

MINUTES  
MURFREESBORO WATER RESOURCES BOARD  
January 24, 2023

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The Murfreesboro Water Resources Board met on Tuesday, January 24, 2023 in the conference room at the Operations and Maintenance Building, 1725 S. Church Street. Present at the meeting were Board members: Mr. John Sant Amour, Dr. Al Carter, Mr. Ron Crabtree, Ms. Sandra Trail, Mr. Kirt Wade, Ms. Madelyn Scales-Harris, and Ms. Kathy Nobles. Also present were Darren Gore, Doug Swann, Valerie Smith, Michele Pinkston, Sarah Mathews, Roman Hankins, Marshall Fall, Alan Cranford, Joe Russell, John Strickland, Matt Powers, Steve Campbell, Alex Barrett, Jeff Broach, Travis Wilson, and Brent Fowler along with other members of the public.

The Consent Agenda was presented to the Board for approval:

- A. *Sewer Easement Abandonment for Circle K in Kingdom Crest*
- B. *Sewer Easement Abandonment in Stonebridge Development*
- C. *SSR Task Order 2041011.0 Amendment No. 1, SRWTP Switchgear Improvements*

Sandra Trail made a motion to accept the Consent Agenda as presented and it was seconded by Dr. Carter. The Board voted unanimously to approve.

The December 13, 2022 Board Minutes were unanimously accepted as presented.

The Board considered Salem Highway and Barfield Road Special Sanitary Sewer Assessment District Ordinance Amendment.

At the December 2022 meeting, the Board recommended Council revise the Salem Highway and Barfield Road Special Sanitary Sewer Assessment District to recoup \$8,389,949 in expenses associated with sewer improvements to the area. These improvements increase the capacity of the Salem Highway and Barfield Road service allowing 3,473 new sewer connections, typically defined as single-family units (sfu's). Funding was approved from the Water Resources working capital reserves.

A special assessment of \$3,150 per sfu is proposed to recoup this construction expense over a 15-year timeframe for projects approved after December 1, 2022. Additionally, the outstanding balance of \$674,793 from the original Salem Highway and Barfield Road SSSAD established in 2001 is proposed to be recouped over a 5-yr period for 891 sfu's that were approved prior to December 1, 2022 at \$840 per sfu.

Staff recommended the Board recommend to City Council approval of Ordinance 23-O-01.

All revenues generated from revising the Salem Highway and Barfield Road SSSAD are expensed to the Department's working capital reserves for use in future repair, replacement, and upgrade capital projects.

Sandra Trail made a motion to approve. Kathy Nobles seconded. The motion unanimously passed.

The Board considered an Interlocal Agreement between the City of Murfreesboro and CUD.

An Interlocal Agreement (ILA) provides two main benefits to the City of Murfreesboro:

- 1) Credit CUD's water storage account in J. Percy Priest with return flows from the City's Water Resources Recovery Facility (WRRF) that are generated by CUD customers within the City Limits of Murfreesboro.
- 2) Provide CUD access to the City's surplus water storage in J. Percy Priest under drought conditions to be able to continue to serve Murfreesboro customers.

On December 17, 2020, Murfreesboro received an e-mail notification from the Corps of Engineers that confirmed Rutherford County water suppliers would be receiving full credit for return flows in their respective water storage pools and associated provisions integrated into their water supply contracts. The draft ILA formalizes the water storage sharing provisions that benefits Murfreesboro residents who are CUD customers through 1) proper crediting of return flows and 2) sharing surplus water supply in Murfreesboro's storage pool within the J. Percy Priest Reservoir.

The CUD-Supplied return flows are based on projections of CUD customers growing within the City of Murfreesboro. In 2030, the estimated number of CUD water customers will be approximately 60% served by CUD and 40% served by MWRD. Currently, MWRD water customers within the City of Murfreesboro is around 52% and CUD water customers inside the City at 48%.

Even with crediting Murfreesboro customers return flows, CUD's new water supply contract with the Corps of Engineers is 4.66 MGD short of its projected 2030 need.

