41	\$ 19,572.41	\$2,547.00	\$1,707,210.13	\$734,076.87
159	4/1/2026	\$1,707,210.13	\$ 22,119.41	\$-	\$22,119.41	\$ 19,601.27	\$2,518.13	\$1,687,608.86	\$736,595.00
160	5/1/2026	\$1,687,608.86	\$ 22,119.41	\$-	\$22,119.41	\$ 19,630.19	\$2,489.22	\$1,667,978.67	\$739,084.23
161	6/1/2026	\$1,667,978.67	\$ 22,119.41	\$-	\$22,119.41	\$ 19,659.14	\$2,460.27	\$1,648,319.53	\$741,544.50
162	7/1/2026	\$1,648,319.53	\$ 22,119.41	\$-	\$22,119.41	\$ 19,688.14	\$2,431.27	\$1,628,631.39	\$743,975.77
163	8/1/2026	\$1,628,631.39	\$ 22,119.41	\$-	\$22,119.41	\$ 19,717.18	\$2,402.23	\$1,608,914.21	\$746,378.00
164	9/1/2026	\$1,608,914.21	\$ 22,119.41	\$-	\$22,119.41	\$ 19,746.26	\$2,373.15	\$1,589,167.95	\$748,751.15
165	10/1/2026	\$1,589,167.95	\$ 22,119.41	\$-	\$22,119.41	\$ 19,775.39	\$2,344.02	\$1,569,392.56	\$751,095.17
166	11/1/2026	\$1,569,392.56	\$ 22,119.41	\$-	\$22,119.41	\$ 19,804.56	\$2,314.85	\$1,549,588.01	\$753,410.02
167	12/1/2026	\$1,549,588.01	\$ 22,119.41	\$-	\$22,119.41	\$ 19,833.77	\$2,285.64	\$1,529,754.24	\$755,695.67
168	1/1/2027	\$1,529,754.24	\$ 22,119.41	\$-	\$22,119.41	\$ 19,863.02	\$2,256.39	\$1,509,891.22	\$757,952.05
169	2/1/2027	\$1,509,891.22	\$ 22,119.41	\$-	\$22,119.41	\$ 19,892.32	\$2,227.09	\$1,489,998.90	\$760,179.14
170	3/1/2027	\$1,489,998.90	\$ 22,119.41	\$-	\$22,119.41	\$ 19,921.66	\$2,197.75	\$1,470,077.24	\$762,376.89
171	4/1/2027	\$1,470,077.24	\$ 22,119.41	\$-	\$22,119.41	\$ 19,951.05	\$2,168.36	\$1,450,126.19	\$764,545.26
172	5/1/2027	\$1,450,126.19	\$ 22,119.41	\$-	\$22,119.41	\$ 19,980.47	\$2,138.94	\$1,430,145.72	\$766,684.19
173	6/1/2027	\$1,430,145.72	\$ 22,119.41	\$-	\$22,119.41	\$ 20,009.94	\$2,109.46	\$1,410,135.77	\$768,793.66
174	7/1/2027	\$1,410,135.77	\$ 22,119.41	\$-	\$22,119.41	\$ 20,039.46	\$2,079.95	\$1,390,096.31	\$770,873.61
175	8/1/2027	\$1,390,096.31	\$ 22,119.41	\$-	\$22,119.41	\$ 20,069.02	\$2,050.39	\$1,370,027.29	\$772,924.00
176	9/1/2027	\$1,370,027.29	\$ 22,119.41	\$-	\$22,119.41	\$ 20,098.62	\$2,020.79	\$1,349,928.67	\$774,944.79
177	10/1/2027	\$1,349,928.67	\$ 22,119.41	\$-	\$22,119.41	\$ 20,128.26	\$1,991.14	\$1,329,800.41	\$776,935.93
178	11/1/2027	\$1,329,800.41	\$ 22,119.41	\$-	\$22,119.41	\$ 20,157.95	\$1,961.46	\$1,309,642.46	\$778,897.39
179	12/1/2027	\$1,309,642.46	\$ 22,119.41	\$-	\$22,119.41	\$ 20,187.69	\$1,931.72	\$1,289,454.77	\$780,829.11
180	1/1/2028	\$1,289,454.77	\$ 22,119.41	\$-	\$22,119.41	\$ 20,217.46	\$1,901.95	\$1,269,237.30	\$782,731.06
181	2/1/2028	\$1,269,237.30	\$ 22,119.41	\$-	\$22,119.41	\$ 20,247.28	\$1,872.13	\$1,248,990.02	\$784,603.18
182	3/1/2028	\$1,248,990.02	\$ 22,119.41	\$-	\$22,119.41	\$ 20,277.15	\$1,842.26	\$1,228,712.87	\$786,445.44
183	4/1/2028	\$1,228,712.87	\$ 22,119.41	\$-	\$22,119.41	\$ 20,307.06	\$1,812.35	\$1,208,405.81	\$788,257.79
184	5/1/2028	\$1,208,405.81	\$ 22,119.41	\$-	\$22,119.41	\$ 20,337.01	\$1,782.40	\$1,188,068.80	\$790,040.19
185	6/1/2028	\$1,188,068.80	\$ 22,119.41	\$-	\$22,119.41	\$ 20,367.01	\$1,752.40	\$1,167,701.79	\$791,792.59
186	7/1/2028	\$1,167,701.79	\$ 22,119.41	\$-	\$22,119.41	\$ 20,397.05	\$1,722.36	\$1,147,304.74	\$793,514.96
187	8/1/2028	\$1,147,304.74	\$ 22,119.41	\$-	\$22,119.41	\$ 20,427.14	\$1,692.27	\$1,126,877.61	\$795,207.23
188	9/1/2028	\$1,126,877.61	\$ 22,119.41	\$-	\$22,119.41	\$ 20,457.27	\$1,662.14	\$1,106,420.34	\$796,869.37
189	10/1/2028	\$1,106,420.34	\$ 22,119.41	\$-	\$22,119.41	\$ 20,487.44	\$1,631.97	\$1,085,932.90	\$798,501.34
190	11/1/2028	\$1,085,932.90	\$ 22,119.41	\$-	\$22,119.41	\$ 20,517.66	\$1,601.75	\$1,065,415.24	\$800,103.10

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Pay't	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
191	12/1/2028	\$1,065,415.24	\$ 22,119.41	\$-	\$22,119.41	\$ 20,547.92	\$1,571.49	\$1,044,867.32	\$801,674.58
192	1/1/2029	\$1,044,867.32	\$ 22,119.41	\$-	\$22,119.41	\$ 20,578.23	\$1,541.18	\$1,024,289.09	\$803,215.76
193	2/1/2029	\$1,024,289.09	\$ 22,119.41	\$-	\$22,119.41	\$ 20,608.58	\$1,510.83	\$1,003,680.51	\$804,726.59
194	3/1/2029	\$1,003,680.51	\$ 22,119.41	\$-	\$22,119.41	\$ 20,638.98	\$1,480.43	\$ 983,041.53	\$806,207.02
195	4/1/2029	\$ 983,041.53	\$ 22,119.41	\$-	\$22,119.41	\$ 20,669.42	\$1,449.99	\$ 962,372.10	\$807,657.00
196	5/1/2029	\$ 962,372.10	\$ 22,119.41	\$-	\$22,119.41	\$ 20,699.91	\$1,419.50	\$ 941,672.19	\$809,076.50
197	6/1/2029	\$ 941,672.19	\$ 22,119.41	\$-	\$22,119.41	\$ 20,730.44	\$1,388.97	\$ 920,941.75	\$810,465.47
198	7/1/2029	\$ 920,941.75	\$ 22,119.41	\$-	\$22,119.41	\$ 20,761.02	\$1,358.39	\$ 900,180.73	\$811,823.86
199	8/1/2029	\$ 900,180.73	\$ 22,119.41	\$-	\$22,119.41	\$ 20,791.64	\$1,327.77	\$ 879,389.09	\$813,151.62
200	9/1/2029	\$ 879,389.09	\$ 22,119.41	\$-	\$22,119.41	\$ 20,822.31	\$1,297.10	\$ 858,566.77	\$814,448.72
201	10/1/2029	\$ 858,566.77	\$ 22,119.41	\$-	\$22,119.41	\$ 20,853.02	\$1,266.39	\$ 837,713.75	\$815,715.11
202	11/1/2029	\$ 837,713.75	\$ 22,119.41	\$-	\$22,119.41	\$ 20,883.78	\$1,235.63	\$ 816,829.97	\$816,950.74
203	12/1/2029	\$ 816,829.97	\$ 22,119.41	\$-	\$22,119.41	\$ 20,914.59	\$1,204.82	\$ 795,915.38	\$818,155.56
204	1/1/2030	\$ 795,915.38	\$ 22,119.41	\$-	\$22,119.41	\$ 20,945.43	\$1,173.98	\$ 774,969.95	\$819,329.54
205	2/1/2030	\$ 774,969.95	\$ 22,119.41	\$-	\$22,119.41	\$ 20,976.33	\$1,143.08	\$ 753,993.62	\$820,472.62
206	3/1/2030	\$ 753,993.62	\$ 22,119.41	\$-	\$22,119.41	\$ 21,007.27	\$1,112.14	\$ 732,986.35	\$821,584.76
207	4/1/2030	\$ 732,986.35	\$ 22,119.41	\$-	\$22,119.41	\$ 21,038.25	\$1,081.15	\$ 711,948.10	\$822,665.91
208	5/1/2030	\$ 711,948.10	\$ 22,119.41	\$-	\$22,119.41	\$ 21,069.29	\$1,050.12	\$ 690,878.81	\$823,716.04
209	6/1/2030	\$ 690,878.81	\$ 22,119.41	\$-	\$22,119.41	\$ 21,100.36	\$1,019.05	\$ 669,778.45	\$824,735.08
210	7/1/2030	\$ 669,778.45	\$ 22,119.41	\$-	\$22,119.41	\$ 21,131.49	\$ 987.92	\$ 648,646.96	\$825,723.01
211	8/1/2030	\$ 648,646.96	\$ 22,119.41	\$-	\$22,119.41	\$ 21,162.66	\$ 956.75	\$ 627,484.30	\$826,679.76
212	9/1/2030	\$ 627,484.30	\$ 22,119.41	\$-	\$22,119.41	\$ 21,193.87	\$ 925.54	\$ 606,290.43	\$827,605.30
213	10/1/2030	\$ 606,290.43	\$ 22,119.41	\$-	\$22,119.41	\$ 21,225.13	\$ 894.28	\$ 585,065.30	\$828,499.58
214	11/1/2030	\$ 585,065.30	\$ 22,119.41	\$-	\$22,119.41	\$ 21,256.44	\$ 862.97	\$ 563,808.86	\$829,362.55
215	12/1/2030	\$ 563,808.86	\$ 22,119.41	\$-	\$22,119.41	\$ 21,287.79	\$ 831.62	\$ 542,521.07	\$830,194.17
216	1/1/2031	\$ 542,521.07	\$ 22,119.41	\$-	\$22,119.41	\$ 21,319.19	\$ 800.22	\$ 521,201.88	\$830,994.39
217	2/1/2031	\$ 521,201.88	\$ 22,119.41	\$-	\$22,119.41	\$ 21,350.64	\$ 768.77	\$ 499,851.24	\$831,763.16
218	3/1/2031	\$ 499,851.24	\$ 22,119.41	\$-	\$22,119.41	\$ 21,382.13	\$ 737.28	\$ 478,469.11	\$832,500.44
219	4/1/2031	\$ 478,469.11	\$ 22,119.41	\$-	\$22,119.41	\$ 21,413.67	\$ 705.74	\$ 457,055.45	\$833,206.18
220	5/1/2031	\$ 457,055.45	\$ 22,119.41	\$-	\$22,119.41	\$ 21,445.25	\$ 674.16	\$ 435,610.19	\$833,880.34
221	6/1/2031	\$ 435,610.19	\$ 22,119.41	\$-	\$22,119.41	\$ 21,476.88	\$ 642.53	\$ 414,133.31	\$834,522.86
222	7/1/2031	\$ 414,133.31	\$ 22,119.41	\$-	\$22,119.41	\$ 21,508.56	\$ 610.85	\$ 392,624.75	\$835,133.71
223	8/1/2031	\$ 392,624.75	\$ 22,119.41	\$-	\$22,119.41	\$ 21,540.29	\$ 579.12	\$ 371,084.46	\$835,712.83
224	9/1/2031	\$ 371,084.46	\$ 22,119.41	\$-	\$22,119.41	\$ 21,572.06	\$ 547.35	\$ 349,512.40	\$836,260.18
225	10/1/2031	\$ 349,512.40	\$ 22,119.41	\$-	\$22,119.41	\$ 21,603.88	\$ 515.53	\$ 327,908.52	\$836,775.71
226	11/1/2031	\$ 327,908.52	\$ 22,119.41	\$-	\$22,119.41	\$ 21,635.74	\$ 483.67	\$ 306,272.77	\$837,259.38
227	12/1/2031	\$ 306,272.77	\$ 22,119.41	\$-	\$22,119.41	\$ 21,667.66	\$ 451.75	\$ 284,605.12	\$837,711.13
228	1/1/2032	\$ 284,605.12	\$ 22,119.41	\$-	\$22,119.41	\$ 21,699.62	\$ 419.79	\$ 262,905.50	\$838,130.92
229	2/1/2032	\$ 262,905.50	\$ 22,119.41	\$-	\$22,119.41	\$ 21,731.62	\$ 387.79	\$ 241,173.88	\$838,518.71
230	3/1/2032	\$ 241,173.88	\$ 22,119.41	\$-	\$22,119.41	\$ 21,763.68	\$ 355.73	\$ 219,410.20	\$838,874.44
231	4/1/2032	\$ 219,410.20	\$ 22,119.41	\$-	\$22,119.41	\$ 21,795.78	\$ 323.63	\$ 197,614.42	\$839,198.07
232	5/1/2032	\$ 197,614.42	\$ 22,119.41	\$-	\$22,119.41	\$ 21,827.93	\$ 291.48	\$ 175,786.49	\$839,489.55
233	6/1/2032	\$ 175,786.49	\$ 22,119.41	\$-	\$22,119.41	\$ 21,860.12	\$ 259.29	\$ 153,926.36	\$839,748.83
234	7/1/2032	\$ 153,926.36	\$ 22,119.41	\$-	\$22,119.41	\$ 21,892.37	\$ 227.04	\$ 132,034.00	\$839,975.88
235	8/1/2032	\$ 132,034.00	\$ 22,119.41	\$-	\$22,119.41	\$ 21,924.66	\$ 194.75	\$ 110,109.34	\$840,170.63
236	9/1/2032	\$ 110,109.34	\$ 22,119.41	\$-	\$22,119.41	\$ 21,957.00	\$ 162.41	\$ 88,152.34	\$840,333.04
237	10/1/2032	\$ 88,152.34	\$ 22,119.41	\$-	\$22,119.41	\$ 21,989.39	\$ 130.02	\$ 66,162.95	\$840,463.06
238	11/1/2032	\$ 66,162.95	\$ 22,119.41	\$-	\$22,119.41	\$ 22,021.82	\$ 97.59	\$ 44,141.13	\$840,560.65
239	12/1/2032	\$ 44,141.13	\$ 22,119.41	\$-	\$22,119.41	\$ 22,054.30	\$ 65.11	\$ 22,086.83	\$840,625.76
240	1/1/2033	\$ 22,086.83	\$ 22,119.41	\$-	\$22,086.83	\$ 22,054.25	\$ 32.58	\$ -	\$840,658.34

SRF

Loan

SRF Loan – Status as of September 30, 2012

Summary Page:

The New Customer Potential Impact

- Summary of SRF Loan
- Current Phase I work and project schedule
- New potential customer information collected from engineers to give us an estimate of the customers that will be added to Roane Sewer System

SRF Payment Model

- Schedule of payments/reimbursements and the cumulative interest paid

MTW Project Grant Schedule

- Tracks requests received/not received
- Itemized listing of expenditures for project

Request(s) forms sent to the State for reimbursement

- 1st request \$411,193.73
 - 2nd request \$681,446.82
 - 3rd request \$493,393.26
 - 4th request \$374,018.31
 - 5th request \$220,288.82
- Total: \$2,180,340.94

State Revolving Loan (SRF)

- Contract with State of Tennessee loan program

Timeline of New Construction

- Start and completion dates for various components of Midtown Sewer Expansion Project covered by SRF loan.

Professional Services Agreement

- Contract between Roane County and Vaughn and Melton Consulting Engineers.
- Contract documents and specifications for Roane County Sewer Expansion- "Midtown"
- Change order – increase for labor & equipment \$19,000
- Change order – increase for labor & equipment \$2,561
- Change order – increase for labor & equipment \$232,076.78

New Customer Potential

Based upon engineering reports, it is anticipated that Roane Central Utility District will add 82 residential and 11 commercial/industrial customers to the service area.

Rockwood Water anticipates that Garfield Subdivision will add 17 customers, Harbin Subdivision will add 39 customers, Post Oak Subdivision will add 36 customers, and College Grove & Delozier Subdivisions will add 137 residential customers to the service area for a total of 229 additional residential customers.

Residential	311
Commercial	11
Total	322

SRF Loan

Roane County applied and received a State Revolving Fund Loan (SRF) in February 2011.

The State Revolving Fund (SRF) Loan is for \$5,585,000 with \$1,117,000 Principal being forgiven, with an annual percentage rate of 1.77 % over 20 years.

Phase I

Current work being done has added 12,065 feet of additional sewer lines to the Midtown area, with an additional 2,000 feet left to be added. This will supply sewer services for several businesses in the area including the Physicians Plaza and the Roane Medical Center. The Midtown Sewer Expansion project is anticipated to provide a huge positive economic impact for Roane County.

The project schedule is:

- a: Submit complete plans and specifications on or before 01/19/2011 (Done)
- b: Receive bids on or before 02/23/2011 (Done)
- c: Start construction on or before 04/01/2011 (started)
- d: Phase I is complete 06/12, and is anticipated new customers will come on line in the near future.
- e: Complete construction all phases on or before 04/30/2013
- f: Initiate operation all phases on or before 06/30/2013

g: Complete start up services on or before 08/30/2013.

Phase I-A – Community Development Block Grant (CDBG) Expansion

- a: Community Development Block Grant is a state grant through the Department of Economic and Community Development, designed to assist communities with infra-structure construction.
- b: Applied for grant from state the end of February 2012, for residential in Midtown Area. Normally they award grants in November. [Grant request denied September, 2012]

Phase II - Residential for Rockwood

- a: Bid open in June 2012
- b: Bid awarded to John T Hall Construction
- c: Bid tabulation

State Revolving Loan Fund Drawdown Worksheet

			5053411	Loan	Grant
				80%	20%
	TOTAL SRF Loan		5,585,000	4,468,000	1,117,000
Reimbursement	%				
from state	of loan				
#1	7%	10/11/2011	411,194	328,955	82,239
#2	12%	12/6/2011	681,447	545,158	136,289
#3	9%	3/9/2012	493,393	394,715	98,679
#4	7%	3/22/2012	374,019	299,215	74,804
#5	4%	9/19/2012	220,289	176,231	44,058
Total	39%		2,180,342	1,744,274	436,068



					Interest Paid
November, 2011	INTEREST RATE	Annual	1.77%	485.21	
	Admin	Annual	0.08%	21.93	
				<u>507.14</u>	507.14
December, 2011	INTEREST RATE	Annual	1.77%	485.21	
	Admin	Annual	0.08%	21.93	
				<u>507.14</u>	507.14
January, 2012	INTEREST RATE	Annual	1.77%	1,289.32	
	Admin	Annual	0.08%	58.27	
				<u>1,347.59</u>	1,347.59
February, 2012	INTEREST RATE	Annual	1.77%	1,289.32	
	Admin	Annual	0.08%	58.27	
				<u>1,347.59</u>	1,347.59
March, 2012	INTEREST RATE	Annual	1.77%	1,289.32	
	Admin	Annual	0.08%	58.27	
				<u>1,347.59</u>	1,347.59
April, 2012	INTEREST RATE	Annual	1.77%	2,312.86	
	Admin	Annual	0.08%	104.54	
				<u>2,417.40</u>	2,417.40

State Revolving Loan Fund Drawdown Worksheet

					Interest Paid
May, 2012	INTEREST RATE	Annual	1.77%	2,312.86	
	Admin	Annual	0.08%	<u>104.54</u>	
				2,417.40	2,417.40
June, 2012	INTEREST RATE	Annual	1.77%	2,312.86	
	Admin	Annual	0.08%	<u>104.54</u>	
				2,417.40	2,417.40
July, 2012	INTEREST RATE	Annual	1.77%	2,312.86	
	Admin	Annual	0.08%	<u>104.54</u>	
				2,417.40	2,417.40
August, 2012	INTEREST RATE	Annual	1.77%	2,312.86	
	Admin	Annual	0.08%	<u>104.54</u>	
				2,417.40	2,417.40
September, 2012	INTEREST RATE	Annual	1.77%	2,312.86	
	Admin	Annual	0.08%	<u>104.54</u>	
				2,417.40	2,417.40
October, 2012	INTEREST RATE	Annual	1.77%	2,572.80	
	Admin	Annual	0.08%	<u>104.54</u>	
				2,677.34	<u>2,677.34</u>
	Interest paid to date				<u>22,238.78</u>

BEGINNING ACCOUNTING FISCAL YEAR GRANT STARTED:

June 30, 2011

ESTIMATED PROJECT END DATE:

October 31, 2013

REVENUE

ORIGINAL GRANT AMOUNT: \$1,117,000

MATCH AMOUNT: \$ 4,468,000.00

Grant Revenue:

County funds for match: N/A

REQUESTED AND RECEIVED

Date	Amount
10/17/2011	\$ 411,194.00
12/14/2011	681,477.00
3/9/2012	493,393.26
3/22/2012	374,019.00
9/18/2012	220,289.00
TOT. REVENUE	\$ 2,180,372.26

Expended

Date	Amount
N/A	

REQUESTED BUT NOT RECEIVED

Date	Amount

TO BE REQUESTED \$ 2,287,627.74

EXPENDITURES

All coded to MTW subfund in the 204 Wastewater fund

Expenditures: 204-91170-720-MTW

ORIGINAL PROJECT ESTIMATE: \$ 5,568,000.00

REMAINING PROJECT ESTIMATE:

EXPENDITURES

Date	Object Code	Check Number	Vendor	Dollars	Invoice #	Totals
9/7/10	128-55739-733-CAP	28006759	VAUGHN & MELTON	9,922.50	510502901	9,922.50
12/3/10	171-91170-321-MTW	171-99024938	VAUGHN & MELTON	5,000.00	508503813	
12/3/10	171-91170-321-MTW	171-99024938	VAUGHN & MELTON	(1,031.25)	509505104	
12/3/10	171-91170-321-MTW	171-99024938	VAUGHN & MELTON	21,560.00	510502902	
12/3/10	171-91170-321-MTW	171-99024938	VAUGHN & MELTON	1,050.00	510502903	26,578.75
1/6/11	171-91170-321-MTW	171-99024969	VAUGHN & MELTON	38,161.50	510502904	38,161.50
2/9/11	204-91170-302-MTW	28006932	ROANE CO NEWS	113.47	02/01-2011	
2/9/11	204-91170-302-MTW	28006932	ROANE CO NEWS	41.60	02/01-2011	155.07
2/10/11	204-91170-302-MTW	28006933	KNOXVILLE NEWS SENTINEL	227.78	714040	227.78
3/15/11	204-91170-321-MTW	28006965	VAUGHN & MELTON	10,585.00	510502905	
3/15/11	204-91170-321-MTW	28006965	VAUGHN & MELTON	12,720.50	510502907	23,305.50
3/23/11	204-91170-302-MTW	28006970	ROANE CO NEWS	119.07	HOUSE	119.07
6/14/11	204-91170-321-MTW	28007078	VAUGHN & MELTON	38,161.50	510502906	
6/14/11	204-91170-321-MTW	28007078	VAUGHN & MELTON	12,720.50	510502908	50,882.00
7/7/11	204-91170-599-MTW	28007098	RC REGISTER OF DEEDS	32.00	REC. FEE	32.00
8/18/11	204-91170-720-MTW	28007149	CLEARY CONSTRUCTION	41,323.94	7/28-31/11	41,323.94
9/13/11	204-91170-720-MTW	28007186	VAUGHN & MELTON	12,720.50	510502909	12,720.50
9/13/11	204-91170-720-MTW	28007187	CLEARY CONSTRUCTION	140,724.00	#2	140,724.00
9/20/11	204-91170-720-MTW	28007194	VAUGHN & MELTON	9,747.40	510502910	
9/20/11	204-91170-720-MTW	28007194	VAUGHN & MELTON	11,760.00	511504301	
9/20/11	204-91170-720-MTW	28007194	VAUGHN & MELTON	3,405.00	511504601	24,912.40
10/25/11	204-91170-720-MTW	28007247	UNITED COMMUNITY BANK	9,581.47	7272011	9,581.47
10/27/11	204-91170-720-MTW	28007253	VAUGHN & MELTON	4,882.50	511504302	
10/27/11	204-91170-720-MTW	28007253	VAUGHN & MELTON	11,930.00	511504303	
10/27/11	204-91170-720-MTW	28007253	VAUGHN & MELTON	4,197.50	511504602	21,010.00
10/27/11	204-91170-720-MTW	28007254	CLEARY CONSTRUCTION	199,996.12	PARTIAL #3	199,996.12
11/1/11	204-91170-720-MTW	28007258	SOUTHERN SALES	55,370.00	33134	55,370.00
11/3/11	204-91170-720-MTW	28007263	VAUGHN & MELTON	12,962.70	510502911	12,962.70
11/15/11	204-91170-720-MTW	28007276	UNITED COMMUNITY BANK	31,181.01	11/9/2011	31,181.01
11/17/11	204-91170-720-MTW	28007284	CLEARY CONSTRUCTION	392,442.99	PARTIAL #4	392,442.99

