#### AGREEMENT

**THIS AGREEMENT** is made and entered into this <sup>17th</sup>day of September 2024, by and between the Metropolitan Government of Nashville and Davidson County ("Metro") and the City of Belle Meade ("Customer").

WHEREAS, Metro owns and operates a sewage transportation and treatment system (the "Metro System"); and,

WHEREAS, Customer owns and operates a sewage collection system (the "Customer System"); and,

WHEREAS, the Metro System has or will have sufficient capacity to safely and effectively accept and treat sewage flows from the Customer System as contemplated herein.

#### THE PARTIES AGREE AS FOLLOWS:

- 1. <u>Effective Date; Term.</u> This Agreement shall become effective only after its approval by the Metropolitan Council and filing with the Metropolitan Clerk. The term shall commence on October 1, 2024 and end on October 1, 2034.
- 2. <u>Transportation and Treatment Service</u>. Metro agrees to accept into the Metro System sewage flows from the Customer System for transportation and treatment.
- 3. <u>Billing</u>. The parties agree that Metro will read the water meters for Customer's water and sewerage customers and, based on the meter readings obtained, bill such customers for:
  - a. water service at the applicable rates set forth in the Metropolitan Code of Laws; plus
  - b. sewerage service at the Utility Price established in this Agreement; plus
  - c. a surcharge of 10% of the amount due for sewer service as provided in BL2010-790; plus
  - d. an administrative fee of 10% of the charges due for wholesale sewerage service at the Utility Price; plus
  - e. a surcharge ("Belle Meade Surcharge") as directed by Customer.
- 4. <u>Surcharge Payments.</u> Once each month, Metro will remit all Belle Meade Surcharge payments collected on the behalf of Customer in the previous month.
- 5. <u>Metro Transportation and Treatment Utility Price</u>. The Utility Price on October 1, 2024 shall be \$1.62 per hundred cubic feet.

- 6. <u>Annual Utility Price Adjustments.</u> On October 1 of each year during the term of this Agreement, the Utility Price shall be adjusted for the following calendar year.
  - a. For the calendar years beginning October 1 of each year except 2029 and 2034, the Utility Price then in effect shall increase or decrease by a percentage equal to the smaller of: (1) the percentage increase or decrease from the previous calendar year in the Service Charge Index compiled and published by the National Association of Clean Water Agencies; or (2) the percentage increase or decrease from the previous calendar year of the annual average in the Consumer Price Index – All Urban Consumers (CPI-U), U.S. City Average, All Items, 1982-1984 = 100, published by the United States Department of Labor, Bureau of Labor Statistics. If one of the indexes identified in this paragraph ceases to be published during the term of this Agreement, a comparable index acceptable to the parties shall be substituted.
  - b. For the calendar year beginning October 1, 2029 and 2034, the Utility Price shall be set using the utility approach method used by Metro and its wholesale customers, including Customer, to establish the initial Utility Price, which method is described below.
    - i. The operating cost component shall be calculated using Metro's then current fiscal year budgeted costs for operation and maintenance of joint facilities divided by the total treated flow through all Metro facilities expressed as an average annual flow for the three previous fiscal year periods. Joint facility costs are defined as Metro's budgeted operations and maintenance costs for wastewater services only, exclusive of debt service costs, capital outlay, capital improvements plan (CIP) and stormwater costs. Joint facility costs include costs for the operation of facilities that provide benefit to both wholesale and retail customers. Typically, joint facility costs would include costs associated with the operation of all core system assets, including wastewater treatment plants, wastewater interceptors and pump stations. Joint facility costs would include retail costs, such as costs for the operation of system components that generally do not benefit wholesale customers. Retail costs would include costs associated with the local service wastewater collection lines, as well as customer service and billing and collection costs.
    - ii. The capital cost component includes both a return on assets calculation and an allocated portion of depreciation expense.
      - a. The return on assets calculation considers the original cost less depreciation of Metro's capital assets that benefit both wholesale and retail customers. Capital assets include wastewater treatment plant assets, including sludge management and odor control facilities, pump station assets, wastewater interceptors and large force mains that are determined to benefit both wholesale and retail customers. This return on asset base shall not include construction work in progress. The capital allocation to wholesale customers, as a class, shall be based on their proportionate share of treated flows. The resultant capital allocation shall be multiplied by a capital cost return component based on Metro's weighted cost of debt, plus 200 basis points (two percentage points). Metro's weighted cost of debt shall be based on outstanding bond issues for wastewater debt listed in the most recent official statement for Metro bonds.

- b. The allocated portion of depreciation expense shall be based on the annual depreciation of wastewater assets that benefit both wholesale and retail customers. The allocated portion of depreciation expense to wholesale customers, as a class, shall be based on their proportionate share of treated flows.
- c. The sum of the return on assets calculation and the allocated portion of depreciation expense shall be divided by the total treated flow of all wholesale customers, as a class, expressed as an average annual flow for the three previous fiscal year periods.
- d. Depreciation amounts will be based upon the depreciation policies and procedures used by Metro, provided such depreciation policies and procedures are consistent with generally accepted accounting principles and policies applicable to municipal water and sewer utilities.
- 7. <u>Selection of Rate Consultant.</u> Not later than October 1, 2028, and again not later than October 1, 2033, Metro and Customer shall jointly engage a qualified and mutually acceptable rate consultant to develop the Utility Price as contemplated in Paragraph 6 of this Agreement. The costs for the development of the Utility Price pursuant to this Paragraph shall be borne jointly by Customer and Metro.
- 8. <u>Additional Capacity</u>. The parties recognize and acknowledge that neither has any ownership rights to additional capacity in the sewage collection, transportation or treatment systems of the other. Neither party shall have any right to compel the acceptance of flows into the other party's system in excess of the limits specifically stated in this Agreement.
- 9. Industrial Pretreatment Program. Should a Significant Industrial User ("SIU") per EPA 40 CFR 403 regulations or any user that could discharge process waste that may otherwise adversely impact the receiving POTW, an Industrial Pretreatment Program ("IPP") must be administered, either by Metro or its Municipal satellite customers ("Customer"). The IPP shall be administered in accordance with published Federal and State laws, rules, and regulations. The IPP Administrator shall take all necessary steps, including, without limitation, discontinuation of service, to ensure that businesses discharging waste into the service area comply with applicable codes, rules and regulations concerning permitting and discharge limits. Furthermore, IPP Administrator shall ensure that all flows into Metro's POTW conform in all respects to Metropolitan Code of Laws § 15.60.010 et seq. and any duly enacted amendment or successor ordinance. Likewise, should any flow from Metro's POTW discharge into a Customer's service area, Metro shall abide by the Customer's respective relevant Municipal Codes, amendments, and ordinances. Customers of Metro's POTW must notify Metro of their Administrator by choosing one of the three options below. In the event that a Customer chooses to change their Administrator option, they are free to do so by providing Metro with a 180-day notice.

**Option 1**: Customer does not have a SIU in its service area and local zoning codes limit the likelihood that an SIU will locate itself in this service area in the future, thus an IPP Administrator is not applicable.

**Option 2**: Customer shall function as its own IPP Administrator. Customer shall administer IPP at its sole cost and expense. Customer and Metro shall promptly provide each other any

documents from either party or other government entity relating to their respective IPP, and likewise furnish said documents to relevant Approval Authority upon request. Metro will monitor discharge from Customer at agreed Point of Connection (POC) into Metro POTW. Should the Customer fail to adequately administer their IPP, Metro will take appropriate action to ensure compliance and assess related cost to the Customer. If Metro determines Customer remains in Significant Non-Compliance for more than a 365-day period, Metro reserves the right to remand Customer to Option 3.

**Option 3**: Metro shall function as Customer's IPP Administrator. Customer shall require compliance with the IPP by its sewer clientele and shall cooperate with Metro in its enforcement. To assist Metro in its enforcement, Customers shall provide the following to Metro:

- An annual report submitted by October 1 of each year of water and sewer usage for all commercial and industrial user accounts in their service area; and
- Daily flow data at each connection point upon request; and
- Updated Sewer System Data submitted by October 1 of each year. GPS coordinates may be provided for data sets less than 50 points. Data sets with 50 points or more shall be provided in an electronic GIS shapefile or other geodatabase format; and,
- Notification of new construction, renovation, or occupancy of Industrial Zoned Properties and Businesses.

Metro shall recover the costs of administering the IPP through user, permit and other fees in accordance with the same policies and procedures applicable to Metro's own sewer clientele, provided, however, that Customer shall reimburse Metro for reasonable actual costs of administering the IPP not so recovered.

Customer has chosen Option 1.

- 10. <u>Extension</u>. The term of the Agreement shall end on October 1, 2034, but may be extended by the parties upon such terms as they may then agree. Neither party shall be entitled to a refund of any payment made under this Agreement upon the termination or expiration of this Agreement. The parties agree that no notice shall be necessary in order for the Agreement to terminate by expiration at the end of the term referenced above.
- 11. <u>Reselling of Service</u>. Services provided to Customer under this Agreement shall not be resold to any other governmental or other entity other than Customer's retail customers.
- 12. <u>Assignment.</u> Customer shall not assign its rights under this Agreement to any entity without Metro's written consent.
- 13. <u>Modifications.</u> All of the terms of agreement and understandings of the parties are set forth in this document. No modification of this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- 14. <u>Mediation.</u> In the event of a dispute between the parties on any matter arising under this Agreement which the parties cannot reconcile, the dispute shall be submitted to mediation in accordance with the terms of this paragraph before any complaint can be filed in a court of law or equity for a breach of this Agreement. In the event the dispute involves the Utility

Price to be paid by the Customer for wholesale sewer treatment service, the mediator shall have experience in performing utility rate cost of service studies. If the parties cannot agree upon a qualified mediator, a qualified mediator shall be appointed by the Clerk and Master of the Davidson County Chancery Court upon application by the parties certifying their inability to agree upon a qualified mediator. The mediator shall establish the procedures for the mediation.

15. <u>Governing Law and Forum.</u> This Agreement shall be governed by the laws of the state of Tennessee, and any action relating to this Agreement shall be brought only in a court of competent jurisdiction in Davidson County, Tennessee.

## THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

APPROVED:

Freddie O'Connell, Mayor

**RECOMMENDED BY:** 

DocuSigned by:

Scott Potter

Dhreetor, Department of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS:

-Signed by:

Livin (rumbo/mjw Bireew; Department of Finance

APPROVED AS TO RISK AND INSURANCE:

DocuSigned by:

Balogun Cobb

Difector of Insurance

APPROVED AS TO FORM AND LEGALITY:

-Signed by:

Tara ladd

Assestant Metropolitan Attorney

ATTESTED:

Metropolitan Clerk

#### **CITY OF BELLE MEADE**

APPROVED: Ce Mayor Mayor

ATTEST:

City Manager

APPROVED AS TO FORM AND LEGALITY:

General Counsel, City of Belle Meade

#### AGREEMENT

**THIS AGREEMENT** is made and entered into this <u>26th</u> day of <u>August</u> 2024, by and between the Metropolitan Government of Nashville and Davidson County ("Metro") and the City of Brentwood ("Customer").

WHEREAS, Metro owns and operates a sewage transportation and treatment system ("Metro System"); and

WHEREAS, Customer owns and operates a sewage collection system ("Customer System"); and

WHEREAS, the Metro System has or will have sufficient capacity to safely and effectively accept and treat sewage flows from the Customer System as contemplated herein.

#### THE PARTIES AGREE AS FOLLOWS:

- 1. <u>Customer Points of Connection.</u> All points of connection ("POC") at which flow from Customer's System ("Customer Flows") enters Metro's System, except those exempted in writing for good cause by the Director of the Metropolitan Department of Water and Sewerage Services (the "Metro Director"), shall include metering facilities approved by the Metro Director. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit A. As noted in Exhibit A, three of the existing POCs are and shall be permitted to continue to be unmetered, except as otherwise provided in paragraph 14. Customer may request, and Metro shall have the discretion to approve the construction of additional POCs of Customer's System to Metro's System. No POC may be added without the Metro Director, Customer, at Customer's sole expense, shall install a metering device approved by the Metro Director for the purpose of measuring Customer Flows.
- 2. <u>Metro Points of Connection.</u> All points of connection ("POC") at which flow from the Metro system ("Metro Flows") enters Customer's System for transmission back into the Metro System for treatment, except those exempted in writing for good cause and by the City Manager (the "City Manager") shall include metering facilities approved by the City Manager. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit B. As noted in Exhibit B, eight of the existing POCs are and shall be permitted to continue to be unmetered, except as otherwise provided in paragraph 14. Metro may request, and Customer shall have the discretion to approve the construction of additional POCs of Metro's System to Customer's system. No POC may be added without the City Manager's written

consent. For each POC, unless exempted by the City Manager, Metro, at Metro's sole expense, shall install a metering device approved by the City Manager for the purpose of measuring Metro Flows.

- 3. <u>Operation and Maintenance of Meters.</u> All maintenance, upkeep, repair and replacement of meter(s) and other metering station components contemplated by paragraph 1 of this Agreement (as listed on Exhibit A) shall be performed by Customer or its agents or contractors (which may include Metro Water Services) at Customer's expense. All maintenance, upkeep, repair and replacement of meters and other metering station components contemplated in paragraph 2 of this Agreement (as listed in Exhibit B) shall be performed by Metro or its agents or contractors at Metro's expense.
- 4. Maximum Flows at Customer Metered Points of Connection. For each of Customer's POCs listed in Exhibit A which are metered, Metro agrees to accept into the Metro System sewage flows from the Customer System for treatment at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit A to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Metro agrees to accept and treat for Customer these contracted sewage flows except in emergency situations and agrees to give Customer notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 5. <u>Maximum Flows at Metro Metered Points of Connection</u>. For each of Metro's POCs listed in Exhibit B which are metered, Customer agrees to accept into the Customer's System sewage flows from the Metro System at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit B to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Customer agrees to accept and transport for Metro these contracted sewage flows except in emergency situations and agrees to give Metro notice when such contracted sewage flows cannot be accepted and treated due to an emergency.

