



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

SEP 16 2014

CERTIFIED MAIL 7010 1060 0002 1705 4150
RETURN RECEIPT REQUESTED

Ms. Alice Cannella, P.E.
Director, Waste Resources Division
City of Chattanooga
455 Moccasin Bend Road
Chattanooga, Tennessee 37405

Re: Approval of the Inter-Jurisdictional Agreement Program
U.S. District Court Civil Action 1:12-cv-00245

Dear Ms. Cannella:

The U.S. Environmental Protection Agency Region 4 and the Tennessee Department of Environment and Conservation have reviewed and hereby approve the Inter-Jurisdictional Agreement Program (Program) for the City of Chattanooga (the City) dated May 21, 2014, pursuant to Section VI.20.i of the subject Consent Decree above. The City shall implement the Program in accordance with the submittal. In addition, the City shall certify the status of the implementation of the Program, including its completion, in the Semi-Annual or Annual Work Progress Report pursuant to Section IX of the subject Consent Decree.

Please contact Ms. Sara Janovitz at (404) 562-9870 or via email at janovitz.sara@epa.gov if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Maurice L. Horsey, IV".

Maurice L. Horsey, IV, Chief
Municipal & Industrial Enforcement Section
Clean Water Enforcement Branch

cc: See Attached List

Mailing List:

Mr. Karl Fingerhood
U.S. Department of Justice, Washington, D.C.

Mr. Phillip Hilliard
Office of the Attorney General

Ms. Jessica Murphy
Tennessee Department of Environment and Conservation

Mr. Donald L. Norris
City of Chattanooga, Tennessee

Mr. Wade Hinton
City of Chattanooga, Tennessee

Mr. Adam Sowatzka ✓
King & Spalding LLP

Ms. Stephanie Matheny
Tennessee Clean Water Network



City of Chattanooga

Mayor Andy Berke

May 21, 2014

VIA CERTIFIED MAIL

Ms. Sara Schiff
Environmental Engineer
Clean Water Enforcement Branch
US EPA - Region 4
61 Forsyth Street, SW
Atlanta, GA 30303

**Re: *United States of America et. al. v. City of Chattanooga, No. 1:12-cv-0024*
Capacity, Management, Operations and Maintenance (CMOM)
Inter-Jurisdictional Agreement Program**

Dear Ms. Schiff:

On behalf of the City of Chattanooga, Tennessee ("City"), and in accordance with the Consent Decree entered by the United States District Court for the Eastern District of Tennessee (Southern Division), on April 24, 2013, in the case styled the *United States of America et. al. v. City of Chattanooga, No. 1:12-cv-0024* ("Consent Decree"), we are submitting to both the Environmental Protection Agency ("EPA") and the Tennessee Department of Environment and Conservation ("TDEC") the Inter-Jurisdictional Agreement Program as part of the Capacity, Management, Operations and Maintenance (CMOM) Program.

As set forth in paragraph 20i on page 46 of the Consent Decree, Chattanooga is to provide an Inter-Jurisdictional Agreement Program within thirteen (13) months after the Effective Date of the Consent Decree to EPA and TDEC for review, comment, and approval. The purpose of the Inter-Jurisdictional Agreement Program is to establish minimum provisions and general guidelines for Chattanooga when renewing existing agreements or entering into new agreements that cover the collection, conveyance, and treatment of sewage by Chattanooga from regional customers/municipal satellite sewer systems.

The Inter-Jurisdictional Agreement Program is required by the Consent Decree to be made available for public comment through the Public Document Repository ("PDR") for a period of thirty (30) days. The draft Inter-Jurisdictional Agreement Program was

Ms. Sara Schiff
May 21, 2014
Page Two

placed in the PDR starting on April 17, 2014. Chattanooga did not receive any public comments. For your reference, the PDR document can be found using the following link:

<http://www.chattanooga.gov/public-works/waste-resources/consent-decree/44-public-works/1050-consent-decree-document-repository>

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering such information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

We look forward to receiving EPA's and TDEC's approval of the Inter-Jurisdictional Agreement Program. In the meantime, please let me know if you have any questions regarding our submittal.