EXPENDITURES

Date	Object Code	Check Number	Vendor	Dollars	Invoice #	Totals
11/28/11	204-91170-720-MTW	28007299	HARRIMAN UTILITIES	19,720.17	11/17/2011	19,720.17
11/29/11	204-91170-720-MTW	28007300	SOUTHERN SALES	1,868.00	33390	1,868.00
12/1/11	204-91170-720-MTW	28007307	VAUGHN & MELTON	13,318.40	510502912	
12/1/11	204-91170-720-MTW	28007307	VAUGHN & MELTON	560.00	510502913	
12/1/11	204-91170-720-MTW	28007307	VAUGHN & MELTON	5,637.50	511504603	
12/1/11	204-91170-720-MTW	28007307	VAUGHN & MELTON	10,736.05	511504304	
12/1/11	204-91170-720-MTW	28007307	VAUGHN & MELTON	12,032.50	511504305	42,284.45
12/22/11	204-91170-720-MTW	28007331	TVA	5,000.00	12212011	5,000.00
12/28/11	204-91170-720-MTW	28007339	VAUGHN & MELTON	4,000.00	510502914	
12/28/11	204-91170-720-MTW	28007340	VAUGHN & MELTON	13,912.00	510502915	
12/28/11	204-91170-720-MTW	28007341	VAUGHN & MELTON	13,122.45	511504306	
12/28/11	204-91170-720-MTW	28007342	VAUGHN & MELTON	14,720.00	511504307	
12/28/11	204-91170-720-MTW	28007343	VAUGHN & MELTON	630.00	511504308	46,384.45
1/3/12	204-91170-720-MTW	28007344	CLEARY CONSTRUCTION	296,530.33	PT'L #5	296,530.33
1/10/12	204-91170-720-MTW	28007354	UNITED COMMUNITY BANK	15,606.86	PT'L #5 RTG	15,606.86
1/17/12	204-91170-720-MTW	28007364	NORTRAX, INC	70,999.00	431659	70,999.00
2/7/12	204-91170-720-MTW	28007392	CLEARY CONSTRUCTION	166,172.16	6	166,172.16
2/7/12	204-91170-720-MTW	28007393	UNITED COMMUNITY BANK	8,745.90	PROJ#6 RTNG	8,745.90
3/13/12	204-91170-720-MTW	28007444	RO CO REGISTER OF DEEDS	118.00	122001279-82	118.00
3/27/12	204-91170-720-MTW	28007458	CLEARY CONSTRUCTION	199,100.25	PR'T #7	199,100.25
3/27/12	204-91170-720-MTW	28007459	RO CO REGISTER OF DEEDS	150.00	3/7/2012	150.00
4/17/12	204-91170-720-MTW	28007485	VAUGHN & MELTON	13,292.80	510502916	
4/18/12	204-91170-720-MTW	28007486	VAUGHN & MELTON	681.00	510502918.	
4/19/12	204-91170-720-MTW	28007487	VAUGHN & MELTON	6,460.60	511502917	
4/20/12	204-91170-720-MTW	28007488	VAUGHN & MELTON	23,859.45	511504309	
4/21/12	204-91170-720-MTW	28007489	VAUGHN & MELTON	9,275.00	511504310	
4/22/12	204-91170-720-MTW	28007490	VAUGHN & MELTON	10,940.00	511504311	
4/23/12	204-91170-720-MTW	28007491	VAUGHN & MELTON	14,145.00	511504312	
4/24/12	204-91170-720-MTW	28007492	VAUGHN & MELTON	2,380.00	511504313	
4/25/12	204-91170-720-MTW	28007493	VAUGHN & MELTON	23,859.00	511504314	
4/26/12	204-91170-720-MTW	28007494	VAUGHN & MELTON	11,506.50	511504315.	
4/27/12	204-91170-720-MTW	28007495	VAUGHN & MELTON	4,405.00	511504316.	
4/28/12	204-91170-720-MTW	28007496	VAUGHN & MELTON	1,485.00	511504604.	122,289.35
4/17/12	204-91170-720-MTW	28007486	RO CO REGISTER OF DEEDS	197.00	4/2/2012	197.00
4/24/12	204-91170-720-MTW	28007497	VAUGHN & MELTON	1,900.00	511504317	
4/25/12	204-91170-720-MTW	28007498	VAUGHN & MELTON	1,090.00	511504605	2,990.00
5/1/12	204-91170-720-MTW	28007506	KNOXVILLE NEWS SENTINEL	204.92	966884	204.92
5/10/12	204-91170-720-MTW	28007514	RC REGISTER OF DEEDS	150.00	4/17/2012	150.00
5/24/12	204-91170-720-MTW	28007537	RANDY BUTTON & ASSOC.	2,800.00	5/14/2012	2,800.00
5/29/12	204-91170-720-MTW	28007541	ROANE CO NEWS	97.56	05292012	97.56
6/5/12	204-91170-720-MTW	28007546	CLEARY CONSTRUCTION	95,093.75	NO. 8	95,093.75
6/7/12	204-91170-720-MTW	28007549	KNOXVILLE NEWS SENTINEL	268.20	983445	268.20
6/26/12	204-91170-720-MTW	28007568	INGRAM EQUIPMENT CO	297,883.00	E6402-IN	297,883.00
6/26/12	204-91170-720-MTW	28007569	THE NEWS-ENTERPRISE	120.40	AR14147425	120.40
6/28/12	204-91170-720-MTW	28007578	VAUGH & MELTON	1,199.40	510502919	
6/29/12	204-91170-720-MTW	28007579	VAUGH & MELTON	845.00	510504318	2,044.40
6/30/12	204-91170-720-MTW	28007624	RO CO REGISTER OF DEEDS	14.00	M9549	14.00
TOTAL EXPENDITURES				\$ 2,488,441.45		2,488,441.45

ANALYSIS

	Revenue	\$	2,180,372.26
TOTAL REVENUE	\$	2,180,372.26	
TOTAL EXPENSES	\$	2,488,441.45	
DIFFERENCE	\$	(308,069.19)	
	Expenses	\$	2,488,441.45
	Prior Yr P.O.		
	Difference	\$	(308,069.19)

COMMENTS:



DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATE REVOLVING FUND LOAN PROGRAM
REQUEST FOR DISBURSEMENT OF FUNDS

REQUEST NUMBER: 5 PROJECT # CWO-2011-285
 LEGAL NAME OF APPLICANT: Roane County Government
 ADDRESS: PO Box 496
 CITY, STATE, ZIP: Kingston TN 37763
 PERIOD COVERED BY THIS REQUEST: Jan. 19,2012 TO June 20,2012

CHECK ONE:
 Clean Water
 Drinking Water

STATUS OF FUNDS

CLASSIFICATIONS OF CUMULATIVE TO DATE COSTS	SRF/CAP10 Current Budget	SRF/CAP10 cumulative totals	CURRENT SRF BUDGET	SRF LOAN FUNDING CUMULATIVE TOTALS (50%)	CURRENT CAP10 LOAN BUDGET	CAP10 LOAN FUNDING CUMULATIVE TOTALS (30%)	CURRENT CAP10 PF BUDGET	CAP10 PF FUNDING CUMULATIVE TOTALS (20%)	LOCAL SHARE FUNDING CUMULATIVE	OTHER FUNDING CUMULATIVE TOTALS	PROJECT CUMULATIVE TOTALS
(a) Administrative & Legal fees	\$30,000.00	\$8,219.64	\$15,000.00	\$4,109.82	\$9,000.00	\$2,465.89	\$6,000.00	\$1,643.93	\$0.00	\$0.00	\$8,219.64
(b) Land Costs, Appraisals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(c) Planning Fees	\$9,000.00	\$5,000.00	\$4,500.00	\$2,500.00	\$2,700.00	\$1,500.00	\$1,800.00	\$1,000.00	\$0.00	\$0.00	\$5,000.00
(d) Design Fees	\$246,500.00	\$242,016.45	\$123,250.00	\$121,008.23	\$73,950.00	\$72,604.94	\$49,300.00	\$48,403.29	\$0.00	\$0.00	\$242,016.45
(e) Engineering Basic Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(f) Other Engineering Fees	\$170,000.00	\$109,714.00	\$85,000.00	\$54,857.00	\$51,000.00	\$32,914.20	\$34,000.00	\$21,942.80	\$0.00	\$0.00	\$109,714.00
(g) Project Inspection Fees	\$203,000.00	\$70,934.90	\$101,500.00	\$35,467.45	\$60,900.00	\$21,280.47	\$40,600.00	\$14,186.98	\$0.00	\$0.00	\$70,934.90
(h) Construction and Project Improvement Costs											
(h1)	\$1,648,213.40	\$1,596,498.78	\$824,106.70	\$798,249.39	\$494,464.02	\$478,949.63	\$329,642.68	\$319,299.76	\$0.00	\$0.00	\$1,596,498.78
(h2) Lift Station in Contract	\$55,370.00	\$55,370.00	\$27,685.00	\$27,685.00	\$16,611.00	\$16,611.00	\$11,074.00	\$11,074.00	\$0.00	\$0.00	\$55,370.00
(h3)	\$1,596,498.78	\$0.00	\$798,249.39	\$0.00	\$478,949.63	\$0.00	\$319,299.76	\$0.00	\$0.00	\$0.00	\$0.00
(i) Equipment	\$384,999.00	\$72,867.00	\$192,499.50	\$36,433.50	\$115,499.70	\$21,860.10	\$76,999.80	\$14,573.40	\$0.00	\$0.00	\$72,867.00
(j) Miscellaneous Costs	\$40,000.00	\$19,720.17	\$20,000.00	\$9,860.09	\$12,000.00	\$5,916.05	\$8,000.00	\$3,944.03	\$0.00	\$0.00	\$19,720.17
(k) Contingencies	\$1,211,418.82	\$0.00	\$605,709.41	\$0.00	\$363,425.65	\$0.00	\$242,283.76	\$0.00	\$0.00	\$0.00	\$0.00
(l) Total Cumulative to Date	\$5,595,000.00	\$2,180,340.94	\$2,797,500.00	\$1,090,170.47	\$1,678,500.00	\$654,102.28	\$1,119,000.00	\$436,068.19	\$0.00	\$0.00	\$2,180,340.94
(m) Total Payments Previously Requested		\$1,980,052.12		\$980,026.06		\$588,015.64		\$392,010.42			
(n) Amount Requested for Reimbursement		\$220,288.82		\$110,144.41		\$66,086.65		\$44,057.76			
(o) % of Project Completion		39%		39%		39%		39%			
(p) % of Construction Work Completion		0%									

CERTIFICATION

I certify, to the best of my knowledge and belief, that the billed costs or disbursements are in accordance with the terms of the project, the request for payment represents the monies due which have not been previously requested, an inspection has been performed, and all work is in accordance with the terms of the award.

Ronald Woody
 Signature of Authorized Certifying Official*
Ronald Woody
 Type or Printed Name and Title

8/28/12
 Date
8/28/12
 Date

*Only forms submitted with original signatures will be processed.
 CN-0870 (Rev.10-2003)

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DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATE REVOLVING FUND LOAN PROGRAM
REQUEST FOR DISBURSEMENT OF FUNDS

REQUEST NUMBER: 4 PROJECT # CWO-2011-285
LEGAL NAME OF APPLICANT: Roane County Government
ADDRESS: PO Box 496
CITY, STATE, ZIP: Kingston TN 37763
PERIOD COVERED BY THIS REQUEST: Jan. 19, 2012 TO February 24, 2012

CHECK ONE:
 Clean Water
 Drinking Water

STATUS OF FUNDS

CLASSIFICATIONS OF CUMULATIVE TO DATE COSTS	SRF/CAP10 Current Budget	SRF/CAP10 cumulative totals	CURRENT SRF BUDGET	SRF LOAN FUNDING CUMULATIVE TOTALS (50%)	CURRENT CAP10 LOAN BUDGET	CAP10 LOAN FUNDING CUMULATIVE TOTALS (30%)	CURRENT CAP10 PF BUDGET	CAP10 PF FUNDING CUMULATIVE TOTALS (20%)	LOCAL SHARE FUNDING CUMULATIVE	OTHER FUNDING CUMULATIVE TOTALS	PROJECT CUMULATIVE TOTALS
(a) Administrative & Legal fees	\$20,000.00	\$533.92	\$10,000.00	\$266.96	\$6,000.00	\$160.18	\$4,000.00	\$106.78	\$0.00	\$0.00	\$533.92
(b) Land Costs, Appraisals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(c) Planning Fees	\$9,000.00	\$5,000.00	\$4,500.00	\$2,500.00	\$2,700.00	\$1,500.00	\$1,800.00	\$1,000.00	\$0.00	\$0.00	\$5,000.00
(d) Design Fees	\$246,500.00	\$194,298.00	\$123,250.00	\$97,149.00	\$73,950.00	\$58,289.40	\$49,300.00	\$38,859.60	\$0.00	\$0.00	\$194,298.00
(e) Engineering Basic Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(f) Other Engineering Fees	\$110,000.00	\$60,357.50	\$55,000.00	\$30,178.75	\$33,000.00	\$18,107.25	\$22,000.00	\$12,071.50	\$0.00	\$0.00	\$60,357.50
(g) Project Inspection Fees	\$73,000.00	\$50,500.50	\$36,500.00	\$25,250.25	\$21,900.00	\$15,150.15	\$14,600.00	\$10,100.10	\$0.00	\$0.00	\$50,500.50
(h) Construction and Project Improvement Costs											
(h1)	\$2,895,467.22	\$1,501,405.03	\$1,447,733.61	\$750,702.52	\$868,640.17	\$450,421.51	\$579,093.44	\$300,281.01	\$0.00	\$0.00	\$1,501,405.03
(h2) Lift Station in Contract	\$55,370.00	\$55,370.00	\$27,685.00	\$27,685.00	\$16,611.00	\$16,611.00	\$11,074.00	\$11,074.00	\$0.00	\$0.00	\$55,370.00
(h3)	\$1,730,982.78	\$0.00	\$865,491.39	\$0.00	\$519,294.83	\$0.00	\$346,196.56	\$0.00	\$0.00	\$0.00	\$0.00
(i) Equipment	\$384,999.00	\$72,867.00	\$192,499.50	\$36,433.50	\$115,499.70	\$21,860.10	\$76,999.80	\$14,573.40	\$0.00	\$0.00	\$72,867.00
(j) Miscellaneous Costs	\$40,000.00	\$19,720.17	\$20,000.00	\$9,860.09	\$12,000.00	\$5,916.05	\$8,000.00	\$3,944.03	\$0.00	\$0.00	\$19,720.17
(k) Contingencies	\$19,681.00	\$0.00	\$9,840.50	\$0.00	\$5,904.30	\$0.00	\$3,936.20	\$0.00	\$0.00	\$0.00	\$0.00
(l) Total Cumulative to Date	\$5,585,000.00	\$1,960,052.12	\$2,792,500.00	\$980,026.06	\$1,675,500.00	\$588,015.64	\$1,117,000.00	\$392,010.42	\$0.00	\$0.00	\$1,960,052.12
(m) Total Payments Previously Requested		\$1,566,033.81		\$793,016.91		\$475,810.14		\$317,206.76			
(n) Amount Requested for Reimbursement		\$374,018.31		\$187,009.16		\$112,205.49		\$74,803.66			
(o) % of Project Completion		35%		35%		35%		35%			
(p) % of Construction Work Completion		0%									

CERTIFICATION

I certify, to the best of my knowledge and belief, that the billed costs or disbursements are in accordance with the terms of the project, the request for payment represents the monies due which have not been previously requested, an inspection has been performed, and all work is in accordance with the terms of the award.

Ronald Woody
Signature of Authorized Certifying Official*
Ronald Woody, County Executive
Type or Printed Name and Title

3/7/12
Date
3/7/12
Date

#4

*Only forms submitted with original signatures will be processed.
CN-0870 (Rev.10-2003)

20449500MTW



DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATE REVOLVING FUND LOAN PROGRAM
REQUEST FOR DISBURSEMENT OF FUNDS

REQUEST NUMBER: 3 PROJECT # CWO-2011-285
 LEGAL NAME OF APPLICANT: Roane County Government
 ADDRESS: PO Box 496
 CITY, STATE, ZIP: Kingston TN 37763
 PERIOD COVERED BY THIS REQUEST: Nov 9 2011 TO January 19, 2012

CHECK ONE:
 Clean Water
 Drinking Water

STATUS OF FUNDS

CLASSIFICATIONS OF CUMULATIVE TO DATE COSTS	SRF/CAP10 Current Budget	SRF/CAP10 cumulative totals	CURRENT SRF BUDGET	SRF LOAN FUNDING CUMULATIVE TOTALS (50%)	CURRENT CAP10 LOAN BUDGET	CAP10 LOAN FUNDING CUMULATIVE TOTALS (30%)	CURRENT CAP10 PF BUDGET	CAP10 PF FUNDING CUMULATIVE TOTALS (20%)	LOCAL SHARE FUNDING CUMULATIVE TOTALS	OTHER FUNDING CUMULATIVE TOTALS	PROJECT CUMULATIVE TOTALS
(a) Administrative & Legal fees	\$20,000.00	\$533.92	\$10,000.00	\$266.96	\$6,000.00	\$160.18	\$4,000.00	\$106.78	\$0.00	\$0.00	\$533.92
(b) Land Costs, Appraisals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(c) Planning Fees	\$9,000.00	\$5,000.00	\$4,500.00	\$2,500.00	\$2,700.00	\$1,500.00	\$1,800.00	\$1,000.00	\$0.00	\$0.00	\$5,000.00
(d) Design Fees	\$246,500.00	\$194,298.00	\$123,250.00	\$97,149.00	\$73,950.00	\$58,289.40	\$49,300.00	\$38,859.60	\$0.00	\$0.00	\$194,298.00
(e) Engineering Basic Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(f) Other Engineering Fees	\$110,000.00	\$60,357.50	\$55,000.00	\$30,178.75	\$33,000.00	\$18,107.25	\$22,000.00	\$12,071.50	\$0.00	\$0.00	\$60,357.50
(g) Project Inspection Fees	\$73,000.00	\$50,500.50	\$36,500.00	\$25,250.25	\$21,900.00	\$15,150.15	\$14,600.00	\$10,100.10	\$0.00	\$0.00	\$50,500.50
(h) Construction and Project Improvement Costs											
(h1) Lift Station in Contract	\$2,895,467.22	\$1,127,386.72	\$1,447,733.61	\$563,693.36	\$868,640.17	\$338,216.02	\$579,093.44	\$225,477.34	\$0.00	\$0.00	\$1,127,386.72
(h2)	\$55,370.00	\$55,370.00	\$27,685.00	\$27,685.00	\$16,611.00	\$16,611.00	\$11,074.00	\$11,074.00	\$0.00	\$0.00	\$55,370.00
(h3)	\$1,730,982.78	\$0.00	\$865,491.39	\$0.00	\$519,294.83	\$0.00	\$346,196.56	\$0.00	\$0.00	\$0.00	\$0.00
(i) Equipment	\$384,999.00	\$72,867.00	\$192,499.50	\$36,433.50	\$115,499.70	\$21,860.10	\$76,999.80	\$14,573.40	\$0.00	\$0.00	\$72,867.00
(j) Miscellaneous Costs	\$40,000.00	\$19,720.17	\$20,000.00	\$9,860.09	\$12,000.00	\$5,916.05	\$8,000.00	\$3,944.03	\$0.00	\$0.00	\$19,720.17
(k) Contingencies	\$19,681.00	\$0.00	\$9,840.50	\$0.00	\$5,904.30	\$0.00	\$3,936.20	\$0.00	\$0.00	\$0.00	\$0.00
(l) Total Cumulative to Date	\$5,585,000.00	\$1,586,033.81	\$2,792,500.00	\$793,016.91	\$1,675,500.00	\$475,810.14	\$1,117,000.00	\$317,206.76	\$0.00	\$0.00	\$1,586,033.81
(m) Total Payments Previously Requested		\$1,092,640.55		\$546,320.28		\$327,792.17		\$218,528.11			
(n) Amount Requested for Reimbursement		\$493,393.26		\$246,696.63		\$148,017.98		\$98,678.65			
(o) % of Project Completion		28%		28%		28%		28%			
(p) % of Construction Work Completion		0%									

CERTIFICATION

I certify, to the best of my knowledge and belief, that the billed costs or disbursements are in accordance with the terms of the project, the request for payment represents the monies due which have not been previously requested, an inspection has been performed, and all work is in accordance with the terms of the award.

Ronald B. Woody
 Signature of Authorized Certifying Official*
 Ronald B. Woody County Executive
 Type or Printed Name and Title

02/13/12
 Date
 02/14/12
 Date

*Only forms submitted with original signatures will be processed.
 CN-0870 (Rev. 10-2003)

Deb



DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATE REVOLVING FUND LOAN PROGRAM
REQUEST FOR DISBURSEMENT OF FUNDS

REQUEST NUMBER: 2 PROJECT # CWO-2011-285
LEGAL NAME OF APPLICANT: Roane County Government
ADDRESS: PO Box 496
CITY, STATE, ZIP: Kingston TN 37763
PERIOD COVERED BY THIS REQUEST: October 8, 2011 TO November 9, 2011

CHECK ONE:
 Clean Water
 Drinking Water

STATUS OF FUNDS

CLASSIFICATIONS OF CUMULATIVE TO DATE COSTS	SRF/CAP10 Current Budget	SRF/CAP10 cumulative totals	CURRENT SRF BUDGET	SRF LOAN FUNDING CUMULATIVE TOTALS (50%)	CURRENT CAP10 LOAN BUDGET	CAP10 LOAN FUNDING CUMULATIVE TOTALS (30%)	CURRENT CAP10 PF BUDGET	CAP10 PF FUNDING CUMULATIVE TOTALS (20%)	LOCAL SHARE FUNDING CUMULATIVE TOTALS	OTHER FUNDING CUMULATIVE TOTALS	PROJECT CUMULATIVE TOTALS
(a) Administrative & Legal fees	\$20,000.00	\$533.92	\$10,000.00	\$266.96	\$6,000.00	\$160.18	\$4,000.00	\$106.78	\$0.00	\$0.00	\$533.92
(b) Land Costs, Appraisals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(c) Planning Fees	\$9,000.00	\$5,000.00	\$4,500.00	\$2,500.00	\$2,700.00	\$1,500.00	\$1,800.00	\$1,000.00	\$0.00	\$0.00	\$5,000.00
(d) Design Fees	\$246,500.00	\$143,057.00	\$123,250.00	\$71,528.50	\$73,950.00	\$42,917.10	\$49,300.00	\$28,611.40	\$0.00	\$0.00	\$143,057.00
(e) Engineering Basic Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(f) Other Engineering Fees	\$110,000.00	\$50,720.00	\$55,000.00	\$25,360.00	\$33,000.00	\$15,216.00	\$22,000.00	\$10,144.00	\$0.00	\$0.00	\$50,720.00
(g) Project Inspection Fees	\$73,000.00	\$22,710.10	\$36,500.00	\$11,355.05	\$21,900.00	\$6,813.03	\$14,600.00	\$4,542.02	\$0.00	\$0.00	\$22,710.10
(h) Construction and Project Improvement Costs											
(h1)	\$4,626,450.00	\$815,249.53	\$2,313,225.00	\$407,624.77	\$1,387,935.00	\$244,574.86	\$925,290.00	\$163,049.91	\$0.00	\$0.00	\$815,249.53
(h2) Lift Station in Contract	\$55,370.00	\$55,370.00	\$27,685.00	\$27,685.00	\$16,611.00	\$16,611.00	\$11,074.00	\$11,074.00	\$0.00	\$0.00	\$55,370.00
(h3)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(i) Equipment	\$74,990.00	\$0.00	\$37,495.00	\$0.00	\$22,497.00	\$0.00	\$14,998.00	\$0.00	\$0.00	\$0.00	\$0.00
(j) Miscellaneous Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(k) Contingencies	\$369,690.00	\$0.00	\$184,845.00	\$0.00	\$110,907.00	\$0.00	\$73,938.00	\$0.00	\$0.00	\$0.00	\$0.00
(l) Total Cumulative to Date	\$5,585,000.00	\$1,092,640.55	\$2,792,500.00	\$546,320.28	\$1,675,500.00	\$327,792.17	\$1,117,000.00	\$218,528.11	\$0.00	\$0.00	\$1,092,640.55
(m) Total Payments Previously Requested		\$411,193.73		\$205,596.87		\$123,358.12		\$82,238.75			
(n) Amount Requested for Reimbursement		\$681,446.82		\$340,723.41		\$204,434.05		\$136,289.36			
(o) % of Project Completion		20%		20%		20%		20%			
(p) % of Construction Work Completion		0%									

CERTIFICATION

I certify, to the best of my knowledge and belief, that the billed costs or disbursements are in accordance with the terms of the project, the request for payment represents the monies due which have not been previously requested, an inspection has been performed, and all work is in accordance with the terms of the award.

Ron Woody
Signature of Authorized Certifying Official*
Ron Woody County Executive
Type or Printed Name and Title

11/28/11
Date
11/28/11
Date

*Only forms submitted with original signatures will be processed.
CN-0870 (Rev.10-2003)

Debbie
11/8/11

COPY

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
STATE REVOLVING FUND LOAN PROGRAM
REQUEST FOR DISBURSEMENT OF FUNDS

REQUEST NUMBER: 2 PROJECT # CWO-2011-285
LEGAL NAME OF APPLICANT: Roane County Government
ADDRESS: PO Box 496
CITY, STATE, ZIP: Kingston TN 37763
PERIOD COVERED BY THIS REQUEST: October 8, 2011 TO November 9, 2011

CHECK ONE:
 Clean Water
 Drinking Water

STATUS OF FUNDS

CLASSIFICATIONS OF CUMULATIVE TO DATE COSTS	SRF/CAP10 Current Budget	SRF/CAP10 cumulative totals	CURRENT SRF BUDGET	SRF LOAN FUNDING CUMULATIVE TOTALS (50%)	CURRENT CAP10 LOAN BUDGET	CAP10 LOAN FUNDING CUMULATIVE TOTALS (30%)	CURRENT CAP10 PF BUDGET	CAP10 PF FUNDING CUMULATIVE TOTALS (20%)	LOCAL SHARE FUNDING CUMULATIVE TOTALS	OTHER FUNDING CUMULATIVE TOTALS	PROJECT CUMULATIVE TOTALS
(a) Administrative & Legal fees	\$20,000.00	\$533.92	\$10,000.00	\$266.96	\$6,000.00	\$160.18	\$4,000.00	\$106.78	\$0.00	\$0.00	\$533.92
(b) Land Costs, Appraisals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(c) Planning Fees	\$9,000.00	\$5,000.00	\$4,500.00	\$2,500.00	\$2,700.00	\$1,500.00	\$1,800.00	\$1,000.00	\$0.00	\$0.00	\$5,000.00
(d) Design Fees	\$246,500.00	\$143,057.00	\$123,250.00	\$71,528.50	\$73,950.00	\$42,917.10	\$49,300.00	\$28,611.40	\$0.00	\$0.00	\$143,057.00
(e) Engineering Basic Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(f) Other Engineering Fees	\$110,000.00	\$50,720.00	\$55,000.00	\$25,360.00	\$33,000.00	\$15,216.00	\$22,000.00	\$10,144.00	\$0.00	\$0.00	\$50,720.00
(g) Project Inspection Fees	\$73,000.00	\$22,710.10	\$36,500.00	\$11,355.05	\$21,900.00	\$6,813.03	\$14,600.00	\$4,542.02	\$0.00	\$0.00	\$22,710.10
(h) Construction and Project Improvement Costs											
(h1)	\$4,626,450.00	\$844,938.58	\$2,313,225.00	\$422,469.29	\$1,387,935.00	\$253,481.57	\$925,290.00	\$168,987.72	\$0.00	\$0.00	\$844,938.58
(h2) Lift Station in Contract	\$55,370.00	\$55,370.00	\$27,685.00	\$27,685.00	\$16,611.00	\$16,611.00	\$11,074.00	\$11,074.00	\$0.00	\$0.00	\$55,370.00
(h3)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(i) Equipment	\$74,990.00	\$0.00	\$37,495.00	\$0.00	\$22,497.00	\$0.00	\$14,998.00	\$0.00	\$0.00	\$0.00	\$0.00
(j) Miscellaneous Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(k) Contingencies	\$369,690.00	\$0.00	\$184,845.00	\$0.00	\$110,907.00	\$0.00	\$73,938.00	\$0.00	\$0.00	\$0.00	\$0.00
(l) Total Cumulative to Date	\$5,585,000.00	\$1,122,329.60	\$2,792,500.00	\$561,164.80	\$1,675,500.00	\$336,698.88	\$1,117,000.00	\$224,465.92	\$0.00	\$0.00	\$1,122,329.60
(m) Total Payments Previously Requested		\$411,493.73		\$205,596.87		\$123,358.12		\$82,238.75			
(n) Amount Requested for Reimbursement		\$711,135.87		\$355,567.94		\$213,340.76		\$142,227.17			
(o) % of Project Completion		20%		20%		20%		20%			
(p) % of Construction Work Completion		0%									

CERTIFICATION

I certify, to the best of my knowledge and belief, that the billed costs or disbursements are in accordance with the terms of the project, the request for payment represents the monies due which have not been previously requested, an inspection has been performed, and all work is in accordance with the terms of the award.