- 6. <u>Calibration of Meters.</u> At least once every six months, the metering stations contemplated in this Agreement shall be calibrated both hydraulically and electronically by a qualified commercial entity approved by both parties at the expense of the party owning the metering station. In the event a meter maintained by either party ceases to register flow for any reason or a calibration test indicates that a particular metering system is inaccurate, the amount billed for the preceding month's services will be adjusted to reflect an estimated flow quantity based on the average of the flow quantity data from the corresponding month of the preceding year for which data are available and flow quantity from the immediately preceding billing period, and an appropriate credit or debit will appear on Metro's next bill to Customer. In the event a meter fails to accurately measure flow to reasonable engineering standards for three consecutive months, the party owning that meter shall replace it promptly upon the written request of the other party. Both parties agree to continue to make available all flow metering data which might be of benefit to the other party from all points of connection between the parties set forth in this Agreement.
- 7. <u>Metro Treatment Utility Price.</u> Customer shall make monthly payments to Metro for each gallon of flow from Customer's System into Metro's System at the prices in force at the time of billing. As of the Effective Date, for each gallon of flow through a POC that does not exceed the Maximum Rate applicable to that POC, the price (the "Utility Price") shall be \$1.62 per hundred cubic feet. For each hundred cubic feet, or fraction thereof, of flow, excluding Metro Flows, through a POC that exceeds the Maximum Rate, the price shall be one hundred and twenty-five percent of the Utility Price.
- 8. Flow Limits. For purposes of this Paragraph, precipitation shall be measured at the Metro rain gauge ("Rain Gauge") nearest the POC at issue. A "Rainfall Event" occurs when; following a period of ten or more hours without measurable precipitation, 0.01 or more inches of precipitation is measured in the Rain Gauge. An "Excessive Flow Event" occurs when flow through a POC from Customer's System into Metro's System exceeds the Maximum Rate either: (1) resulting from a Rainfall Event; or (2) for at least one hour when no Rainfall Event has occurred. Each hour during which an Excessive Flow Event occurs when no Rainfall Event has occurred shall be considered a separate Excessive Flow Event. If there are six or more Excessive Flow Events in any 12-month period during the term of this Agreement, upon written notice from Metro, Customer shall within 90 days commence development of a corrective action plan, submit such plan to Metro for review when completed, and within 36 months complete substantial implementation of such measures and within 48 months complete final implementation of such measures as are necessary to prevent further Excessive Flow Events. Customer's failure or refusal to comply with the terms of this paragraph shall be a material breach of the Agreement and shall entitle but not require Metro, in addition to its other rights under law and contract, to do either or both of the following: (1) terminate the Agreement immediately and without further notice; or (2) restrict in whole or part further flows from Customer's System to the Maximum Rate by mechanical or other means. In the event any fine, charge or penalty is levied by any regulatory authority or any judgment rendered by a court of competent jurisdiction on account of overflows from Metro's

System or Customer's System occurring as a result of one party's breach of or exercise of a right created by this Agreement, then each party shall pay that portion of such fine, charge or penalty in proportion to that party's responsibility for such overflows.

- 9. <u>Annual Metro Treatment Rate Adjustments.</u>
  - (a) On October 1 of each year during the term of this Agreement, the Utility Price shall be adjusted for the following calendar year. For the calendar years beginning October 1 of each year except 2029 and 2034, the Utility Price then in effect shall increase or decrease by a percentage equal to the smaller of: (1) the percentage increase or decrease from the previous calendar year in the Service Charge Index compiled and published by the National Association of Clean Water Agencies; or (2) the percentage increase or decrease from the previous calendar year of the annual average in the Consumer Price Index All Urban Consumers (CPI-U), U.S. City Average, All Items, 1982-1984 = 100, published by the United States Department of Labor, Bureau of Labor Statistics. If one of the indexes identified in this paragraph ceases to be published during the term of this Agreement, a comparable index acceptable to the parties shall be substituted.
  - (b) For the calendar years beginning October 1, 2029 and 2034, the Utility Price shall be set using the utility approach method used by Metro and its wholesale customers, including Customer, to establish the initial Utility Price, which method is described below.
  - (c) The operating cost component shall be calculated using Metro's then current fiscal year budgeted costs for operation and maintenance of joint facilities divided by the total treated flow through all Metro facilities expressed as an average annual flow for the three previous fiscal year periods. Joint facility costs are defined as Metro's budgeted operations and maintenance costs for wastewater services only, exclusive of debt service costs, capital outlay, capital improvements plan (CIP) and storm water costs. Joint facility costs include costs for the operation of facilities that provide benefit to both wholesale and retail customers. Typically, joint facility costs would include costs associated with the operation of all core system assets, including wastewater treatment plants, wastewater interceptors and pump stations. Joint facility costs do not include retail costs, such as costs for the operation of system components that generally do not benefit wholesale customers. Retail costs would include costs associated with the local service wastewater collection lines, as well as customer service and billing and collection costs.
  - (d) The capital cost component includes both a return on assets calculation and an allocated portion of depreciation expense.

(1) The return on assets calculation considers the original cost less depreciation of Metro's capital assets that benefit both wholesale and retail customers. Capital assets include wastewater treatment plant assets, including

sludge management and odor control facilities, pump station assets, wastewater interceptors and large force mains that are determined to benefit both wholesale and retail customers. This return on asset base shall not include construction work in progress. The capital allocation to wholesale customers, as a class, shall be based on their proportionate share of treated flows. The resultant capital allocation shall be multiplied by a capital cost return component based on Metro's weighted cost of debt, plus 200 basis points (two percentage points). Metro's weighted cost of debt shall be based on outstanding bond issues for wastewater debt listed in the most recent official statement for Metro bonds.

(2) The allocated portion of depreciation expense shall be based on the annual depreciation of wastewater assets that benefit both wholesale and retail customers. The allocated portion of depreciation expense to wholesale customers, as a class, shall be based on their proportionate share of treated flows.

(3) The sum of the return on assets calculation and the allocated portion of depreciation expense shall be divided by the total treated flow of all wholesale customers, as a class, expressed as an average annual flow for the three previous fiscal year periods.

(4) Depreciation amounts will be based upon the depreciation policies and procedures used by Metro, provided such depreciation policies and procedures are consistent with generally accepted accounting principles and policies applicable to municipal water and sewer utilities.

- 10. <u>Selection of Rate Consultant.</u> Not later than October 1, 2028, and again not later than October 1, 2033, Metro and Customer shall jointly engage a qualified and mutually acceptable rate consultant to develop the Utility Price as contemplated in Paragraph 9(b)-(d) of this Agreement. The costs for the development of the Utility Price pursuant to this Paragraph shall be borne jointly by Customer and Metro.
- 11. <u>Transportation Charge for Metro Flows in Customer's System</u>. The rate consultant employed pursuant to paragraph 10 of this agreement shall also be charged with determining a rate (the "Transportation Rate") based on Customer's actual cost of transporting Metro Flow through Customer's System. The Transportation Rate shall be determined using the process described in Paragraph 9 of this Agreement as applied to Customer's cost of operating and maintaining those components of Customer's System actually used for transporting Metro Flows. Metro's monthly invoices to Customer for charges owed under Paragraph 7 of this Agreement shall be reduced by an amount equal to the product of the per-gallon Transportation Rate and the total number of gallons of Metro Flows for the corresponding month. Effective October 1, 2024, the Transportation Rate shall be \$0.77 per hundred cubic feet of flow, and said rate shall be adjusted on October 1 of each year during the term of this Agreement by the same percentage as the Utility Price is adjusted on the same date.

- 12. <u>Mutual Modification of Metro Treatment Rate Methodology</u>. By mutual agreement the parties may modify the parameters and methodology used to re-establish the Utility Price in the sixth year of this Agreement.
- 13. <u>Unmetered Connections</u>. At least once per year, Metro and Customer shall perform an audit of each system's unmetered connections to ensure that all service connections to the system are accounted for and billed properly. Both parties shall have the right to install a temporary metering device at any time at a currently unmetered POC and quantify flows from that device, provided the type of device is mutually agreed upon prior to installation. In the event such temporary metering demonstrates that the metered potable water usage at any unmetered POC is not accurately measuring flow, the party owning the line from which the flow emanates shall install and maintain a meter at such location and shall thereafter calibrate and maintain the meter in accordance with this Agreement.
- 14. <u>Additional Capacity.</u> The parties recognize and acknowledge that neither has any ownership rights to additional capacity in the sewage collection, transportation or treatment systems of the other. Neither party shall have any right to compel the acceptance of flows into the other party's system in excess of the limits specifically stated in this Agreement. Disputed issues relating to the provision of additional sewage collection, transportation or treatment capacity by one party to the other shall not be subject to mediation under this Agreement. In the event either party desires additional capacity in the sewage collection, transportation or treatment systems of the other party in excess of the Maximum Rates in this Agreement during the term of this Agreement, the terms and conditions for obtaining such additional capacity shall be mutually agreed upon by the parties and shall be set forth in a separate agreement.
- 15. <u>Billing</u>. Billing shall be on a calendar month basis. Customer shall be billed from Customer's total flows into the Metro System. Customer shall not be billed for Metro's Flows. Metro shall render bills directly to Customer monthly and Customer shall make payment to Metro not later than the 15th day after receipt of each bill. Interest shall accrue on the balance of any late payment at the rate of 1.5% per month until paid in full.
- 16. <u>Industrial Pretreatment Program</u>. Should a Significant Industrial User ("SIU") per EPA 40 CFR 403 regulations or any user that could discharge process waste that may otherwise adversely impact the receiving POTW, an Industrial Pretreatment Program ("IPP") must be administered, either by Metro or its Municipal satellite customers ("Customer"). The IPP shall be administered in accordance with published Federal and State laws, rules, and regulations. The IPP Administrator shall take all necessary steps, including, without limitation, discontinuation of service, to ensure that businesses discharging waste into the service area comply with applicable codes, rules and regulations concerning permitting and discharge limits. Furthermore, IPP Administrator shall ensure that all flows into Metro's POTW conform in all respects to Metropolitan Code of Laws § 15.60.010 et seq. and any duly enacted amendment

or successor ordinance. Likewise, should any flow from Metro's POTW discharge into a Customer's service area, Metro shall abide by the Customer's respective relevant Municipal Codes, amendments, and ordinances. Customers of Metro's POTW must notify Metro of their Administrator by choosing one of the three options below. In the event that a Customer chooses to change their Administrator option, they are free to do so by providing Metro with a 180-day notice.

**Option 1**: Customer does not have a SIU in its service area and local zoning codes limit the likelihood that an SIU will locate itself in this service area in the future, thus an IPP Administrator is not applicable.

**Option 2**: Customer shall function as its own IPP Administrator. Customer shall administer IPP at its sole cost and expense. Customer and Metro shall promptly provide each other any documents from either party or other government entity relating to their respective IPP, and likewise furnish said documents to relevant Approval Authority upon request. Metro will monitor discharge from Customer at agreed Point of Connection (POC) into Metro POTW. Should the Customer fail to adequately administer their IPP, Metro will take appropriate action to ensure compliance and assess related cost to the Customer. If Metro determines Customer remains in Significant Non-Compliance for more than a 365-day period, Metro reserves the right to remand Customer to Option 3.

**Option 3**: Metro shall function as Customer's IPP Administrator. Customer shall require compliance with the IPP by its sewer clientele and shall cooperate with Metro in its enforcement. To assist Metro in its enforcement, Customers shall provide the following to Metro:

- An annual report submitted by October 1 of each year of water and sewer usage for all commercial and industrial user accounts in their service area; and
- Daily flow data at each connection point upon request; and
- Updated Sewer System Data submitted by October 1 of each year. GPS coordinates may be provided for data sets less than 50 points. Data sets with 50 points or more shall be provided in an electronic GIS shapefile or other geodatabase format; and,
- Notification of new construction, renovation, or occupancy of Industrial Zoned Properties and Businesses.

Metro shall recover the costs of administering the IPP through user, permit and other fees in accordance with the same policies and procedures applicable to Metro's own sewer clientele, provided, however, that Customer shall reimburse Metro for reasonable actual costs of administering the IPP not so recovered.

Customer has chosen Option 2.

- 17. <u>Term of Agreement.</u> The term of the Agreement shall end on October 1, 2034, but may be extended by the parties upon such terms as they may then agree. Neither party shall be entitled to a refund of any payment made under this Agreement upon the termination or expiration of this Agreement. The parties agree that no notice shall be necessary in order for the Agreement to terminate by expiration at the end of the term referenced above.
- 18. <u>Reselling of Service Prohibited.</u> The service provided to Customer under the terms of this Agreement shall not be resold to any other governmental or other entity other than Customer's retail customers.
- 19. <u>Assignment of Agreement.</u> Customer shall not assign its rights under this Agreement to any entity without Metro's written consent.
- 20. <u>Modifications to Agreement.</u> All of the terms of agreement and understandings of the parties are set forth in this document. No modification of this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- 21. Brentwood Pumping Station. Customer owns a sewage pumping station and equalization facilities (the "Brentwood Pumping Station"), which is an approved POC as of the date of this Agreement. During the term of this Agreement, Metro shall operate and maintain the Brentwood Pumping Station consistent with good engineering practices such that the Brentwood Pumping Station operates efficiently and remains in good repair. Customer shall have the right to assume all operational activities at the Brentwood Pumping Station upon a 60-day written notice being provided to Metro. Metro shall also have the right to discontinue operating and maintaining the Brentwood Sewer Pumping Station upon a 60-day written notice being provided to Customer. Should Customer assume maintenance and operation of the Brentwood Pumping Station, all other provisions contained in this Agreement shall remain in effect. Customer shall reimburse Metro for the full costs associated with operation, maintenance and repair of the Brentwood Pumping Station to pump Customer Flows. For purposes of this Paragraph, "Metro Billable Percentage" shall mean total annual Metro Flows as a percentage of the sum of total annual Customer Flows plus total annual Metro Flows. Customer's costs shall be computed by reducing the total operation, maintenance and repair costs, including capital costs incurred by Metro ("OMR Costs") of the Brentwood Pumping Station by the Metro Billable Percentage. The Metro Billable Percentage shall be calculated by October 1<sup>st</sup> each year during the term of the Agreement using annual flow rates from the immediately preceding year. Full payment of any invoice issued by Metro under this Paragraph shall be made within 30 days of receipt. Interest shall accrue on any unpaid invoice at the rate of 1.5% per month. Metro shall notify Customer prior to making any expenditure in excess of \$5,000 for which Metro will seek reimburse.

- 22. <u>Filing of Agreement with Metropolitan Clerk.</u> This Agreement shall not be binding upon Metro until approved by the Metropolitan Council and filed in the office of the Metropolitan Clerk.
- 23. <u>Mediation.</u> In the event a dispute arises between the parties concerning a matter other than one arising under Paragraph 13 of this Agreement, the dispute shall be submitted to mediation in accordance with the terms of this paragraph before any complaint can be filed in a court of law or equity for a breach of this Agreement. In the event the dispute concerns calculation of the Utility Price or Transportation Rate, if applicable, the parties shall mutually agree upon a qualified mediator with experience in performing utility rate cost of service studies. If the parties cannot agree upon a qualified mediator, a qualified mediator shall be appointed by the Clerk and Master of the Davidson County Chancery Court upon application by the parties certifying their inability to agree upon a qualified mediator. The mediator shall establish the procedures for the mediation.
- 24. <u>Governing Law, Forum Selection and Attorney Fees.</u> This Agreement shall be governed by the laws of the state of Tennessee, and any action relating to this Agreement shall be brought only in a court of competent jurisdiction in Davidson County, Tennessee. The prevailing party in any action relating to this Agreement shall recover reasonable attorney fees and litigation costs from the other party.

# THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

APPROVED:

Freddie O'Connell, Mayor

**RECOMMENDED BY:** 

DocuSigned by:

Scott Potter

Director, Department of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS:

-Signed by:

kewin (numbo/mjw -Binecror, Department of Finance

APPROVED AS TO RISK AND INSURANCE:

DocuSigned by:

Balogun Cobb

Bitector of Insurance

APPROVED AS TO FORM AND LEGALITY:

-Signed by:

Tara Ladd

ASSISTER Metropolitan Attorney

ATTESTED:

Metropolitan Clerk

# CITY OF BRENTWOOD, TENNESSEE

# APPROVED:

— DocuSigned by:

Mayor

# ATTESTED:

DocuSigned by: HouzEarb D34408386C664D0

# APPROVED AS TO FORM AND LEGALITY:

— DocuSigned by: Kristen R.Com

City Attorney

## Exhibit A to Metro/Brentwood Agreement

## Approved Point(s) of Connection

Name / Location	Maximum Rate (gallons per hour)
1. Brentwood Sewer Pumping Station	395,833

The maximum rate for this point of connection is for the total allowable flow pumped out of the station and includes the Metro Flow entering upstream from this POC. This hourly flow limit is equivalent to the maximum rate (9.5 mgd) specified by alternative A08 of the CAP/ER produced by CDM, submitted by Brentwood and Metro, and approved by TDEC.

2. Owl Creek Flume	102,916
3. Bonbrook Flume	6,875
4. Inavale	NA

This point of connection is not metered. Water consumption on a monthly average from December through March each year will be used to generate the sewer volume for the next twelve months.

5. Williams Grove	NA
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This point of connection is not metered. Water consumption on a monthly average from December through March each year will be used to generate the sewer volume for the next twelve months.

6. Stanfield Road	NA

This point of connection is not metered. Water consumption on a monthly average from December through March each year will be used to generate the sewer volume for the next twelve months.

## Exhibit B to Metro/ Brentwood Agreement

## Approved Points of Connection

Name / Location	Maximum Rate (gallons per hour)
1. Edinburgh, RI-08	15,000
2. Otter Creek, RI-09	90,000
3. Granny White, RI-10	12,917

The maximum rates for the three points of connection above are the maximum flow rates that were used in conjunction with alternative A08 of the CAP/ER produced by CDM, submitted by Brentwood and Metro, and approved by TDEC. These peak flows rates did not necessitate any further rehabilitation work or flow reduction by Metro as specified in Alternative A08 of the CAP/ER. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made.

Each of the following points of connection are not metered. Water consumption on a monthly average from December through March each year will be used to generate the sewer volume for the next twelve months.

1. Wildwood Valley	NA
2. Noel Drive	NA
3. Laurelwood Drive	NA
4. Kingsbury Drive	NA
5. Bridlewood Drive	NA
6. Westpark Drive	NA
7. Thoroughbred Lane	NA

## EXHIBIT I

#### AGREEMENT

**THIS AGREEMENT** is made and entered into this <u>17th</u>day of <u>September</u> 2024, by and between the Metropolitan Government of Nashville and Davidson County ("Metro") and the City of Goodlettsville ("Customer").

WHEREAS, Metro owns and operates a sewage transportation and treatment system ("Metro System"); and

WHEREAS, Customer owns and operates a sewage collection system ("Customer System"); and

WHEREAS, the Metro System has or will have sufficient capacity to safely and effectively accept and treat sewage flows from the Customer System as contemplated herein.

#### THE PARTIES AGREE AS FOLLOWS:

- 1. <u>Customer Points of Connection.</u> All points of connection ("POC") at which flow from Customer's System ("Customer Flows") enters Metro's System, except those exempted in writing for good cause by the Director of the Metropolitan Department of Water and Sewerage Services (the "Metro Director"), shall include metering facilities approved by the Metro Director. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit A. Customer may request, and Metro shall have the discretion to approve the construction of additional POCs of Customer's System to Metro's System. No POC may be added without the Metro Director's written consent. For each POC, unless exempted by the Metro Director, Customer, at Customer's sole expense, shall install a metering device approved by the Metro Director for the purpose of measuring Customer Flows.
- 2. <u>Metro Points of Connection.</u> All points of connection ("POC") at which flow from the Metro system ("Metro Flows") enters Customer's System for transmission back into the Metro System for treatment, except those exempted in writing for good cause by Goodlettsville, shall include metering facilities approved by Goodlettsville. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit B. Metro may request, and Customer shall have the discretion to approve the construction of additional POCs of Metro's System to Customer's system. No POC may be added without Goodlettsville's written consent. For each POC, unless exempted by Goodlettsville, Metro, at Metro's sole expense, shall install a metering device approved by Goodlettsville for the purpose of measuring Metro Flows.
- 3. <u>Operation and Maintenance of Meters.</u> All maintenance, upkeep, repair and replacement of meter(s) and other metering station components contemplated by paragraph 1 of this Agreement (as listed in Exhibit A) shall be performed by Customer or its agents or contractors (which may include Metro Water Services) at Customer's expense.

All maintenance, upkeep, repair and replacement of meters and other metering station components contemplated in paragraph 2 (as listed in Exhibit B) of this Agreement shall be performed by Metro or its agents or contractors at Metro's expense.

- 4. <u>Maximum Flows at Customer Metered Points of Connection</u>. For each of Customer's POCs listed in Exhibit A which are metered, Metro agrees to accept into the Metro System sewage flows from the Customer System for treatment at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit A to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Metro agrees to accept and treat for Customer these contracted sewage flows except in emergency situations and agrees to give Customer notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 5. <u>Maximum Flows at Metro Metered Points of Connection</u>. For each of Metro's POCs listed in Exhibit B which are metered, Customer agrees to accept into the Customer's System sewage flows from the Metro System at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit B to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Customer agrees to accept and transport for Metro these contracted sewage flows except in emergency situations and agrees to give Metro notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 6. <u>Calibration of Meters.</u> At least once every six months, the metering stations contemplated in this Agreement shall be calibrated both hydraulically and electronically by a qualified commercial entity approved by both parties at the expense of the party owning the metering station. In the event a meter maintained by either party ceases to register flow for any reason or a calibration test indicates that a particular metering system is inaccurate, the amount billed for the preceding month's services will be adjusted to reflect an estimated flow quantity based on the average of the flow quantity data from the corresponding month of the preceding year for which data are available and flow quantity from the immediately preceding billing period, and an appropriate credit or debit will appear on Metro's next bill to Customer. In the event a meter fails to accurately measure flow to reasonable engineering standards for three consecutive months, the party owning that meter shall replace it promptly upon the written request of the other party. Both parties agree to continue to make available all flow metering data which might be of benefit to

the other party from all points of connection between the parties set forth in this Agreement.

- 7. <u>Metro Treatment Utility Price.</u> Customer shall make monthly payments to Metro for each gallon of flow from Customer's System into Metro's System at the prices in force at the time of billing. Flows from Customer's system into Metro's system that did not originate in Customer's system will be excluded from this billing. As of the Effective Date, for each gallon of flow through a POC that does not exceed the Maximum Rate applicable to that POC, the price (the "Utility Price") shall be \$1.62 per hundred cubic feet. For each hundred cubic feet, or fraction thereof, of flow, excluding flows not originating in Customer's wastewater collection system, through a POC that exceeds the Maximum Rate, the price shall be one hundred and twenty-five percent of the Utility Price.
- 8. Flow Limits. For purposes of this Paragraph, precipitation shall be measured at the Metro rain gauge ("Rain Gauge") nearest the POC at issue. A "Rainfall Event" occurs when; following a period of ten or more hours without measurable precipitation, 0.01 or more inches of precipitation is measured in the Rain Gauge. An "Excessive Flow Event" occurs when flow through a POC from Customer's System into Metro's System exceeds the Maximum Rate either: (1) resulting from a Rainfall Event; or (2) for at least one hour when no Rainfall Event has occurred. Each hour during which an Excessive Flow Event occurs when no Rainfall Event has occurred shall be considered a separate Excessive Flow Event. If there are six or more Excessive Flow Events in any 12-month period during the term of this Agreement, upon written notice from Metro, Customer shall within 90 days commence development of a corrective action plan, submit such plan to Metro for review when completed, and within 36 months complete substantial implementation of such measures and within 48 months complete final implementation of such measures as are necessary to prevent further Excessive Flow Events. Customer's failure or refusal to comply with the terms of this paragraph shall be a material breach of the Agreement and shall entitle but not require Metro, in addition to its other rights under law and contract, to do either or both of the following: (1) terminate the Agreement immediately and without further notice; or (2) restrict in whole or part further flows from Customer's System to the Maximum Rate by mechanical or other means. In the event any fine, charge or penalty is levied by any regulatory authority or any judgment rendered by a court of competent jurisdiction on account of overflows from Metro's System or Customer's System occurring as a result of one party's breach of or exercise of a right created by this Agreement, then each party shall pay that portion of such fine, charge or penalty in proportion to that party's responsibility for such overflows. An "Excessive Flow Event" also occurs when flow through a POC from Metro's System or other systems which Metro, by contract, provides treatment services to enter into Customer's System and exceeds the Maximum Rate either: (1) during a Rainfall Event; or (2) for at least one hour when no Rainfall Event has occurred. Each hour during which an Excessive Flow Event occurs when no Rainfall Event has occurred shall be considered a separate Excessive Flow Event. If there are six or more Excessive Flow Events in any 12-month period during the term of this Agreement, upon written notice from Goodlettsville, Metro shall within 90 days commence development of a corrective action plan, submit such plan to Goodlettsville for review when completed, and within 36 months complete implementation of such measures as are necessary to prevent further Excessive Flow Events. Metro will require by contract that other systems entering Goodlettsville's system

at excessive flow rates shall, within 90 days commence development of a corrective action plan, submit such plan to Goodlettsville for review when completed, and within 36 months complete substantial implementation of such measures and within 48 months complete final implementation of such measures as are necessary to prevent further Excessive Flow Events. Metro's failure or refusal to comply with the terms of this paragraph shall be a material breach of the Agreement and shall entitle but not require Goodlettsville, in addition to its other rights under law and contract, to do either or both of the following: (1) terminate the Agreement immediately and without further notice; or (2) restrict in whole or part further flows from Customer's System to the Maximum Rate by mechanical or other means.

- 9. Annual Metro Treatment Rate Adjustments.
- (a) On October 1 of each year during the term of this Agreement, the Utility Price shall be adjusted for the following calendar year. For the calendar years beginning October 1 of each year except 2029 and 2034, the Utility Price then in effect shall increase or decrease by a percentage equal to the smaller of: (1) the percentage increase or decrease from the previous calendar year in the Service Charge Index compiled and published by the National Association of Clean Water Agencies; or (2) the percentage increase or decrease from the previous calendar year of the annual average in the Consumer Price Index All Urban Consumers (CPI-U), U.S. City Average, All Items, 1982-1984 = 100, published by the United States Department of Labor, Bureau of Labor Statistics. If one of the indexes identified in this paragraph ceases to be published during the term of this Agreement, a comparable index acceptable to the parties shall be substituted.
- (b) For the calendar years beginning October 1, 2029, and 2034, the Utility Price shall be set using the utility approach method used by Metro and its wholesale customers, including Customer, to establish the initial Utility Price, which method is described below.
- (c) The operating cost component shall be calculated using Metro's then current fiscal year budgeted costs for operation and maintenance of joint facilities divided by the total treated flow through all Metro facilities expressed as an average annual flow for the three previous fiscal year periods. Joint facility costs are defined as Metro's budgeted operations and maintenance costs for wastewater services only, exclusive of debt service costs, capital outlay, capital improvements plan (CIP) and storm water costs. Joint facility costs include costs for the operation of facilities that provide benefit to both wholesale and retail customers. Typically, joint facility costs would include costs associated with the operation of all core system assets, including wastewater treatment plants, wastewater interceptors and pump stations. Joint facility costs that generally do not benefit wholesale customers. Retail costs would include costs associated with the local service wastewater collection lines, as well as customer service and billing and collection costs.
- (d) The capital cost component includes both a return on assets calculation and an allocated portion of depreciation expense.
  - (1) The return on assets calculation considers the original cost less

depreciation of Metro's capital assets that benefit both wholesale and retail customers. Capital assets include wastewater treatment plant assets, including sludge management and odor control facilities, pump station assets, wastewater interceptors and large force mains that are determined to benefit both wholesale and retail customers. This return on asset base shall not include construction work in progress. The capital allocation to wholesale customers, as a class, shall be based on their proportionate share of treated flows. The resultant capital allocation shall be multiplied by a capital cost return component based on Metro's weighted cost of debt, plus 200 basis points (two percentage points). Metro's weighted cost of debt shall be based on outstanding bond issues for wastewater debt listed in the most recent official statement for Metro bonds.

(2) The allocated portion of depreciation expense shall be based on the annual depreciation of wastewater assets that benefit both wholesale and retail customers. The allocated portion of depreciation expense to wholesale customers, as a class, shall be based on their proportionate share of treated flows.

(3) The sum of the return on assets calculation and the allocated portion of depreciation expense shall be divided by the total treated flow of all wholesale customers, as a class, expressed as an average annual flow for the three previous fiscal year periods.

(4) Depreciation amounts will be based upon the depreciation policies and procedures used by Metro, provided such depreciation policies and procedures are consistent with generally accepted accounting principles and policies applicable to municipal water and sewer utilities.

 Selection of Rate Consultant. Not later than October 1, 2028 and again not later than October 1, 2033, Metro and Customer shall jointly engage a qualified and mutually acceptable rate consultant to develop the Utility Price as contemplated in Paragraph 9(b)-(d) of this Agreement. The costs for the development of the Utility Price pursuant to this Paragraph shall be borne jointly by Customer and Metro.

#### 11. Transportation Charge for Metro Flows in Goodlettsville's System.

- for the calendar year beginning October 1, 2029, the Transportation Rate shall again be reset using the process described in paragraph 9 of the Agreement as applied to Goodlettsville's cost of operating and maintaining those components of Goodlettsville's System actually used for transporting Metro Flows; and
- for the calendar years beginning October 1 of 2030, 2031, 2032 and 2033, the Transportation Rate shall increase or decrease by the same percentage as the change in the Utility Price.
- Effective October 1, 2024, the Transportation Rate shall be \$0.84 per hundred cubic feet of flow.

