

RESOLUTION NO. 29984

A RESOLUTION ADOPTING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF CHATTANOOGA AND THE WWTA TO CONDUCT A FEASIBILITY STUDY TO PROVIDE CONSOLIDATED WASTEWATER SERVICES TO ALL CITY AND COUNTY RESIDENTS WHO ARE PROVIDED WASTEWATER SERVICES WITHIN THE SERVICE AREAS OF THE WASTEWATER TREATMENT AUTHORITY (WWTA) AND THE CHATTANOOGA WASTEWATER SYSTEM.

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BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, it is hereby authorizing and approving representatives of the City of Chattanooga and WWTA to meet, study, and report to the City Council, Hamilton County Commission, and WWTA Board in regards to the benefits and liabilities of the combination the City of Chattanooga and WWTA into a single independent organization with the purpose of providing consolidated wastewater services to all City of Chattanooga and Hamilton County residents within the service area of the WWTA and the City of Chattanooga Regional System.

The general purpose of this Agreement is to provide for the joint funding and operation of this reporting Project and to provide for payment if outside professional services are needed for this study.

ADOPTED: July 9, 2019

/mem

**INTERLOCAL AGREEMENT**  
**BETWEEN**  
**THE CITY OF CHATTANOOGA, TENNESSEE,**  
**AND THE HAMILTON COUNTY WATER**  
**AND WASTEWATER TREATMENT**  
**AUTHORITY**

THIS INTERLOCAL AGREEMENT (“Agreement”) entered into between the CITY OF CHATTANOOGA, TENNESSEE, a municipal corporation located in Hamilton County, Tennessee, organized and existing under the laws of the State of Tennessee (hereinafter referred to as “Chattanooga” or “City”), and THE HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY, an agency of Hamilton County, Tennessee (hereinafter referred to as “WWTA”). Chattanooga, County, and WWTA are sometimes referred to in this Agreement individually as “Party” and collectively as the “Parties.”

WHEREAS, pursuant to the Chattanooga Area 208 Waste Treatment Management Plan, Chattanooga operates the Moccasin Bend Wastewater Treatment Plant (“WWTP”), a “treatment works” of sufficient size and capacity to serve as an area-wide wastewater treatment works for portions of Hamilton County, Tennessee, and portions of Northwest Georgia located in Dade, Walker and Catoosa Counties; and

WHEREAS, pursuant to the Chattanooga Area 208 Waste Treatment Management Plan, Chattanooga constructed and has operated its wastewater treatment works as a part of the 201 Area Wide Facilities Plan with taxpayer funded grants provided for this purpose under the provisions of the Federal Water Pollution Control Act, also called the Clean Water Act, 33 U.S.C. 1251, et seq., as amended; and

WHEREAS, Portions of Hamilton County served by the WWTA are located in the drainage redefined by the 201 Area Wide Facilities Plan, and are served by the WWTP and desire to convey wastewater to Chattanooga’s treatment works for treatment and disposal; and

WHEREAS, pursuant to the National Pollutant Discharge Elimination System (“NPDES”) permit for the WWTP and Chattanooga’s waste water collection and transmission, or “WCTS”, all wastewater and extraneous waters from all sources entering the City of Chattanooga’s WCTS from inside or outside its boundaries are required to be treated and discharged through permitted point sources; and

WHEREAS, Chattanooga previously entered into a consent decree with the United States and the State of Tennessee, in the case styled *United States of America et al. v. City of Chattanooga*, No. 1:12-cv-00245, which became effective on April 23, 2013 (“Chattanooga Consent Decree”); and

WHEREAS, WWTA is in negotiations with the United States and the State of Tennessee regarding the terms of a consent decree that would require the WWTA to commit to a program for the assessment, rehabilitation and maintenance of its WCTS (the “WWTA Consent Decree”); and

WHEREAS, by virtue of the authority of the laws of Tennessee, particularly T.C.A. §§ 7-35-301 through 7-35-304, Chattanooga are authorized to enter into such an agreement; and

WHEREAS, by virtue of the authority of the laws of Tennessee, including T.C.A., Title 68, Chapter 221, Part 68, WWTA is authorized to enter into this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the premises and mutual undertakings as hereinafter set forth, it is mutually agreed by and between Chattanooga and the WWTA, each acting by and through its duly authorized officials, pursuant to resolutions duly, legally, and properly adopted, as follows:

1. Purpose. This Agreement is to authorize and approve Chattanooga and WWTA employees to meet, study, and report to the City Council, Hamilton County Commission, and WWTA Board feasible connection methods in providing consolidated wastewater services to all City and Hamilton County residents who are provided wastewater services within the service area of the WWTA and the City of Chattanooga Regional Wastewater System. The general purpose of this Agreement is to provide for the joint funding and operation of this reporting Project and to provide for payment if outside professional services are needed for this study.