Ron Woody
Signature of Authorized Certifying Official*
Ron Woody County Executive
Type or Printed Name and Title

11/8/11
Date
11/8/11
Date

*Only forms submitted with original signatures will be processed.
CN-0870 (Rev. 10-2003)

Sinking Fund

A sinking fund is used as a repository for money to be used for repayment of a future debt. In the case of the Wastewater Fund (204) the sinking fund has been established to offset the initial expense related to principal repayment of the SRF loan.

Roane County approved the establishment of a sinking fund in regards to the SRF loan of 2011. An initial commitment of \$200,000 was made through Resolution #01-12-27. The purpose of this sinking fund is to ensure cash is available to meet the repayment of the SRF loan when it comes due. The sinking fund will allow debt repayment until the full implementation of the rate increase and additional customer billing is fully achieved.

Each year until the payments are due in earnest on principal repayment of the SRF loan, money will be committed into the sinking fund. The first deposit was recorded in 2011 in the amount of \$200,000. Each year additional funds will be held aside as funds are available within the Wastewater fund balance.

The sinking fund is reflected on the 9/28/12 balance sheet.

Cash of \$200,000 and equity of \$200,000 have been segregated for maintenance of this fund.



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

State Revolving Fund Loan Program
8th Floor, L & C Tower
401 Church Street
Nashville, TN 37243

September 9, 2011

Mr. Ron Woody
Roane County Executive
P. O. Box 643
Kingston, TN 37763

RE: Engineering Agreement
Roane County, Tennessee
CW0 2011-285, **Collection System Extension in Two Areas**, the Delozier Lane and Post Oak Valley Road area and the Keylon Drive, Swan Pond, and US HW-70 near the Clinch River area

Dear Mr. Woody:

This revised Engineering Agreement acceptance letter is being sent out as a result of the updates to the SRF Per Budget Sheet figures below, which are reflected in your latest ReBudget dated September 7, 2011.

The State Revolving Fund (SRF) received your engineering agreement dated May 2, 2011. We are hereby accepting your engineering fees contained in your agreement with Vaughn & Melton Consulting Engineers, Inc.

The budget for your project is as follows:

Administrative Fees	\$ 0.00	Administrative Fees	\$ 0.00
Planning Fees	\$ 9,000.00	Planning Fees	\$ 9,000.00
Design Fees	\$ 246,500.00	Design Fees	\$ 246,500.00
Engineering Basic Fees	\$ 0.00	Engineering Basic Fees	\$ 0.00
Other Engineering Fees	\$ 110,000.00	Other Engineering Fees	\$ 110,000.00
Project Inspection Fees	\$ 73,000.00	Project Inspection Fees	\$ 73,000.00
TOTALS	\$ 438,500.00	TOTALS	\$ 438,500.00

You should submit an engineering amendment to our office for acceptance if you need additional engineering costs.

Sincerely,

Bagher Sami, Ph.D., Manager
Administrative Section
State Revolving Fund Loan Program
(615) 532-0501

cc: Mr. Kent R. Olson, P.E., Vaughn & Melton, Knoxville, Tennessee (via e-mail – krolson@vaughnmelton.com)
Mr. Bala Krishnasarma, P.E., TDEC-SRF Loan Program (Via e-Mail)
Ms. Emily Kelly, P.E., Manager, Technical Section, TDEC-SRF Loan Program (Via e-mail)

CHECK ONE

CW0/CG0

DW0/DG0

**STATE REVOLVING FUND PROGRAM
APPLICATION FOR ARRA/SRF PROJECT LOAN**

Tennessee Department of Environment and Conservation
State Revolving Fund Loan Program
8th Floor, L & C Tower
Nashville, Tennessee 37243
Telephone (615) 532-0445

TO BE FILLED IN BY SRFLP OFFICE:

CW0 2011-285

Project Number

\$5,585,000

Loan Amount

\$1,117,000

Amount of Principal Forgiveness

20

Term of Loan in Years

Bond Buyer Index Rate and Date

Loan Interest Rate

Loan Approval by Department (date)

COMMISSIONER, DEPARTMENT OF
ENVIRONMENT & CONSERVATION

Roane County

LEGAL NAME OF APPLICANT

200 E. Race Street, Suite #1

Address

Kingston, TN 37763

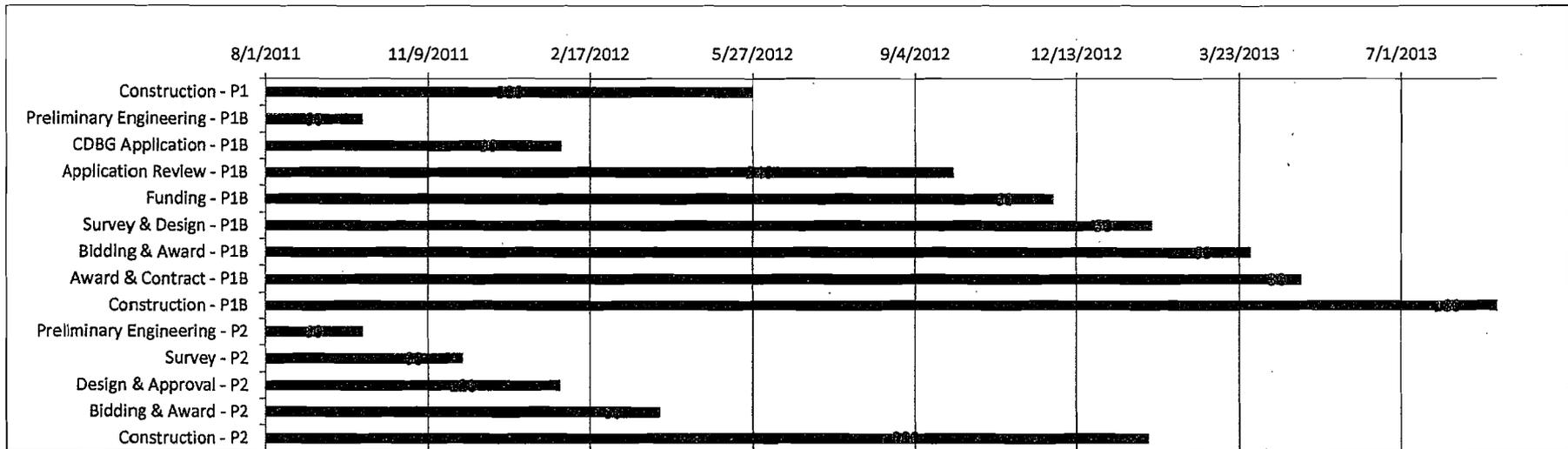
City / State and Zip Code

hereby makes application for a Project Loan to fund the following described activities or tasks concerning a facility (the "Project").

SRF SEWER PROJECTS

	Start Date	Duration (days)	Completion Date
Construction - P1	8/1/2011	300	5/27/2012
Preliminary Engineering - P1B	8/1/2011	60	9/30/2011
CDBG Application - P1B	11/1/2011	90	1/30/2012
Application Review - P1B	2/1/2012	240	9/28/2012
Funding - P1B	9/30/2012	60	11/29/2012
Survey & Design - P1B	11/29/2012	60	1/29/2013
Bidding & Award - P1B	1/29/2013	60	3/31/2013
Award & Contract - P1B	3/31/2013	30	4/30/2013
Construction - P1B	4/30/2013	180	10/27/2013
Preliminary Engineering - P2	8/1/2011	60	9/30/2011
Survey - P2	10/1/2011	60	11/30/2011
Design & Approval - P2	10/1/2011	120	1/29/2012
Bidding & Award - P2	2/1/2012	60	4/1/2012
Construction - P2	4/1/2012	300	1/26/2013

Legend
P1 - Phase 1 - Midtown
P1B - CDBG Project
P2 - Phase 2 - Rockwood



LF - 10/5/2011

P
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 #13



Vaughn & Melton

Engineering • Surveying

1909 Ailor Avenue
Knoxville, Tennessee 37921
Tel: (865) 546-5800
Fax: (865) 546-4714
www.vaughnmelton.com

June 20, 2012

Mr. Gene McClure
PO Box 124
Rockwood, TN 37854

Re: Roane County Sewer Expansion- Phase II
V&M Project No. 51150-43

Dear Mr. McClure,

The bid opening for this project was held at 2:00 P.M. on June 19, 2012. We received nine (9) bids on the above referenced project with John T. Hall Construction being the low bidder and within the estimated project budget. Therefore, we recommend awarding the Roane County Sewer Expansion-Phase II to John T. Hall Construction, 571 Turntable Road, Sparta, TN 38583. The amount of their bid is One Million, Six hundred Forty Eight Thousand, Two Hundred Thirteen dollars and Forty Cents (\$1,648,213.40). See attached bid tabulation.

We have also called several references that were supplied, and all gave outstanding reviews of their work and recommended them for this project.

If you have any questions or need additional information, please call the office.

Sincerely,

Vaughn & Melton Consulting Engineers, Inc.



Kent Olson, P.E.
Project Manager

KRO/tl
Attachments

Contracts

**AGREEMENT BETWEEN
ROANE COUNTY
AND
VAUGHN AND MELTON CONSULTING ENGINEERS, INC
FOR
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of July 1, 2010 ("Effective Date")

between Roane County ("Owner")

and Vaughn & Melton Consulting Engineers ("Engineer")

Engineer agrees to provide professional engineering services including the survey, design and construction administration of a sewer collection system. The limits and scope of the work will be within the areas described as Phase I, (Midtown) and Phase II (Rockwood) as shown in the revised PER, Roane County Sewer Collection System. Engineer will design improvements to the Roane County sewer system to Roane County standards.

- 1) Preparation of a preliminary engineering report for approval by SRF.
- 2) Administration of the funding for the project.
- 3) Topographic and planimetric surveys for design.
- 4) Preparation of construction plans and contract documents.
- 5) Preparation of all permits required by state agencies.
- 6) Preparation of environmental report as required by SRF.
- 7) Preparation of all legal descriptions and permanent easements required by the project.
- 8) Resident inspection services.

Owner and Engineer further agree as follows:

1.01 Basic Agreement

A. Engineer shall provide, or cause to be provided, the services set forth in this Agreement, and Owner shall pay Engineer for such Services as set forth in Paragraph 11.01.

2.01 Payment Procedures

A. *Preparation of Invoices.* Engineer will prepare a monthly invoice in accordance with

Engineer's standard invoicing practices and submit the invoice to Owner.

B. *Payment of Invoices.* Invoices are due and payable within 30 days of receipt. If Owner fails to make any payment due Engineer for services and expenses within 30 days after receipt of Engineer's invoice, the amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day. In addition, Engineer may, without liability, after giving seven days written notice to Owner, suspend services

under this Agreement until Engineer has been paid in full all amounts due for services, expenses, and other related charges. Payments will be credited first to interest and then to principal.

3.01 Additional Services

A. If authorized by Owner, or if required because of changes in the Project, Engineer shall furnish services in addition to those set forth above.

B. Owner shall pay Engineer for such additional services as follows: For additional services of Engineer's employees engaged directly on the Project an amount equal to the cumulative hours charged to the Project by each class of Engineer's employees times standard hourly rates for each applicable billing class; plus reimbursable expenses and Engineer's consultants' charges, if any. These rates shall be as shown on the attached V & M rates, dated May 2010 (Exhibit A).

4.01 Termination

A. The obligation to provide further services under this Agreement may be terminated:

1. *For cause,*

a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's term through no fault of the terminating party.

b. By Engineer:

1) upon seven days written notice if Engineer believes that Engineer is being requested by Owner to furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or

2) upon seven days written notice if the Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control.

3) Engineer shall have no liability to Owner on account of such termination.

c. Notwithstanding the foregoing, this Agreement will not terminate as a result of a substantial failure under paragraph 4.01.A.1.a if the party receiving such notice begins, within seven days of receipt of such notice begins, within seven days of receipt of such notice, to correct its failure and proceeds diligently to cure such failure within no more than 30 days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience, by Owner effective upon the receipt of notice by Engineer,

B. The terminating party under paragraph 4.01.A.1 or 4.01.A.2 may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to demobilize personnel and equipment from the Project site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completing and uncompleted tasks, and to assembly Project materials in orderly files.

5.01 Controlling Law

A. This Agreement is to be governed by the law of the state in which the Project is located.

6.01 Successors, Assigns, and Beneficiaries

A. Owner and Engineer each is hereby bound and the partners, successors, executors,

administrators, and legal representatives of Owner and Engineer (and to the extent permitting by paragraph 7.01.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

7.01 General Considerations

A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with Engineer's services. Engineer and its consultants may use or rely upon the design services of others, including, but not limited to, contractors, manufacturers, and suppliers.

B. Engineer shall not at any time supervise, direct, or have control over any contractor's work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, for safety precautions and programs incident to a contractor's work progress, nor for any failure of any contractor to comply with laws and regulations applicable to contractor's work.

C. Engineer neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish

and perform its work in accordance with the contract between Owner and such contractor.

D. Engineer shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any contractor's agent or employees or any other persons (except Engineer's own employees) at the Project site or otherwise furnishing or performing any of construction work; or for any decision made on interpretations or clarifications of the construction contract given by Owner without consultation and advise of Engineer.

E. The general conditions for any construction contract documents prepared hereunder are to be the "Standard General Conditions of the Construction Contract" as prepared by the Engineers Joint Contract Documents Committee (No. C-700, 2002 Edition).

F. All design documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed.

G. Copies of documents that may be relied upon by Owner are limited to the printed copies (also known as hard copies) that are signed or sealed by Engineer. Files in electronic media format or text, data, graphic or other types that are furnished by the Engineer to the Owner are only for convenience of Owner. Any conclusions or information obtained or derived from such electronic files will be at the user's sole risk. When transferring documents in electronic media format, Engineer makes no representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems or computer hardware differing from those in use by Engineer at the beginning of this assignment.

H. To the fullest extent permitted by law, Owner and Engineer (1) waive against

each other, and the other's employees, officers, directors, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project, and (2) agree that Engineer's total liability to Owner under this Agreement shall be limited to \$50,000.00 or the total amount of compensation received by Engineer, whichever is greater.

I. Owner and Engineer agree that they shall first submit any and all unsettled claims, counterclaims, disputes, and other matters in question between them arising out of or relating to this Agreement to mediation in accordance with the Construction Industry Mediation Rules of the American Arbitration Association, effective as of the date of this Agreement.

J. Neither party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations results from any cause beyond its reasonable control and without its negligence.

K. The parties acknowledge that Engineer's scope of services does not include any services related to a Hazardous Environmental Condition (the presence of asbestos, PCB's, petroleum, hazardous substances or waste, and radioactive materials). If Engineer or any other party encounters a Hazardous Environmental Condition, Engineer may, as its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until Owner: (i) retains appropriate specialist consultants or contractors to identify and, as appropriate, abate, remediate, or remove the Hazardous Environmental Condition; and (ii) warrants that the Site is in full compliance with applicable Laws and Regulations.

L. Non-enforcement of any provisions of this Agreement by either part shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

8.01 Insurance

A. Owner and Engineer shall each maintain commercial general liability insurance with a limit or not less than \$500,000 per each occurrence of \$1,000,000 general aggregate.

B. Engineer shall maintain professional liability insurance with a limit of not less than \$1,000,000 to cover claims that arise out of the rendering, or failure to render, professional engineering services under this Agreement.

C. Engineer and Owner shall each deliver to the other certificates of insurance evidencing the coverage's indicated. Such certificates shall be furnished prior to commencement of Engineer's services and at renewals thereafter during the life of the Agreement.

9.01 Schedule

Construction plans and construction bidding documents shall be ready for bidding within six months of the issuance of a notice to proceed by Owner.

10.01 Total Agreement

A. This Agreement (consisting of pages 1 to 6 inclusive together with any expressly incorporated appendix), constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

11.01 Payment

A. Using the procedures set forth in paragraph 2.01 Payment Procedures, Owner shall pay Engineer in accordance with the schedule of values as shown in Exhibit B. Total compensation shall not exceed \$438,500

unless authorized by Owner or required due to changes in the project.

B. The Engineer's compensation shall be paid for all services rendered. Lump Sum Items not completed at the end of each billing period shall be paid based on the percentage of their completion. For items charged by the hour, Owner shall pay Engineer an amount equal to the cumulative hours charged to the Item by each class of Engineer's employees times standard hourly rates for each applicable billing class; plus reimbursable expenses and Engineer's consultants' charges, if any.

C. The Engineer's compensation is conditioned on the time to complete construction not exceeding two (2) years beyond the effective date of this contract. Should the time to complete construction be extended beyond this period, total compensation to engineer for services not yet rendered shall be appropriately adjusted.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

ROANE COUNTY

VAUGHN & MELTON CONSULTING ENGINEERS, INC.

OWNER:

ENGINEER:

By: *[Signature]*

By: *David J. Amnell*

Title: *County Executive*

Title: *Regional Vice President*

Date Signed: *7/1/11*

Date Signed: *7/26/11*

Address for giving notices:

Address for giving notices:

Roane County Mayor *Executive*
200 E. Race Street
Kingston, TN 37763

Vaughn & Melton Consulting Engineers, Inc.
1909 Ailor Avenue
Knoxville, TN 37921

EXHIBIT A

VAUGHN & MELTON
1909 Ailor Avenue
Knoxville, Tennessee 37921

Phone No. (865) 546-5800

Fax No. (865) 546-4714

Vaughn & Melton, (V&M) will provide professional engineering services at an hourly rate for each classification as follows:

<u>Job Classification</u>	<u>Hourly Rate</u>
Principal	\$165.00
Senior Level Professional	130.00
Licensed Professional	100.00
Graduate Engineer (EIT)	85.00
Senior Certified Technician/Designer	75.00
Senior Designer	75.00
Technician IV	70.00
Technician III	55.00
Technician II	40.00
Technician I	35.00
Clerical Administration	45.00
Clerk/Typist	40.00
Survey Party (4-Man)	175.00
Survey Party (3-Man or 2-man w/Robotic or GPS)	140.00
Survey Party (2-Man or 1-man w/Robotic or GPS)	105.00

The above rates would be full compensation, including fringe benefits and overhead items for each hour worked by an employee; except the following expenses properly chargeable to the project, which would be reimbursed at cost:

- (1) Printing, reproduction, photography or special material for said project.
- (2) Travel by 4X4 at \$0.75 per mile. Travel by 4X2 at \$0.60 per mile.
- (3) Travel and living expenses for all personnel when required to be away from Knoxville in connection with work.
- (4) Other consultant fees as approved by the Owner (or his Agent).

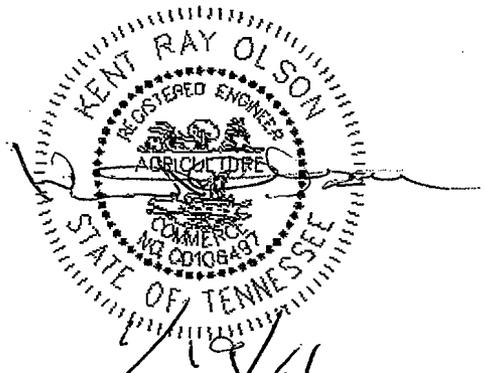
V&M will furnish, at the request of the Owner, monthly time sheets and an hourly breakdown for each employee working on said project with V&M's monthly invoice. The invoice and time sheets would be certified that the employee's worked the hours shown, at the classification designated.

V&M rates May 2011

EXHIBIT B
Schedule of Values

Engineer Design Fee -Phase I (Lump Sum)	\$ 127,205.00
Engineer Design Fee- Phase II (Lump Sum)	\$ 119,295
Preliminary Engineering Report (Lump Sum)	\$ 5,000.00
Environmental Report (Lump Sum)	\$ 4,000.00
Survey-Hourly -Phase I (Estimated) Field Work	\$ 40,000.00
Survey- Hourly- Phase II (Estimated)	\$ 50,000.00
Inspection Fee -Hourly (Estimated) Phase I	\$ 35,000.00
Inspection Fee-Hourly (Estimated) Phase II	\$ 38,000.00
Easement Preparation (Hourly, Estimated)	\$ 20,000.00

CONTRACT DOCUMENTS
AND
SPECIFICATIONS
FOR
ROANE COUNTY SEWER
EXPANSION- "MIDTOWN"
FOR
ROANE COUNTY



VAUGHN & MELTON CONSULTING ENGINEERS, INC.
1909 AILOR AVENUE
KNOXVILLE, TENNESSEE 37921
PHONE: 865-546-5800
FAX: 865-546-4714

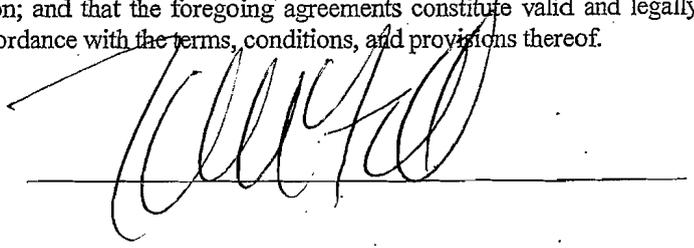
PROJECT NO. 51050-29

EXHIBIT GC-A

Certificate of Owner's Attorney

I, the undersigned, Tom McFarland, the duly authorized and acting legal representative of Roane County Government, do hereby certify as follows:

I have examined the attached Contract(s) and performance and payment bond(s) and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements is adequate and has been duly executed by the proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legally binding obligations upon the parties executing the same in accordance with the terms, conditions, and provisions thereof.



A handwritten signature in black ink, appearing to read 'Tom McFarland', is written over a horizontal line.

Date: 7-26-11

**EJCDC
STANDARD FORM OF AGREEMENT
BETWEEN OWNER AND CONTRACTOR
ON THE BASIS OF A STIPULATED PRICE**

ROANE COUNTY (hereinafter called **OWNER**) and
CLEARY CONSTRUCTION INC (hereinafter called **CONTRACTOR**.)

OWNER and **CONTRACTOR**, in consideration of the mutual covenants hereinafter set forth,
agree as follows:

Article 1. WORK

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents.
The work is generally described as follows:

ROANE COUNTY SEWER EXPANSION-"MIDTOWN"
ROANE COUNTY, TN
PROJECT NO. 51050-29

Work to be covered under this contract includes furnishing all materials, tools, labor,
superintendence, equipment and incidentals necessary for the installation of:

See Bid Schedule

Article 2. ENGINEER

The Project has been designed by Vaughn & Melton (Tennessee), Inc., Engineering, Architecture,
and Surveying who is hereinafter called **ENGINEER** and who is to act as Owner's representative,
assume all duties and responsibilities and have the rights and authority assigned to Engineer in the
Contract Documents in connection with completion of the Work in accordance with the Contract
Documents.

Article 3. CONTRACT TIMES

3.1 The Work will be substantially completed within One Hundred Twenty (120) consecutive

calendar days after the date when the Contract Times commence to run as provided in paragraph 2.3 of the General Conditions, and completed and ready for final payment in accordance with paragraph 14.13 of the General Conditions within 120 calendar days after the date when the Contract Times commence to run.

3.2 *Liquidated Damages.* **OWNER** and **CONTRACTOR** recognize that time is of the essence of this Agreement and that **OWNER** will suffer financial loss if the Work is not completed within the times specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving the actual loss suffered by **OWNER** if the Work is not completed on Time. Accordingly, instead of requiring any such proof, **OWNER** and **CONTRACTOR** agree that as liquidated damages for delay (but not as a penalty) (\$500.00) for each day that expires after the time specified in paragraph 3.1 for Substantial Completion until the Work is substantially completes. After Substantial Completion, if **CONTRACTOR** shall neglect, refuse or fail to complete the remaining Work within the time specified in paragraph 3.1 for completion and readiness for final payment or any proper extension thereof granted by **OWNER**. **CONTRACTOR** shall pay **OWNER** Five Hundred Dollars (\$500.00) for each day that expires after the time specified in paragraph 3.1 for completion and readiness for final payment.

Article 4. CONTRACT PRICE

OWNER shall pay **CONTRACTOR** for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to paragraphs 4.1 and 4.2 below:

4.1 For all Work other than Unit Price Work, a Lump Sum of: \$ 1,477,345.00
Figures

One Million, Four Hundred Seventy-seven thousand
Three hundred forty-five (use words)

All specific cash allowances are included in the above price and have been computed in accordance with paragraph 11.8 of the General Conditions:

plus

4.2 for all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the estimated quantity of that item as indicated in this paragraph 4.2:

As provided in paragraph 11.9 of the General Conditions estimated quantities are not guaranteed, and determinations of actual quantities and classification are to be made by ENGINEER as provided in paragraph 9.10 of the General Conditions. Unit prices have been computed as provided in paragraph 11.9.2 of the General Conditions.

Article 5. PAYMENT PROCEDURES

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions.

Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

5.1. Progress Payments: Retainage. OWNER shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment as recommended by ENGINEER, on or about the 25th day of each month during construction as provided in paragraphs 5.1.1. and 5.1.2. below. All such payments will be measured by the schedule of values established in paragraph 2.9 of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements.

5.1.1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below, but, in each case, less the aggregate of payments previously made and less such amounts as ENGINEER shall determine, or OWNER may withhold, in accordance with paragraph 14.7 of the General Conditions.

Ninety (90%) percent of Work completed (with the balance being retainage). If Work has been 50% completed as determined by ENGINEER, and if the character and progress of the Work have been satisfactory to OWNER and ENGINEER, the OWNER, on recommendation of ENGINEER, may determine that as long as the character and progress of the Work remain satisfactory to them, there will be no additional retainage on account of Work completed, in which case the remaining progress payments prior to Substantial Completion will be in an amount equal to 100% of the Work completed.

Ninety (90%) percent with the balance being retainage) of materials and equipment not incorporated in the Work but delivered, suitably stored and accompanied by documentation satisfactory to OWNER as provided in paragraph 14.2 of the General Conditions.

5.1.2. Upon Substantial Completion, in an amount sufficient to increase total payments to CONTRACTOR to Ninety-five (95%) percent of the Contract Price (with the balance being retainage), less such amounts as ENGINEER shall determine, or OWNER may withhold, (in accordance with paragraph 14.7 of the General Conditions.

5.2. Final Payment. Upon final completion and acceptance of the Work in accordance with paragraph 14.13 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said paragraph 14.13.

Article 6. INTEREST

All monies not paid when due as provided in Article 14 of the General Conditions shall bear interest at the maximum rate allowed by law at the place of the Project.

Article 7. CONTRACTOR'S REPRESENTATIONS

In order to induce **OWNER** to enter into this Agreement **CONTRACTOR** makes the following representations:

7.1 **CONTRACTOR** has examined and carefully studied the Contract Documents (including the Addenda listed in paragraph 8) and the other related data identified in the Bidding Documents including "technical data."

7.2 **CONTRACTOR** has visited the site and become familiar with and is satisfied as to the general, local and site conditions that may affect cost, progress, performance or furnishing of the Work.

7.3 **CONTRACTOR** is familiar with and is satisfied as to all federal, state and local Laws and Regulations that may affect cost, progress, performance and furnishing of the Work.

7.4 **CONTRACTOR** has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to the site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in paragraph 4.2.1 of the General conditions. **CONTRACTOR** accepts the determination set forth in paragraph SC-4.2 of the Supplementary Conditions of the extent of the "technical data" contained in such reports and drawings upon which **CONTRACTOR** is entitled to rely as provided in paragraph 4.2 of the General Conditions. **CONTRACTOR** acknowledges that such reports and drawings are not Contract Documents and may not be complete for **Contractor's** purposes. **CONTRACTOR** acknowledges that **OWNER** and **ENGINEER** do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the site. **CONTRACTOR** has obtained and carefully studied (or assumes responsibility for having done so) all such additional supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction to be employed by **CONTRACTOR** and safety precautions and programs incident thereto. **CONTRACTOR** does not consider that any additional examinations, investigations, explorations, tests, studies, or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with the other terms and conditions of the Contract Documents.