- 12. <u>Mutual Modification of Metro Treatment Rate Methodology</u>. By mutual agreement the parties may modify the parameters and methodology used to re-establish the Utility Price in the sixth year of this Agreement.
- 13. <u>Unmetered Connections</u>. At least once per year, Metro and Customer shall perform an audit of each system's unmetered connections to ensure that all service connections to the system are accounted for and billed properly. Both parties shall have the right to install a temporary metering device at any time at a currently unmetered POC and quantify flows from that device, provided the type of device is mutually agreed upon prior to installation. In the event such temporary metering demonstrates that the metered potable water usage at any unmetered POC is not accurately measuring flow, both parties will in good faith review the data and determine the best course of action by mutual agreement.
- 14. <u>Additional Capacity.</u> The parties recognize and acknowledge that neither has any ownership rights to additional capacity in the sewage collection, transportation or treatment systems of the other. Neither party shall have any right to compel the acceptance of flows into the other party's system in excess of the limits specifically stated in this Agreement. Disputed issues relating to the provision of additional sewage collection, transportation or treatment capacity by one party to the other shall not be subject to mediation under this Agreement. In the event either party desires additional capacity in excess of the Maximum Rates in this Agreement during the term of this Agreement, the terms and conditions for obtaining such additional capacity shall be mutually agreed upon by the parties and shall be set forth in a separate agreement.
- 15. <u>Third-Party Systems.</u> The parties acknowledge that Goodlettsville Flows and Metro Flows pass through a transportation system (the 'Third-Party System") belonging to another utility ("HUD") before reaching Metro's sewage treatment facilities. Metro will seek to have Goodlettsville 's Flows included within the scope of total flows permitted through the ThirdParty System as a part of any agreement between Metro and HUD, provided that Goodlettsville shall in that case reimburse Metro monthly for the portion of any transportation or similar charges imposed by HUD on Metro that are attributable to Goodlettsville Flows. The parties agree to work cooperatively to obtain any necessary approvals and arrangements from HUD. In the event Goodlettsville's flow is not included within the scope of total flows permitted through the Third-Party System, Metro agrees to provide means for transportation of the flow. Cost of the infrastructure shall be borne through the rate developed by the rate consultant as outlined in paragraphs 9 and 10 of this agreement.
- 16. <u>Billing</u>. Billing shall be on a calendar month basis. Customer shall be billed from Customer's total flows into the Metro System. Customer shall not be billed for Metro's Flows. Metro shall render bills directly to Customer monthly and Customer shall make payment to Metro not later than the 15th day after receipt of each bill. Interest shall accrue on the balance of any late payment at the rate of 1.5% per month until paid in full.

17. Industrial Pretreatment Program. Should a Significant Industrial User ("SIU") per EPA 40 CFR 403 regulations or any user that could discharge process waste that may otherwise adversely impact the receiving POTW, an Industrial Pretreatment Program ("IPP") must be administered, either by Metro or its Municipal satellite customers ("Customer"). The IPP shall be administered in accordance with published Federal and State laws, rules, and regulations. The IPP Administrator shall take all necessary steps, including, without limitation, discontinuation of service, to ensure that businesses discharging waste into the service area comply with applicable codes, rules and regulations concerning permitting and discharge limits. Furthermore, IPP Administrator shall ensure that all flows into Metro's POTW conform in all respects to Metropolitan Code of Laws § 15.60.010 et seq. and any duly enacted amendment or successor ordinance. Likewise, should any flow from Metro's POTW discharge into a Customer's service area, Metro shall abide by the Customer's respective relevant Municipal Codes, amendments, and ordinances. Customers of Metro's POTW must notify Metro of their Administrator by choosing one of the three options below. In the event that a Customer chooses to change their Administrator option, they are free to do so by providing Metro with a 180-day notice.

**Option 1**: Customer does not have a SIU in its service area and local zoning codes limit the likelihood that an SIU will locate itself in this service area in the future, thus an IPP Administrator is not applicable.

**Option 2**: Customer shall function as its own IPP Administrator. Customer shall administer IPP at its sole cost and expense. Customer and Metro shall promptly provide each other any documents from either party or other government entity relating to their respective IPP, and likewise furnish said documents to relevant Approval Authority upon request. Metro will monitor discharge from Customer at agreed Point of Connection (POC) into Metro POTW. Should the Customer fail to adequately administer their IPP, Metro will take appropriate action to ensure compliance and assess related cost to the Customer. If Metro determines Customer remains in Significant Non-Compliance for more than a 365-day period, Metro reserves the right to remand Customer to Option 3.

**Option 3**: Metro shall function as Customer's IPP Administrator. Customer shall require compliance with the IPP by its sewer clientele and shall cooperate with Metro in its enforcement. To assist Metro in its enforcement, Customers shall provide the following to Metro:

- An annual report submitted by October 1 of each year of water and sewer usage for all commercial and industrial user accounts in their service area; and
- Daily flow data at each connection point upon request; and
- Updated Sewer System Data submitted by October 1 of each year. GPS coordinates may be provided for data sets less than 50 points. Data sets with 50 points or more shall be provided in an electronic GIS shapefile or other geodatabase format; and,
- Notification of new construction, renovation, or occupancy of Industrial Zoned Properties and Businesses.

Metro shall recover the costs of administering the IPP through user, permit and other fees in accordance with the same policies and procedures applicable to Metro's own sewer clientele, provided, however, that Customer shall reimburse Metro for reasonable actual costs of administering the IPP not so recovered.

Customer has chosen Option 2.

- 18. <u>Term of Agreement.</u> The term of the Agreement shall end on October 1, 2034, but may be extended by the parties upon such terms as they may then agree. Neither party shall be entitled to a refund of any payment made under this Agreement upon the termination or expiration of this Agreement. The parties agree that no notice shall be necessary in order for the Agreement to terminate by expiration at the end of the term referenced above.
- 19. <u>Reselling of Service Prohibited.</u> The service provided to Customer under the terms of this Agreement shall not be resold to any other governmental or other entity other than Customer's retail customers.
- 20. <u>Assignment of Agreement</u>. Customer shall not assign its rights under this Agreement to any entity without Metro's written consent. Metro shall not assign its rights under this Agreement to any entity without Customer's written consent.
- 21. <u>Modifications to Agreement</u>. All of the terms of agreement and understandings of the parties are set forth in this document. No modification of this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- 22. <u>Filing of Agreement with Metropolitan Clerk.</u> This Agreement shall not be binding upon Metro until approved by the Metropolitan Council and filed in the office of the Metropolitan Clerk. This Agreement shall not be binding upon Goodlettsville until approved by the Goodlettsville City Commission and filed in the office of the Goodlettsville City Recorder.
- 23. <u>Mediation.</u> In the event a dispute arises between the parties concerning a matter other than one arising under Paragraph 13 of this Agreement, the dispute shall be submitted to mediation in accordance with the terms of this paragraph before any complaint can be filed in a court of law or equity for a breach of this Agreement. In the event the dispute concerns calculation of the Utility Price or Transportation Rate, if applicable, the parties shall mutually agree upon a qualified mediator with experience in performing utility rate cost of service studies. If the parties cannot agree upon a qualified mediator, a qualified mediator shall be appointed by the Clerk and Master of the Davidson County Chancery Court upon application by the parties certifying their inability to agree upon a qualified mediator. The mediator shall establish the procedures for the mediation.

24. <u>Governing Law, Forum Selection and Attorney Fees.</u> This Agreement shall be governed by the laws of the state of Tennessee, and any action relating to this Agreement shall be brought only in a court of competent jurisdiction in Davidson County, Tennessee.

## THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON **COUNTY**

## **CITY OF GOODLETTSVILLE, TENNESSEE**

APPROVED; Mayo

ATTESTED:

APPROVED AS TO FORM AND LEGALITY:

Freddie O'Connell, Mayor

**RECOMMENDED BY:** 

DocuSigned by:

Scott Potter

Diffector, Department of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS:

-Signed by:

kevin (numbo/mjw Birceror, 19epartment of Finance

APPROVED AS TO RISK AND **INSURANCE:** 

-DocuSigned by:

Balogun Cobb

Director of Insurance

APPROVED AS TO FORM AND LEGALITY:

Signed by:

tara ladd

Assistant<sup>4</sup>Metropolitan Attorney

ATTESTED:

Metropolitan Clerk

# Exhibit A to Metro/Goodlettsville Agreement

		Dry Weather Flow MGD	Peaking Factor	Maximum Allowable Flow MGD
Connection point	Meter			
Mansker Creek PS	Magnetic Meter at MCPS	2.31	3.63	8.39
Gallatin Pike at Rivergate Parkway	DR02	0.20	4.30	0.86
Janette Avenue	DR03	0.22	4.30	0.95
8" Line near Monticello Ave South of Alta Loma	N/A			
8" Line near Monticello Ave at Thomas Jefferson Circle	N/A			
8" Line near Monticello and West Monticello	N/A			

#### Points of connection and maximum hourly allowable flow into Meter Wasterwater System

# Exhibit B to Metro/Goodlettsville Agreement

Points of connection and maximum hourly allowable flow into Goodlettsville Wasterwater System

		Dry Weather Flow MGD	Peaking Factor	Maximum Allowable Flow MGD
Connection point	Meter			
10" line near Old Springfield Pike	DR05	0.10	4.30	0.43
Louisville Highway near Long Drive	DR06	0.27	4.30	1.17
8" line in Hardwick Court	N/A			
8" line in Heathcoat Court	N/A			
10" line near Vietman Veterans (from Cumberland Hills/Mansker Drive)	N/A			
8" line in Rivergate Parkway above DR02	N/A			

#### AGREEMENT

**THIS AGREEMENT** is made and entered into this <sup>17th</sup> day of <sup>September</sup> 2024, by and between the Metropolitan Government of Nashville and Davidson County ("Metro") and the City of La Vergne ("Customer").

WHEREAS, Metro owns and operates a sewage transportation and treatment system ("Metro System"); and

WHEREAS, Customer owns and operates a sewage collection system ("Customer System"); and

WHEREAS, the Metro System has or will have sufficient capacity to safely and effectively accept and treat sewage flows from the Customer System as contemplated herein.

#### THE PARTIES AGREE AS FOLLOWS:

- 1. <u>Customer Points of Connection.</u> All points of connection ("POC") at which flow from Customer's System ("Customer Flows") enters Metro's System, except those exempted in writing for good cause by the Director of the Metropolitan Department of Water and Sewerage Services (the "Metro Director"), shall include metering facilities approved by the Metro Director. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit A. Customer may request, and Metro shall have the discretion to approve the construction of additional POCs of Customer's System to Metro's System. No POC may be added without the Metro Director's written consent. For each POC, unless exempted by the Metro Director, Customer, at Customer's sole expense, shall install a metering device approved by the Metro Director for the purpose of measuring Customer Flows.
- 2. <u>Metro Points of Connection.</u> All points of connection ("POC") at which flow from the Metro system ("Metro Flows") enters Customer's System for transmission back into the Metro System for treatment, except those exempted in writing for good cause and by the City Administrator of the City of La Vergne (the La Vergne Administrator") shall include metering facilities approved by the La Vergne Administrator. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit B. Metro may request, and Customer shall have the discretion to approve the construction of additional POCs of Metro's System to Customer's system. No POC may be added without the La Vergne Administrator's written consent. For each POC, unless exempted by the La Vergne Administrator, Metro, at Metro's sole expense, shall install a metering device approved by the La Vergne Administrator for the purpose of measuring Metro Flows.
- 3. <u>Operation and Maintenance of Meters.</u> All maintenance, upkeep, repair and replacement of meter(s) and other metering station components contemplated by

paragraph 1 of this Agreement (as listed in Exhibit A) shall be performed by Customer or its agents or contractors (which may include Metro Water Services) at Customer's expense. All maintenance, upkeep, repair and replacement of meters and other metering station components contemplated in paragraph 2 (as listed in Exhibit B) of this Agreement shall be performed by Metro or its agents or contractors at Metro's expense.

- 4. Maximum Flows at Customer Metered Points of Connection. For each of Customer's POCs listed in Exhibit A which are metered, Metro agrees to accept into the Metro System sewage flows from the Customer System for treatment at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit A to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Metro agrees to accept and treat for Customer these contracted sewage flows except in emergency situations and agrees to give Customer notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 5. <u>Maximum Flows at Metro Metered Points of Connection.</u> For each of Metro's POCs listed in Exhibit B which are metered, Customer agrees to accept into the Customer's System sewage flows from the Metro System at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit B to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Customer agrees to accept and transport for Metro these contracted sewage flows except in emergency situations and agrees to give Metro notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 6. <u>Calibration of Meters.</u> At least once every six months, the metering stations contemplated in this Agreement shall be calibrated both hydraulically and electronically by a qualified commercial entity approved by both parties at the expense of the party owning the metering station. In the event a meter maintained by either party ceases to register flow for any reason or a calibration test indicates that a particular metering system is inaccurate, the amount billed for the preceding month's services will be adjusted to reflect an estimated flow quantity based on the average of the flow quantity data from the corresponding month of the preceding year for which data are available and flow quantity from the immediately preceding billing period, and an

appropriate credit or debit will appear on Metro's next bill to Customer. In the event a meter fails to accurately measure flow to reasonable engineering standards for three consecutive months, the party owning that meter shall replace it promptly upon the written request of the other party. Both parties agree to continue to make available all flow metering data which might be of benefit to the other party from all points of connection between the parties set forth in this Agreement.

- 7. <u>Metro Treatment Utility Price.</u> Customer shall make monthly payments to Metro for each gallon of flow from Customer's System into Metro's System, excluding Metro Flows, at the prices in force at the time of billing. As of the Effective Date, for each gallon of flow through a POC that does not exceed the Maximum Rate applicable to that POC, the price (the "Utility Price") shall be \$1.62 per hundred cubic feet. For each hundred cubic feet, or fraction thereof, of flow, excluding Metro Flows, through a POC that exceeds the Maximum Rate, the price shall be one hundred and twenty-five percent of the Utility Price.
- 8. Flow Limits. For purposes of this Paragraph, precipitation shall be measured at the Metro rain gauge ("Rain Gauge") nearest the POC at issue. A "Rainfall Event" occurs when; following a period of ten or more hours without measurable precipitation, 0.01 or more inches of precipitation is measured in the Rain Gauge. An "Excessive Flow Event" occurs when flow through a POC from Customer's System into Metro's System exceeds the Maximum Rate either: (1) resulting from a Rainfall Event; or (2) for at least one hour when no Rainfall Event has occurred. Each hour during which an Excessive Flow Event occurs when no Rainfall Event has occurred shall be considered a separate Excessive Flow Event. If there are six or more Excessive Flow Events in any 12-month period during the term of this Agreement, upon written notice from Metro, Customer shall within 90 days commence development of a corrective action plan, submit such plan to Metro for review when completed, and within 36 months complete substantial implementation of such measures and within 48 months complete final implementation of such measures as are necessary to prevent further Excessive Flow Events. Customer's failure or refusal to comply with the terms of this paragraph shall be a material breach of the Agreement and shall entitle but not require Metro, in addition to its other rights under law and contract, to do either or both of the following: (1) terminate the Agreement immediately and without further notice; or (2) restrict in whole or part further flows from Customer's System to the Maximum Rate by mechanical or other means. In the event any fine, charge or penalty is levied by any regulatory authority or any judgment rendered by a court of competent jurisdiction on account of overflows from Metro's System or Customer's System occurring as a result of one party's breach of or exercise of a right created by this Agreement, then each party shall pay that portion of such fine, charge or penalty in proportion to that party's responsibility for such overflows.
- 9. <u>Annual Metro Treatment Rate Adjustments.</u>
  - (a) On October 1 of each year during the term of this Agreement, the Utility Price shall be adjusted for the following calendar year. For the calendar years beginning October 1 of each year except 2029 and 2034, the Utility Price then in effect shall increase or decrease by a percentage equal to the smaller of: (1) the percentage increase or decrease from the previous calendar year in the Service Charge Index

compiled and published by the National Association of Clean Water Agencies; or (2) the percentage increase or decrease from the previous calendar year of the annual average in the Consumer Price Index – All Urban Consumers (CPI-U), U.S. City Average, All Items, 1982-1984 = 100, published by the United States Department of Labor, Bureau of Labor Statistics. If one of the indexes identified in this paragraph ceases to be published during the term of this Agreement, a comparable index acceptable to the parties shall be substituted.

