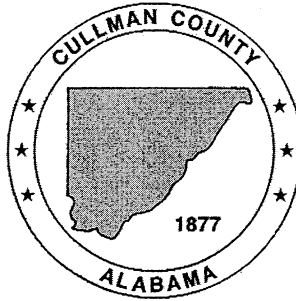


Cullman County Commission

JAMES D. GRAVES
Chairman

DAN WILLINGHAM
County Attorney



WAYNE WILLINGHAM
Associate Commissioner

DOUG WILLIAMS
Associate Commissioner

Updated Budget for Regional Water Supply & Treatment Proposal Smith Lake Water Treatment Plant Sole Focus

FOR IMMEDIATE RELEASE:
February 24, 2010

(Cullman, Ala.) -- In response to City of Cullman officials declining all facets of the October 26, 2009, Regional Water Supply and Treatment Proposal and in endeavoring for greater transparency in government, Cullman County Commissioners Doug Williams and Wayne Willingham announce their support of issuing a Smith Lake Water Withdrawal Permit to the Cullman County Water Department and release the budget for the project.

During today's regularly scheduled County Commission meeting, the majority of Commissioners approved a Resolution supporting Alabama Power Company process and the Federal Energy Regulatory Commission (FERC) approve the permit request which was filed last month. (Find the Resolution attached.)

The water department engineering firm plan budgets \$35 million for the design and construction of a water treatment plant in south-central Cullman County on Smith Lake to most efficiently utilize existing water system infrastructure and to provide quality water for citizens in the water department service area in a more economical and timely manner. It may take up to a year to complete the regulatory permit approval process.

Last fall, County Commissioners Williams and Willingham presented a comprehensive Regional Water Supply and Treatment Plan to City of Cullman officials which included modernizing Catoma Water Treatment Plant for \$16.5 million, buy-in to jointly have a voice in the management of Catoma Water Treatment Plant and Reservoir for \$25 million, a joint-board assume the existing \$5 million water debt portion of the City of Cullman Utility Board, and design and construct a second water treatment plant located at Smith Lake at \$35 million for a combined cost of \$81.5 million.

With City officials declining to work together with County officials on any of the proposed items, the County now seeks a Smith Lake water withdrawal permit to then enable design and construction of a water treatment plant at Smith Lake.

While \$63.5 million has been marketed by the City as the cost of constructing a new water reservoir six miles east of the existing Catoma Reservoir; the City has not released a cost for treatment of any new water supply.

About the Cullman County Water Department: Comprised of the most extensive pipe infrastructure rural water system in the state, the Cullman County Water Department is the third largest rural water system in Alabama serving 15,800 customers in a four-county region including Cullman, Morgan, Winston and Walker Counties.

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