7.5 **CONTRACTOR** is aware of the general nature of work to be performed by **OWNER** and others at the site that relates to the Work as indicated in the Contract Documents.

7.6 **CONTRACTOR** has correlated the information known to **CONTRACTOR**, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies and data with the Contract Documents.

7.7 **CONTRACTOR** has given **ENGINEER** written notice of all conflicts, errors, ambiguities or discrepancies that **CONTRACTOR** has discovered in the Contract Documents and the written resolution thereof by **ENGINEER** is acceptable to **CONTRACTOR**, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

Article 8 CONTRACT DOCUMENTS.

The Contract Documents, which comprise the entire agreement between **OWNER** and **CONTRACTOR** concerning the Work, consist of the following:

8.1. This Agreement (pages ____ to ____ inclusive).

8.2. Exhibits to this Agreement (pages NA to _____ inclusive).

8.3. Performance, Payment and other Bonds, identified as exhibits _____ and consisting of ____ pages.

8.4. Notice to Proceed.

8.5. General Conditions (pages 1 to 42, inclusive).

8.6. Supplementary Conditions (pages 1 to 2 inclusive).

8.7. Specifications bearing the title, Description
For Owner, Kingston, Tennessee and consisting of
____ divisions and ____ pages, as listed in table of contents thereof.

8.8. Drawings consisting of a cover sheet and sheets each sheet bearing the following general title:

[Fill in, and, if a set of Drawings is not attached to each signed counterpart of Agreement, so indicate in which case **OWNER** and **CONTRACTOR** should initial or otherwise appropriately identify each Drawing.]

8.9. Addenda numbers 1 to 3 inclusive.

[Those Addenda, which pertain exclusively to the bidding process, need not be listed.]

8.10. **Contractor's** Bid (pages 1 to 7 inclusive) marked exhibit _____.

[Attach actual Bid only in special circumstances.]

8.11. Documentation submitted by **CONTRACTOR** prior to Notice of Award (pages to not, inclusive.)

8.12. The following which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto: All Written Amendments and other documents amending, modifying or supplementing the Contract Documents pursuant to paragraph 3.5 and 3.6 of the General Conditions.

The documents listed in paragraphs 8.2 et seq. above are attached to this Agreement (except as expressly noted otherwise above.)

There are no Contract Documents other than those listed above in this Article 13. The Contract Documents may only be amended, modified or supplemented as provided in paragraphs 3.5 and 3.6 of the General Conditions.

Article 9. MISCELLANEOUS

9.1. Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.

9.2. No assignment by a party hereto of any rights under or interest in the Contract documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

9.3. **OWNER** and **CONTRACTOR** each binds itself, its partners, successors, assign and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.

9.4. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding

upon **OWNER** and **CONTRACTOR**, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

9.5. OTHER PROVISIONS

[Insert other provisions here if applicable.]

IN WITNESS WHEREOF, **OWNER** and **CONTRACTOR** have signed this Agreement in triplicate. One counterpart each has been delivered to **OWNER**, **CONTRACTOR**, and **ENGINEER**. All portions of the Contract Documents have been signed, initialed or identified by **OWNER** and **CONTRACTOR** or identified by **ENGINEER** on their behalf.

This Agreement will be effective on July 27, 200~~7~~¹¹ (which is the Effective Date of the Agreement.)

OWNER:

CONTRACTOR:

ROANE COUNTY

CLEARY CONSTRUCTION INC.

By: [Signature]

By: [Signature]

(CORPORATE SEAL)

(CORPORATE SEAL)

Attest [Signature]

Attest [Signature]

Address for giving notices

Address for giving notices

200 East Race Street, Suite #3
Kingston, TN 37763

2006 EDMONTON RD, TOMPKINSVILLE, KY 42167

(If **OWNER** is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Agreement.

License No. 00041957

Agent for service of process:

BID

Proposal of CLEARY CONSTRUCTION INC. (hereinafter called "BIDDER"),
organized and existing under the laws of the STATE OF KY. doing business as
A CORPORATION *.

To the Roane County (hereinafter called "OWNER").

In compliance with your Advertisement for Bids, BIDDER hereby proposes to perform all WORK for
the construction of "ROANE COUNTY SEWER EXPANSION, "MIDTOWN"" for
Roane County the in strict accordance with the CONTRACT DOCUMENTS, within the time set
forth therein, and at the prices stated below.

By submission of this BID, each BIDDER certifies, and in the case of a joint BID each party thereto
certifies as to his own organization, that this BID has been arrived at independently, without
consultation, communication, or agreement as to any matter relating to this BID with any other
BIDDER or with any competitor.

BIDDER hereby agrees to commence WORK under this contract on or before a date to be specified
in the NOTICE TO PROCEED and to fully complete the PROJECT within One Hundred Twenty
(120) consecutive calendar days thereafter. BIDDER further agrees to pay as liquidated damages,
the sum of \$500.00 for each consecutive calendar day thereafter.

BIDDER acknowledges receipt of the following ADDENDUM: 1- 02/02/11 ; 2 - 02/17/11 ; 3 - 02/22/11

*Insert "a corporation", "a partnership", or "an individual" as applicable.

BID SCHEDULE

Item No.	Description	Unit	Estimated Quantity	Unit Price	Total Price
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SECTION 100

48" Dia. Eccentric SA MH

1.	48-inch	EA.	24	\$ <u>1,900.⁰⁰</u>	\$ <u>45,600.⁰⁰</u>
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Drop Manhole

2.		EA.	1	\$ <u>3,200.⁰⁰</u>	\$ <u>3,200.⁰⁰</u>
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8" PVC Gravity Sewer

3.	8-inch	L.F.	3,556	\$ <u>46.⁰⁰</u>	\$ <u>163,576.⁰⁰</u>
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8" PVC Gravity Sewer- Under Pvmnt

4.	8-inch	L.F.	790	\$ <u>76.⁰⁰</u>	\$ <u>60,040.⁰⁰</u>
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8" PVC Sewer, B& J 16" STL Encased

5.	8-inch	L.F.	200	\$ <u>210.⁰⁰</u>	\$ <u>42,000.⁰⁰</u>
----	--------	------	-----	-----------------------------	--------------------------------

Asphalt Demo, Full Depth Removal

6.		SY	1000	\$ <u>4.⁰⁰</u>	\$ <u>4,000.⁰⁰</u>
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Asphalt Pavement, Full Depth Reconstruction

7.		SY.	1000	\$ <u>31.⁰⁰</u>	\$ <u>31,000.⁰⁰</u>
----	--	-----	------	----------------------------	--------------------------------

6" Service Connection

8.	6-inch	EA	52	\$ <u>1,200.⁰⁰</u>	\$ <u>62,400.⁰⁰</u>
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6" Service Connections

18	6-inch	EA	5	\$ <u>1,200.⁰⁰</u>	\$ <u>6,000.⁰⁰</u>
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SECTION 400

48" Dia. Eccentric SA MH

19.	48-inch	EA.	9	\$ <u>1,900.⁰⁰</u>	\$ <u>17,100.⁰⁰</u>
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8" pvc Gravity Sewer

20.	8-inch	L.F.	1,414	\$ <u>46.⁰⁰</u>	\$ <u>65,044.⁰⁰</u>
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8" PVC Sewer, B&J 16" Encased

21.	8-inch	L.F.	200	\$ <u>210.⁰⁰</u>	\$ <u>42,000.⁰⁰</u>
-----	--------	------	-----	-----------------------------	--------------------------------

6" Service Connections

22.	6-inch	EA	5	\$ <u>1,200.⁰⁰</u>	\$ <u>6,000.⁰⁰</u>
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SECTION 500

48" Dia. Eccentric SA MH

23.	48-inch	EA.	6	\$ <u>1,800.⁰⁰</u>	\$ <u>10,800.⁰⁰</u>
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8" PVC Gravity Sewer

24.	8-inch	L.F.	1,670	\$ <u>46.⁰⁰</u>	\$ <u>76,820.⁰⁰</u>
-----	--------	------	-------	----------------------------	--------------------------------

6" Service Connections

25	6-inch	EA	5	\$ <u>1,200.⁰⁰</u>	\$ <u>6,000.⁰⁰</u>
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Section 600

48" Dia. Eccentric SA MH

26.	48-inch	EA.	10	\$ <u>1,800.⁰⁰</u>	\$ <u>18,000.⁰⁰</u>
-----	---------	-----	----	-------------------------------	--------------------------------

LIFT STATION AND ANCILLARY

Lift Station Pump Station, all items on Lift Station Detail Sheet in plans.

36. L.S. 1 \$ 97,000.⁰⁰ \$ 97,000.⁰⁰

Wireless Monitoring with Internet Based Data Access

37. L.S. 1 \$ 7,500.⁰⁰ \$ 7,500.⁰⁰

100 KW Generator Set

38. L.S. 1 \$ 66,000.⁰⁰ \$ 66,000.⁰⁰

GRAND TOTAL \$ 1,477,345.⁰⁰
One million four hundred seventy-seven thousand three hundred
forty-five dollars and zero cents
(Write in Words)

Respectfully submitted: DARREN CLEARY

Name of Company) CLEARY CONSTRUCTION INC

Signature:  Title: PRESIDENT

Address: 2006 EDMONTON RD. Date: 2-23-11

TomPK: NSVILLE Ky. 42167 License No.: 00041957

Telephone Number 270-487-1784 Fax Number 270-487-8029

(SEAL - if BID is by a corporation) Attest: 

Notice to Proceed

Dated August 1, 2011

Project: <u>Roane County Sewer Expansion</u>	Owner: <u>Roane County</u>	Owner's Contract No.:
Contract: <u>Roane County Sewer Expansion</u>		Engineer's Project No.: <u>51050-29</u>
Contractor: <u>Cleary Construction</u>		
Contractor's Address: [send Certified Mail, Return Receipt Requested]		
<u>2006 Edmonton Road, Tompkinsville, KY 42167</u>		

You are notified that the Contract Times under the above contract will commence to run on 8/1/11. On or before that date, you are to start performing your obligations under the Contract Documents. In accordance with Article 4 of the Agreement, the date of Substantial Completion is 1/27/12, and the date of readiness for final payment is N/A [(or) the number of days to achieve Substantial Completion is 180, and the number of days to achieve readiness for final payment is 180].

Before you may start any Work at the Site, Paragraph 2.01.B of the General Conditions provides that you and Owner must each deliver to the other (with copies to Engineer and other identified additional insureds) certificates of insurance which each is required to purchase and maintain in accordance with the Contract Documents.

Also, before you may start any Work at the Site, you must [add other requirements]:

N/A

_____	<u>Roane County</u> Owner
_____	Given by: <u>[Signature]</u> Authorized Signature
<u>Cleary Const. Inc</u>	<u>Purchasing Agent</u> Title
<u>Darren Cleary</u>	<u>7/27/11</u> Date
<u>Darren Cleary</u>	

Copy to Engineer

PERFORMANCE BOND

Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):

Clery Construction, Inc.
2006 Edmonton Road
Tompkinsville, Kentucky 42167

OWNER (Name and Address):

Roane County
200 E. Race Street, Suite 3
Kingston, Tennessee 37763

CONTRACT

Effective Date of Agreement:

Amount: \$ 1,477,345.00

Description (Name and Location): Roane County Sewer Expansion- "Midtown"

BOND

Bond Number: 6022549

Date (Not earlier than Effective Date of Agreement):

Amount: \$ 1,477,345.00

Modifications to this Bond Form:

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Performance Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

Clery Construction, Inc. _____ (Seal)
Contractor's Name and Corporate Seal

By: 
Signature

DARREN CLEARY
Print Name

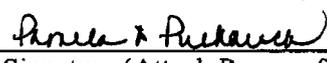
PRESIDENT
Title

Attest: 
Signature

SEC. TREAS.
Title

SURETY

Westfield Insurance Company _____ (Seal)
Surety's Name and Corporate Seal

By: 
Signature (Attach Power of Attorney)

Pamela D. Puskarich
Print Name

Attorney in Fact
Title

Attest: 
Signature

Laurie Lee Sisk, Witness
Title

Note: Provide execution by additional parties, such as joint venturers, if necessary.

Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to Owner for the performance of the Contract, which is incorporated herein by reference.

1. If Contractor performs the Contract, Surety and Contractor have no obligation under this Bond, except to participate in conferences as provided in Paragraph 2.1.
2. If there is no Owner Default, Surety's obligation under this Bond shall arise after:
 - 2.1 Owner has notified Contractor and Surety, at the addresses described in Paragraph 9 below, that Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with Contractor and Surety to be held not later than 15 days after receipt of such notice to discuss methods of performing the Contract. If Owner, Contractor, and Surety agree, Contractor shall be allowed a reasonable time to perform the Contract, but such an agreement shall not waive Owner's right, if any, subsequently to declare a Contractor Default; and
 - 2.2 Owner has declared a Contractor Default and formally terminated Contractor's right to complete the Contract. Such Contractor Default shall not be declared earlier than 20 days after Contractor and Surety have received notice as provided in Paragraph 2.1; and
 - 2.3 Owner has agreed to pay the Balance of the Contract Price to:
 1. Surety in accordance with the terms of the Contract; or
 2. Another contractor selected pursuant to Paragraph 3.3 to perform the Contract.
3. When Owner has satisfied the conditions of Paragraph 2, Surety shall promptly, and at Surety's expense, take one of the following actions:
 - 3.1 Arrange for Contractor, with consent of Owner, to perform and complete the Contract; or
 - 3.2 Undertake to perform and complete the Contract itself, through its agents or through independent contractors; or
 - 3.3 Obtain bids or negotiated proposals from qualified contractors acceptable to Owner for a contract for performance and completion of the Contract, arrange for a contract to be prepared for execution by Owner and contractor selected with Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Contract, and pay to Owner the amount of damages as described in Paragraph 5 in excess of the Balance of the Contract Price incurred by Owner resulting from Contractor Default; or
 - 3.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:
 1. After investigation, determine the amount for which it may be liable to Owner and, as soon as practicable after the amount is determined, tender payment therefor to Owner; or
 2. Deny liability in whole or in part and notify Owner citing reasons therefor.
4. If Surety does not proceed as provided in Paragraph 3 with reasonable promptness, Surety shall be deemed to be in default on this Bond 15 days after receipt of an additional written notice from Owner to Surety demanding that Surety perform its obligations under this Bond, and Owner shall be entitled to enforce any remedy available to Owner. If Surety proceeds as provided in Paragraph 3.4, and Owner refuses the payment tendered or Surety has denied liability, in whole or in part, without further notice Owner shall be entitled to enforce any remedy available to Owner.
5. After Owner has terminated Contractor's right to complete the Contract, and if Surety elects to act under Paragraph 3.1, 3.2, or 3.3 above, then the responsibilities of Surety to Owner shall not be greater than those of Contractor under the Contract, and the responsibilities of Owner to Surety shall not be greater than those of Owner under the Contract. To the limit of the amount of this Bond, but subject to commitment by Owner of the Balance of the Contract Price to mitigation of costs and damages on the Contract, Surety is obligated without duplication for:

- 5.1 The responsibilities of Contractor for correction of defective Work and completion of the Contract;
- 5.2 Additional legal, design professional, and delay costs resulting from Contractor's Default, and resulting from the actions of or failure to act of Surety under Paragraph 3; and
- 5.3 Liquidated damages, or if no liquidated damages are specified in the Contract, actual damages caused by delayed performance or non-performance of Contractor.

6. Surety shall not be liable to Owner or others for obligations of Contractor that are unrelated to the Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than Owner or its heirs, executors, administrators, or successors.

7. Surety hereby waives notice of any change, including changes of time, to Contract or to related subcontracts, purchase orders, and other obligations.

8. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the Work or part of the Work is located, and shall be instituted within two years after Contractor Default or within two years after Contractor ceased working or within two years after Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

9. Notice to Surety, Owner, or Contractor shall be mailed or delivered to the address shown on the signature page.

10. When this Bond has been furnished to comply with a statutory requirement in the location where the Contract was to be performed, any provision in this Bond conflicting with said statutory requirement shall be deemed deleted herefrom and provisions conforming to such statutory requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

11. Definitions.

- 11.1 Balance of the Contract Price: The total amount payable by Owner to Contractor under the Contract after all proper adjustments have been made, including allowance to Contractor of any amounts received or to be received by Owner in settlement of insurance or other Claims for damages to which Contractor is entitled, reduced by all valid and proper payments made to or on behalf of Contractor under the Contract.
- 11.2 Contract: The agreement between Owner and Contractor identified on the signature page, including all Contract Documents and changes thereto.
- 11.3 Contractor Default: Failure of Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Contract.
- 11.4 Owner Default: Failure of Owner, which has neither been remedied nor waived, to pay Contractor as required by the Contract or to perform and complete or otherwise comply with the other terms thereof.

FOR INFORMATION ONLY - (Name, Address and Telephone)

Surety Agency or Broker: Neace Lukens 3000 Meridian Boulevard, Suite 100 Franklin, Tennessee 37067 615-301-2500

Owner's Representative (Engineer or other party):

PAYMENT BOND

Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):

Cleary Construction, Inc.
2006 Edmonton Road
Tompkinsville, Kentucky 42167

OWNER (Name and Address):

Roane County
200 E. Race Street, Suite 3 Kingston, Tennessee 37763

SURETY (Name, and Address of Principal Place of Business):

Westfield Insurance Company
One Park Circle
Westfield Center, Ohio 44251-5001

CONTRACT

Effective Date of Agreement:

Amount: \$ 1,477,345.00

Description (Name and Location): Roane County Sewer Expansion- "Midtown"

BOND

Bond Number: 6022549

Date (Not earlier than Effective Date of Agreement):

Amount: \$ 1,477,345.00

Modifications to this Bond Form:

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.

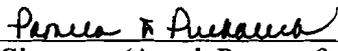
CONTRACTOR AS PRINCIPAL

SURETY

Cleary Construction, Inc. (Seal)
Contractor's Name and Corporate Seal

Westfield Insurance Company (Seal)
Surety's Name and Corporate Seal

By: 
Signature

By: 
Signature (Attach Power of Attorney)

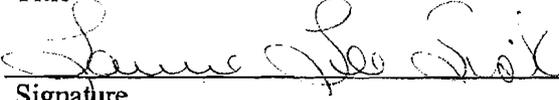
DARREN CLEARY
Print Name

Pamela D. Puskarich
Print Name

PRESIDENT
Title

Attorney in Fact
Title

Attest: 
Signature

Attest: 
Signature

SEC. TREAS.
Title

Laurie Lee Sisk, Witness
Title

Note: Provide execution by additional parties, such as joint venturers, if necessary.

1. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to Owner to pay for labor, materials, and equipment furnished by Claimants for use in the performance of the Contract, which is incorporated herein by reference.
2. With respect to Owner, this obligation shall be null and void if Contractor:
 - 2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 2.2 Defends, indemnifies, and holds harmless Owner from all claims, demands, liens, or suits alleging non-payment by Contractor by any person or entity who furnished labor, materials, or equipment for use in the performance of the Contract, provided Owner has promptly notified Contractor and Surety (at the addresses described in Paragraph 12) of any claims, demands, liens, or suits and tendered defense of such claims, demands, liens, or suits to Contractor and Surety, and provided there is no Owner Default.
3. With respect to Claimants, this obligation shall be null and void if Contractor promptly makes payment, directly or indirectly, for all sums due.
4. Surety shall have no obligation to Claimants under this Bond until:
 - 4.1 Claimants who are employed by or have a direct contract with Contractor have given notice to Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.
 - 4.2 Claimants who do not have a direct contract with Contractor:
 1. Have furnished written notice to Contractor and sent a copy, or notice thereof, to Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials or equipment were furnished or supplied, or for whom the labor was done or performed; and
 2. Have either received a rejection in whole or in part from Contractor, or not received within 30 days of furnishing the above notice any communication from Contractor by which Contractor had indicated the claim will be paid directly or indirectly; and
 3. Not having been paid within the above 30 days, have sent a written notice to Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to Contractor.
5. If a notice by a Claimant required by Paragraph 4 is provided by Owner to Contractor or to Surety, that is sufficient compliance.
6. Reserved.
7. Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by Surety.
8. Amounts owed by Owner to Contractor under the Contract shall be used for the performance of the Contract and to satisfy claims, if any, under any performance bond. By Contractor furnishing and Owner accepting this Bond, they agree that all funds earned by Contractor in the performance of the Contract are dedicated to satisfy obligations of Contractor and Surety under this Bond, subject to Owner's priority to use the funds for the completion of the Work.
9. Surety shall not be liable to Owner, Claimants, or others for obligations of Contractor that are unrelated to the Contract. Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.

10. Surety hereby waives notice of any change, including changes of time, to the Contract or to related subcontracts, purchase orders, and other obligations.

11. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the Work or part of the Work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by Paragraph 4.1 or Paragraph 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

12. Notice to Surety, Owner, or Contractor shall be mailed or delivered to the addresses shown on the signature page. Actual receipt of notice by Surety, Owner, or Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

13. When this Bond has been furnished to comply with a statutory requirement in the location where the Contract was to be performed, any provision in this Bond conflicting with said statutory requirement shall be deemed deleted herefrom and provisions conforming to such statutory requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory Bond and not as a common law bond.

14. Upon request of any person or entity appearing to be a potential beneficiary of this Bond, Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15. Definitions

15.1 Claimant: An individual or entity having a direct contract with Contractor, or with a first-tier subcontractor of Contractor, to furnish labor, materials, or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Contract, architectural and engineering services required for performance of the Work of Contractor and Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.

15.2 Contract: The agreement between Owner and Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of Owner, which has neither been remedied nor waived, to pay Contractor as required by the Contract, or to perform and complete or otherwise comply with the other terms thereof.

FOR INFORMATION ONLY – *(Name, Address, and Telephone)*

Surety Agency or Broker: Neace Lukens 3000 Meridian Boulevard, Suite 100 Franklin, Tennessee 37067 615-301-2500
Owner's Representative (*Engineer or other*):

General Power of Attorney

Westfield Insurance Co. Westfield National Insurance Co. Ohio Farmers Insurance Co. Westfield Center, Ohio

CERTIFIED COPY

Know All Men by These Presents, That WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY, corporations, hereinafter referred to individually as a "Company" and collectively as "Companies," duly organized and existing under the laws of the State of Ohio, and having its principal office in Westfield Center, Medina County, Ohio, do by these presents make, constitute and appoint

JAMES L. NOE, III, CONNIE J. O'LOUGHLIN, LISA K. WILSON, CRAIG M. WHITLOW, PAMELA D. PUSKARICH, JOINTLY OR SEVERALLY

of FRANKLIN and State of TN its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings, or other instruments or contracts of suretyship-

LIMITATION: THIS POWER OF ATTORNEY CANNOT BE USED TO EXECUTE NOTE GUARANTEE, MORTGAGE DEFICIENCY, MORTGAGE GUARANTEE, OR BANK DEPOSITORY BONDS.

and to bind any of the Companies thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the applicable Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolution adopted by the Board of Directors of each of the WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY:

"Be It Resolved, that the President, any Senior Executive, any Secretary or any Fidelity & Surety Operations Executive or other Executive shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

The Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements of indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such Instruments so executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed by the President and sealed and attested by the Corporate Secretary."

"Be it Further Resolved, that the signature of any such designated person and the seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signatures or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached." (Each adopted at a meeting held on February 8, 2000).

In Witness Whereof, WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY have caused these presents to be signed by their Senior Executive and their corporate seals to be hereto affixed this 02nd day of JUNE A.D., 2011 .

Corporate Seals Affixed



WESTFIELD INSURANCE COMPANY WESTFIELD NATIONAL INSURANCE COMPANY OHIO FARMERS INSURANCE COMPANY

Richard L. Kinnaird, Jr. (Signature)

By: Richard L. Kinnaird, Jr., National Surety Leader and Senior Executive

State of Ohio County of Medina ss.:

On this 02nd day of JUNE A.D., 2011 , before me personally came Richard L. Kinnaird, Jr. to me known, who, being by me duly sworn, did depose and say, that he resides in Medina, Ohio; that he is Senior Executive of WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY, the companies described in and which executed the above instrument; that he knows the seals of said Companies; that the seals affixed to said instrument are such corporate seals; that they were so affixed by order of the Boards of Directors of said Companies; and that he signed his name thereto by like order.

Notarial Seal Affixed



William J. Kahelin (Signature)

William J. Kahelin, Attorney at Law, Notary Public My Commission Does Not Expire (Sec. 147.03 Ohio Revised Code)

State of Ohio County of Medina ss.:

I, Frank A. Carrino, Secretary of WESTFIELD INSURANCE COMPANY, WESTFIELD NATIONAL INSURANCE COMPANY and OHIO FARMERS INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; and furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Westfield Center, Ohio, this day of A.D.,



Frank A. Carrino (Signature)

Frank A. Carrino, Secretary

CHANGE ORDER

CHANGE ORDER NO. 1

Date: July 11, 2011

Agreement Date: *pending*

NAME OF PROJECT: Roane County Sewer Expansion "Midtown"

OWNER: Roane County, TN

CONTRACTOR: Cleary Construction

The following changes are hereby made to the CONTRACT DOCUMENT:
INCREASE: Labor, Equipment, see attached.

Original Contract Price: \$ 1,477,345.00

Current Contract Price adjusted by Previous Change Order \$ -0-

The Contract Price due to this Change Order will be (INCREASED)

BY: \$ 19,000.00

The new Contract Price including this Change Order will be

\$ 1,496,345.00

Change to Contract Time: 120

The New Contract Time will be 300 Calendar Days

The DATE OF COMPLETION of ALL WORK will be:

APPROVED BY:

[Signature]

Paul Bodaj 8/1/11 *PN*
Owner - Roane County Date

RECOMMENDED BY:

Ken Dean 7/19/11
Engineer - Vaughn & Melton Date

ACCEPTED BY:

Dee C... 7-13-11
Contractor - Cleary Construction

Lynn Farnham

From: Kent R. Olson [krolson@Vaughnmelton.com]
Date: Monday, June 13, 2011 9:29 AM
To: Lynn Farnham
Cc: Gene McClure; 'Ron Woody'
Subject: Change Order #1
Attachments: CO #1 backup.pdf

Lynn

Attached is a letter from Darren Cleary with his request for an increase in price due to the increase in oil prices which will affect his cost on pipe and pavement the total price increase he is requesting is \$19,000. I have already requested some back-up on the price increases and will be ready to make a recommendation after I receive this information. This increase would bring his total contract price to \$ 1,496,345 the second Bidders price was \$1,640,755.25 still way above the new price from Cleary Construction. I believe that a price increase is warranted and will make my recommendation after I receive some back-up documentation.

I will be talking to Darren about when he can start work on this project, my thoughts are as follows that after the June 24 SRF Board meeting that we will send a award letter requesting that they obtain their Bonds and insurance in the mean time we can schedule a preconstruction conference and get ready to start construction on the project.

If anyone has another thoughts or suggestions please let me know.

Kent R. Olson

Vaughn & Melton
1909 Allor Ave. - Knoxville, TN 37921
Phone-(865)-546-5800 Fax-(865)-546-4714
www.vaughnmelton.com



2006 EDMONTON ROAD • TOMPKINSVILLE, KY 42167 • PHONE 270-487-1784 • FAX 270-487-8029

June 9, 2011

Mr. Kent R. Olson
Vaughn & Melton Consulting Engineers Inc.
1909 Ailor Avenue
Knoxville, Tennessee 37921

RE: Roane County Sewer Expansion – "Midtown"

Mr. Olson

As you and I have discussed numerous times, the PVC market as well as other markets have taken a steady increase in cost, since the bid date of February 23, 2011.