- (b) For the calendar years beginning October 1, 2029, and 2034, the Utility Price shall be set using the utility approach method used by Metro and its wholesale customers, including Customer, to establish the initial Utility Price, which method is described below.
- (c) The operating cost component shall be calculated using Metro's then current fiscal year budgeted costs for operation and maintenance of joint facilities divided by the total treated flow through all Metro facilities expressed as an average annual flow for the three previous fiscal year periods. Joint facility costs are defined as Metro's budgeted operations and maintenance costs for wastewater services only, exclusive of debt service costs, capital outlay, capital improvements plan (CIP) and storm water costs. Joint facility costs include costs for the operation of facilities that provide benefit to both wholesale and retail customers. Typically, joint facility costs would include costs associated with the operation of all core system assets, including wastewater treatment plants, wastewater interceptors and pump stations. Joint facility costs do not include retail costs, such as costs for the operation of system components that generally do not benefit wholesale customers. Retail costs would include costs associated with the local service wastewater collection lines, as well as customer service and billing and collection costs.
- (d) The capital cost component includes both a return on assets calculation and an allocated portion of depreciation expense.

(1) The return on assets calculation considers the original cost less depreciation of Metro's capital assets that benefit both wholesale and retail customers. Capital assets include wastewater treatment plant assets, including sludge management and odor control facilities, pump station assets, wastewater interceptors and large force mains that are determined to benefit both wholesale and retail customers. This return on asset base shall not include construction work in progress. The capital allocation to wholesale customers, as a class, shall be based on their proportionate share of treated flows. The resultant capital allocation shall be multiplied by a capital cost return component based on Metro's weighted cost of debt, plus 200 basis points (two percentage points). Metro's weighted cost of debt shall be based on outstanding bond issues for wastewater debt listed in the most recent official statement for Metro bonds.

(2) The allocated portion of depreciation expense shall be based on the annual depreciation of wastewater assets that benefit both wholesale and retail customers. The allocated portion of depreciation expense to wholesale customers, as a class, shall be based on their proportionate share of treated flows.

(3) The sum of the return on assets calculation and the allocated portion of depreciation expense shall be divided by the total treated flow of all wholesale customers, as a class, expressed as an average annual flow for the three previous fiscal year periods.

(4) Depreciation amounts will be based upon the depreciation policies and procedures used by Metro, provided such depreciation policies and procedures are consistent with generally accepted accounting principles and policies applicable to municipal water and sewer utilities.

- 10. <u>Selection of Rate Consultant.</u> Not later than October 1, 2028 and again not later than October 1, 2033, Metro and Customer shall jointly engage a qualified and mutually acceptable rate consultant to develop the Utility Price as contemplated in Paragraph 9(b)-(d) of this Agreement. The costs for the development of the Utility Price pursuant to this Paragraph shall be borne jointly by Customer and Metro.
- 11. <u>Customer Transportation Price and Capital Component Surcharge for Carothers</u> <u>Crossing.</u> To the extent that Metro's System and Customer's System are interconnected in such a way that flow from Metro Flows enter Customer's System before reentering Metro's System, Metro shall pay customer for the transportation of such Metro Flow through Customer's system by paying the utility price and capital component surcharge as provided in the Interlocal Agreement between Metro and Customer dated November 20, 2007.
- 12. <u>Mutual Modification of Metro Treatment Rate Methodology</u>. By mutual agreement the parties may modify the parameters and methodology used to re-establish the Utility Price in the sixth year of this Agreement.
- 13. <u>Additional Capacity.</u> The parties recognize and acknowledge that neither has any ownership rights to additional capacity in the sewage collection, transportation or treatment systems of the other. Neither party shall have any right to compel the acceptance of flows into the other party's system in excess of the limits specifically stated in this Agreement. Disputed issues relating to the provision of additional sewage collection, transportation or treatment capacity by one party to the other shall not be subject to mediation under this Agreement. In the event either party desires additional capacity in the sewage collection, transportation or treatment during the term of the other party in excess of the Maximum Rates in this Agreement during the term of this Agreement, the terms and conditions for obtaining such additional capacity shall be mutually agreed upon by the parties and shall be set forth in a separate agreement.
- 14. <u>Billing</u>. Billing shall be on a calendar month basis. Customer shall be billed from Customer's total flows into the Metro System. Customer shall not be billed for Metro's Flows. Metro shall render bills directly to Customer monthly and Customer shall make payment to Metro not later than the 15th day after receipt of each bill. Interest shall accrue on the balance of any late payment at the rate of 1.5% per month until paid in full.

15. Industrial Pretreatment Program. Should a Significant Industrial User ("SIU") per EPA 40 CFR 403 regulations or any user that could discharge process waste that may otherwise adversely impact the receiving POTW, an Industrial Pretreatment Program ("IPP") must be administered, either by Metro or its Municipal satellite customers ("Customer"). The IPP shall be administered in accordance with published Federal and State laws, rules, and regulations. The IPP Administrator shall take all necessary steps, including, without limitation, discontinuation of service, to ensure that businesses discharging waste into the service area comply with applicable codes, rules and regulations concerning permitting and discharge limits. Furthermore, IPP Administrator shall ensure that all flows into Metro's POTW conform in all respects to Metropolitan Code of Laws § 15.60.010 et seq. and any duly enacted amendment or successor ordinance. Likewise, should any flow from Metro's POTW discharge into a Customer's service area, Metro shall abide by the Customer's respective relevant Municipal Codes, amendments, and ordinances. Customers of Metro's POTW must notify Metro of their Administrator by choosing one of the three options below. In the event that a Customer chooses to change their Administrator option, they are free to do so by providing Metro with a 180-day notice.

**Option 1**: Customer does not have a SIU in its service area and local zoning codes limit the likelihood that an SIU will locate itself in this service area in the future, and thus an IPP Administrator is not applicable.

**Option 2**: Customer shall function as its own IPP Administrator. Customer shall administer IPP at its sole cost and expense. Customer and Metro shall promptly provide each other any documents from either party or other government entity relating to their respective IPP, and likewise furnish said documents to relevant Approval Authority upon request. Metro will monitor discharge from Customer at agreed Point of Connection (POC) into Metro POTW. Should the Customer fail to adequately administer their IPP, Metro will take appropriate action to ensure compliance and assess related cost to the Customer. If Metro determines Customer remains in Significant Non-Compliance for more than a 365-day period, Metro reserves the right to remand Customer to Option 3.

**Option 3**: Metro shall function as Customer's IPP Administrator. Customer shall require compliance with the IPP by its sewer clientele and shall cooperate with Metro in its enforcement. To assist Metro in its enforcement, Customers shall provide the following to Metro:

- An annual report submitted by October 1 of each year of water and sewer usage for all commercial and industrial user accounts in their service area; and
- Daily flow data at each connection point upon request; and
- Updated Sewer System Data submitted by October 1 of each year. GPS coordinates may be provided for data sets less than 50 points. Data sets with 50 points or more shall be provided in an electronic GIS shapefile or other geodatabase format; and,
- Notification of new construction, renovation, or occupancy of Industrial Zoned Properties and Businesses.

Metro shall recover the costs of administering the IPP through user, permit and other fees in accordance with the same policies and procedures applicable to Metro's own

sewer clientele, provided, however, that Customer shall reimburse Metro for reasonable actual costs of administering the IPP not so recovered.

Customer has chosen Option 3.

- 16. <u>Term of Agreement.</u> The term of the Agreement shall end on October 1, 2034, but may be extended by the parties upon such terms as they may then agree. Neither party shall be entitled to a refund of any payment made under this Agreement upon the termination or expiration of this Agreement. The parties agree that no notice shall be necessary in order for the Agreement to terminate by expiration at the end of the term referenced above.
- 17. <u>Reselling of Service Prohibited.</u> The service provided to Customer under the terms of this Agreement shall not be resold to any other governmental or other entity other than Customer's retail customers.
- 18. <u>Assignment of Agreement.</u> Customer shall not assign its rights under this Agreement to any entity without Metro's written consent.
- 19. <u>Modifications to Agreement.</u> All of the terms of agreement and understandings of the parties are set forth in this document. No modification of this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- 20. <u>Filing of Agreement with Metropolitan Clerk.</u> This Agreement shall not be binding upon Metro until approved by the Metropolitan Council and filed in the office of the Metropolitan Clerk.
- 21. <u>Mediation.</u> In the event a dispute arises between the parties concerning a matter other than one arising under Paragraph 14 of this Agreement, the dispute shall be submitted to mediation in accordance with the terms of this paragraph before any complaint can be filed in a court of law or equity for a breach of this Agreement. In the event the dispute concerns calculation of the Utility Price or Transportation Rate, if applicable, the parties shall mutually agree upon a qualified mediator with experience in performing utility rate cost of service studies. If the parties cannot agree upon a qualified mediator, a qualified mediator shall be appointed by the Clerk and Master of the Davidson County Chancery Court upon application by the parties certifying their inability to agree upon a qualified mediator. The mediator shall establish the procedures for the mediation.
- 22. <u>Governing Law, Forum Selection and Attorney Fees.</u> This Agreement shall be governed by the laws of the state of Tennessee, and any action relating to this Agreement shall be brought only in a court of competent jurisdiction in Davidson County, Tennessee.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Freddie O'Connell, Mayor

**RECOMMENDED BY:** 

DocuSigned by:

Scott Potter

Director, Department of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS:

-Signed by:

Ewin (rumbo/mjw Billector, Bepartment of Finance

APPROVED AS TO RISK AND INSURANCE:

— DocuSigned by: Balogun Cobb

Depresentation of the surance

APPROVED AS TO FORM AND LEGALITY:

Signed by:

tara ladd

-E355FC378EF2427 Assistant Metropolitan Attorney

ATTESTED:

Metropolitan Clerk

CITY OF LA VERGNE, TENNESSEE

APPROVED:

Jason Cole, Mayor

ATTESTED:

n I City Recorder

APPROVED AS TO FORM AND LEGALITY:

City Attorney

## Exhibit A to Metro/La Vergne Agreement

## Approved Point(s) of Connection

Name / Location	Maximum Rate (gallons per hour)
1. Hurricane Creek	229,100
2. Bridgestone Pkwy	61,100*
3. International Boulevard	10,000
4. Builders Transport (Firestone Blvd.)	5,650
5. Waldron Road	NA
* The Bridgestone Pkwy flow is net flow (only con	sidering flow from the City of La Vergne).

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## Exhibit B to Metro/ La Vergne Agreement

## Approved Points of Connection

Name / Location

#### Maximum Rate (gallons per hour)

1. Blakemore/Cane Ridge Park\*

NA

\* Flows are too small to be measured through the existing Flume. Water consumption on a monthly average minus any irrigation will be used to generate the sewer volume. Once the northern part of the Carothers Crossing subdivision is built, the flows from the park will be disconnected from this POC and moved to the Carothers Crossing POC.

2. Carothers Crossing

As defined in Interlocal Agreement between Metro and La Vergne, 20 November 2007 (L-1959)

#### AGREEMENT

**THIS AGREEMENT** is made and entered into this <sup>17th</sup> day of <sup>September</sup> 2024, by and between the Metropolitan Government of Nashville and Davidson County ("Metro") and City of Millersville, Tennessee ("Customer").

WHEREAS, Metro owns and operates a sewage transportation and treatment system ("Metro System"); and

WHEREAS, Customer owns and operates a sewage collection system ("Customer System"); and

WHEREAS, the Metro System has or will have sufficient capacity to safely and effectively accept and treat sewage flows from the Customer System as contemplated herein.

#### THE PARTIES AGREE AS FOLLOWS:

- 1. Customer Points of Connection. All points of connection ("POC") at which flow from Customer's System ("Customer Flows") enters Metro's System or a system belonging to another entity ("Third-Party System") for conveyance to Metro's system, except those exempted in writing for good cause by the Director of the Metropolitan Department of Water and Sewerage Services (the "Metro Director"), shall include metering facilities approved by the Metro Director. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit A. Customer may request, and Metro shall have the discretion to approve the construction of additional POCs of Customer's System to Metro's System. If Customer Flows pass through a Third-Party System before entering the Metro System or if Customer Flow exits Metro's System into a Third Party System, Customer shall be solely responsible for obtaining all necessary approvals from and making all necessary arrangements with and payments to the owner of such Third-Party System for conveyance of Customer Flows and prior to the establishment of any new POC between Customer's System and the Third-Party System. Further, no POC, whether for a direct connection to the Metro System or for a connection to a Third-Party System for conveyance of Customer Flows to the Metro System, may be added without the Metro Director's written consent. For each POC, unless exempted by the Metro Director, Customer, at Customer's sole expense, shall install a metering device approved by the Metro Director for the purpose of measuring Customer Flows.
- 2. <u>Operation and Maintenance of Meters.</u> All maintenance, upkeep, repair and replacement of meter(s) and other metering station components contemplated by paragraph 1 of this Agreement shall be performed by Metro or its agents or contractors at Customer's expense. Metro will bill customer for the operations and data analysis on the meter(s) on an annual basis.

- For each of 3. Maximum Flows at Customer Metered Points of Connection. Customer's POCs listed in Exhibit A, Metro agrees to accept into the Metro System sewage flows from the Customer System for treatment at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit A to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Metro agrees to accept and treat for Customer these contracted sewage flows except in emergency situations and agrees to give Customer notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 4. Calibration of Meters. At least once every six months, the metering stations contemplated in this Agreement shall be calibrated both hydraulically and electronically by a qualified commercial entity approved by both parties at the expense of the party owning the metering station. In the event a meter maintained by either party ceases to register flow for any reason or a calibration test indicates that a particular metering system is inaccurate, the amount billed for the preceding month's services will be adjusted to reflect an estimated flow quantity based on the average of the flow quantity data from the corresponding month of the preceding year for which data are available and flow quantity from the immediately preceding billing period, and an appropriate credit or debit will appear on Metro's next bill to Customer In the event a meter fails to accurately measure flow to reasonable engineering standards for three consecutive months, the party owning that meter shall replace it promptly upon the written request of the other party. Both parties agree to continue to make available all flow metering data which might be of benefit to the other party from all points of connection between the parties set forth in this Agreement.
- 5. <u>Metro Treatment Utility Price</u>. Customer shall make monthly payments to Metro for each gallon of flow from Customer's System into Metro's System at the prices in force at the time of billing. As of the Effective Date, for each gallon of flow through a POC that does not exceed the Maximum Rate applicable to that POC, the price (the "Utility Price") shall be \$1.62 per hundred cubic feet. For each hundred cubic feet, or fraction thereof, of flow, excluding Metro Flows, through a POC that exceeds the Maximum Rate, the price shall be one hundred and twenty-five percent of the Utility Price.
- 6. <u>Flow Limits.</u> For purposes of this Paragraph, precipitation shall be measured at the Metro rain gauge ("Rain Gauge") nearest the POC at issue. A "Rainfall Event" occurs when; following a period of ten or more hours without measurable precipitation, 0.01 or more inches of precipitation is measured in the Rain Gauge.

