

HVUD

HARPETH VALLEY

UTILITIES DISTRICT

March 1, 2007

Mr. Paul E. Davis, Director
Division of Water Pollution Control
Tennessee Department of Environment and Conservation
6th Floor L&C Annex
401 Church Street
Nashville, Tennessee 37243-1534

RE: Public Hearing for Additional Withdrawal Permit From the Harpeth River for the City Of Franklin

Dear Mr. Davis:

This letter will represent Harpeth Valley Utilities District of Davidson and Williamson Counties, Tennessee's (HVUD) position regarding water availability from HVUD to the City Of Franklin (Franklin).

As part of the long term contract between Franklin and HVUD, HVUD annually requests projections of Franklin's water needs for the next five years. HVUD utilizes this information to determine the need for capital improvements by HVUD in order to meet Franklin's present and future water needs. Please see the enclosed Fact Sheet relating to HVUD's present water supply and production capacity.

As you know, it is of vital importance for Franklin and HVUD to properly and adequately plan to meet the potable water supply needs of the citizens of Franklin. Your role and that of the Division of Water Supply, Department of Environment and Conservation in this process is important and appreciated.

Please be advised that Franklin submitted to HVUD 5-year projections for 2006-2010 in April of 2006 and revised these projections in May of 2006. Franklin's projections submitted in 2006 for maximum month flow and peak day flow were actually less than the projections submitted by Franklin to HVUD in 2005. The peak day projected for 2006 was 6.7 MGD and for 2010 was 7.0 MGD.

The importance of a municipality accurately/realistically projecting its potable water needs cannot be overstated. It is crucial. With regard to Franklin, its 2006 peak day projections submitted to HVUD in 2006 had in fact already been exceeded as many as fifteen times in 2005. Its peak day projection of 6.7 MGD for 2006 was exceeded fourteen times in 2006; and, in fact, its peak day projection of 7.0 MGD for 2010 was

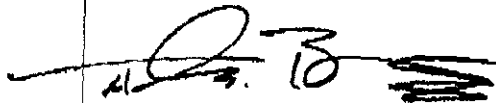
exceeded eight times in 2006. The only reasonable explanation for these projections was that Franklin was relying on another potable water source to meet its peak day needs. While HVUD can supply whatever Franklin's projected potable water needs are, HVUD cannot do so without accurate/realistic 5-year projections from Franklin. HVUD is not involved in the issue as to whether Franklin has another reliable potable water source to meet its peak day potable water needs. However, if Franklin does not wish to participate in future capital improvements by HVUD by accurately/realistically projecting Franklin's peak day needs from HVUD, then HVUD will have no choice but to hold Franklin to its peak day projection for that given year.

HVUD can supply whatever peak day flows that Franklin requests, but HVUD needs to know enough time in advance to be able to meet these demands. Additions to our system must be planned, financed, designed, and constructed which may take more than two years to complete.

As stated, HVUD does not have a position concerning Franklin's additional water withdrawal application from the Harpeth River, but does desire that you, your department and Franklin be fully knowledgeable concerning the ability of HVUD to supply Franklin's potable water needs from the Cumberland River as set forth and described herein and in the enclosed Fact Sheet. The matter of Franklin's application is for Franklin and the State of Tennessee to consider. Please know that HVUD would be pleased to furnish any additional information concerning HVUD's potable water production capacity and ability to increase such capacity as you, your department or Franklin may desire.

Yours very truly,

Harpeth Valley Utilities District of
Davidson & Williamson Counties, Tennessee



John Brown, General Manager

cc: City of Franklin
Harpeth River Watershed Association

**HARPETH VALLEY UTILITIES DISTRICT
WATER SUPPLY/DISTRIBUTION FOR WILLIAMSON COUNTY
FACT SHEET**

- HVUD has spent over \$80 million dollars in the last 10 years on water improvements.
- The Cumberland River provides an essentially unlimited supply of water to the filter plant that currently has capacity to produce 38 million gallons per day (MGD).
- HVUD is currently designing the next filter plant expansion of 12 MGD for a total of 50 MGD that could be on line as soon as summer of 2008.
- HVUD spent \$5 million dollars for emergency generators at the water treatment plant and booster stations that can generate electricity to pump 30 MGD to during a power failure.
- The high service pump station at the water treatment plant currently has a total pumping capacity of 60 MGD (4 pumps at 15 MGD each) with the capability to add an additional pump for a total build-out capacity of 75 MGD.
- 12-inch, 16-inch, 30-inch and 48-inch waterlines feed 2 main pump stations; Hicks Road and Sawyer Brown from the filter plant. The lines are independent and parallel.
- Hicks Road Pump Station is built for a capacity of 60 MGD and currently can pump 48 MGD with 4 pumps or 36 MGD if one of the pumps is out of service. Sawyer Brown can pump 26 MGD or 20 MGD if one of the pumps is out of service.
- 30-inch and 48-inch water lines go to Vaughn and Sneed Roads which feed meters that serve the City of Franklin at two locations; Hillsboro Road and Old Natchez Trace.
- Minimum bills allow the District to recover sufficient funds during low usage months to meet debt service requirements on funds borrowed to construct capital improvements. Capital improvements are built based on long-term peak demand forecasts. Realistic annual projections by its municipal and utility customers are required in order for the District to plan, finance, design and construct necessary capital improvements. The District operates on a cost of service basis to serve municipalities and other utility districts.

November, 2006