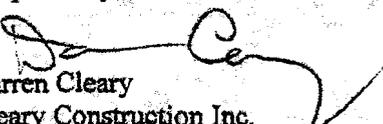
As a result, to try to avoid a large increase in the PVC cost for the project, I informed you of an opportunity a few weeks ago, to go ahead and take delivery of the pipe, from our vendor HD Supply at the quoted price. At that time, I offered the Owner, the opportunity to help in the financing, to go ahead with the purchase of the pipe but was informed that they could not finance the pipe as the job was not under contract. I fully understand the situation they were in. However, after much thought and consideration, I made the decision to go ahead and finance the purchase of the pipe, to avoid the increase in cost of the pipe.

I would like to ask the owner to consider paying Cleary Construction Inc. 60% (Sixty) of the increase in the PVC pipe, by doing so would save themselves 40% (Forty) of the increase, which means the pipe that cost about \$25,000.00 more today versus the day of the bid, would cost them \$15,000.00 with a savings of \$10,000.00.

Also the Asphalt market has taken a huge hit from the oil prices. With this Rogers Group, our paving sub-contractor for this project has asked for an increase of \$4,000.00 to perform the asphalt portion of this project.

All of this would mean that Cleary Construction Inc. would like to ask for an increase in the contract amount of \$19,000.00 (\$15,000.00 for the pipe increase and \$4,000.00 for the asphalt). I do not feel this is out of line, since we are past the 90 (Ninety) day guarantee.

Respectfully Submitted


Darren Cleary
Cleary Construction Inc.

Benchmarking *(MTAS)*

REC'D - 6013

APR 11 2012

Roane County Public Utility

Management and Operations Study

April 2012

THE UNIVERSITY of
TENNESSEE 

INSTITUTE *for*
PUBLIC SERVICE

ROANE COUNTY PUBLIC UTILITY

In February 2012, University of Tennessee Institute for Public Service consultants Brett Ward and Sharon Rollins met with Roane County Mayor, Ron Woody and Public Utility Board Chairman, Stan Malone to discuss the county wastewater treatment and collection system. Messrs. Woody and Malone requested MTAS to:

- conduct a review of wastewater infrastructure, operations, policies and procedures,
- benchmark against similar operations,
- recommend improvements to operational efficiencies, and
- recommend future planning actions

During the next several weeks, IPS consultants met with Roane County Public Utility (RCPU) staff and budget staff, gathered documents and toured the wastewater plant and collection system. This report provides background, and summarizes findings and recommendations.

Background

In 1976 the Roane County Industrial Development Board built a wastewater treatment plant and collection system to primarily serve an industrial park and community college. In the late 1990s, the collection system was expanded to serve the Webster area. Another large extension occurred in 2003 to serve the Midtown commercial development. Mid to late 2000's, the collection system was greatly expanded to serve more businesses and a remotely located exclusive subdivision on Watts Bar Lake – Grand Vista Bay. In 2010, RCPU embarked on a phased project funded in part by a state revolving fund (SRF) loan to provide sewer service to more businesses and residences in the Midtown area.

In 2001, the system was transferred to Roane County. The Roane County Board of Public Utilities was established in 2006 per Tennessee Code Annotated 5-16-101 et seq. The Board has five members and meets monthly to conduct business. The utility employs four – a director, a chief wastewater operator, a collection system operator and a heavy equipment operator/truck driver. County finance officers handle customer fees, purchasing of large items and payment of expenses incurred.

Water service for the area served by the RCPU wastewater system is provided by two different water providers – the City of Rockwood and Roane Central Utility District. RCPU depends on the two water utilities to bill and collect fees for wastewater service. RCPU staff collects tap fees from new customers. Residential customers are charged a flat fee of \$31.50 per month. Customers with septic

tank effluent pump (STEP) systems pay an additional \$25/month maintenance fee. Commercial fees are charged on a fee schedule for gallons of usage.

Collection System

The RCPU wastewater collection system is not under any regulatory enforcement action and has no known public health or environmental risks. A large part of the system is relatively new and unique when compared to nearby systems. Two thirds of the collection system piping is forced main. Much of this forced main serves the Grand Vista Bay residential development. Forced mains carry sewage from STEP systems located at each home. Currently the Grand Vista Bay area is sparsely developed and many existing homes serve as vacation homes. Therefore flow from this development is low. However, potential flow from this area is between 75,000 and 100,000 gallons per day.

One third of the RCPU collection system is gravity flow piping. Most of the users on gravity lines are commercial or industrial users. The gravity part of the collection system requires several lift stations to move sewage to the wastewater treatment plant. There appear to be pretreatment issues with some industrial users, and RCPU is developing an industrial pretreatment program.

There are several residential areas near or adjacent to the existing collection system that have failing septic tank/drain-fields. Those residences have need for public sewer. A planned Phase II of the on-going collection system construction, if completed, will serve two of these areas. Four lift stations have been recently upgraded. Three are high flow and critical to system operation and the fourth was upgraded following damage by a third party.

The collection system challenges will be divided into two subject areas which do overlap with each other and plant and system challenges. These areas are Managerial and Technical.

Managerial Challenges

The ownership status of many of the large sewer lift stations is vague. Director McClure has accepted the responsibility of maintenance and operations of all lift stations so that there will be no regulatory, public health or environmental liabilities. This is a commendable decision but one that could leave the RCPU paying for equipment for lift stations where they have no legal ownership.

Recommendation # 1: Work toward transferring ownership of all lift stations to the RCPU. Because a sewer lift station is often more of a liability than an asset, especially an old station, this may be a situation where the present owner pays RCPU to take ownership. For new lift stations, RCPU should control the design/development and require that ownership of new infrastructure be transferred to the RCPU.

Grand Vista Bay is served by low pressure sewer lines and STEP systems. Currently the Board accepts responsibility for the maintenance of the pumps and piping and connections inside the tank. Other maintenance issues need to be clarified. For instance – (1) the current application for service forms for STEP systems, article 17 states the customer “must give easement to RCPU”; (2) Sewer Service Agreement (page 3 of 7) states that “RCWW (Roane County Wastewater) shall be responsible for all components of the sewer system starting at the septic tank”. It is unclear if this responsibility includes septic tank maintenance including pumping of septage.

Recommendation #2: Obtain and file legal easements with descriptions with county officials to remain as permanent property records. Clarify the exact responsibilities of ownership and maintenance in the STEP system including the responsibility for septic tanks including removal of septage.

The collection system shares a limited amount of underground space with numerous other utility services. This results in a significant amount of time spent by RCPU staff in locating pipes in preparation for the other utilities’ digging operations. It is critically important that sewer system maps be accurate and up-to-date. It is also critical that other utilities understand that if they damage RCPU’s system they will be charged for the cost of that damage. Of course this is a reciprocal arrangement.

RCPU staffing is low. There is one full-time operator assigned to the operation and maintenance of the collection system though others are available for assistance. Area utilities commonly have one worker per 22 miles of collection system, and they struggle to maintain their systems. It is assumed that RCPU has 1.5 workers for 30 miles of pipe (or one worker per 20 miles of pipe). RCPU also has a larger number of lift stations and STEP systems than typical sewer systems. That is the basis for the statement that RCPU staffing is low. A common concern expressed by many staff and leadership persons was that there has been a significant amount of delayed maintenance that is now in the “catch up” process. Delayed maintenance is generally an indicator of low staffing.

Recommendation #3: It’s good business to operate and maintain the sewer collection system in a manner that minimizes regulatory, public health and environmental liability. RCPU is to be commended for doing this with limited staff. As the system grows in customers and complexity, additional staff may be needed to keep the system in reliable working condition to properly serve the customers, prevent overflows and backups and limit the impact of infiltration and inflow (I/I) upon the wastewater treatment plant.

Technical Challenges

Delayed maintenance is a frequent problem in sanitary sewer systems. Much of the work is underground, not easily seen or measured and the impact - both positive and negative - is often slow to become known. Maintenance is critical. The purpose of a sanitary sewer system is to transport wastewater from homes and businesses and to assure that there is no public or environmental contact with wastewater until proper treatment is complete. Collection system backups into homes or businesses are totally unacceptable and system overflows should never happen except in the most

extreme conditions. To accomplish these objectives requires three main actions – (1) proper design, (2) proper operations and maintenance and (3) control of discharges into the system. These are issues of leadership and management, funding and operations. Any new construction must strictly comply with all Tennessee Design Criteria. Quality materials and construction practices must be used and post construction vacuum and pressure tests must be performed and passed before any contractor or engineer is paid. All existing sewer infrastructure should be cared for with the passion of a zealot. RCPU is very fortunate that the current director and workers have that passion, but they are gravely short on tools to complete the work.

Recommendation # 4: Provide the needed tools, parts, equipment and facilities to complete proper operations and maintenance. This includes hand tools, safety equipment, and the requested Jet-Vac-TV truck. Four municipal utilities with similar customer size (263-279 users in 2008) were surveyed. A “jet-trailer” and TV were considered critical tools. Three of these systems are mostly residential, one has a single industry with flow that dwarfs the city flow; but none have the heavy commercial customer mix that RCPU has. A Jet-Vac-TV truck is a necessary collection system tool for providing reliable service to customers. There are many uses in addition to cleaning and removing the debris from that cleaning. Lift station maintenance and cleaning is a common use. Cleanup of spilled sewage is an important use, as is excavation of small areas in tight locations or where small customer impact is critical. Because a Jet-Vac-TV truck is an expensive and complex piece of equipment, taking care of the truck is also essential. A secure, protected, and heated enclosure is a must if the truck is purchased.

Collection system operators need an available inventory of supplies, spare parts and spare equipment, including pumps and motors. The size of this inventory should be the choice of management, but at this time RCPU does not have secure and protected storage for parts, tools and equipment.

Recommendation # 5: Construct a garage/shop for storing tools, spare parts and equipment.

Generally the most critical issue within a sewer collection system is inflow and infiltration (I/I). RCPU is fortunate that the I/I within the system is not yet overwhelming. This is largely due to the fact that the wastewater plant is oversized for current flow. However, as more connections come on line, it is important to be diligent in oversight of construction and proper operations and maintenance so that I/I will not become overwhelming. Currently, flow to the plant during rainfall events generally doubles. I/I does not appear to be causing plant violations, but it does add to treatment and pumping costs and robs the plant of capacity. An assumed level of base sewage flow for this plant is 0.16 MGD. Average flow for 2011 was 0.27 MGD giving an assumed daily volume of I/I at 0.11 MDG. On average 110,000 gallons of rainwater and ground water are pumped, perhaps numerous times, treated and then discharged. I/I costs money and uses up plant capacity that will be needed in the future for paying customers. Though not a crises situation, I/I reduction should always be on the minds of management and workers. There are actions operators can take in all seasons of the year to investigate I/I. A sewer TV camera is a key tool for this effort.

Recommendation # 6: Maintain a sense of urgency for locating and removing I/I. The most valuable time a collection operator can spend could be that time spent locating and repairing I/I problems.

Operators cited two types of problems or potential problems. The presence of large rocks and coal in the collection system are a clear message of the conditions of the pipes and manholes. The presence of "black" water in the Swan Pond Road lift station is a reason for concern.

Recommendation # 7: Follow the rocks/coal evidence until source(s) is located. Awareness and diligent searches of the collection system will often provide very useful information about sewage characteristics. Properly crafted sewer use ordinances are often the only tool a utility has to bring a problem discharger into compliance. Tough cases can require extreme measures such as disconnecting the sewer service. The industrial pretreatment program is also a tool for controlling dischargers.

Sewer odors cover a wide range of intensity, descriptions, and dangers. The most dangerous and damaging are those from hydrogen sulfide, the rotten egg odor. In addition to being a nuisance, the gas is highly poisonous at low levels and causes sulfuric acid corrosion of sewer equipment. The discharges from the Grand Vista Bay area are described as the worst odor. The anaerobic condition within the septic tanks and forced mains are ideal locations for the formation of hydrogen sulfide. Operators described that there have already been corrosion issues with air relief valves.

Recommendation # 8: Purchase a hydrogen sulfide test kit; test the influent flow from various sources to determine the levels of hydrogen sulfide from those areas of the collection system. If hydrogen levels are consistently above 0.5 mg/L, consider some type of odor control treatment. There are various methods of control from addition of oxygen to chemical treatments. RCPU may choose to involve its engineer. Repair the air relief valves.

MTAS is concerned about the long-term implications of STEP tanks as the pump system in the low pressure areas of the collection system. The two areas of concern are odors and septage pumping and disposal. The odor concerns are a result of the ongoing odor complaints from the Center Farms development near Kingston. The development is 100% STEP and there are ongoing issues with odors within that area of the collection system.

At some point in time septage will need to be removed from the STEP tanks. It is easy to say now 'it is the homeowner's responsibility,' but when the time comes there could be significant pressure from property owners to change that policy. Once RCPU pumps one septic tank a precedent will have been set and the expectation to pump all septic tanks will be great.

Grinder pumps are an alternative to the STEP system. Generally they have lower installation costs, there is no septage to pump, but the maintenance will be different.

Recommendation #9: Investigate the possibility of using grinder pumps as an alternative to STEP systems.

Collection System Summary

Though maintenance has been neglected in the past, the RCPU collection system is in relatively good condition when compared to nearby systems and systems of similar age and size. Recent lift station upgrades have added significant reliability. The RCPU collection system will likely experience high growth when new development and existing residences with failing drain-fields connect to the system. Also, there are discussions of possible service to the City of Rockwood by RCPU. It's important to implement the recommendations of this report and do other necessary planning to be ready for growth.

Treatment Plant

The RCPU treatment plant consists of a pair of all steel tanks with a donut design. The center, donut hole, contains a clarifier unit and the outside donut area consists of an aeration basin and digester. A central headworks, located on top of the lab building, serves both sides of the plant.

The plant is performing well with few violations of the National Pollution Control Elimination System (NPDES) permit. There are signs of deterioration to some parts of the steel structure and some heavy maintenance has been completed, while some still needs to be finished. Solids handling is a weakness at the facility. Another facility deficiency is the lack of a maintenance shop/garage structure for keeping supplies, parts and equipment. The plant should have adequate capacity to serve the community through all planned collection system expansions. Current management and operational personnel are well qualified.

Compliance

In regulatory language the NPDES permit which Roane County received from the State of Tennessee requires the treated effluent to meet "secondary and effluent limited standards." This means that the permit is relatively easy to meet and contains numeric limits that are about the highest in the State. Though easier to meet than the permits of other utilities, the consequences of violations can be very costly.

Maintenance

Second to compliance but closely related is the care of the physical structures of the wastewater treatment plant. A broken-down and dilapidated facility will not meet permit requirements. A broken-down and dilapidated facility will not serve the citizens or community. A broken-down and dilapidated facility will become a financial "black hole" very quickly.

There is, on site, a new Maintenance Management Program. It is detailed and thorough. The challenge with any new written program or computerized program is implementation. A common

maintenance benchmark is the number of nonscheduled repairs. This requires honest and diligent tracking, but can be a measure of the effectiveness of a preventative maintenance program.

Over the years the treatment plant has been neglected. Current management has completed several "heavy" maintenance jobs such as an upgraded influent screen and aeration blowers and motors. Tasks yet to be completed are cleaning, checking, and coating of the big tanks. This process should be done thoroughly and carefully to determine the reliability of the underwater equipment such as the aeration diffusers and clarifier sweeps and center drive supports. Visually the half emptied tank looked good. There was rusting along the water level and the clarifier weirs and some valves and air lines needed replacing. These are necessary "heavy" maintenance items. Management should be commended for initiating them and the funding should be forthcoming for completing all needed repairs while the tanks are empty. This is a fortunate time to complete this work. Plant flow is low enough to allow one half of the plant to be taken out of service while the work is completed. It is rare to have this luxury. **Careful maintenance of the existing facility, so that it will serve the community for years to come, is the single most important factor in keeping user rates economical.** A factor that makes plant maintenance more challenging is the lack of a maintenance shop or garage. See Collection System Recommendation # 5.

Another delayed maintenance issue is found in the solids handling side of the plant. The number one treatment plant challenge is solids handling. This is a weak point in plant operations. The facility was originally constructed with sand drying beds. Today the drying beds are all but nonfunctioning. Years of neglect have left the beds in poor condition. There is also a small (0.8 meter) belt press on site which operators characterize as too small and a maintenance headache. For the plant to properly function and produce a quality effluent, timely removal of treatment solids is essential. Drying beds are very labor intensive units, are highly dependent on weather conditions and once contaminated with off-specification sand become unreliable units. With good cleaning and renewal with sand that is "close to the specifications" the beds can be a good "backup" option.

The belt press is too small for a plant of this size. In fact, rarely do even small plants have presses of that size. An option with small equipment is to operate it more hours per day. This is a management decision. The availability of labor and/or overtime must be considered as well as other indirect costs and other considerations. Many small plants in similar situations use sludge dewatering boxes. These are "roll-off" style dumpster boxes fashioned with internal screening media. They are very effective and economical in dewatering sludge in preparation for landfill disposal. Dewatering boxes are often located on existing drying beds with only minor modifications. A polymer feed system is needed, but the existing polymer feed system may fulfill this function.

Recommendation #1: The sludge management processes should not be the "weak link" in effluent quality. Plant personnel must be in full control of the sludge processing side of the plant. Sludge processing capacity should be enhanced by improving existing processes, working longer hours or by adding capacity.

Closely related to processing treatment solids is the receiving and processing of septage. For a short time the plant was accepting septage from local septic tank pumpers. Plant personnel determined that this was not an acceptable practice. Generally, for every tank of septage received another tank of biosolids will need to be removed as sludge. If a small plant is to receive septage, several requirements should be in place. First, payment should be adequate to cover costs. A rate of \$100/1,000 gallons of septage is a good rule of thumb. Second, septage should be screened to remove the inevitable trash that will be part of the discharge, and third the septage should, ideally, be discharged into the digester tank not into the aeration system.

The RCPU customers in Grand Vista Bay all have septic tanks. In time these septic tanks will need to be pumped. RCPU should have clear and written policies about who is responsible for the septage pumping and removal. If the Board decides to accept that responsibility, adequate septage screening and processing should be provided at the treatment plant. See Collection System Recommendation #2. If the plant is to accept septage, adequate septage receiving facilities should be constructed.

Plant Capacity

The number one sewer system challenge across the state and nation is inflow of rainwater and the infiltration of ground water, commonly called "I and I" or simply I/I. Excessive amounts of I/I cause plant violations, washouts, and bypasses of treatment. RCPU is quite fortunate. To date the I/I has not overwhelmed the treatment facility. Plant capacity is 1.0 MGD and peak flows during 2011 have been recorded at 0.68 MGD. There are no recent violations that appear to be related to I/I. It is assumed that base sewage flow is 0.16 MGD and I/I is estimated to be 0.11 MGD. On peak flow days I/I can be as high as 0.52 MGD or a 325% increase over base sewage flow. The cost of pumping, treating, disinfecting and then pumping 'rainwater' to the river can be quite expensive. Additionally, I/I robs the plant of capacity that someday will be needed for a paying customer. See Collection System Recommendation # 6.

The often forgotten side of plant capacity is a facility's capability to remove two key sewage pollutants. The organic and ammonia removal capacity is closely related with the size of the plant tanks and the capacity to aerate wastewater until biological treatment is complete. The assumed organic removal capacity of the plant is about 1,700 pounds per day of Biochemical Oxygen Demand (BOD), and the ammonia removal capacity is unknown, but both are highly dependent on the aeration capacity of the plant.

During 2011 there were several days when influent BOD was quite high. April 2011 had an effluent BOD of 29 mg/L, only 2mg/L from a violation. The evidence appears to indicate there may be users discharging very high strength BOD into the system. April had an influent BOD of 363 mg/L, October was 402 mg/L; each month had a daily high value of just over 500 mg/L. These high values also add to the sludge processing load on the plant. One of the few methods to control the discharges into the collection system is through an industrial pretreatment program. Though the name is industrial, the program can be used to regulate any user into the system.

Recommendation #2: Investigate and locate the source of high BOD loading and take appropriate regulatory action if warranted.

Another capacity issue is the human capacity. RCPU has an experienced and capable director and experienced and willing workers. They appear to be spread thin. A wastewater plant of Roane County's size and complexity will generally be staffed by more than the one dedicated worker. Local work details can change staffing requirements significantly but generally 1-5 workers would be employed in a facility of similar size. The quality of work accepted is also a major factor in staffing decisions.

Recommendation #3: Staffing guidance publications recommend two full-time workers (in addition to the director) for plant operations. This would include plant operations, solids dewatering, all lab analysis and quality assurance, plant maintenance and appearance work, industrial pretreatment, recordkeeping and state reporting. Begin planning for additional staff. Desired skills include the ability to work both in the plant and collection system and perform administrative functions such as industrial pretreatment.

Recommendation #4: Existing office facilities are currently inadequate. With the implementation of an industrial pretreatment program the existing office facilities will be grossly inadequate. Industrial pretreatment is a prescribed program whereby the local utility formally regulates and permits certain sewer system users. There are strict recordkeeping requirements. The current office space is already very cramped. Additional office space is needed to accommodate current staff, to provide meeting space for customers and visitors and office space for an industrial pretreatment coordinator and the director. Storage and table space for use of maps and other records is needed.

Laboratory

A critical plant job that must be completed on a daily basis is the laboratory analysis of plant effluent, influent and process control testing. Over half of an operator's time can be consumed in lab testing. The major emphasis is on quality. Almost every action in the lab is regulated. Having accurate and trustworthy lab data is critically important for two reasons. First, for regulatory compliance, and second, because decisions are made based on the data. Sometimes the decisions could have multimillion dollar impacts on the customers. There is a Lab Quality Assurance program in place. The lab analyst is encouraged to follow it closely and improve that program continually. Regulators, especially EPA, focus very closely on lab quality.

Economy of Operations

Depreciation is generally the largest line item expense that impacts customer rates. When a capital asset is kept in reliable working service after that asset is fully depreciated the advantage to the customers is quite large. It is for this reason that careful maintenance of assets is so critical. Labor costs

are generally the second largest, and the third is often energy costs. Currently plant operators are taking appropriate steps to capture the "low hanging fruit" in energy conservation.

A long-term possibility for lowering operating costs and perhaps enhancing revenue is to compost waste solids. This is not an action to enter into casually. Composting is a timing-critical operation where two waste products are transformed into a more valuable product. If the timing is wrong, there is a very big pile of unusable material that must be reprocessed or disposed of in a landfill.

Treatment Plant Summary

RCPU's wastewater plant is operating in substantial compliance and should serve the community for many more years provided there is careful management. Solids processing is a weak area that should be strengthened. The age of the plant necessitates some heavy maintenance which may be costly. The ongoing care of the facility can be enhanced with improved storage and maintenance facilities. Protecting the plant capacity by reducing I/I and making use of the industrial pretreatment program will be important tasks that enhance the compliance capability and add to the plant's longevity.

Management, Financial and Administrative Operations

As noted earlier, wastewater operations have oversight by a utility board. The RCPU Board members are appointed by the county mayor. Generally, the board recommends on financial matters – rates, budget, purchases and contracts, but the county governing body has the power of approval or denial.

Financial management of RCPU is a joint effort of the Board, the director and staff of Roane County. The Board recommends user rates and priorities on expenditures. The director prepares operating and capital budgets and collects applications and tap fees from new customers. The county trustee receives all RCPU customer revenues collected by Roane Central Utility District and the City of Rockwood. The collecting utilities submit non-detailed reports of revenues collected. Roane Central charges \$250/month for this service; the City of Rockwood charges \$500 per month plus bank fees for this service. There are no written contracts between RCPU and Roane Central Utility District and the City of Rockwood for these services.

The county budget officer pays all expenses for the system and generates budget reports and balance sheets for the Board. This system operates as a special revenue fund. The budget officer maintains equipment lists.

The 2011-2012 budget shows wastewater staff salaries including overtime totaling over \$150,000. Of this total, 10% is budgeted for overtime. Overtime limited to 10% of total salaries is considered acceptable. In past years, overtime has exceeded 10%.

RCPU WWTP Salary and Overtime



RCPU customers have high bills. Rates were raised by 26% in 2010 as a condition of the State Revolving Fund Loan. The customer rates are unique in that residential rates are fixed flat fees per month. Generally, wastewater rates are based on water usage. For commercial customers, rates are based on usage. The current rate schedule is as follows:

RCPU Residential Wastewater Rates	RCPU Commercial Wastewater Rates per 1,000 gals.
Flat Rate = \$31.50/mo. + an additional \$25/mo. maintenance fee for STEP systems	0 – 3,000 gals = \$59.35
	3,001 – 5,000 gals. = 13.57
	5,001 – 11,000 gals. = 11.71
	11,001 – 26,000 gals. = 10.41
	26,001 – 101,000 gals. = 8.98
	101,001 – Over = 8.43

For each residence with a STEP system, the monthly wastewater bill is \$56.50/month. Per *Allen & Hoshall's (A&H) 2010 Rate Survey*, wastewater bills for 178 utility systems for 5,000 gallons of usage per month range from \$5.25 for the City of Memphis to \$98.75 for North Utility District (Decatur/Benton area). Forty systems in the A&H study were higher than \$31.50/mo.

A 25,000 gallon per month commercial user on the RCPU system can expect a bill of \$302.49. Per the A&H study, bills for 25,000 per month users range from \$10.35 for the City of South Fulton to \$493.75 for North Utility District (Decatur/Benton area). The next highest bill was \$267.53 for Monteagle Rural Utility District. In addition, RCPU's tap fee for customers with STEP systems is \$7,100. This amount is higher than charged by most wastewater utility systems in Tennessee.

Sewer systems provide a needed service. The primary reasons for having a sewer system are to protect public health, enhance property values and promote development. RCPU is commended for acquiring and expanding its wastewater system. Centralized sewers are proven to increase property values and business tax revenues. RCPU is commended for requiring mandatory hookup. Mandatory hookup is a must for financial viability.

Currently several water and wastewater utilities operate within RCPU's service area and in nearby areas. Roane Central Utility District provides water to residential and commercial customers along Highway 70 and old Highway 70 to Caney Creek Marina, Webster Subdivision, Post Oak Valley Road and Docks of Caney Creek. The City of Rockwood provides water and gas service to the Roane County Industrial Park, Joiner Hollow Road, Caney Creek Road, Grand Vista Bay, Patton Lane, Old Patton Lane, and Highway 27 from Wholesale Furniture to Roane Memorial Gardens. RCPU lines are in close proximity to City of Rockwood and Harriman Utility Board wastewater lines. City of Kingston wastewater lines were not investigated during this evaluation.

Recommendation # 1: Seek to reduce administrative layers and thus streamline decision-making and reduce costs where possible. Currently the RCPU Director, the RCPU Board, the County Mayor, the Trustee and county office staff all have responsibilities for RCPU.

Recommendation # 2: Seek to combine utility operations with Roane Central Utility District. Since both Roane Central Utility District and RCPU exist to provide cost effective water and wastewater services to the citizens of Roane County there is an incentive for this combination as a starting point. Wastewater rates are already high. Economy of scale efficiencies could be realized if operations were combined. Generally, utility operations that offer both water and sewer services are more successful in keeping rates low for users than stand-alone water or sewer operations. Efficiencies arise from combining financial and administrative functions such as billing, purchasing, accounting, management, engineering, mapping and so forth; operational efficiencies can be realized by use of common large equipment, garages, workshops and crews.

Long term, regional water and wastewater operations would benefit a large number of users. Professionally managed, well-operated regional systems almost always provide superior service more cost effectively than smaller systems because fixed costs can be spread across a larger number of users.