An "Excessive Flow Event" occurs when flow through a POC from Customer's System into Metro's System exceeds the Maximum Rate either: (1) resulting from a Rainfall Event; or (2) for at least one hour when no Rainfall Event has occurred. Each hour during which an Excessive Flow Event occurs when no Rainfall Event has occurred shall be considered a separate Excessive Flow Event. If there are six or more Excessive Flow Events in any 12-month period during the term of this Agreement, upon written notice from Metro, Customer shall within 90 days commence development of a corrective action plan, submit such plan to Metro for review when completed, and within 36 months complete substantial implementation of such measures and within 48 months complete final implementation of such measures as are necessary to prevent further Excessive Flow Events. Customer's failure or refusal to comply with the terms of this paragraph shall be a material breach of the Agreement and shall entitle but not require Metro, in addition to its other rights under law and contract, to do either or both of the following: (1) terminate the Agreement immediately and without further notice; or (2) restrict in whole or part further flows from Customer's System to the Maximum Rate by mechanical or other means. In the event any fine, charge or penalty is levied by any regulatory authority or any judgment rendered by a court of competent jurisdiction on account of overflows from Metro's System or Customer's System occurring as a result of one party's breach of or exercise of a right created by this Agreement, then each party shall pay that portion of such fine, charge or penalty in proportion to that party's responsibility for such overflows.

#### 7. Annual Metro Treatment Rate Adjustments.

- (a) On October 1 of each year during the term of this Agreement, the Utility Price shall be adjusted for the following calendar year. For the calendar years beginning October 1 of each year except 2029 and 2034, the Utility Price then in effect shall increase or decrease by a percentage equal to the smaller of: (1) the percentage increase or decrease from the previous calendar year in the Service Charge Index compiled and published by the National Association of Clean Water Agencies; or (2) the percentage increase or decrease from the previous calendar year of the annual average in the Consumer Price Index – All Urban Consumers (CPI-U), U.S. City Average, All Items, 1982-1984 = 100, published by the United States Department of Labor, Bureau of Labor Statistics. If one of the indexes identified in this paragraph ceases to be published during the term of this Agreement, a comparable index acceptable to the parties shall be substituted.
- (b) For the calendar years beginning October 1, 2029 and 2034, the Utility Price shall be set using the utility approach method used by Metro and its wholesale customers, including Customer, to establish the initial Utility Price, which method is described below.
- (c) The operating cost component shall be calculated using Metro's then current fiscal year budgeted costs for operation and maintenance of joint facilities divided by the total treated flow through all Metro facilities expressed as an average annual flow for the three previous fiscal year periods. Joint facility

costs are defined as Metro's budgeted operations and maintenance costs for wastewater services only, exclusive of debt service costs, capital outlay, capital improvements plan (CIP) and stormwater costs. Joint facility costs include costs for the operation of facilities that provide benefit to both wholesale and retail customers. Typically, joint facility costs would include costs associated with the operation of all core system assets, including wastewater treatment plants, wastewater interceptors and pump stations. Joint facility costs do not include retail costs, such as costs for the operation of system components that generally do not benefit wholesale customers. Retail costs would include costs associated with the local service wastewater collection lines, as well as customer service and billing and collection costs.

(d) The capital cost component includes both a return on assets calculation and an allocated portion of depreciation expense.

(1) The return on assets calculation considers the original cost less depreciation of Metro's capital assets that benefit both wholesale and retail customers. Capital assets include wastewater treatment plant assets, including sludge management and odor control facilities, pump station assets, wastewater interceptors and large force mains that are determined to benefit both wholesale and retail customers. This return on asset base shall not include construction work in progress. The capital allocation to wholesale customers, as a class, shall be based on their proportionate share of treated flows. The resultant capital allocation shall be multiplied by a capital cost return component based on Metro's weighted cost of debt, plus 200 basis points (two percentage points). Metro's weighted cost of debt shall be based on outstanding bond issues for wastewater debt listed in the most recent official statement for Metro bonds.

(2) The allocated portion of depreciation expense shall be based on the annual depreciation of wastewater assets that benefit both wholesale and retail customers. The allocated portion of depreciation expense to wholesale customers, as a class, shall be based on their proportionate share of treated flows.

(3) The sum of the return on assets calculation and the allocated portion of depreciation expense shall be divided by the total treated flow of all wholesale customers, as a class, expressed as an average annual flow for the three previous fiscal year periods.

(4) Depreciation amounts will be based upon the depreciation policies and procedures used by Metro, provided such depreciation policies and procedures are consistent with generally accepted accounting principles and policies applicable to municipal water and sewer utilities.

- 8. <u>Selection of Rate Consultant.</u> Not later than October 1, 2028, and again not later than October 1, 2033, Metro and Customer shall jointly engage a qualified and mutually acceptable rate consultant to develop the Utility Price as contemplated in Paragraph 7(b)-(d) of this Agreement. The costs for the development of the Utility Price pursuant to this Paragraph shall be borne jointly by Customer and Metro.
- 9. <u>Other Potential Fees.</u> Costs of transportation of Customer's flow through lines or equipment that are not a part of the Metro System (Third party transportation cost) shall be at Customer's sole cost and expense. Said costs can be determined by either a separate agreement between Customer and the third party, or through an agreement between Metro and the third party.
- 10. <u>Mutual Modification of Metro Treatment Rate Methodology</u>. By mutual agreement the parties may modify the parameters and methodology used to re-establish the Utility Price in the sixth year of this Agreement.
- 11. Additional Capacity. The parties recognize and acknowledge that neither has any ownership rights to additional capacity in the sewage collection, transportation or treatment systems of the other. Neither party shall have any right to compel the acceptance of flows into the other party's system in excess of the limits specifically stated in this Agreement. Disputed issues relating to the provision of additional sewage collection, transportation or treatment capacity by one party to the other shall not be subject to mediation under this Agreement. In the event either party desires additional capacity in the sewage collection, transportation or treatment systems of the other party in excess of the Maximum Rates in this Agreement during the term of this Agreement, the terms and conditions for obtaining such additional capacity shall be mutually agreed upon by the parties and shall be set forth in a separate agreement.
- 12. <u>Billing</u>. Billing shall be on a calendar month basis. Customer shall be billed from Customer's total flows into the Metro System. Metro shall render bills directly to Customer monthly and Customer shall make payment to Metro not later than the 15th day after receipt of each bill. Interest shall accrue on the balance of any late payment at the rate of 1.5% per month until paid in full.
- 13. <u>Industrial Pretreatment Program.</u> Should a Significant Industrial User ("SIU") per EPA 40 CFR 403 regulations or any user that could discharge process waste that may otherwise adversely impact the receiving POTW, an Industrial Pretreatment Program ("IPP") must be administered, either by Metro or its Municipal satellite customers ("Customer"). The IPP shall be administered in accordance with published Federal and State laws, rules, and regulations. The IPP Administrator shall take all necessary steps, including, without limitation, discontinuation of service, to ensure that businesses discharging waste into the service area comply with applicable codes, rules and regulations concerning permitting and discharge limits. Furthermore, IPP Administrator shall ensure that all flows into Metro's POTW conform in all respects to Metropolitan Code of Laws § 15.60.010 et seq. and any duly enacted amendment or successor ordinance. Likewise, should any

flow from Metro's POTW discharge into a Customer's service area, Metro shall abide by the Customer's respective relevant Municipal Codes, amendments, and ordinances. Customers of Metro's POTW must notify Metro of their Administrator by choosing one of the three options below. In the event that a Customer chooses to change their Administrator option, they are free to do so by providing Metro with a 180-day notice.

**Option 1**: Customer does not have a SIU in its service area and local zoning codes limit the likelihood that an SIU will locate itself in this service area in the future, thus an IPP Administrator is not applicable.

**Option 2**: Customer shall function as its own IPP Administrator. Customer shall administer IPP at its sole cost and expense. Customer and Metro shall promptly provide each other any documents from either party or other government entity relating to their respective IPP, and likewise furnish said documents to relevant Approval Authority upon request. Metro will monitor discharge from Customer at agreed Point of Connection (POC) into Metro POTW. Should the Customer fail to adequately administer their IPP, Metro will take appropriate action to ensure compliance and assess related cost to the Customer. If Metro determines Customer remains in Significant Non-Compliance for more than a 365-day period, Metro reserves the right to remand Customer to Option 3.

**Option 3**: Metro shall function as Customer's IPP Administrator. Customer shall require compliance with the IPP by its sewer clientele and shall cooperate with Metro in its enforcement. To assist Metro in its enforcement, Customers shall provide the following to Metro:

- An annual report submitted by October 1 of each year of water and sewer usage for all commercial and industrial user accounts in their service area; and
- Daily flow data at each connection point upon request; and
- Updated Sewer System Data submitted by October 1 of each year. GPS coordinates may be provided for data sets less than 50 points. Data sets with 50 points or more shall be provided in an electronic GIS shapefile or other geodatabase format; and,
- Notification of new construction, renovation, or occupancy of Industrial Zoned Properties and Businesses.

Metro shall recover the costs of administering the IPP through user, permit and other fees in accordance with the same policies and procedures applicable to Metro's own sewer clientele, provided, however, that Customer shall reimburse Metro for reasonable actual costs of administering the IPP not so recovered.

Customer has chosen Option 3.

- 14. <u>Term of Agreement.</u> The term of the Agreement shall end on October 1, 2034, but may be extended by the parties upon such terms as they may then agree. Neither party shall be entitled to a refund of any payment made under this Agreement upon the termination or expiration of this Agreement. The parties agree that no notice shall be necessary in order for the Agreement to terminate by expiration at the end of the term referenced above.
- 15. <u>Reselling of Service Prohibited</u>. The service provided to Customer under the terms of this Agreement shall not be resold to any other governmental or other entity other than Customer's retail customers.
- 16. <u>Assignment of Agreement.</u> Customer shall not assign its rights under this Agreement to any entity without Metro's written consent.
- 17. <u>Modifications to Agreement.</u> All of the terms of agreement and understandings of the parties are set forth in this document. No modification of this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- 18. <u>Filing of Agreement with Metropolitan Clerk.</u> This Agreement shall not be binding upon Metro until approved by the Metropolitan Council and filed in the office of the Metropolitan Clerk.
- 19. <u>Mediation</u>. In the event a dispute arises between the parties concerning a matter other than one arising under Paragraph 12 of this Agreement, the dispute shall be submitted to mediation in accordance with the terms of this paragraph before any complaint can be filed in a court of law or equity for a breach of this Agreement. In the event the dispute concerns calculation of the Utility Price or Transportation Rate, if applicable, the parties shall mutually agree upon a qualified mediator with experience in performing utility rate cost of service studies. If the parties cannot agree upon a qualified mediator, a qualified mediator shall be appointed by the Clerk and Master of the Davidson County Chancery Court upon application by the parties certifying their inability to agree upon a qualified mediator. The mediator shall establish the procedures for the mediation.
- 20. <u>Governing Law, Forum Selection and Attorney Fees.</u> This Agreement shall be governed by the laws of the state of Tennessee, and any action relating to this Agreement shall be brought only in a court of competent jurisdiction in Davidson County, Tennessee.

#### THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

#### CITY OF MILLERSVILLE, TENNESSEE

Freddie O'Connell, Mayor

#### **RECOMMENDED BY:**

DocuSigned by:

Scott Potter

Director, Department of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS:

-Signed by:

Luin (numbo/mjw -Birectors Department of Finance

APPROVED AS TO RISK AND INSURANCE:

DocuSigned by:

Balogun Cobb

Diffect&POP Insurance

APPROVED AS TO FORM AND LEGALITY:

Signed by:

tara ladd

Assistant Metropolitan Attorney

ATTESTED:

Metropolitan Clerk

**APPROVED:** Mayor

# APPROVED AS TO FORM AND LEGALITY:

City Attorney

## Exhibit A to Metro/City of Millersville, Tennessee Agreement

## Approved Point(s) of Connection

Name/Location

Maximum Rate (gallons per hour)

DR06-1057 Louisville Highway

49,000

#### AGREEMENT

**THIS AGREEMENT** is made and entered into this 2024, by and between the Metropolitan Government of Nashville and Davidson County ("Metro") and City of Ridgetop Tennessee ("Customer").

WHEREAS, Metro owns and operates a sewage transportation and treatment system ("Metro System"); and

WHEREAS, Customer owns and operates a sewage collection system ("Customer System"); and

WHEREAS, the Metro System has or will have sufficient capacity to safely and effectively accept and treat sewage flows from the Customer System as contemplated herein.

#### THE PARTIES AGREE AS FOLLOWS:

- 1. Customer Points of Connection. All points of connection ("POC") at which flow from Customer's System ("Customer Flows") enters Metro's System or a system belonging to another entity ("Third-Party System") for conveyance to Metro's system, except those exempted in writing for good cause by the Director of the Metropolitan Department of Water and Sewerage Services (the "Metro Director"), shall include metering facilities approved by the Metro Director. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit A. Customer may request, and Metro shall have the discretion to approve the construction of additional POCs of Customer's System to Metro's System. If Customer Flows pass through a Third-Party System before entering the Metro System or if Customer Flow exits Metro's System into a Third Party System, Customer shall be solely responsible for obtaining all necessary approvals from and making all necessary arrangements with and payments to the owner of such Third-Party System for conveyance of Customer Flows and prior to the establishment of any new POC between Customer's System and the Third-Party System. Further, no POC, whether for a direct connection to the Metro System or for a connection to a Third-Party System for conveyance of Customer Flows to the Metro System, may be added without the Metro Director's written consent. For each POC, unless exempted by the Metro Director, Customer, at Customer's sole expense, shall install a metering device approved by the Metro Director for the purpose of measuring Customer Flows.
- 2. <u>Operation and Maintenance of Meters.</u> All maintenance, upkeep, repair and replacement of meter(s) and other metering station components contemplated by paragraph 1 of this Agreement shall be performed by Customer or its agents or contractors at Customer's expense.

- 3. Maximum Flows at Customer Metered Points of Connection. For each of Customer's POCs listed in Exhibit A, Metro agrees to accept into the Metro System sewage flows from the Customer System for treatment at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit A to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Metro agrees to accept and treat for Customer these contracted sewage flows except in emergency situations and agrees to give Customer notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 4. Calibration of Meters. At least once every six months, the metering stations contemplated in this Agreement shall be calibrated both hydraulically and electronically by a qualified commercial entity approved by both parties at the expense of the party owning the metering station. In the event a meter maintained by either party ceases to register flow for any reason or a calibration test indicates that a particular metering system is inaccurate, the amount billed for the preceding month's services will be adjusted to reflect an estimated flow quantity based on the average of the flow quantity data from the corresponding month of the preceding year for which data are available and flow quantity from the immediately preceding billing period, and an appropriate credit or debit will appear on Metro's next bill to Customer In the event a meter fails to accurately measure flow to reasonable engineering standards for three consecutive months, the party owning that meter shall replace it promptly upon the written request of the other party. Both parties agree to continue to make available all flow metering data which might be of benefit to the other party from all points of connection between the parties set forth in this Agreement.
- 5. <u>Metro Treatment Utility Price.</u> Customer shall make monthly payments to Metro for each gallon of flow from Customer's System into Metro's System at the prices in force at the time of billing. As of the Effective Date, for each gallon of flow through a POC that does not exceed the Maximum Rate applicable to that POC, the price (the "Utility Price") shall be \$1.62 per hundred cubic feet. For each hundred cubic feet, or fraction thereof, of flow, excluding Metro Flows, through a POC that exceeds the Maximum Rate, the price shall be one hundred and twenty-five percent of the Utility Price.
- 6. <u>Flow Limits.</u> For purposes of this Paragraph, precipitation shall be measured at the Metro rain gauge ("Rain Gauge") nearest the POC at issue. A "Rainfall Event" occurs when; following a period of ten or more hours without measurable precipitation, 0.01 or more inches of precipitation is measured in the Rain Gauge.