CUD attempted to secure the additional storage necessary for their 2030 demands by purchasing remaining surplus storage identified in the J. Percy Priest Reallocation report. However, the Corps insisted that Murfreesboro and CUD form an agreement to share Murfreesboro's surplus storage of 5.56 MGD to cover CUD's shortfall of 4.66 MGD. MWRD and CUD believe the ILA will meet with the Corps approval and at the same time benefit the City of Murfreesboro residents water supply needs.

The ILA provides for when the total water supply available to Murfreesboro continues to exceed demand, CUD may utilize any Surplus Water Supply available to Murfreesboro to supply water to Murfreesboro residents. In practical terms, when there is a drought or when the Corps initiates water storage accounting within J. Percy Priest, CUD and Murfreesboro will look at their water supply pools as "shared" for the benefit of Murfreesboro water customers.

Staff recommended the Board recommend approval of the ILA to the City Council for execution, subject to final Legal review.

Kirt Wade made a motion to approve. Dr. Carter seconded. The motion unanimously passed.

Staff provided the Board a PowerPoint presentation reviewing the 2022 sewer allocation report.

The Sanitary Sewer Allocation Ordinance requires an annual report of the current sewer system capacity.

The annual report is a summary assessment of a sanitary sewer hydraulic model that breaks the City down into 18 watersheds or basins in which MWRD continuously monitors sewage flow throughout the year. The following measures were used to determine the available sanitary sewer connections per basin:

- Current or “As Is” wet weather measured flows through the basins were compared to the maximum conveyance capacity of the basins’ sanitary sewer pipelines (e.g., interceptors).
- Remaining capacity was divided by the average wet weather daily flow a sewer connection consumes in the collection system. A connection is defined as an apartment, townhome, single-family home, commercial establishment, food service establishment or retail shop.
- Previously approved sewer connections by Planning Commission since 2016 are also factored into the calculation of remaining capacity in the sewer system.
- \$57.5M in planned sewer system upgrades were incorporated into the “To Be” condition to determine an increase in 26% available future connections (71,642 in the “to-be” condition versus 49,926 in the “as-is” condition) are available once the upgrades are completed.

There are no fiscal impacts to managing the “As Is” or current sanitary sewer collection system; however, upgrading the system to convey 26% more sewage will cost an estimated \$57.5M in upgrades. This is an increase of \$10.1M in upgrades identified in the 2021 sewer allocation report (previously reported in 2021 as \$47.4M). A total of \$27.6M has been approved by the Board and City Council and is either under construction or pending start of construction. The \$27.6M is being funded from the Water Resources working capital reserves, or cash-on-hand. The remaining \$29.6M may be funded with cash reserves or a combination of cash reserves and debt service.

Sandra Trail made a motion to approve. Kirt Wade seconded. The motion unanimously passed.

Under Other Business, the Board considered Beasie Road & water main extension easement offers.

At the December Board meeting staff presented the Department’s cost to extend water and sewer mains related to the Beasie Roadway project. The City had received appraisals for the right of way acquisition and these appraisals were used to calculate the permanent water and sewer easement offers as well as offers for the temporary construction easements. There are three properties affected by water and/or sewer main extensions.

Since time was of the essence, staff previously emailed easement offer amounts, based on the appraisals, for two of the three properties totaling \$63,558. There was not an appraisal for Tenn Thom Realty (TTR) since they donated the right of way for the roadway. Staff hoped that TTR would donate the water main and temporary construction easements, however, they have chosen not to. Staff worked with Legal to determine the offer for the easements based on the other appraisals for the project.

Based on the square footage of easement required, the offer amount to purchase the easement is \$24,265 total value plus 10% for voluntary conveyance.

Staff recommended the Board recommend to City Council approval of the offer amount to TTR for the necessary easements.

Kathy Nobles made a motion to approve. Kirt Wade seconded. The motion unanimously passed. Staff presented and discussed the Water Resources Dashboard Performance for December 2022. Staff presented the Financial Reports for the year ending December 31, 2022. There being no further business, the meeting was adjourned.

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John Sant Amour, Chairman