Recommendation # 3: In the meanwhile, financial staff and operational staff need to better understand each other's roles and responsibilities. Financial staff is rightly concerned about holding expenses to a minimum; operational staff is concerned about having adequate manpower, supplies and tools to provide service to customers.

Recommendation # 4: In the meanwhile, execute contracts with Roane Central Utility District and the City of Rockwood to collect payment of wastewater bills. The contracts should provide for cut-off of service for non-payment of bills and for billing details such as names of customers and meter readings and RCPU should ascertain that each customer receiving service is in fact billed for the service. It is recommended to continue doing business with the water utilities – Roane Central Utility District and City of Rockwood – rather than doing your own or contracting with a third party lacking the ability to cut-off service for non-payment of bills. RCPU needs the capability to discontinue service for non-payment of bills, and only the water utilities can easily provide that assurance.

Recommendation # 5: The director is to be commended for developing a comprehensive manual of standard operating procedures, a wastewater contract/application form, installation criteria for STEP systems, initiating development of a pretreatment program and development of other written

protocols. Next, this system should digitize all system maps so that up-to-date maps are available electronically for developers and planning purposes. In addition, software is needed to track service calls and corrective actions.

Recommendation # 6: Require legal easements to maintain RCPU infrastructure that is located on private property. Easements should be required for all new construction and sought for all existing infrastructure.

Recommendation #7: As noted in the Collection System section discussion above, the number of staff assigned to this system is marginal. The FY2012 holds overtime to 10%. If overtime pay rises above 10% of total pay, then begin considering addition of another staff member.

In addition, ensure that compensation for RCPU positions keeps current with industry standards and with nearby utilities. Below is salary information extracted from the 2010 UT-Municipal Technical Advisory Service (MTAS) Salary Survey and a 2008 Tennessee Association of Utility Districts (TAUD) Salary Survey. It appears that compensation for RCPU positions is currently compatible with survey results.

MTAS SALARY SURVEY – 2010

Utility Manager

CITY	MINIMUM	ACTUAL	MAXIMUM
Englewood		\$35,152	
Livingston		\$43,700	
Madisonville		\$44,926	
Maryville	\$61,588		\$110,594
Sparta	\$56,219		\$67,781

Wastewater Treatment Plant Operator (III or IV)

CITY	MINIMUM	ACTUAL	MAXIMUM
Livingston (IV)	\$34,528		\$41,542
Maryville (III)	\$61,588		\$110,594
Mount Carmel (IV)		\$39,894	
Sparta (IV)	\$31,456		\$42,478

Utility Worker

CITY	MINIMUM	ACTUAL	MAXIMUM
Crossville		\$19,393	
Madisonville		\$25,863	
Maryville		\$25,584	
Sparta		\$21,444	

**** No data collected for Collection System Operators**

2008 Tennessee Association of Utility Districts (TAUD) Wage Information – Statewide

Position averages per hour:

Wastewater Superintendent	\$25.56/hr.	\$53,165/yr.
Wastewater Operator III	\$16.40/hr.	\$34,112/yr.
Collection System Operator II	\$17.97/hr.	\$37,378/yr.
Collection System Operator I	\$16.30/hr.	\$33,904/yr.
Equipment Operator	\$15.03/hr.	\$31,262/yr.

Conclusion

Roane County should be commended for the 2006 changes in the wastewater system administrative structure. Establishing the RCPD and hiring a professional director have been positive changes in creating a professional service oriented utility department that is ready for inevitable growth that Roane County will experience.

The recommendations in this report are made with a long-term focus on providing reliable, liability-free wastewater service at a reasonable price. Key factors in reliability are adequate system capacity and a high level of care for the physical components of the system. To have a liability-free system full compliance is necessary as are the appropriate safety programs along with quality personnel. To keep customer costs reasonable the longevity of capital assets is of top importance as is the effective use of personnel and the careful attention to operating costs.

ROANE COUNTY PUBLIC UTILITY RECOMMENDATIONS SUMMARY

Collection System Recommendations

1. Transfer ownership of all sewage lift stations to RCPU and control design and development of new lift stations.
2. Obtain and file legal easement with descriptions for sewerage system infrastructure located on private property.
3. Additional staff may be needed as the system grows.
4. Provide needed tools, parts, equipment and facilities including a Jet-Vac-TV truck.
5. Construct a garage/shop for storing tools, spare parts and equipment.
6. Aggressively locate and remove infiltration and inflow (I/I).
7. Locate and remove source(s) of rocks, coal and black water in the collection system.
8. Test for hydrogen sulfide and treat as necessary.
9. Investigate using grinder pumps as an alternative to STEP systems.

Wastewater Treatment Plant Recommendations

1. Sludge processing capacity should be enhanced by improving existing processes, working longer hours or by adding capacity.
2. Investigate and locate the source of high BOD loading and take appropriate regulatory action if warranted.
3. Consider using two full-time workers for plant operations.
4. Add office, files storage and meeting space for staff and visitors.

Management, Financial and Administrative Recommendations

1. Reduce administrative layers and streamline decision-making and reduce costs.
2. Seek to combine utility operations with Roane Central Utility District.
3. Promote understanding of each other's roles and responsibilities between financial staff and operational staff.
4. Execute detailed contracts with Roane Central Utility District and the City of Rockwood to collect payment of wastewater bills.
5. Digitize all system maps so that up-to-date maps are available electronically for developers and planning purposes and provide software to track service calls and corrective actions.
6. As noted above, require legal easements to maintain RCPU infrastructure that is located on private property. Easements should be required for all new construction and sought for all existing infrastructure.
7. If overtime pay rises above 10% of total pay, consider adding staff. Keep compensation of current positions compatible with nearby utilities.

*PUB
Meeting
Minutes*

Public Utility Board Meeting Minutes

November 2008

- Set residential sewer rates at 100% of Rockwood Water and Roane Central water rates.

December 2010

- Increase residential rate from \$25 to \$31.50 and commercial rate from \$47.10 to \$59.35 per current structure.

January 2011

- Implement rate increase on March 1, 2011

November 2011

- Update from Vaughn and Melton on current sewer project progress.

Roane County Utility Board

Chairman: Ron Berry
Vice Chairman: Gene McClure
Secretary: Jim Ryans
Members: Stan Malone
Members: George Yarborough

F U L L E
DEC 31 2008

#05

SUBJECT: Minutes of 25 November 2008 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Ron Berry. Members present were: Ron Berry, Gene McClure, George Yarborough, Stan Malone and Jim Ryans

Minutes of 23 October 2008 were reviewed and approved.

OLD BUSINESS: Chairman Ron Berry and Kent Olson will coordinate with Rod King, Rockwood Wastewater to replace the pump station in the industrial park.

NEW BUSINESS: The December 2008 will be rescheduled for the 11th due to Christmas Holiday.

Stan Malone made a motion, seconded by George Yarborough to contact Veolia Water about attending the 11 December 2008 meeting to discuss with the utility board to discuss a proposed contract to operate the Roane County Wastewater Plant. Motion carried.

Gene McClure made a motion, seconded by George Yarborough to set residential sewer rates at 100% of Rockwood Water and Roane Central Utility water rates. Motion carried

Motion to adjourn by Jim Ryans, seconded by George Yarborough. Motion carried.

James R. Ryans Approved 11 December 2008
JAMES R. RYANS
Secretary

SEP 03 2010

#02

Chairman: Stan Malone
Vice Chairman: George Yarborough
Secretary: Jim Ryans
Member: Paul Hester
Member: [unclear]
Utility Director: Gene McClure

SUBJECT: Minutes of the 21 July 2010 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone. Members present were: Stan Malone, Paul Hester, Jim Ryans and George Yarborough

Also in attendance were Utility Director Gene McClure and Kent Olsen

Minutes of the 17 June 2010 meeting were approved

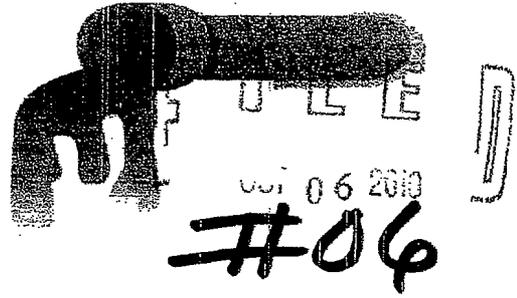
Kent Olson updated the board on all our State Revolving Fund loan/grant (80-20%) applications and their status.

Gene McClure gave the board the monthly briefing of the status of the wastewater plant and system status. Gene also briefed the board on the status of the Plateau Partnership Industrial Park.

Meeting Adjourned.

James R. Ryans Approved 26 August 2010
JAMES R. RYANS
Secretary

Chairman: Stan Malone
Vice Chairman: George Yarborough
Secretary: Jim Ryans
Member: Paul Hester
Member: Glen Long
Utility Director: Gene McClure



SUBJECT: Minutes of the 26 August 2010 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone. Members present were: Stan Malone, Glen Long and Jim Ryans

Also in attendance were Utility Director Gene McClure and Kent Olsen

Minutes of the 21 July 2010 meeting were approved

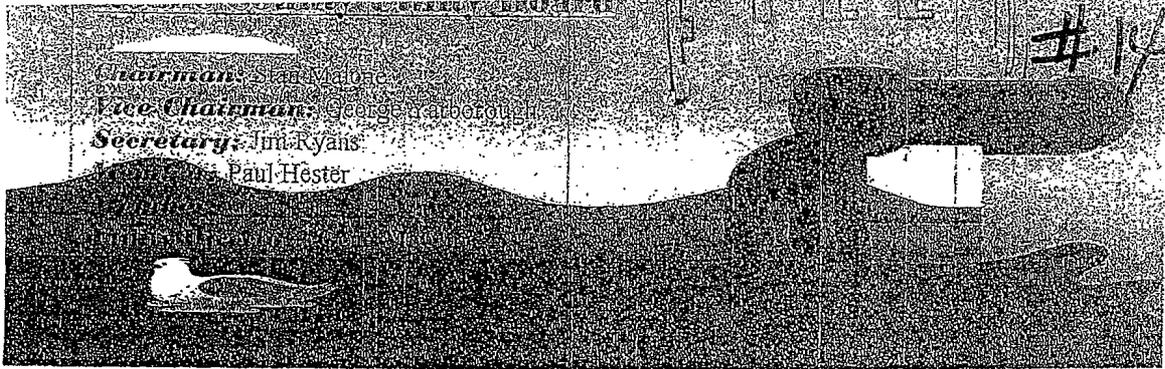
Kent Olson updated the board on all our State Revolving Fund loan/grant (80-20%) applications and their status.

Glen Long made a motion to have Kent Olson proceed with our State Revolving Fund loan/grant (80-20%) application for phase I and II. Motion approved.

Gene McClure gave the board the monthly briefing of the status of the wastewater plant and system status.

Meeting Adjourned.

James R. Ryans, Approved 23 September 2010
JAMES R. RYANS
Secretary



SUBJECT: Minutes of the 23 September 2010 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone. Members present were: Stan Malone, Glen Long, George Yarborough and Jim Ryans

Also in attendance were Utility Director Gene McClure, Kent Olsen, County Mayor Ron Woody and Purchasing Agent Lynn Farnham

Minutes of the 26 August 2010 meeting were approved

Kent Olson updated the board on the engineering work he is presently engaged.

County Mayor Ron Woody informed the board on the status of future wastewater projects from his position. He expressed complete support to our efforts and pledged to work closely with our committee.

Gene McClure gave the board the monthly briefing of the status of the wastewater plant and system status.

Meeting Adjourned.

James R. Ryans Approved 28 October 2010
JAMES R. RYANS/
Secretary

Chairman: Stan Malone
Vice Chairman: George Yarborough
Secretary: Jim Ryans
Paul Hester

Minutes of the 28 October 2010 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone.

Members present: Stan Malone, Glen Long, George Yarborough, Jim Ryans and Paul Hester.

Members absent: none

Others present: Utility Director Gene McClure, Chief Operator James Hill, Kent Olsen, and Purchasing Agent Lynn Farnham

Prior Minutes

Minutes of the 26 August 2010 meeting were approved.

Monthly Director's Report

October monthly board report was accepted after a motion by Paul Hester and second by Jim Ryans. Monthly report was given by Gene McClure (see attached).

Board Discussion and Action

The RCPU directed Gene McClure to continue to pursue payments from Rockwood Water, Sewer & Gas and to develop and implement a formal contract for billing and collection relating to the Roane Central and Rockwood billing services.

Resolution 11-10-05 A Resolution Authorizing The Roane County Executive To Apply for Grants And/or Loans in Order To Provide Funding for The Midtown Sewer Expansion. A motion to recommend to county commission was made by Paul Hester and second by Jim Ryans, **Voice vote motion carried.**

Resolution 11-10-06 A Resolution Amending The Waste Water Treatment Fund (Fund 128) And The General Capital Project Funds In Order To approve Engineering For The Midtown Sewer Project; A motion to recommend to county commission was made by Paul Hester and second by George Yarborough. **Voice vote motion carried.**

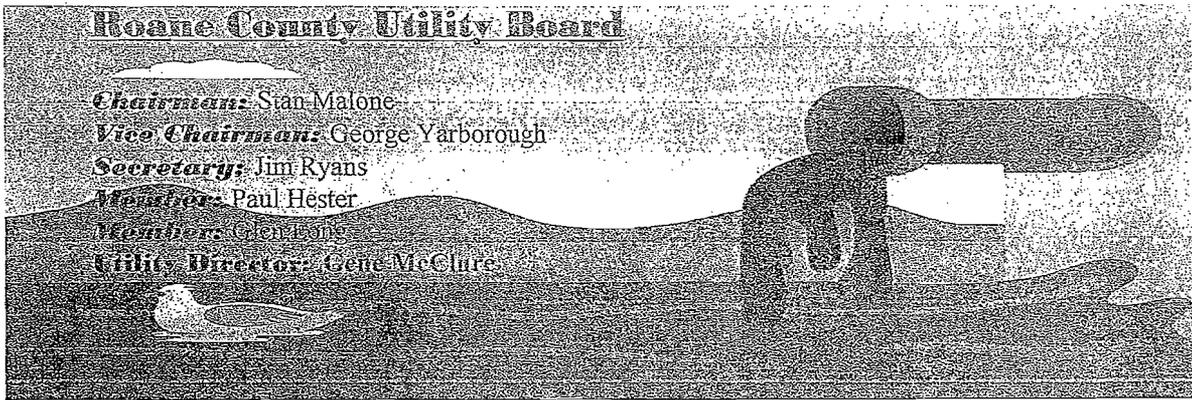
Pay Adjustment for Chief Operator James Hills.

A motion was made by Stan Malone and a Second by George Yarborough to adjust Chief Operator James Hills recommend increase in pay by \$3.00 per hour bring him in line with other certified operators with equal experience in the county. **Voice vote motion carried**

Meeting Adjourned.

James R. Ryans Approved 23 November 2010

JAMES R. RYANS
Secretary



Minutes of the 30 December 2010 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone.

Members present: Stan Malone, Glen Long, George Yarborough, Jim Ryans and Paul Hester.

Members absent: none

Others present: Utility Director Gene McClure

Prior Minutes

Minutes of the 23 November 2010 meeting were approved.

Monthly Director's Report

October monthly board report was accepted after a motion by George Yarborough and second by Jim Ryans. Monthly report was given by Gene McClure (see attached).

Board Discussion and Action

The board discussed the letter from Mr. Dale Hager (State Revolving Fund Loan Program) relating to the Midtown sewer project and the need to increase the sewer rates 26% to meet the projected revenue to pay back the SRF loan.

A motion was made by Jim Ryans and second by Glen long to increase the residential rate from \$25.00 to \$31.50, and the commercial rate from \$47.10 to \$59.35 per our current structure. Resolution to be sent to County Executive for filing. **Voice Vote Motion Carried**

The board discussed on going billing issues relating to Rockwood and their change in management. The board instructed Gene McClure to draft a letter to Rockwood and incorporate a time limit for them to have Roane County caught up on delinquent funds.

The Board instructed Gene McClure to discontinue using Rockwood for collecting tap fees. This will be accomplished in house as previously performed.

Meeting Adjourned.

JAMES R. RYANS
Secretary

Chairman

Stan Malone
Stan Malone
Secretary *Jim Ryans*
J.R.

Chairman: Stan Malone
Vice Chairmen: George Yarborough
Secretary: Jim Ryans
Members: Paul Hester
Members: Glen Long
Utility Director: Gene McClure

Minutes of the 27th January 2011 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone.

Members present: Stan Malone, Glen Long, George Yarborough, Jim Ryans and Paul Hester.

Members absent: None

Others present: Utility Director Gene McClure, County Executive Ron Woody, Chief Operator James Hill and Engineer Kent Olsen

Prior Minutes

Minutes of the 30th December 2010 meeting were approved.

Monthly Director's Report

January monthly board report was accepted after a voice vote. Monthly report was given by Gene McClure (see attached).

Board Discussion and Action

The board discussed the letter from Mr. Dale Hager (State Revolving Fund Loan Program) relating to the Midtown sewer project and the need to be more specific about the time frame relating to the rate increase.

A motion was made by Glen Long and second by Paul Hester to implement the rate increase approved in our December meeting on March 1st 2011. **Voice Vote Motion Carried**

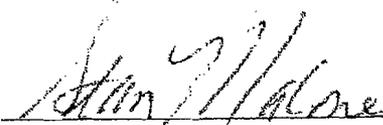
The board discussed the time frame relating to the installation of the new pump station at Bob's Burgers and also the installation of the new bar screen.

The Board also discussed SRF's guidelines for public notification of the Midtown Sewer Project and Decided to have Public meetings on Feb 17th at 6:15 pm and if needed Feb 18th at 6:15pm.

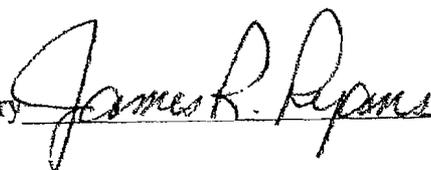
Meeting Adjourned.

JAMES R. RYANS
Secretary

Chairman



Secretary





Minutes of the 17 February 2011 Roane County Public Hearing & Public Utilities Board Meeting

Public Hearing called to order by Chairman Stan Malone.

Members present: Stan Malone, Glen Long, George Yarborough, Jim Ryans and Paul Hester.

Members absent: none

Others present: Utility Director Gene McClure, Kent Olsen Engineer, Lewis Jordan, William Douglas (Customers) and Cheryl Duncan Roane County News. (See attached sign in sheet)

Board Discussion and Action

Chairman opened the meeting at 6:15 P.M and explained that the meeting was to listen to public comments relating to the SRF loan.

Citizen Comments

Lewis Jordan, of K&K Lock & Key complaint was that he is not hooked up to the sewer and doesn't feel he should have to pay the sewer fee and the cost to install a step system and hook up fee of \$ 7,000.00- \$8,000.00

Gene McClure explained that the Tennessee Code TCA 7-35-201 (attached) required that when sewer became available that home owners were required to hook up, it was explained that the covenants loan require that all property owners must pay the sewer service fee when the sewer becomes available. Mr. Jordan continued to explain that if this project is to "help" the entire county then the county should pay part of the cost of the project. Gene explained that the utility has to have rates sufficient to cover the cost of the installation of the sewers without other county tax support. He explained the county would also apply for other grants to help pay for additional sewer lines such as CDBG, ARC, etc.

William Douglas then got up and spoke to the following issues:

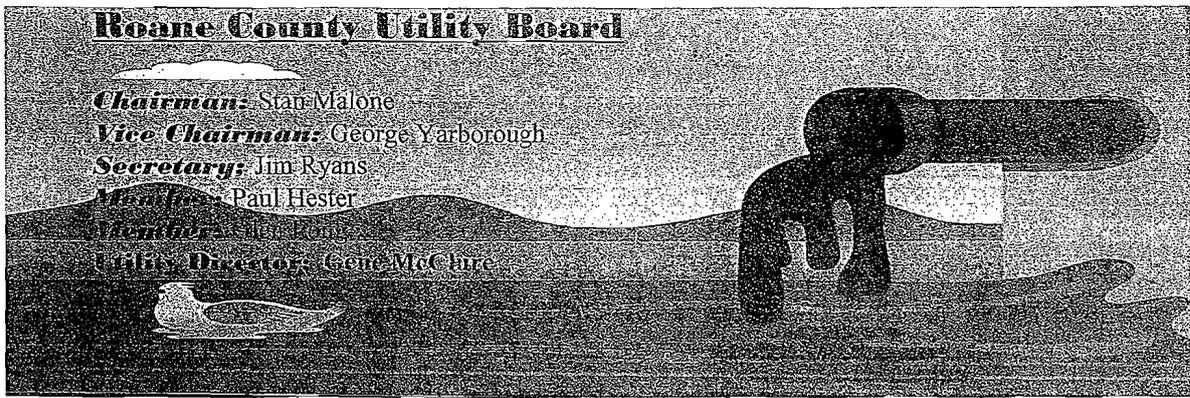
1. Why is it that the Board can raise rates without input?
2. Why can't the county tax payer help to pay for the extension if everyone is to benefit?
3. How many jobs are expected by the new business?
- 4 Why can't the county pay for the connection to existing system (step system) of \$7,000- \$8,000.00?
5. Why can't the rates be based on the number of people living in the home?
6. Can the board give senior citizens a break on the sewer rates?

Answers to the questions were given by the board members as well as Mr. McClure. Some of the questions were explained several times during the course of the Public Hearing. The Hearing was adjourned at approximately 7:00 P.M.

Public Utility Board Meeting called to order: by Chairman Stan Malone at approximately 7:01 PM with all members present.

Action Taken: He read the resolution confirming the sewer rate increase (see attached).

Resolution was approved after a motion by Glen Long and second by George Yarborough. **Voice Vote Motion carried unanimously.** (See attached resolution) Meeting was adjourned at approximately 7:10 PM.



Minutes of the 24th February 2011 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone.

Members present: Stan Malone, Glen Long, Jim Ryans and Paul Hester.

Members absent: George Yarborough

Others present: Utility Director Gene McClure, County Executive Ron Woody, Chief Operator James Hill and Engineer Kent Olsen

Prior Minutes

Minutes of the 27th January 2011 meeting were approved. Motion Glen Long, second by Jim Ryans. **Voice Vote Motion Carried**

County Executive Discussion

Ron Woody discussed Plateau Partnership Park and encouraged the Utility Board to discuss and decide what the board will offer the partnership. Executive Woody also informed the board about the time frame in relation to the SRF loan and its approval.

Monthly Director's Report

February monthly board report was accepted after a voice vote. Monthly report was given by Gene McClure (see attached).

Board Discussion and Action

The board discussed the bids to install sewer in the Midtown area (Phase 1), a motion was made by Jim Ryans to award the bid to the lowest bidder Cleary Construction subject to SRF loan approval, with a second by Glen Long. **Voice Vote Motion Carried**

The bid on the new pumping station was discussed and Southern Sales was awarded the bid due to the absence of specifications on the W.A. Woods quote. The motion by Jim Ryans to accept the bid second from Paul Hester. **Voice Vote Motion Carried**

Also discussed was Plateau Park; the board does not feel comfortable with setting aside any portion of the plant capacity due to the sewer extension and the projected increase in flow which we have the potential of receiving with the current planned expansion. The board is willing to accept flow from the Plateau Park if the expansion of the plant is funded by the Plateau Partnership. Gene McClure was directed to draft a letter to Plateau Partnership relating to the boards and executives recommendation.

A Sewer Use Ordinance was presented; a motion to adopt this ordinance for use was made by Paul Hester with a second by Jim Ryans. (See attached) **Voice Vote Motion Carried**

Glen Long discussed looking at the current sewer availability charge after all sewers are installed, and recommended looking for an avenue of financing for current customers that would like to hook on but cannot afford to.

Meeting Adjourned.

JAMES R. RYANS
Secretary

Chairman _____, Secretary _____

Roane County Utility Board

Chairman: Stan Malone

Vice Chairman: George Yarborough

Secretary: Jim Ryans

Members: Paul Hester

Members: Glen Long

Utility Director: Gene McClure

Minutes of the 24th March 2011 Roane County Public Utilities Board Meeting

Meeting called to order: Chairman Stan Malone.

Members present: Stan Malone, George Yarborough, Glen Long and Jim Ryans.

Members absent: Paul Hester

Others present: Utility Director Gene McClure, County Executive Ron Woody,

Prior Minutes

Minutes of the 24th February 2011 meeting were approved. Motion Glen Long, second by George Yarborough. **Voice Vote Motion Carried**

County Executive Discussion

Ron Woody explained the financials relating to the new sewer project (capital), operations, encumbrances and depreciation of assets. Also discussion on the CPA firm of Rodefer Moss & Co, PLLC to assist us in developing procedures and policies related to the Roane County collection of waste water fees. A motion was made by Jim Ryans to acquire this firm, second by George Yarborough. **Voice Vote Motion Carried**

Also discussed was outstanding debt on money borrowed, the board has asked for information on whom it was borrowed from and what it was borrowed for. The board has asked that this be reported back to them.

Monthly Director's Report

March monthly board report was accepted after a voice vote. Monthly report was given by Gene McClure (see attached).

Board Discussion and Action

Under Old Business: the board discussed Rockwood's Aged Receivables and how that the revenue is currently \$100,000 under last years collections. A temporary Step System was recommended instead of pumping and hauling for the Medical complex under construction in Midtown if sewer is not available when it is needed. A motion was made by Jim Ryans to proceed with the temporary STEP system if sewer is not available when needed, second by George Yarborough. **Voice Vote Motion Carried**

SRF disposition was discussed as well as the new NPDES permit for the plant which has been approved.

Under New Business: Discussion on retaining Cannon & Cannon Engineering to perform a peer review on the sewer plans created by Vaughn & Melton and the contract needed for this and any other work deemed necessary. Chairman Malone has the contracts under review.

The board also discussed using Industrial Machine and Welding to help install Bob's Burger Pumping Station and the new Bar Screen with current staff performing the bulk of the installation.

A motion was made by George Yarborough to approve an Intra-Department budget transfer of \$2500 from 733 Capital account, to account 187(overtime), second by Glen Long. **Voice Vote Motion Carried.**

The 2011-2012 budgets were discussed as well as the possibility of hiring another operator if there was enough revenue. It was agreed to consider this position after SRF money was acquired, final budget approval and the audit was completed.

The Board also wanted to look at alternate quotes for Step Systems from other suppliers to see if we could get a better price.

Meeting Adjourned.

JAMES R. RYANS
Secretary

Approved 21 April 2011

Chairman

Stan Malone

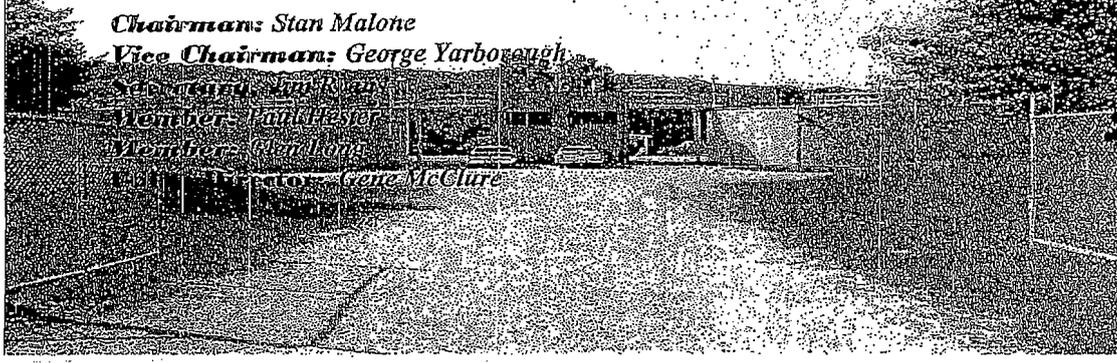
Secretary

James R. Ryans

Roane County Utility Board

L E D
0.1 2011

#10



Chairman: Stan Malone
Vice Chairman: George Yarborough
Member: Paul Hester
Member: Glen Long
Director: Gene McClure

Minutes of the 21st April 2011 Roane County Public Utilities Board Meeting

Meeting called to order: Chairman Stan Malone.
Members present: Stan Malone, Jim Ryans and Paul Hester
Members absent: George Yarborough and Glen Long
Others present: Utility Director Gene McClure

Prior Minutes

Minutes of the 24th March 2011 meeting were approved. Motion Paul Hester, second by Jim Ryans. Voice Vote Motion Carried

Monthly Director's Report

Monthly report for April was given by Gene McClure (see attached). A motion to approve the report was made by Jim Ryans and second by Paul Hester. Voice Vote Motion Carried

Board Discussion and Action

Under Old Business: the board discussed the performance review by Rodefer Moss & Co. and was advised that the County Executive was expecting an update on May 5th. SRF disposition was discussed.