An "Excessive Flow Event" occurs when flow through a POC from Customer's System into Metro's System exceeds the Maximum Rate either: (1) resulting from a Rainfall Event; or (2) for at least one hour when no Rainfall Event has occurred. Each hour during which an Excessive Flow Event occurs when no Rainfall Event has occurred shall be considered a separate Excessive Flow Event. If there are six or more Excessive Flow Events in any 12-month period during the term of this Agreement, upon written notice from Metro, Customer shall within 90 days commence development of a corrective action plan, submit such plan to Metro for review when completed, and within 36 months complete substantial implementation of such measures and within 48 months complete final implementation of such measures as are necessary to prevent further Excessive Flow Events. Customer's failure or refusal to comply with the terms of this paragraph shall be a material breach of the Agreement and shall entitle but not require Metro, in addition to its other rights under law and contract, to do either or both of the following: (1) terminate the Agreement immediately and without further notice; or (2) restrict in whole or part further flows from Customer's System to the Maximum Rate by mechanical or other means. In the event any fine, charge or penalty is levied by any regulatory authority or any judgment rendered by a court of competent jurisdiction on account of overflows from Metro's System or Customer's System occurring as a result of one party's breach of or exercise of a right created by this Agreement, then each party shall pay that portion of such fine, charge or penalty in proportion to that party's responsibility for such overflows.

#### 7. Annual Metro Treatment Rate Adjustments.

- (a) On October 1 of each year during the term of this Agreement, the Utility Price shall be adjusted for the following calendar year. For the calendar years beginning October 1 of each year except 2029 and 2034, the Utility Price then in effect shall increase or decrease by a percentage equal to the smaller of: (1) the percentage increase or decrease from the previous calendar year in the Service Charge Index compiled and published by the National Association of Clean Water Agencies; or (2) the percentage increase or decrease from the previous calendar year of the annual average in the Consumer Price Index All Urban Consumers (CPI-U), U.S. City Average, All Items, 1982-1984 = 100, published by the United States Department of Labor, Bureau of Labor Statistics. If one of the indexes identified in this paragraph ceases to be published during the term of this Agreement, a comparable index acceptable to the parties shall be substituted.
- (b) For the calendar years beginning October 1, 2029 and 2034, the Utility Price shall be set using the utility approach method used by Metro and its wholesale customers, including Customer, to establish the initial Utility Price, which method is described below.
- (c) The operating cost component shall be calculated using Metro's then current fiscal year budgeted costs for operation and maintenance of joint facilities divided by the total treated flow through all Metro facilities expressed as an average annual flow for the three previous fiscal year periods. Joint facility

costs are defined as Metro's budgeted operations and maintenance costs for wastewater services only, exclusive of debt service costs, capital outlay, capital improvements plan (CIP) and stormwater costs. Joint facility costs include costs for the operation of facilities that provide benefit to both wholesale and retail customers. Typically, joint facility costs would include costs associated with the operation of all core system assets, including wastewater treatment plants, wastewater interceptors and pump stations. Joint facility costs do not include retail costs, such as costs for the operation of system components that generally do not benefit wholesale customers. Retail costs would include costs associated with the local service wastewater collection lines, as well as customer service and billing and collection costs.

(d) The capital cost component includes both a return on assets calculation and an allocated portion of depreciation expense.

(1) The return on assets calculation considers the original cost less depreciation of Metro's capital assets that benefit both wholesale and retail customers. Capital assets include wastewater treatment plant assets, including sludge management and odor control facilities, pump station assets, wastewater interceptors and large force mains that are determined to benefit both wholesale and retail customers. This return on asset base shall not include construction work in progress. The capital allocation to wholesale customers, as a class, shall be based on their proportionate share of treated flows. The resultant capital allocation shall be multiplied by a capital cost return component based on Metro's weighted cost of debt, plus 200 basis points (two percentage points). Metro's weighted cost of debt shall be based on outstanding bond issues for wastewater debt listed in the most recent official statement for Metro bonds.

(2) The allocated portion of depreciation expense shall be based on the annual depreciation of wastewater assets that benefit both wholesale and retail customers. The allocated portion of depreciation expense to wholesale customers, as a class, shall be based on their proportionate share of treated flows.

(3) The sum of the return on assets calculation and the allocated portion of depreciation expense shall be divided by the total treated flow of all wholesale customers, as a class, expressed as an average annual flow for the three previous fiscal year periods.

(4) Depreciation amounts will be based upon the depreciation policies and procedures used by Metro, provided such depreciation policies and procedures are consistent with generally accepted accounting principles and policies applicable to municipal water and sewer utilities.

8. <u>Selection of Rate Consultant.</u> Not later than October 1, 2028, and again not later than October 1, 2033, Metro and Customer shall jointly engage a qualified and

mutually acceptable rate consultant to develop the Utility Price as contemplated in Paragraph 7(b)-(d) of this Agreement. The costs for the development of the Utility Price pursuant to this Paragraph shall be borne jointly by Customer and Metro.

- 9. <u>Other Potential Fees.</u> Costs of transportation of Customer's flow through lines or equipment that are not a part of the Metro System (Third party transportation cost) shall be at Customer's sole cost and expense. Said costs can be determined by either a separate agreement between Customer and the third party, or through an agreement between Metro and the third party.
- 10. <u>Mutual Modification of Metro Treatment Rate Methodology</u>. By mutual agreement the parties may modify the parameters and methodology used to re-establish the Utility Price in the sixth year of this Agreement.
- 11. <u>Additional Capacity</u>. The parties recognize and acknowledge that neither has any ownership rights to additional capacity in the sewage collection, transportation or treatment systems of the other. Neither party shall have any right to compel the acceptance of flows into the other party's system in excess of the limits specifically stated in this Agreement. Disputed issues relating to the provision of additional sewage collection, transportation or treatment capacity by one party to the other shall not be subject to mediation under this Agreement. In the event either party desires additional capacity in the sewage collection, transportation or treatment systems of the other party in excess of the Maximum Rates in this Agreement during the term of this Agreement, the terms and conditions for obtaining such additional capacity shall be mutually agreed upon by the parties and shall be set forth in a separate agreement.
- 12. <u>Billing</u>. Billing shall be on a calendar month basis. Customer shall be billed from Customer's total flows into the Metro System. Metro shall render bills directly to Customer monthly and Customer shall make payment to Metro not later than the 15th day after receipt of each bill. Interest shall accrue on the balance of any late payment at the rate of 1.5% per month until paid in full.
- 13. <u>Industrial Pretreatment Program.</u> Should a Significant Industrial User ("SIU") per EPA 40 CFR 403 regulations or any user that could discharge process waste that may otherwise adversely impact the receiving POTW, an Industrial Pretreatment Program ("IPP") must be administered, either by Metro or its Municipal satellite customers ("Customer"). The IPP shall be administered in accordance with published Federal and State laws, rules, and regulations. The IPP Administrator shall take all necessary steps, including, without limitation, discontinuation of service, to ensure that businesses discharging waste into the service area comply with applicable codes, rules and regulations concerning permitting and discharge limits. Furthermore, IPP Administrator shall ensure that all flows into Metro's POTW conform in all respects to Metropolitan Code of Laws § 15.60.010 et seq. and any duly enacted amendment or successor ordinance. Likewise, should any flow from Metro's POTW discharge into a Customer's service area, Metro shall abide by the Customer's respective relevant Municipal Codes, amendments, and

ordinances. Customers of Metro's POTW must notify Metro of their Administrator by choosing one of the three options below. In the event that a Customer chooses to change their Administrator option, they are free to do so by providing Metro with a 180-day notice.

**Option 1**: Customer does not have a SIU in its service area and local zoning codes limit the likelihood that an SIU will locate itself in this service area in the future, thus an IPP Administrator is not applicable.

**Option 2**: Customer shall function as its own IPP Administrator. Customer shall administer IPP at its sole cost and expense. Customer and Metro shall promptly provide each other any documents from either party or other government entity relating to their respective IPP, and likewise furnish said documents to relevant Approval Authority upon request. Metro will monitor discharge from Customer at agreed Point of Connection (POC) into Metro POTW. Should the Customer fail to adequately administer their IPP, Metro will take appropriate action to ensure compliance and assess related cost to the Customer. If Metro determines Customer remains in Significant Non-Compliance for more than a 365-day period, Metro reserves the right to remand Customer to Option 3.

**Option 3**: Metro shall function as Customer's IPP Administrator. Customer shall require compliance with the IPP by its sewer clientele and shall cooperate with Metro in its enforcement. To assist Metro in its enforcement, Customers shall provide the following to Metro:

- An annual report submitted by October 1 of each year of water and sewer usage for all commercial and industrial user accounts in their service area; and
- Daily flow data at each connection point upon request; and
- Updated Sewer System Data submitted by October 1 of each year. GPS coordinates may be provided for data sets less than 50 points. Data sets with 50 points or more shall be provided in an electronic GIS shapefile or other geodatabase format; and,
- Notification of new construction, renovation, or occupancy of Industrial Zoned Properties and Businesses.

Metro shall recover the costs of administering the IPP through user, permit and other fees in accordance with the same policies and procedures applicable to Metro's own sewer clientele, provided, however, that Customer shall reimburse Metro for reasonable actual costs of administering the IPP not so recovered.

Customer has chosen Option 2.

- 14. <u>Term of Agreement.</u> The term of the Agreement shall end on October 1, 2034, but may be extended by the parties upon such terms as they may then agree. Neither party shall be entitled to a refund of any payment made under this Agreement upon the termination or expiration of this Agreement. The parties agree that no notice shall be necessary in order for the Agreement to terminate by expiration at the end of the term referenced above.
- 15. <u>Reselling of Service Prohibited.</u> The service provided to Customer under the terms of this Agreement shall not be resold to any other governmental or other entity other than Customer's retail customers.
- 16. <u>Assignment of Agreement.</u> Customer shall not assign its rights under this Agreement to any entity without Metro's written consent.
- 17. <u>Modifications to Agreement.</u> All of the terms of agreement and understandings of the parties are set forth in this document. No modification of this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- 18. <u>Filing of Agreement with Metropolitan Clerk.</u> This Agreement shall not be binding upon Metro until approved by the Metropolitan Council and filed in the office of the Metropolitan Clerk.
- 19. <u>Mediation</u>. In the event a dispute arises between the parties concerning a matter other than one arising under Paragraph 12 of this Agreement, the dispute shall be submitted to mediation in accordance with the terms of this paragraph before any complaint can be filed in a court of law or equity for a breach of this Agreement. In the event the dispute concerns calculation of the Utility Price or Transportation Rate, if applicable, the parties shall mutually agree upon a qualified mediator with experience in performing utility rate cost of service studies. If the parties cannot agree upon a qualified mediator, a qualified mediator shall be appointed by the Clerk and Master of the Davidson County Chancery Court upon application by the parties certifying their inability to agree upon a qualified mediator. The mediator shall establish the procedures for the mediation.
- 20. <u>Governing Law, Forum Selection and Attorney Fees.</u> This Agreement shall be governed by the laws of the state of Tennessee, and any action relating to this Agreement shall be brought only in a court of competent jurisdiction in Davidson County, Tennessee.

#### THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

APPROVED:

Freddie O'Connell, Mayor

**RECOMMENDED BY:** 

DocuSigned by:

Scott Potter

-999919901099,499epartment of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS:

Signed by:

Ewin (numbo/mjw Bireccore4Department of Finance

APPROVED AS TO RISK AND **INSURANCE:** 

DocuSigned by:

Balogun Cobb

6B9948E27EP749F Insurance

APPROVED AS TO FORM AND LEGALITY:

Signed by:

Tara Ladd

ASSISTER Wetropolitan Attorney

ATTESTED:

Metropolitan Clerk

CITY OF RIDGETOP, **TENNESSEE** 

APPROVED Mayor

ATTEST:

City Recorder

APPROVED AS TO FORM AND LEGALITY:

## Exhibit A to Metro/City of Ridgetop Agreement

Approved Point(s) of Connection

Name/Location

Maximum Rate

Master meter for Sewer Watauga Elementary School 1755 Lake Road Latitude N36.39542 Longitude W088.76495

240,000 gallons per day and 10,000 gallons per hour

#### AGREEMENT

**THIS AGREEMENT** is made and entered into this <sup>17th</sup> day of <sup>September</sup> 2024, by and between the Metropolitan Government of Nashville and Davidson County ("Metro") and White House Utility District ("Customer").

WHEREAS, Metro owns and operates a sewage transportation and treatment system ("Metro System"); and

WHEREAS, Customer owns and operates a sewage collection system ("Customer System"); and

WHEREAS, the Metro System has or will have sufficient capacity to safely and effectively accept and treat sewage flows from the Customer System as contemplated herein.

#### THE PARTIES AGREE AS FOLLOWS:

1. Customer Points of Connection. All points of connection ("POC") at which flow from Customer's System ("Customer Flows") enters Metro's System or a system belonging to another entity ("Third-Party System") for conveyance to Metro's system, except those exempted in writing for good cause by the Director of the Metropolitan Department of Water and Sewerage Services (the "Metro Director"), shall include metering facilities approved by the Metro Director. All of the currently authorized POCs are listed in the document attached and incorporated into this Agreement as Exhibit A. Customer may request, and Metro shall have the discretion to approve the construction of additional POCs of Customer's System to Metro's System. If Customer Flows pass through a Third-Party System before entering the Metro System or if Customer Flow exits Metro's System into a Third Party System, Customer shall be solely responsible for obtaining all necessary approvals from and making all necessary arrangements with and payments to the owner of such Third-Party System for conveyance of Customer Flows and prior to the establishment of any new POC between Customer's System and the Third-Party System. Further, no POC, whether for a direct connection to the Metro System or for a connection to a Third-Party System for conveyance of Customer Flows to the Metro System, may be added without the Metro Director's written consent. For each POC, unless exempted by the Metro Director, Customer, at Customer's sole expense, shall install a metering device approved by the Metro Director for the purpose of measuring Customer Flows.

