

## Proposal

### Regional Water Board

Submitted: October 26, 2009

1. The Utility Board of the City of Cullman dissolves the water division to form a Regional Water Board comprised of all water systems. Water systems are granted the option to serve on the Regional Water Board. Voting is based on percentage of use.
2. The Regional Water Board purchases Catoma Water Treatment Plant (WTP) and Catoma Lake Reservoir for \$25 million. Catoma WTP and Reservoir is owned and operated by the Regional Water Board. The Regional Water Board will immediately recognize and address the need for upgrades and improvements of Catoma WTP.
3. The Regional Water Board will assume the existing debt related to water supply and treatment the water division of the Utilities Board of the City of Cullman has incurred in the amount of approximately \$5 million.
4. Water Treatment Plant redundancy and increased treated water capacity will be accomplished by 2012. Water treatment redundancy and increased water supply will be accomplished by a Water Treatment Plant at Smith Lake in addition to supplemental groundwater supplies. Smith Lake WTP will be owned and operated by the Regional Water Board.
5. Each water system retains ownership of its transmission lines. Systems agree to a universal carrying charge of \$0.60 per 1,000 gallons. The carrying charge is adjusted annually based on the Consumer Price Index.
6. The Regional Water Board assumes water quality monitoring responsibility, as required by the Alabama Department of Environmental Management (ADEM), for all participating systems.

###