Under New Business: The board discussed the peer review findings (see attached) and recommendations made by Cannon & Cannon Engineering in regards to the Specifications and Plans presented by Vaughn & Melton Engineering. The Board was pleased that Vaughn & Melton had performed well. The Board was also advised that EOC would be performing a Vulnerability Study on the Wastewater Treatment Plant on April the 29th.

The board was advised that James Hill and Gene McClure would be taking certification exams on May 5th.

Meeting Adjourned.

James R. Ryans
JAMES R. RYANS
Secretary

Chairman *Stan Malone* Secretary *James R. Ryans*

Minutes of May 26, 2011

#04
FILED
JUN 29 2011

Minutes of the 26 ^{May} ~~April~~ 2011 Roane County Public Utilities Board Meeting

Board Convened at 6:00 pm

Meeting called to order by Chairman Stan Malone.

Members Present: Stan Malone, Jim Ryans, George Yarborough and Glen Long

Members Absent: Paul Hester

Others Present: County Executive Ron Woody & Kent Olsen

Prior Minutes: After review **motion** by Long **second** by Yarborough to approve the Minutes of April 21, 2011 meeting. On a Voice Vote **Motion Carried**

Accounting and Financial Report:

Woody discussed with the board the new accounting as it relates to Enterprise fund accounting verses Governmental fund accounting. Woody pointed out how that long term items (capital) assets and liabilities are now reported on the balance sheet. He discussed how non cash items such as depreciation would be budgeted and how certain cash items may not be reflected in the budget such as capital purchases and payments on loan principal.

SRF Loan update:

Woody updated the board on the SRF loan relating to the Midtown sewer expansion and that the SRF board meeting has been moved to June 13. Woody also explained that he would ask the county commission to front the utility about \$400,000, until the SRF loan is disbursed and then the money would be returned to the county

2011-2012 Budget:

Woody discussed with the board the 2011-2012 Fund 204 Wastewater budget and entertained questions from each board member. Woody indicated that there would be some adjustments to the budget due to how the auditors would want the county to accounting for items in the enterprise fund. **Motion** Long **second** by Ryans to approve the 2011-2012 Fund 204 Wastewater budget as presented. On Voice Vote **Motion Carried**

Fund 204 Public Utility Board

Estimated Beginning Fund Balance	\$170,000
Estimated Revenue	3,661,600
Estimated Expenditures	(3,734,870)
Ending Fund Balance	\$96,730

See attached detail budget dated 05-26-2011

Agreed Upon Procedures performed by Rodefer Moss & Co

Woody discussed with the board the review by Rodefer Moss & Co. regarding waste water fees and tap fees and advised them that the review was continuing. There are potentially \$50,000 tap fees in question.

Engineers Report: Kent Olsen of Vaughn & Melton discussed the low bid (Cleary Construction) on the Midtown expansion and the possibility that pipe prices might increase. He also advised that he would report back about the Plateau Park meeting at 3 on the 27th of June.

Monthly Director's Report

Monthly report for May was given by Gene McClure (see attached). A motion to approve the report was made by George Yarborough and second by Jim Ryans. **Voice Vote Motion Carried**

Board Discussion and Action

The board discussed

Also discussed was the news that Plateau Park had a potential resident and that a meeting would be taking place on the 27th relating to the potential sewer customer. The board looked at the sewer tap fees and schedule of monthly rates (see monthly report) which are to be placed on the county website in the near future. Also discussed were operational issues regarding an inadequately sized belt press to handle sludge production and our inability due to this of pulling the tanks down for rehabilitation. The operation of the new screening device has made us aware of I&I problems because of the amount of rocks that are coming into the system.

Meeting Adjourned

James R. Ryans Approved 23 June 2011
JAMES R. RYANS

Secretary

Stan Malone

645

Minutes of August 25, 2011 #06

Minutes of the 25 August 2011 Roane County Public Utilities Board Meeting

FILED
OCT 05 2011

Board Convened at 6:00 pm

Meeting called to order by Chairman Stan Malone.

Members Present: Stan Malone, George Yarborough, Paul Hester and Glen Long

Members Absent: Jim Ryans

Others Present: Engineer Kent Olsen

Prior Minutes: After review **motion** by Long **second** by Hester to approve the Minutes of July 28, 2011 meeting. On a Voice Vote **Motion Carried**

Engineer Report: Mr. Kent Olsen of Vaughn & Melton updated the board on Phase II and performed a power point presentation showing the areas under consideration for county sewer. The Utility Board after review and discussion agreed on proceeding with these areas, Dotson subdivision, College Grove Estates, Delozier Lane and Harbin Subdivision: A **motion** by G. Yarborough **second** by P. Hester, On a **Voice Vote Motion Carried**

Accounting and Financial Report:

Director presented the financial report from his monthly report

Monthly Director's Report

Monthly report for August was given by Gene McClure. A motion to approve the report (see attached) was made by Hester and second by Yarborough. **Voice Vote Motion Carried**

Board Discussion and Action

The Utility Board discussed the letter received from the Safety Committee relating to safety issues and requested that the Director respond with a letter (see attached).

The Board also discussed the quotes (see attached) on backhoes received from JCB, John Deere and Caterpillar and after review and discussion decided that due to specifications and service that John Deere would be the best value in the long term: A **motion** to purchase the John Deere (\$74,999) was made by G. Yarborough **second** P. Hester. **Voice Vote Motion Carried**

Chairman Malone asked to try to schedule a tour with County Commission, County Executive and the Newspaper to tour Phase I and Phase II sewer expansions, new pumping stations and the treatment plant with a tentative date of October 20th from 10 till 12 if there are no conflicts.

Director recommended that the utility add a line on Pine Ridge just past the Midtown Interchange to be prepared for potential growth of hotels or motels that might locate there, after discussion a **motion** by G. Yarborough **second** P. Hester. **Voice Vote Motion Carried**

Meeting Adjourned

James R. Ryans, Approval 22 September 2011
JAMES R. RYANS

Secretary

County Board of Public Utilities

MINUTES

September 22, 2011

Board Convened:

The meeting of the County Board of Public Utilities was called to order by Chairman Stan Malone at 6:00 p.m.

Members Present: Stan Malone, Chair; Jim Ryans, Secretary; Paul Hester and Glen Long

Members Absent: George Yarborough

Others Present: Director Gene McClure, Engineer Kent Olsen

Approval of Minutes of Previous Meeting:

After reviewing the minutes of the August 25, 2011 meeting, a **motion** was made by Glen Long, **seconded** by Paul Hester, to approve same. On a voice vote, the **motion carried**.

Engineer's Report:

Kent Olsen of Vaughn & Melton updated the Board on Phase I sewer construction progress. Mr. Olsen also related that survey work for Phase II is underway and that the system maps are being updated to show all current customers.

The Board was advised of a pending change order on Phase I construction due to conflicts with the gas lines of HUB and the need to move the lines into the road on Keylon Drive.

Director's Report:

- **Accounting and Financial Report:** Director McClure presented the September 22, 2011 Accounting Departments' reports of: Balance Sheet, Statement of Revenues/Expenditures, and noted areas that are of concern:

		Budget	Expenditures	Contract	Available	% Used
335	Maintenance of Building	15,000	3,986	4,669	6,344	57.70%
359	Disposal	10,000	6,763	-0-	3,236	67.64%
454	Water	3,500	14,557	-0-	(11,057)	415.93%
463	Testing	3,750	1,740	875	1,135	69.74%

A **motion** was made by Jim Ryans, **seconded** by Stan Malone, to accept the report. On a voice vote, the **motion carried**.

- **Monthly Director's Report:** Director McClure presented the September 2011 Report, copy attached. A **motion** was made by Paul Hester, **seconded** by Glen Long to approve the report as presented. On a voice vote the **motion carried**.

Board Discussion and Action:

- **Safety Issues:** The Board requested that they be updated as safety issues are repaired and instruction Director McClure to compile quotes to repair the safety issues addressed by the County Commission's Safety Committee.

- **Budgetary Concerns:** Discussed the concerns expressed in the financial report and asked for an explanation from the Director. Director McClure explained the overages in the following funds:
 - The overage in 335 (Building Maintenance) is due to repairs made on the belt press, onsite pump station, and crane; bucket truck rentals to take down tank #2 for inspections and repairs
 - The overage in 359 (Sludge Disposal) is from emptying tank #2
 - The overage in 454 (Water Usage) is a 3 month issue relating to water leaks and replacing old piping in the ground; usage relating to the new Barscreen and the usage by the belt-press to take down tank #2 (it should be noted that the utility will be changing back to non-potable water usage for the belt press which should bring the water usage back in line)
 - The overage in 463 (Testing) is due to increased state mandated testing which should be sufficient until next budget year

- **North Pine Ridge Road Sewer:** The Board discussed the Pine Ridge Road line and is waiting on an estimate from Vaughn & Melton to determine the feasibility and need for this line.

- **Billing Contract with Rockwood and Roane Central:** The board discussed the need for a contract with Rockwood and Roane Central for billing.

Adjournment:

The meeting adjourned at 7:28 p.m.

Minutes submitted by James R. Ryans, Secretary

County Board of Public Utilities

MINUTES

October 27th, 2011

Board Convened:

The meeting of the County Board of Public Utilities was called to order by Chairman Stan Malone at 6:00 p.m.

Members Present: Stan Malone, Chair; George Yarborough, Vice Chair, Jim Ryans, Secretary; and Glen Long

Members Absent: Paul Hester

Others Present: Director Gene McClure, Engineer Kent Olsen

Approval of Minutes of Previous Meeting:

After reviewing the minutes of the September 22, 2011 meeting, a **motion** was made by Jim Ryans, **seconded** by George Yarborough, to approve same. On a voice vote, the **motion carried**.

Engineer's Report:

Kent Olsen of Vaughn & Melton updated the Board on Phase I sewer construction progress. Mr. Olsen also related about a possible meeting with Rockwood Water, Sewer and Gas relating to their sewer needs. No date for this meeting has been agreed upon as yet.

Pine Ridge Road sewers add on was discussed and it was agreed that Harriman would need to finance this portion of construction.

Mr. Olsen also related about the meeting with Tom Hamby, Cleary Construction, Rogers Group & Utility Director McClure about re-paving the areas of phase 1 that have affected the roadways. Estimates will be brought back to the board to decide what best serves the community if moneys are available. It was agreed to go ahead and put the base down for the winter traffic.

Mr. Olsen also discussed the pending equipment purchases of the television equipment and hydraulic flush cart that was approved by SRF and the utility board. Instead of purchasing 2 separate pieces of equipment it was recommended that a combination unit be looked at due to easier accessibility, maintenance and storage.

Mr. Olsen also related that a CDBG grant is being pursued to hook the residents to sewer in the phase 1 construction areas.

Director's Report:

- **Accounting and Financial Report:** Director McClure presented the October 27, 2011 Accounting Departments' reports of: Balance Sheet, Statement of Revenues/Expenditures.

A **motion** was made by George Yarborough, **seconded** by Glen Long, to accept the report. On a voice vote, the **motion carried**.

- **Monthly Director's Report:** Director McClure presented the October 2011 Report, copy attached. A **motion** was made by Paul Hester, **seconded** by Glen Long to approve the report as presented. On a voice vote the **motion carried**.

Board Discussion and Action:

- **Safety Issues:** The Board was informed that all safety issues were addressed with the exception of 2 items; the flat roof design and the inspection of the tanks. We have 1 estimate for cleaning and visual

inspection from Mid-South Tank Inspections for \$3,750.00 and an estimate for performing a metal stress and permeation inspection for \$15,475.00 (see attached) and both need to be performed. Director McClure advised the board that there were no funds budgeted for this work and of his concerns for the budgetary impact. The board's instructions were to ask the safety committee to see if they had the funds to accomplish the needed inspections.

- **North Pine Ridge Road Sewer:** The Board discussed the Pine Ridge Road line and instructed the director to contact the Harriman Mayor and inquire if they would finance this portion of the sewer and if not to remove it from consideration.
- **Equipment Needs:** The board discussed the possible purchase of a combination vacuum - truck instead of purchasing separate pieces of equipment. The Vacuum combination unit has everything that is needed for the routine maintenance, inspection and repair of gravity sewer lines, manholes, lift stations and storm water drains. It will also allow better service to step system customers and would remove the cost of hiring outside contractors to remove the debris from sewer manholes when the lines are hydraulically cleaned, which would also extend the life of the newly installed Barscreen.
- **Rockwood Meeting:** The board discussed scheduling a meeting with Rockwood in November due to their sewer needs; a mutually agreeable date is being pursued.
- **Burkette Rd. Sewer:** The board was advised that Commissioners' Berry and East had asked if sewer could be installed on Burkette road due to an ongoing sewer issue of homeowners in that area. This area is part of the scheduled Phase II portion that is going to bid after the first of the year. The board felt that it would be counter productive and costly to pursue this line since it would be a change order not covered in the scope of Phase I construction. The board felt this customer could be helped by pumping out their septic tank which would possibly give them relief until the line was laid.
- **New Backhoe:** The board asked when the new backhoe would arrive and were instructed that Nortrax was still waiting on a Purchase Order to be issued.

Adjournment:

The meeting adjourned at 7:40 p.m.

James R. Ryans, Approved 15 November 2011
Minutes submitted by James R. Ryans, Secretary

Chairman: Stan Malone
Vice Chairmen: George Yarborough
Secretary: Jim Ryans
Members: Paul Hester
Member:
County Executive: Gene McClure

Minutes of the 27th January 2011 Roane County Public Utilities Board Meeting

Meeting called to order by Chairman Stan Malone.

Members present: Stan Malone, Glen Long, George Yarborough, Jim Ryans and Paul Hester.

Members absent: None

Others present: Utility Director Gene McClure, County Executive Ron Woody, Chief Operator James Hill and Engineer Kent Olsen

Prior Minutes

Minutes of the 30th December 2010 meeting were approved.

Monthly Director's Report

January monthly board report was accepted after a voice vote. Monthly report was given by Gene McClure (see attached).

Board Discussion and Action

The board discussed the letter from Mr. Dale Hager (State Revolving Fund Loan Program) relating to the Midtown sewer project and the need to be more specific about the time frame relating to the rate increase.

A motion was made by Glen Long and second by Paul Hester to implement the rate increase approved in our December meeting on March 1st 2011. **Voice Vote Motion Carried**

The board discussed the time frame relating to the installation of the new pump station at Bob's Burgers and also the installation of the new bar screen.

The Board also discussed SRF's guidelines for public notification of the Midtown Sewer Project and Decided to have Public meetings on Feb 17th at 6:15 pm and if needed Feb 18th at 6:15pm.

Meeting Adjourned.

JAMES R. RYANS
Secretary

Chairman Stan Malone, Secretary James R. Ryans

COPY

County Board of Public Utilities

MINUTES

November 15th, 2011

Board Convened:

The meeting of the County Board of Public Utilities was called to order by Chairman Stan Malone at 3:30 p.m.

Members Present: Stan Malone, Chair; George Yarborough, Vice Chair, Jim Ryans, Secretary; Glen Long and Paul Hester

Members Absent: None

Others Present: Director Gene McClure, Engineer Kent Olsen, County Executive Ron Woody, Budget Director Kaley Walker and Debbie Terry Accounting

Approval of Minutes of Previous Meeting:

After reviewing the minutes of the October 27th, 2011 meeting, a **motion** was made by Glen Long, **seconded** by George Yarborough, to approve same. On a voice vote, the **motion carried**.

County Executive:

Ron Woody updated the board on the budget and the recent finding of \$6100 dollars (in-lieu-of-tax) money was being deposited into the utility budget. The corrections were made and the county pulled out a years worth of tax money (\$100,000) from the utility budget. Mr. Woody also advised that the budget would be managed in 2 (two) ways; we would manage the cash and as a business debt income. Also the board was advised the interest payment on the SRF loan was not budgeted.

Chairman Malone questioned Mr. Woody on the thinking behind the utility doing a decision making analysis and also inquired about the board being an autonomous board as designed. Mr. Woody stated that the board was autonomous in decision making but was not yet capable to resume responsibility of debts and as such was under the county umbrella. Ultimately the DMA was for our own use and justifies the expenditure of funds. Mr. Woody also related that sewer expansion was the engine for recruitment of industrial and commercial customers and that the future looked exciting.

Engineer's Report:

Kent Olsen of Vaughn & Melton updated the Board on Phase I sewer construction progress. Mr. Olsen stated that the left side of the midtown corridor was completed to Keylon drive and that Cleary was working on the Hospital side back to Lowes. Preliminary design on Dotson and College Grove are completed and Harbin is still being surveyed.

The sewer line had to be moved into the road due to conflicts with the gas line, this is going to constitute a change order.

Director's Report:

- **Accounting and Financial Report:** Director McClure presented the May, 2011 Accounting Departments' reports of: Balance Sheet, Statement of Revenues/Expenditures.

A **motion** was made by George Yarborough, **seconded** by Paul Hester, to accept the report. On a voice vote, the **motion carried**.

- **Monthly Director's Report:** Director McClure presented the November 2011 Report, copy attached. A **motion** was made by Paul Hester, **seconded** by George Yarborough to approve the report as presented. On a voice vote the **motion carried**.

Board Discussion and Action:

- **North Pine Ridge Road Sewer:** The Board agreed that the ability to recoup the capital cost were too great to construct this line so it has been removed from consideration.
- **Equipment Needs:** The Director advised the board that he was currently performing a Decision Making Analysis for the needed equipment to maintain the pumping stations, plant tanks and collection systems. It was agreed that the system had operated to long with out the needed equipment and the board advised the Director to immediately stop using his personal equipment and contract out the needed repairs and installations. The board discussed the issue that this was not budgeted but was hopeful that the backhoe would soon be here.
- **Decision Making Analysis:** The Director discussed how the Vac -Truck would extend the life of the new capital items already installed, protect the environment and keep us in compliance with TDEC. (see attached DMA)
- **SRF:** The Vacuum Truck has been approved by SRF.
- **December Meeting:** will be moved to EMS.
- **Signage:** Those areas Dotson, College Grove and Harbin will have signs posted that they are being considered for sewer service.

Recessed

The meeting recessed at 4:30 p.m. moved to Rockwood.

Rockwood Work Session with Rockwood Water Sewer and Gas

Work session called to order by: Darryl Meadows Chairman of RWS&G at 5:30 PM

Members Present: Loren Bone, Tim Couch, William Lee, Pete Wright (RWS&G); RCPUB Stan Malone, George Yarborough, Jim Ryans, Glen Long and Paul Hester.

Others Present: Kim Ramsey Director of RWS&G, Gene McClure Director RCPUB, Kent Olsen Engineer and Ron Berry.

Discussion:

The discussion was centered on Roane County possibly being able to help Rockwood with their sewer issues. There were 3 options listed for consideration: taking a portion of Rockwood's sewer, taking only the plants effluent or a combination of both. Rockwood's main issue is the strict restrictions placed on their discharge relating to Black Creek. It was determined that a meeting was needed with TDEC before any decision or further talks were needed.

The Boards did agree that we needed inter-local agreements to be better able to assist each other.

Meeting Adjourned at 6:30

James R. Ryans, Approved 22 December 2011
Minutes submitted by James R. Ryans, Secretary

Resolutions

Resolutions #06-05-12

- **Create an Urban-Type Public Facility**

Resolution February 17, 2011

- **Confirming the sewer rate adjustment**

Resolution # 02-11-15

- **Authorizing SRF Loan**

Resolution #01-12-27

- **Set up Sinking Fund**

A RESOLUTION AUTHORIZING THE CREATION OF AN URBAN-TYPE PUBLIC FACILITY

WHEREAS, Roane County currently owns and operates the Post Oak Waste Water Treatment Facility (hereafter referred to as "Plant"); and

WHEREAS, the Plant is an "urban-type public facility" as defined by Tennessee Code Annotated §5-16-101(b)(2); and

WHEREAS, Tennessee Code Annotated § 5-16-101 et. seq. gives Roane County the power to establish, construct, install, acquire, operate and maintain urban-type public facilities in any area or areas within its borders, and to charge fees, rates and charges for such facility.

NOW, THEREFORE, BE IT RESOLVED by the Roane County Commission as follows:

1. That Roane County shall and is hereby exercising all powers conveyed to it pursuant to Tennessee Code Annotated §5-16-101 et. seq. to create an Urban-Type Public Facility; and
2. That the County Mayor appoint, subject to confirmation by the Roane County Commission, the Roane County Board of Public Utilities pursuant to Tennessee Code Annotated §5-16-103; and
3. That said Roane County Board of Public Utilities shall immediately take control and exercise all powers granted pursuant to said Chapter; and
4. That this Resolution be submitted to the Roane County Regional Planning Commission for its approval pursuant to Tennessee Code Annotated §5-16-112 within ninety (90) days after submission. Furthermore, this Resolution shall not take effect until after such approval.

Motion to adopt was made by **Commissioner East** with second by **Commissioner Harmon**.

Motion to adopt **Passed** upon voice vote.

THEREUPON the County Chairman announced to the Commission that said resolution had received a constitutional majority and ordered same spread of record.

Uma Coffman
County Chairman

The foregoing resolution was submitted to the County Mayor for his consideration this the 10th day of January, 2006.

ATTESTED:

Barth M. Marshall III
County Clerk

I approve [Signature] / veto the foregoing resolution this the 12 day of _____ 2005.

[Signature]
County Mayor

Submitted by Tom McFarland, County Attorney

February 17, 2011

A Resolution of the Roane County Board of Public Utilities confirming the sewer rate adjustment previously approved by the board

WHEREAS, Roane County Government established a Board of Public Utilities under TCA 5-16, and

WHEREAS, The Roane County Board of Public Utilities operates a Waste Water Treatment Facility, and

WHEREAS, The Roane County Board of Public Utilities met in December 2010 and approved the sewer rate increase noted in the minutes as: **"A motion** was made by Jim Ryans and second by Glen Long to increase the residential rate from \$25.00 to \$31.50, and the commercial rate from \$47.10 to \$59.35 per our current structure. **Voice Vote Motion Carried"**, and

WHEREAS, The Roane County Board of Public Utilities met in January 2011 and approved the effective date of the increase noted in the minutes as: "The board discussed the letter from Mr. Dale Hager (State Revolving Fund Loan Program) relating to the Midtown sewer project and the need to be more specific about the time frame relating to the rate increase. **A motion** was made by Glen Long and second by Paul Hester to implement the rate increase approved in our December meeting on March 1st 2011. **Voice Vote Motion Carried.**".

NOW THEREFORE BE IT RESOLVED, that the approval of this resolution confirms the action taken by the Roane County Public Utilities Board noting the new sewer rate shall go into effect March 1, 2011 and shall be \$31.50 for Residential and \$59.35 for Commercial per the current structure.

UPON MOTION of Board Member _____, seconded by Board Member _____

The following Board Members voted aye:

The following Board Members passed:

The following Board Members voted No:

THEREUPON the Chairman announced the Resolution Passed this _____ day of _____ 2011, and shall be spread on the record.

APPROVED: _____
Chairman
County Board of Public Utilities

ATTESTED: _____
Secretary
County Board of Public Utilities

RESOLUTION # 02-11-15

A RESOLUTION authorizing and providing for the financing of the construction of a wastewater facilities project, including authorizing the execution of applications, contractual agreements, and other necessary documents, and making certain representations, certifications, and pledges of certain revenue in connection with such financing.

WHEREAS, Roane County is a public and governmental body in Roane County, Tennessee (the "Local Government"); and

WHEREAS, the Local Government has determined that it is necessary and desirable to undertake certain activities or tasks in connection with a wastewater facilities project, Department of Environment and Conservation Number CWO 2011-285 (the "Project"), in and for the Local Government; and

WHEREAS, Tennessee Code Annotated, Section 68-221-1001 et. seq., provide for the lending of moneys in the wastewater facilities Revolving Loan Fund to Local Governments for the purpose of providing funds for Project Loans; and

WHEREAS, the local Government has determined that it is necessary and advisable to borrow funds for the Project pursuant to these sections.

NOW, THEREFORE, be it resolved as follows:

Section 1. Local Government hereby approves the creation of indebtedness on behalf of the Local Government in the principal amount of FIVE MILLION FIVE HUNDRED EIGHTYFIVE THOUSAND DOLLARS (\$5,585,000) by the obtaining of a Project Loan.

Section 2. The execution and delivery of the Application for a Project Loan in the principal amount of FIVE MILLION FIVE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$5,585,000) for the purpose of funding all or a portion of the total estimated cost of the Project FIVE MILLION FIVE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$5,585,000), by Ron Woody, the County Executive of the Local Government, is hereby ratified and approved in all respects.

Section 3. The Local Government hereby agrees to honor and accept the method of financing as may be determined by the Authority pursuant to the Loan Agreement.

Section 4. The Local Government hereby agrees to make the monthly payments on the Project Loan in accordance with the Payment Schedule to be attached to the Loan Agreement.

Section 5. The Local Government hereby agrees to levy fees, rates or charges for services provided by the Project and/or to levy ad valorem taxes sufficient to pay the interest on and principal of the Project Loan in accordance with the Loan Agreement. The Local Government also agrees to levy fees, rates, or charges and/or ad valorem taxes sufficient to pay the cost of operation and maintenance of the wastewater system of which the Project is a part, which cost shall include depreciation and all other debt service expense of the system.

Section 6. The Local Government assigns and pledges its State-Shared Taxes to the State and consents to the withholding and application of State-Shared Taxes in the event of failure by the Local Government to remit monthly payments in accordance with the terms of the Loan Agreement, as the Loan Agreement may be supplemented or amended from time to time.

Section 7. The Local Government hereby agrees that there are no local pledges of State-Shared Taxes other than those disclosed.

Section 8. The Local Government hereby agrees to obtain alternative methods of financing for all costs necessary for the completion of the Project, which are in excess of the combined financing provided by any agency of the United States Government and by the Tennessee Local Development Authority.

Section 9. The County Executive of the Local Government is authorized and directed to execute the Loan Agreement, and any amendments or supplements to the Loan Agreement, in the name and behalf of the Local Government; to deliver such documents to the other parties to such documents, such execution and delivery to be conclusive proof of the approval of the Local Government of such documents; and to take such further action and to execute and deliver such further instruments or documents as such officer may consider necessary or advisable in connection with the Loan Agreement. Provided, however, this resolution shall not be deemed to grant authority to the named officer to approve any increase in the amount of the Project Loan.