- 2. <u>Operation and Maintenance of Meters.</u> All maintenance, upkeep, repair and replacement of meter(s) and other metering station components contemplated by paragraph 1 of this Agreement shall be performed by Metro or its agents or contractors at Customer's expense. Metro will bill customer for the operations and data analysis on the meter(s) on an annual basis.
- 3. Maximum Flows at Customer Metered Points of Connection. For each of Customer's POCs listed in Exhibit A, Metro agrees to accept into the Metro System sewage flows from the Customer System for treatment at rates not exceeding the number of gallons per hour ("Maximum Rate") shown in Exhibit A to apply to that POC. In the event of the performance of engineering studies showing that flow characteristics have changed since the Effective Date, the parties shall in good faith consider whether changes in the Maximum Rate should be made. As used in this paragraph, an hour shall be measured from the top of one hour to the top of the next hour (for example, from 1:00 PM until 2:00 PM on the same day). The flow meters shall be capable of reporting flow volumes by hour. If reported in any units other than gallons per hour, flow volumes shall be converted into gallons per hour for purposes of determining compliance with Maximum Rate limitations. Metro agrees to accept and treat for Customer these contracted sewage flows except in emergency situations and agrees to give Customer notice when such contracted sewage flows cannot be accepted and treated due to an emergency.
- 4. <u>Calibration of Meters.</u> At least once every six months, the metering stations contemplated in this Agreement shall be calibrated both hydraulically and electronically by a qualified commercial entity approved by both parties at the expense of the party owning the metering station. In the event a meter maintained by either party ceases to register flow for any reason or a calibration test indicates that a particular metering system is inaccurate, the amount billed for the preceding month's services will be adjusted to reflect an estimated flow quantity based on the average of the flow quantity data from the corresponding month of the preceding year for which data are available and flow quantity from the immediately preceding billing period, and an appropriate credit or debit will appear on Metro's next bill to Customer In the event a meter fails to accurately measure flow to reasonable engineering standards for three consecutive months, the party owning that meter shall replace it promptly upon the written request of the other party. Both parties agree to continue to make available all flow metering data which might be of benefit to the other party from all points of connection between the parties set forth in this Agreement.
- 5. <u>Metro Treatment Utility Price.</u> Customer shall make monthly payments to Metro for each gallon of flow from Customer's System into Metro's System at the prices in force at the time of billing. As of the Effective Date, for each gallon of flow through a POC that does not exceed the Maximum Rate applicable to that POC, the price (the "Utility Price") shall be \$1.62 per hundred cubic feet. For each hundred cubic feet, or fraction thereof, of flow, excluding Metro Flows, through a POC that exceeds the Maximum Rate, the price shall be one hundred and twenty-five percent of the Utility Price.

For purposes of this Paragraph, precipitation shall be measured at 6. Flow Limits. the Metro rain gauge ("Rain Gauge") nearest the POC at issue. A "Rainfall Event" occurs when; following a period of ten or more hours without measurable precipitation, 0.01 or more inches of precipitation is measured in the Rain Gauge. An "Excessive Flow Event" occurs when flow through a POC from Customer's System into Metro's System exceeds the Maximum Rate either: (1) resulting from a Rainfall Event; or (2) for at least one hour when no Rainfall Event has occurred. Each hour during which an Excessive Flow Event occurs when no Rainfall Event has occurred shall be considered a separate Excessive Flow Event. If there are six or more Excessive Flow Events in any 12-month period during the term of this Agreement, upon written notice from Metro, Customer shall within 90 days commence development of a corrective action plan, submit such plan to Metro for review when completed, and within 36 months complete substantial implementation of such measures and within 48 months complete final implementation of such measures as are necessary to prevent further Excessive Flow Events. Customer's failure or refusal to comply with the terms of this paragraph shall be a material breach of the Agreement and shall entitle but not require Metro, in addition to its other rights under law and contract, to do either or both of the following: (1) terminate the Agreement immediately and without further notice; or (2) restrict in whole or part further flows from Customer's System to the Maximum Rate by mechanical or other means. In the event any fine, charge or penalty is levied by any regulatory authority or any judgment rendered by a court of competent jurisdiction on account of overflows from Metro's System or Customer's System occurring as a result of one party's breach of or exercise of a right created by this Agreement, then each party shall pay that portion of such fine, charge or penalty in proportion to that party's responsibility for such overflows.

#### 7. Annual Metro Treatment Rate Adjustments.

- (a) On October 1 of each year during the term of this Agreement, the Utility Price shall be adjusted for the following calendar year. For the calendar years beginning October 1 of each year except 2029 and 2034, the Utility Price then in effect shall increase or decrease by a percentage equal to the smaller of: (1) the percentage increase or decrease from the previous calendar year in the Service Charge Index compiled and published by the National Association of Clean Water Agencies; or (2) the percentage increase or decrease from the previous calendar year of the annual average in the Consumer Price Index All Urban Consumers (CPI-U), U.S. City Average, All Items, 1982-1984 = 100, published by the United States Department of Labor, Bureau of Labor Statistics. If one of the indexes identified in this paragraph ceases to be published during the term of this Agreement, a comparable index acceptable to the parties shall be substituted.
- (b) For the calendar years beginning October 1, 2029, and 2034, the Utility Price shall be set using the utility approach method used by Metro and its wholesale customers, including Customer, to establish the initial Utility Price, which method is described below.

- (c) The operating cost component shall be calculated using Metro's then current fiscal year budgeted costs for operation and maintenance of joint facilities divided by the total treated flow through all Metro facilities expressed as an average annual flow for the three previous fiscal year periods. Joint facility costs are defined as Metro's budgeted operations and maintenance costs for wastewater services only, exclusive of debt service costs, capital outlay, capital improvements plan (CIP) and stormwater costs. Joint facility costs include costs for the operation of facilities that provide benefit to both wholesale and retail customers. Typically, joint facility costs would include costs associated with the operation of all core system assets, including wastewater treatment plants, wastewater interceptors and pump stations. Joint facility costs would include retail costs, such as costs for the operation of system components that generally do not benefit wholesale customers. Retail costs would include costs associated with the local service wastewater collection lines, as well as customer service and billing and collection costs.
- (d) The capital cost component includes both a return on assets calculation and an allocated portion of depreciation expense.

(1) The return on assets calculation considers the original cost less depreciation of Metro's capital assets that benefit both wholesale and retail customers. Capital assets include wastewater treatment plant assets, including sludge management and odor control facilities, pump station assets, wastewater interceptors and large force mains that are determined to benefit both wholesale and retail customers. This return on asset base shall not include construction work in progress. The capital allocation to wholesale customers, as a class, shall be based on their proportionate share of treated flows. The resultant capital allocation shall be multiplied by a capital cost return component based on Metro's weighted cost of debt, plus 200 basis points (two percentage points). Metro's weighted cost of debt shall be based on outstanding bond issues for wastewater debt listed in the most recent official statement for Metro bonds.

(2) The allocated portion of depreciation expense shall be based on the annual depreciation of wastewater assets that benefit both wholesale and retail customers. The allocated portion of depreciation expense to wholesale customers, as a class, shall be based on their proportionate share of treated flows.

(3) The sum of the return on assets calculation and the allocated portion of depreciation expense shall be divided by the total treated flow of all wholesale customers, as a class, expressed as an average annual flow for the three previous fiscal year periods.

(4) Depreciation amounts will be based upon the depreciation policies and procedures used by Metro, provided such depreciation

policies and procedures are consistent with generally accepted accounting principles and policies applicable to municipal water and sewer utilities.

- 8. <u>Selection of Rate Consultant.</u> Not later than October 1, 2028, and again not later than October 1, 2034, Metro and Customer shall jointly engage a qualified and mutually acceptable rate consultant to develop the Utility Price as contemplated in Paragraph 7(b)-(d) of this Agreement. The costs for the development of the Utility Price pursuant to this Paragraph shall be borne jointly by Customer and Metro.
- 9. <u>Other Potential Fees.</u> Costs of transportation of Customer's flow through lines or equipment that are not a part of the Metro System (Third party transportation cost) shall be at Customer's sole cost and expense. Said costs can be determined by either a separate agreement between Customer and the third party, or through an agreement between Metro and the third party.
- 10. <u>Mutual Modification of Metro Treatment Rate Methodology.</u> By mutual agreement the parties may modify the parameters and methodology used to reestablish the Utility Price in the sixth year of this Agreement.
- 11. <u>Additional Capacity.</u> The parties recognize and acknowledge that neither has any ownership rights to additional capacity in the sewage collection, transportation or treatment systems of the other. Neither party shall have any right to compel the acceptance of flows into the other party's system in excess of the limits specifically stated in this Agreement. Disputed issues relating to the provision of additional sewage collection, transportation or treatment capacity by one party to the other shall not be subject to mediation under this Agreement. In the event either party desires additional capacity in the sewage collection, transportation or treatment systems of the other party in excess of the Maximum Rates in this Agreement during the term of this Agreement, the terms and conditions for obtaining such additional capacity shall be mutually agreed upon by the parties and shall be set forth in a separate agreement.
- 12. <u>Billing</u>. Billing shall be on a calendar month basis. Customer shall be billed from Customer's total flows into the Metro System. Metro shall render bills directly to Customer monthly and Customer shall make payment to Metro not later than the 15th day after receipt of each bill. Interest shall accrue on the balance of any late payment at the rate of 1.5% per month until paid in full.
- 13. <u>Industrial Pretreatment Program</u>. Should a Significant Industrial User ("SIU") per EPA 40 CFR 403 regulations or any user that could discharge process waste that may otherwise adversely impact the receiving POTW, an Industrial Pretreatment Program ("IPP") must be administered, either by Metro or its Municipal satellite customers ("Customer"). The IPP shall be administered in accordance with published Federal and State laws, rules, and regulations. The IPP Administrator shall take all necessary steps, including, without limitation, discontinuation of service, to ensure that businesses discharging waste into the service area comply with applicable codes, rules and regulations concerning permitting and discharge

limits. Furthermore, IPP Administrator shall ensure that all flows into Metro's POTW conform in all respects to Metropolitan Code of Laws § 15.60.010 et seq. and any duly enacted amendment or successor ordinance. Likewise, should any flow from Metro's POTW discharge into a Customer's service area, Metro shall abide by the Customer's respective relevant Municipal Codes, amendments, and ordinances. Customers of Metro's POTW must notify Metro of their Administrator by choosing one of the three options below. In the event that a Customer chooses to change their Administrator option, they are free to do so by providing Metro with a 180-day notice.

**Option 1**: Customer does not have a SIU in its service area and local zoning codes limit the likelihood that an SIU will locate itself in this service area in the future, thus an IPP Administrator is not applicable.

**Option 2**: Customer shall function as its own IPP Administrator. Customer shall administer IPP at its sole cost and expense. Customer and Metro shall promptly provide each other any documents from either party or other government entity relating to their respective IPP, and likewise furnish said documents to relevant Approval Authority upon request. Metro will monitor discharge from Customer at agreed Point of Connection (POC) into Metro POTW. Should the Customer fail to adequately administer their IPP, Metro will take appropriate action to ensure compliance and assess related cost to the Customer. If Metro determines Customer remains in Significant Non-Compliance for more than a 365-day period, Metro reserves the right to remand Customer to Option 3.

**Option 3**: Metro shall function as Customer's IPP Administrator. Customer shall require compliance with the IPP by its sewer clientele and shall cooperate with Metro in its enforcement. To assist Metro in its enforcement, Customers shall provide the following to Metro:

- An annual report submitted by October 1 of each year of water and sewer usage for all commercial and industrial user accounts in their service area; and
- Daily flow data at each connection point upon request; and
- Updated Sewer System Data submitted by October 1 of each year. GPS coordinates may be provided for data sets less than 50 points. Data sets with 50 points or more shall be provided in an electronic GIS shapefile or other geodatabase format; and,
- Notification of new construction, renovation, or occupancy of Industrial Zoned Properties and Businesses.

Metro shall recover the costs of administering the IPP through user, permit and other fees in accordance with the same policies and procedures applicable to Metro's own sewer clientele, provided, however, that Customer shall reimburse Metro for reasonable actual costs of administering the IPP not so recovered.

Customer has chosen Option 2.

- 14. <u>Term of Agreement.</u> The term of the Agreement shall end on October 1, 2034, but may be extended by the parties upon such terms as they may then agree. Neither party shall be entitled to a refund of any payment made under this Agreement upon the termination or expiration of this Agreement. The parties agree that no notice shall be necessary in order for the Agreement to terminate by expiration at the end of the term referenced above.
- 15. <u>Reselling of Service Prohibited.</u> The service provided to Customer under the terms of this Agreement shall not be resold to any other governmental or other entity other than Customer's retail customers.
- 16. <u>Assignment of Agreement.</u> Customer shall not assign its rights under this Agreement to any entity without Metro's written consent.
- 17. Modifications to Agreement. All of the terms of agreement and understandings of the parties are set forth in this document. No modification of this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- 18. <u>Filing of Agreement with Metropolitan Clerk.</u> This Agreement shall not be binding upon Metro until approved by the Metropolitan Council and filed in the office of the Metropolitan Clerk.
- 19. <u>Mediation.</u> In the event a dispute arises between the parties concerning a matter other than one arising under Paragraph 12 of this Agreement, the dispute shall be submitted to mediation in accordance with the terms of this paragraph before any complaint can be filed in a court of law or equity for a breach of this Agreement. In the event the dispute concerns calculation of the Utility Price or Transportation Rate, if applicable, the parties shall mutually agree upon a qualified mediator with experience in performing utility rate cost of service studies. If the parties cannot agree upon a qualified mediator, a qualified mediator shall be appointed by the Clerk and Master of the Davidson County Chancery Court upon application by the parties certifying their inability to agree upon a qualified mediator. The mediator shall establish the procedures for the mediation.
- 20. <u>Governing Law, Forum Selection and Attorney Fees.</u> This Agreement shall be governed by the laws of the state of Tennessee, and any action relating to this Agreement shall be brought only in a court of competent jurisdiction in Davidson County, Tennessee.

#### THE METROPOLITAN **GOVERNMENT OF NASHVILLE** AND DAVIDSON COUNTY

APPROVED:

Freddie O'Connell, Mayor

**RECOMMENDED BY:** 

DocuSigned by:

Scott Potter

Diffector, Department of Water and Sewerage Services

APPROVED AS TO AVAILABILITY OF FUNDS:

Signed by:

Levin (rumbo/mjw Birector; Department of Finance

APPROVED AS TO RISK AND **INSURANCE**:

DocuSigned by:

Balogun Cobb

Depte 285776 Insurance

APPROVED AS TO FORM AND LEGALITY:

Signed by:

tara ladd

Assistant Metropolitan Attorney

ATTESTED:

Metropolitan Clerk

#### WHITE HOUSE UTILITY DISTRICT

APPROVED

General Manager

**APPROVED**:

## Exhibit A to Metro/White House Utility District Agreement

## Approved Point(s) of Connection

Name/Location

Maximum Rate (gallons per hour)

White House Utility District Sewer Pumping Station Connection to Hendersonville Utility District Force Main

60,000

## ORIGINAL

## METROPOLITAN COUNTY COUNCIL

## **Resolution No.**

A resolution authorizing The Metropolitan Government of Nashville and Davidson County to enter into agreements with The City of Belle Meade, The City of Brentwood, The City of Goodlettsville, The City of Lavergne, The City of Millersville, The City of Ridgetop and the White House Utility District, for the acceptance and treatment by the Metropolitan Government of Nashville and Davidson County of sewage flow from their individual and separate sewage collection systems.

Introduced
Amended
Adopted
Approved
<i>By</i>
Metropolitan Mayor