2. Term and Required Modifications.

A. Term. This Agreement shall become effective on the date signed by all Parties (“Effective Date”), and shall remain in effect for a period of one (1) calendar year. The Agreement may be extended through mutual agreement in a writing signed by both Parties.

3. Scope of Services. City, and WWTA employees will perform equally, appropriate services in house and each party shall bear equally the cost and burden of such services by their employees where possible. To the extent that outside professional service are required, the parties agree that they will obtain professional services under existing agreements, agree upon all fees for professional services, and agreed to share equally in the cost of any professional services which are deemed necessary within the scope and term of this agreement. The scope of services which has been determined by the parties to date shall include, but will not be limited if deemed necessary by both parties to:

- A. Background research and data gathering
  - 1. Review existing City of Chattanooga consolidation studies and proposals
  - 2. Review successful consolidations and or proposals from other utilities
  - 3. Kickoff Meeting with City
  - 4. Kickoff Meeting with WWTA

- B. Detailed Research
  - 1. City and WWTA existing wastewater systems, collection and treatment
  - 2. City and WWTA Codes
  - 3. WWTA bylaws and regulations
  - 4. Applicable state statutes and regulations
  - 5. Review City and WWTA asset inventory and management systems and transfer options
  - 6. Review Customer Sewer Service line policies in the City and County and develop a transition plan
  - 7. Permits, CDs, regulatory correspondence
  - 8. Special attention shall be given to Human Resources requirements and best practices for all current and future employees, including, retirement, benefits, compensation, and transition of employees into any consolidated system.
  - 9. Purchasing requirements and best practices, transition plan
  - 10. IT/GIS/SCADA requirements and best practices, cyber security, transition planning
  
- C. Financial Modeling
  - 1. Review City and WWTA budgets and financial statements
  - 2. Review City and WWTA Capital Improvement Program
  - 3. Develop draft consolidated financial model
  
- D. Interviews/Focused Meetings
  - 1. City
  - 2. WWTA
  - 3. Workshop 1 with City – Risks
  - 4. Workshop 2 with WWTA – Risks
  
- E. Alternatives Development and Analysis
  - 1. Workshop 3 with City and WWTA
  - 2. Recommendation Development
  - 3. Draft Report
  - 4. Workshop 4 with City and WWTA
  - 5. Final Report

4. Approval of work and reports to be performed:

A. The Parties recognize that from time to time there may be changes in federal or state law and regulations relating to the environment and to the operation of sewer systems and treatment works that necessitate the modification of this Agreement. Either Party may petition the other Party by sending a request for modification in writing. The Parties agree to fully cooperate and take all reasonable measures to modify this Agreement as shall be required under such circumstances. If there is a disagreement regarding the terms of such proposed modification, such disagreement shall be subject to the dispute resolution procedures set forth

herein.

5. Except as necessary to implement the terms of this Agreement, nothing in this Agreement shall be construed as changing the existing rights, responsibilities, and obligations of the Parties, whether arising from contract, ordinance, statute, or otherwise.

6. This is the entire agreement between the Parties. Any changes, modifications, additions and/or amendments are to be in writing and signed by each party hereto.

7. All notices pertaining to this Agreement shall be in writing, delivered to the parties hereto personally by hand, by United States mail, certified or registered, with return receipt requested. All notices shall be deemed given when so delivered. The parties may, by notice as provided above, designate a different address to which notice shall be given.

[signatures to follow on next page]

IN WITNESS WHEREOF this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

CITY OF CHATTANOOGA

By: \_\_\_\_\_  
Andy Berke, Mayor (or Current Mayor)  
City Hall, Third Floor  
101 East 11<sup>th</sup> Street  
Chattanooga, TN 37402

With a copy to:  
City Attorney  
100 East 11<sup>th</sup> Street, Suite 200  
Chattanooga, TN 37402

WASTEWATER TREATMENT AUTHORITY

By: \_\_\_\_\_  
Executive Director  
1250 Market Street, Suite 3050  
Chattanooga, TN 37402-2713  
Telephone: (423) 209-7842