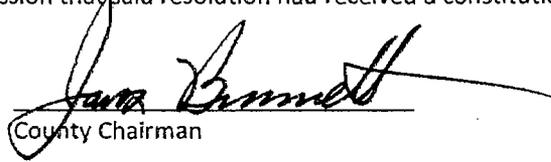
Section 10. All orders, resolutions, or ordinances in conflict with this resolution be and the same are repealed insofar as such conflict exists. This resolution shall become effective immediately upon its passage.

UPON MOTION of Commissioner Berry, seconded by Commissioner East, the following Commissioners voted Aye: Bacon, Berry, Brummett, Cantrell, Collier, East, Ellis, Forrester, Goddard, Granger, Johnson, Kelley, Moore, Nelson, Tedder (15)

The following Commissioners passed: -0-

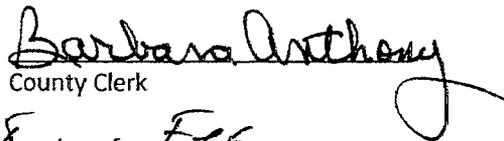
The following Commissioners voted No: -0-

THEREUPON the County Chairman announced to the Commission that said resolution had received a constitutional majority and ordered same spread of record.

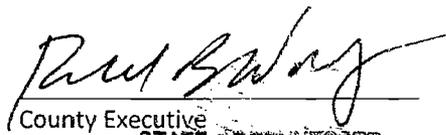

County Chairman

The foregoing resolution was submitted to the County Executive for his consideration this the 17th day of February, 2011.

ATTESTED:


County Clerk

I approve veto the foregoing resolution this the 18 day of FEB 2011.


County Executive

STATE OF TENNESSEE
COUNTY OF ROANE

Attest
Barbara J. Anthony, Clerk

Certified a true and
correct copy

February 23, 2011
Month Day Year

By Bobbie Jiptera

SUBMITTED BY

REVOLVING FUND LOAN AGREEMENT

This Agreement is among the Tennessee Department of Environment and Conservation (the "Department"), the Tennessee Local Development Authority (the "Authority") and Roane County (the "Local Government"), which is a Tennessee governmental entity authorized to own, operate, and manage wastewater facilities. The purpose of this agreement is to provide for the financing of all or a portion of a wastewater facility (the "Project") by the Local Government. The Local Government submitted an application for the financing dated _____ which is made by reference a part of this Agreement.

1. **DEFINITIONS.** Unless the context in this Agreement indicates another meaning, the following terms shall have the following meaning:
 - (a) "Administrative fee" means the fee to be collected by the Authority for administration of the loan in accordance with TCA Sections 68-221-1004(a) and 68-221-1204(a);
 - (b) "Agreement" means this agreement providing financing for the Project from the Fund;
 - (c) "Clean Water Act" means the Water Pollution Control Act of 1972, PL 92-500, 33 U.S.C. Sections 1251 et seq., as amended, and rules and regulations promulgated thereunder;
 - (d) "Facility" means either a wastewater facility or a water system;
 - (e) "Fund" means:
 - (1) For wastewater projects, the wastewater revolving loan fund created by the Tennessee Wastewater Facilities Act of 1987, TCA Sections 68-221-1001, et seq., and rules and regulations promulgated thereunder, or
 - (2) For water projects, the drinking water revolving loan fund created by the Drinking Water Revolving Loan Fund Act of 1997, TCA Sections 68-221-1201, et seq., and rules and regulations promulgated thereunder;
 - (f) "Local Government" means the governmental entity borrowing under this Agreement described in (1) TCA Section 68-221-1003(7)(A), as amended, if a wastewater facility and (2) TCA Section 68-221-1203(6), as amended, if a water system.
 - (g) "Program Loan" and "Loan Program Agreement" have the meanings established by TCA Section 4-31-102, as amended;
 - (h) "Project" means the activities or tasks concerning a facility described in the Application to be financed pursuant to this Agreement;
 - (i) "Project Cost" means the total amount of funds necessary to complete the Project;
 - (j) "Project Loan" means the moneys loaned from the fund to finance the Project and required to be repaid pursuant to this Agreement;
 - (k) "Safe Drinking Water Act" means the Safe Drinking Water Act, Title XVI of Public Health Service Act, 42 U.S.C. Sections 300f et seq., as amended, and rules and regulations promulgated thereunder;

- (l) "State" shall mean the State of Tennessee acting through the Department and the Authority, jointly or separately, as the context requires;
- (m) "State-Shared Taxes" has the meaning established by TCA Section 4-31-102, as amended; and
- (n) "Unobligated State-Shared Taxes" means State-Shared Taxes which have not been pledged or applied to any other prior indebtedness"

2. PROJECT

- (a) Description. A description of the Project is contained in the Application.
- (b) Funding Sources. The Local Government estimates the Project Cost to be **\$5,585,000** which is expected to be funded as follows:

(1) State Revolving Fund (SRF) Loan	\$ 4,468,000
(2) Principal Forgiveness	\$ 1,117,000
(3) Local Funds	-0-
(4) Other Funds	-0-
TOTAL	<u>\$ 5,585,000</u>

3. LOAN

- (a) Loan and use of proceeds. The State shall lend to the Local Government from moneys available in the Fund an aggregate principal amount not to exceed **FIVE MILLION FIVE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS (\$5,585,000)** (the "Project Loan") to bear interest as described in (b) below. The loan shall be used by the Local Government for completion of the Project described in the Application and in accordance with plans and specifications and special conditions, approved and required by the Department. Interest on the Project Loan will begin to accrue upon the first disbursement of the Project Loan pursuant to Section 5 hereof.
- (b) Interest rate. The rate of interest for this Project Loan is that rate established by the Authority at the meeting at which this loan is approved and stated on the payment schedule which is incorporated into this Agreement and attached hereto.
- (c) Administrative fee. The Authority shall collect a fee equal to 8 basis points of the total Project Loan, where one basis point is equal to one-hundredth of one percent (0.01%). This fee shall be payable in monthly installments equal to one-twelfth (1/12) of the annual fee amount as stated on the payment schedule.
- (d) Payment schedule. The Local Government expressly agrees to make all payments of principal and interest in accordance with the Payment Schedule, including the form of payment (currently electronic funds transfer), as it is from time to time revised by the State. A revision of the Payment Schedule shall not be deemed to be an amendment of this Agreement.

4. REPAYMENT OF PROJECT LOAN.

- (a) Payments. The Local Government promises to repay to the order of the State the Project Loan plus interest, payable in installments on the 20th day of each month in accordance with the Payment Schedule established by the Authority. The Payment Schedule will require payments of interest to begin after the first disbursement pursuant to Section 5 of this Agreement. The Payment Schedule will require repayments of principal to begin either (1) within ninety (90) days after the Project is completed, or, if the Project consists solely of planning, replanning, or design work, after the Project is complete; or (2) within one hundred twenty (120) days after ninety percent (90%) of the Project Loan has been disbursed, whichever event occurs earlier. Provided, however, the Authority may agree in the instance of a newly created water system to defer the commencement of principal repayment for no more than one year after the Project is completed.
- (b) Reduction. The Project Loan, and the required payments made pursuant to the Payment Schedule, shall be reduced to reflect:

- (1) Funding not listed in Section 2(b) which subsequently becomes available, or
- (2) The amount actually disbursed by the State to the Local Government pursuant to the Agreement as the Project Loan.

If any of the conditions set out above shall occur, a new Payment Schedule reflecting such changes shall be submitted to the Local Government to be attached to this Agreement, superseding any previous schedules.

- (c) Prepayment. The Local Government, at its option, may prepay all or any portion of the Project Loan.
- (d) Principal Forgiven. A portion of the SRF funding for the Project Loan shall be forgiven by the State. The principal forgiven shall be **\$1,117,000.**

5. DISBURSEMENT OF PROJECT LOAN. Each request by the Local Government for disbursement of the Project Loan shall constitute a certification by the Local Government that all representations made in this Agreement remain true as of the date of the request and that no adverse developments affecting the financial condition of the Local Government or its ability to complete the Project or to repay the Project Loan plus interest have occurred since the date of this Agreement unless specifically disclosed in writing by the Local Government in the request for disbursement. Submitted requests for disbursement must be supported by proper invoices and other documentation required by and acceptable to the Department and the Authority.

After the Department has certified and the Authority has approved a request for disbursement, the Authority will disburse the Project Loan during the progress of the Project. Each disbursement shall be by electronic funds transfer or such other form of payment as specified in the Payment Schedule and shall be equal to that portion of the unpaid principal amount incurred to the date of the Local Government's request for disbursement. No more than 90% of the Project Loan shall be paid to the Local Government prior to the time the construction of the Project has been completed, the facilities constituting the Project are in the opinion of the Department in proper operation, and the Project has been approved by the Department; at that time the remaining 10% of the Project Loan may be paid to the Local Government. Provided, however, that if this Project Loan is for planning or replanning and design, payments may be made prior to the completion of construction of the Project for the full amount of costs associated with the planning or replanning and design.

6. AMENDMENT.

- (a) Increase in Project Loan. If the final Project Cost is greater than is estimated in Section 2(b), then the Project Loan may be increased by a subsequent agreement executed by the parties hereto (the amount of such increase may be subject to a different interest rate) if the following conditions are fulfilled:
- (1) Amounts in the Fund are authorized and available for such increase;
 - (2) The increased Project Loan otherwise meets the applicable statutory requirements and the regulations adopted thereunder; and
 - (3) Such increase in this Project Loan does not result in any violation or breach of any contract, resolution or ordinance of the Local Government.
- (b) Other Amendments and Modifications. Any other amendment or modification of this Agreement must first be approved by the Authority and must be in writing executed by the parties hereto.

7. REPRESENTATIONS AND COVENANTS OF LOCAL GOVERNMENT. The Local Government hereby represents, agrees and covenants with the State as follows:

- (a) To construct, operate and maintain the Project in accordance, and to comply, with all applicable federal and State statutes, rules, regulations, procedural guidelines, and grant conditions;
- (b) To comply with the Project schedule, plans and specifications, and any and all special conditions established and/or revised by the Department;
- (c) To commence operation of the Project on its completion; and not to contract with others for the operation and management of or to discontinue operation or dispose of the Project without the prior written approval of the Department and the Authority;
- (d) To provide for the Local Government's share of the cost of the Project;
- (e) To advise the Authority before pledging or encumbering its State Shared Taxes;
- (f) To comply with applicable federal requirements including the laws and executive orders listed on Exhibit A to this Agreement;
- (g) To advise the Department before applying for federal or other State assistance for the Project;
- (h) To establish and maintain adequate financial records for the Project in accordance with generally accepted government accounting principles; to cause to be made an annual audit acceptable to the Comptroller of the Treasury of the financial records and transactions covering each fiscal year; and to furnish a copy of such audit to the Authority. In the event of the failure or refusal of the Local Government to have the annual audit prepared, then the Comptroller of the Treasury may appoint an accountant or direct the Department of Audit to prepare the audit at the expense of the Local Government;

- (i) To provide and maintain competent and adequate engineering supervision and inspection of the Project to insure that the construction conforms with the approved Plans and Specifications;
- (j) To abide by and honor any further guarantees or securities as may be required by the State which are not in conflict with State or federal law;
- (k) To do, file, or cause to be done or filed, any action or statement required to perfect or continue the lien(s) or pledge(s) granted or created hereunder;
- (l) To establish and collect, and to increase, user fees and charges and/or increase or levy, as the case may be, ad valorem taxes as needed to pay the monthly installments due under this Agreement, as well as the other costs of operation and maintenance including depreciation and debt service of the system of which the Project is a part.

8. SECURITY AND DEFAULT. As security for payments due under this Agreement, the Local Government pledges users fees and charges and/or ad valorem taxes, and covenants and agrees that it shall increase such fees or increase or levy, as the case may be, ad valorem taxes as needed to pay the monthly installments due here under, as well as the other costs of operation and maintenance of the system, including depreciation. The Local Government covenants to establish and collect such fees and taxes and to make such adjustments to raise funds sufficient to pay such monthly payments and costs but to create only a minimum excess.

The Local Government further pledges such other additional available sources of revenues as are necessary to meet the obligations of the Local Government under this Agreement.

As further security for this Project Loan, the Local Government pledges and assigns subject to the provisions herein its Unobligated State-Shared Taxes in an amount equal to the maximum annual debt service requirements under this Agreement. In the event the Local Government fails to remit the monthly payments as established in the Payment Schedule, the Authority shall deliver by certified mail a written notice of such failure to the Local Government within 5 days of such failure. In the event the Local Government shall fail to cure payment delinquency within 60 days of the receipt of such notice, the Authority shall so notify the Commissioner of Finance and Administration of the State of Tennessee of the default of the Local Government and the assignment of Unobligated State-Shared Taxes under this Agreement. Upon receipt of such notice, the Commissioner shall withhold such sum or part of such sum from any State-Shared Taxes which are otherwise apportioned to the Local Government and pay only such sums necessary to liquidate the delinquency of the Local Government to the Authority for deposit into the fund. The Local Government acknowledges that it has no claim on State-Shared Taxes withheld as permitted under this Agreement.

9. CONDITIONS PRECEDENT. This Agreement is further conditioned on the receipt of the following documents, in form and substance acceptable to the Authority, if applicable, on or before the date of the first disbursement of the Project Loan; each document is to be dated or certified, as the case may be, on or before the date of the first disbursement of the Project Loan:

- (a) A general certificate of the Local Government certifying the resolution or ordinance authorizing the Local Government to enter into this Agreement, the resolution or ordinance authorizing the rate and fee structure for the users of the system, and other matters;
- (b) An opinion of the Attorney or Special Counsel to the Local Government to the effect that:

- (1) The Local Government has been duly created and is validly existing and has full power and authority (under its Charter and By-laws or general law, if applicable, and other applicable statutes) to enter into and carry out the terms of this Agreement;
 - (2) This Agreement is duly executed and constitutes a valid and binding contract of the Local Government, enforceable in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, reorganization, insolvency, moratorium or similar laws affecting the enforcement of creditors rights generally;
 - (3) This Agreement is not in conflict in any material way with any contracts or ordinances of the Local Government; and
 - (4) There is no litigation materially adversely affecting this Agreement or the financial condition of the Local Government.
- (c) An opinion of a licensed engineer or certified public accountant as to the sufficiency of the rates, fees and charges to meet costs of operation and maintenance, including depreciation and all debt service of the Local Government in Paragraph 7(1);
 - (d) An opinion of a licensed engineer as to the reasonableness of the project costs and as to the estimated completion date of the Project; and
 - (e) A representation of the Local Government as to loans and state shared taxes.

10. SEVERABILITY. In the event any covenant, condition or provision of this Agreement is held to be invalid or unenforceable by a final judgment of a court of competent jurisdiction, the invalidity thereof shall in no way affect any of the other covenants, conditions or provisions hereof.

11. NOTICES. Any notice shall be delivered to the parties at the addresses below (or such other addresses as the parties shall specify to each other in writing):

To Department: Tennessee Department of Environment and Conservation
 401 Church Street, 8th Floor
 Nashville, TN 37243
 ATTN: State Revolving Fund Loan Program

To Authority: Tennessee Local Development Authority
 Suite 1600, James K. Polk Building
 Nashville, TN 37243-0273
 ATTN: Assistant Secretary

To Local Government: Roane County
 ATTN: Mr. Ron Woody, County Executive
 200 E. Race Street, Suite #1
 Kingston, TN 37763

12. SECTION HEADINGS. Section headings are provided for convenience of reference only and shall not be considered in construing the intent of the parties to this Agreement.

13. EFFECTIVE DATE. The effective date of this Agreement shall be the date on which the Authority approves this Agreement as indicated below.

IN WITNESS WHEREOF, the parties to this Agreement have caused the Agreement to be executed by their respective duly authorized representatives.

LOCAL GOVERNMENT

NAME: Roane County
(County)

BY: _____
Ron Woody, County Executive

DATE: _____

TENNESSEE LOCAL DEVELOPMENT AUTHORITY

BY: _____

TITLE: _____

MEETING APPROVAL DATE: _____

INTEREST RATE: _____

APPROVED AS TO FUNDING:

COMMISSIONER, DEPARTMENT OF ENVIRONMENT AND CONSERVATION

BY: _____

DATE: _____

COMMISSIONER OF FINANCE AND ADMINISTRATION

BY: _____

DATE: _____

Resolution # 01-12-27

IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE

A **RESOLUTION** to amend the Wastewater Fund (204) due to better estimates of revenues and expenditures.

WHEREAS, the Wastewater Fund (204) has been changed to enterprise fund accounting which alters the accounting requirements, and

WHEREAS, a rate increase has altered the revenue estimate, and

WHEREAS, some expenditure estimates need to be adjusted due to better information and changes in operational needs.

NOW, THEREFORE, BE IT RESOLVED that the Wastewater Fund (204) be amended as follows:

SEE ATTACHED SHEET

Upon motion of **Commissioner Collier**, seconded by **Commissioner Kelley**.

The following Commissioners voted Aye: **Bacon, Berry, Brummett, Collier, East, Ellis, Forrester, Goddard, Granger, Johnson, Kelley, Moore, Tedder (13)**

No:-0- Passed: -0-

Thereupon, the Chairman announced that said Resolution had received a constitutional majority and ordered same spread of record.

APPROVED:

County Chairman

The foregoing Resolution was submitted to the County Executive for his consideration this the _____ day of _____, 2012.

ATTESTED:

County Clerk

I hereby approve _____ veto _____ the foregoing Resolution this _____ day of _____, 2012.

County Executive

Submitted by Ron Woody, County Executive

204 Wastewater Fund Budget Amendment

Fund	Account No.	Description	Current Bgt	Amend	Amend Bgt
Revenue					
	43115	Water Treatment Charges	580,000	100,000	680,000
	43193	Water Tap Sales	13,600		13,600
	43193 GVB	Water Tap Sales	68,000		68,000
	49500 MTW	Other Loans Issued	3,000,000		3,000,000
			<u>3,661,600</u>	100,000	<u>3,761,600</u>
Expenditure					
Other Waste Collection					
204	55739 103	Assistants	85,778		85,778
204	55739 105	Supervisor/Director	50,000		50,000
204	55739 187	Overtime Pay	14,400		14,400
204	55739 188	Bonus Payments	2,334		2,334
204	55739 191	Board/Committee Fees	6,000		6,000
204	55739 199	Other Per Diem & Fees	2,400		2,400
204	55739 201	Social Security	11,939	400	12,339
204	55739 204	State Retirement	14,124	500	14,624
204	55739 206	Life Insurance	264		264
204	55739 207	Medical Insurance	38,808		38,808
204	55739 208	Dental Insurance	840		840
204	55739 307	Communication	4,500		4,500
204	55739 320	Dues & Memberships	900		900
204	55739 321	Engineering services	21,000		21,000
204	55739 333	Licenses	2,730	1,000	3,730
204	55739 334	Mtce. Agreements	4,760		4,760
204	55739 335	Mtce. of Building	15,000		15,000
204	55739 336	Mtce. of Equip.	25,000	1,000	26,000
204	55739 338	Mtce. of Vehicles	1,500		1,500
204	55739 348	Postal Charges	300		300
204	55739 349	Printing, Stationary, Forms	500		500
204	55739 351	Rentals	450		450
204	55739 355	Travel	900		900
204	55739 359	Disposal Fees	10,000	5,000	15,000
204	55739 361	Permits	-	400	400
204	55739 409	Crushed Stone	600		600
204	55739 412	Diesel Fuel	1,000		1,000
204	55739 415	Electricity	70,000		70,000
204	55739 422	Food Supplies	500		500
204	55739 425	Gasoline	5,000	5,000	10,000
204	55739 433	Lubricants	400		400
204	55739 450	Tires & Tubes	700		700
204	55739 451	Uniforms	3,000		3,000
204	55739 454	Water and Sewer	3,500	30,000	33,500
204	55739 463	Testing	3,750	3,000	6,750
204	55739 468	Chemicals	27,600		27,600
204	55739 502	Building and Content Ins	1,500	500	2,000
204	55739 506	Liability Insurance	16,192		16,192
204	55739 510	Trustee Commission	7,000	29,610	36,610

204 Wastewater Fund Budget Amendment

Fund	Account No.	Description	Current Bgt	Amend	Amend Bgt
204	55739 511	Vehicle and Equipment Ins	3,000	(1,500)	1,500
204	55739 513	Workmans Comp Ins	3,500		3,500
204	55739 514	Depreciation	140,000	(140,000)	-
204	55739 599	Other Charges	3,900		3,900
204	55739 603	Interest on Bonds	36,227	(36,227)	-
204	55739 613	Interest on Other Loans	-	35,000	35,000
204	55739 733	Solid Waste Equipment	20,000		20,000
204	55739 799	Other Capital Outlay	20,000		20,000
204	55739 799-DOCC-CAP	Other Capital Outlay	10,000		10,000
204	55739 799-GVB-CAP	Other Capital Outlay	50,000		50,000
204	91170 302-MTW	Advertising	1,600		1,600
204	91170 720-MTW	Plant Operation Equip.	3,000,000		3,000,000
204	99100 590	Transfers Out	-	68,753	68,753
			3,743,396	2,436	3,745,832
Fund Balance					
204					
	34780	Assigned for Debt Service	-	200,000	200,000
	39000	Unassigned Fund Balance	379,822	(102,436)	277,386

Est. end of year Accounting and Budget entries necessary for Enterprise Fund Accounting

			DR	CR
204	13400	Infrastructure	100,000	
204	13410	Accumulated. Depr		120,000
204	21730	Bonds Payable	34,204	
204	55739 514	Depreciation	120,000	
204	55739 603	Interest on Bonds	34,549	
204	55739 733	Solid Waste Equipment		20,000
204	55739 799	Other Capital Outlay		20,000
	55739 799-DOCC-CAP	Other Capital Outlay		10,000
	55739 799-GVB-CAP	Other Capital Outlay		50,000
204	91170 720-MTW	Plant Operation Equipment		3,000,000
204	99100 590-F151	Transfers Out		68,753
204	13800 -MTW	Construction in Progress	3,000,000	

RESOLUTION # 04-06-21 (WAIVE THE 12-DAY RULE)

IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE

A RESOLUTION AMENDING PUBLIC LAW

WHEREAS, Tennessee Code Annotated (TCA) 5-16-103(0(1) prohibits the County Commission from compensating members of the Roane County Urban Type Facilities Board; and

WHEREAS, in order to attract qualified individuals to serve on the aforesaid board, it is important to make some reasonable compensation;

NOW, THEREFORE, BE IT RESOLVED that the Roane County Commission does hereby request our State legislators to amend TCA 5-16-103(0(1) to allow counties within Roane County's population class to provide compensation for the board members of not more than one hundred dollars (\$ 100) per month. To be compensated, attendance is required. This will become effective upon 2/3 vote of the county legislative body:

BE IT FURTHER RESOLVED that the County Clerk is instructed to send a copy of this resolution to Senator Tommy Kilby and Representative Dennis Ferguson.

UPON MOTION of Commissioner Beets, seconded by Commissioner Wicks, the following Commissioners voted Aye: Bacon, Beets, Calfee, Coffman, Collier, Currier, East, Goddard, Harmon, Olsen, Rose, Tedder, Wicks (13)

The following Commissioners passed: -0-

The following Commissioners voted No:-0-

THEREUPON the County Chairman announced to the Commission that said resolution had received a constitutional majority and ordered same spread of record.

Uma Coffman
County Chairman

The foregoing resolution was submitted to the County Mayor for his consideration this the 12th day of April, 2006.

ATTESTED:

South M. Marshall
County Clerk

I approve /veto the foregoing resolution this the 13 day of April, 2006.

[Signature]
County Chairman

A RESOLUTION AUTHORIZING THE CREATION OF AN URBAN-TYPE PUBLIC FACILITY

WHEREAS, Roane County currently owns and operates the Post Oak Waste Water Treatment Facility (hereafter referred to as "Plant"); and

WHEREAS, the Plant is an "urban-type public facility" as defined by Tennessee Code Annotated §5-16-101(b)(2); and

WHEREAS, Tennessee Code Annotated § 5-16-101 et. seq. gives Roane County the power to establish, construct, install, acquire, operate and maintain urban-type public facilities in any area or areas within its borders, and to charge fees, rates and charges for such facility.

NOW, THEREFORE, BE IT RESOLVED by the Roane County Commission as follows:

1. That Roane County shall and is hereby exercising all powers conveyed to it pursuant to Tennessee Code Annotated §5-16-101 et. seq. to create an Urban-Type Public Facility; and
2. That the County Mayor appoint, subject to confirmation by the Roane County Commission, the Roane County Board of Public Utilities pursuant to Tennessee Code Annotated §5-16-103; and
3. That said Roane County Board of Public Utilities shall immediately take control and exercise all powers granted pursuant to said Chapter; and
4. That this Resolution be submitted to the Roane County Regional Planning Commission for its approval pursuant to Tennessee Code Annotated §5-16-112 within ninety (90) days after submission. Furthermore, this Resolution shall not take effect until after such approval.

Motion to adopt was made by Commissioner East with second by Commissioner Harmon.

Motion to adopt Passed upon voice vote.

THEREUPON the County Chairman announced to the Commission that said resolution had received a constitutional majority and ordered same spread of record.

Uma Coffman
County Chairman

The foregoing resolution was submitted to the County Mayor for his consideration this the 10th day of January, 2006

ATTESTED:

Barth M. Marshall III
County Clerk

I approve [Signature] / veto the foregoing resolution this the 12 day of January, 2005.

[Signature]

Recommendations

History & Current Operations:

Recommendation:

- The Public Utility Board (PUB) should consider changing the rate to one based on water usage.

Recommendation:

- That the PUB review and compare industrial rates to other similar sewer providers to insure the industrial rates are within acceptable credible limits.

Recommendation:

- Written contracts for billing services should be negotiated.
- A reconciliation of payment received to a customer listing should be done on a monthly basis.

Recommendation:

- If sufficient funds become available, the PUB should consider early payoff of the Rural Development Loan of 2002.

ROANE COUNTY PUBLIC UTILITY RECOMMENDATIONS SUMMARY

Collection System Recommendations

1. Transfer ownership of all sewage lift stations to RCPU and control design and development of new lift stations.
2. Obtain and file legal easement with descriptions for sewerage system infrastructure located on private property.
3. Additional staff may be needed as the system grows.
4. Provide needed tools, parts, equipment and facilities including a Jet-Vac-TV truck.
5. Construct a garage/shop for storing tools, spare parts and equipment.
6. Aggressively locate and remove infiltration and inflow (I/I).
7. Locate and remove source(s) of rocks, coal and black water in the collection system.
8. Test for hydrogen sulfide and treat as necessary.
9. Investigate using grinder pumps as an alternative to STEP systems.

Wastewater Treatment Plant Recommendations

1. Sludge processing capacity should be enhanced by improving existing processes, working longer hours or by adding capacity.
2. Investigate and locate the source of high BOD loading and take appropriate regulatory action if warranted.
3. Consider using two full-time workers for plant operations.
4. Add office, files storage and meeting space for staff and visitors.

Management, Financial and Administrative Recommendations

1. Reduce administrative layers and streamline decision-making and reduce costs.
2. Seek to combine utility operations with Roane Central Utility District.
3. Promote understanding of each other's roles and responsibilities between financial staff and operational staff.
4. Execute detailed contracts with Roane Central Utility District and the City of Rockwood to collect payment of wastewater bills.
5. Digitize all system maps so that up-to-date maps are available electronically for developers and planning purposes and provide software to track service calls and corrective actions.
6. As noted above, require legal easements to maintain RCPU infrastructure that is located on private property. Easements should be required for all new construction and sought for all existing infrastructure.
7. If overtime pay rises above 10% of total pay, consider adding staff. Keep compensation of current positions compatible with nearby utilities.

Fixed Assets

Recommendation:

- Change depreciation life to a max of 40 years for sewer lines and 10 years for step systems.