Sincerely,



Alice L. Cannella, P.E.
Director, Waste Resources Division

Enclosure

cc: Karl Fingerhood, Esq., US DOJ
Chief, Environmental Enforcement Section, US DOJ
Chief, Clean Water Enforcement Branch, US EPA Region 4
Bill Bush, Esq., US EPA
Phillip Hilliard, Office of the Attorney General
Enforcement Coordinator, Water Pollution Control, TDEC
Stephanie Durman Matheny, Esq., TCWN
Mike Marino, PE, Jacobs
Adam Sowatzka, Esq., King & Spalding



Inter-Jurisdictional Agreement Program

Prepared for

Environmental Protection Agency and Tennessee Department of Environment and Conservation

City of Chattanooga
Waste Resources Division
Consent Decree Program

Prepared by

City of Chattanooga
Waste Resources Division

Submitted by

JACOBS[®]

Jacobs Engineering Group Inc.
Consent Decree Program Manager

Chattanooga, Tennessee

April 16, 2014

Contents

1.0	Introduction	1
1.1	Purpose	1
1.2	Goal	1
1.3	Authority	1
2.0	Overview	2
3.0	Agreement Template	4
3.1	Minimum Provisions	4
3.1.1	Flow Limitations	4
3.1.2	Management, Operation, and Maintenance Requirements	4
3.1.3	Compliance with Legal Authorities	4
3.2	Agreement Term, Modification, and Enforcement Provisions	4
3.3	Agreement Expiration or Termination Provisions	5

Appendices

A Inter-Jurisdictional Agreement Template

Tables

2-1	Inter-Jurisdictional Agreement Renegotiation Schedule.....	2-3
-----	--	-----

Acronyms and Abbreviations

C.F.R	Code of Federal Regulations
CD	Consent Decree
CMOM	Capacity, Management, Operations, and Maintenance
EPA	Environmental Protection Agency
TDEC	Tennessee Department of Environment and Conservation
WCTS	Waste Collection and Transmission System
WRD	Waste Resources Division
WWTA	Waste Water Treatment Authority

1.0 Introduction

1.1 Purpose

On April 24, 2013, the City of Chattanooga (City) 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 (CD). The City, Waste Resources Division (WRD) has prepared an updated Inter-Jurisdictional Agreement Program for review and approval by the United States Environmental Protection Agency (EPA) and the Tennessee Department of Environment and Conservation (TDEC), pursuant to paragraph 20(i) of the CD.

The purpose of this Inter-Jurisdictional Agreement Program is to establish minimum provisions and general guidelines for the City when renewing existing agreements or entering into new agreements that cover the collection, conveyance, and treatment of sewage by the City from the City's regional customers/municipal satellite sewer systems.

This document will outline the City's template for Inter-Jurisdictional Agreements and provide a schedule of implementation for the renewal of existing agreements.

1.2 Goal

The goal of this Inter-Jurisdictional Agreement Program is to improve the collection system capacity through the proper management and enforcement of agreements with satellite sewer systems for the collection, conveyance, and treatment of sewage, thereby, reducing the potential for sanitary sewer overflows (SSOs).

1.3 Authority

The City's legal authority for the development and implementation of this Inter-Jurisdictional Agreement Program is derived from the following federal, state and local laws, ordinances and regulations:

- The Clean Water Act, 33 U.S.C. § 1251, et. seq., as amended;
- 40 C.F.R. Part 403, "General Pretreatment Regulations for Existing and New Sources of Pollution;"
- National Pollutant Discharge Elimination System (NPDES) Permit Number TN0024210;
- Tennessee Water Quality Control Act;
- The CD; and
- City of Chattanooga Sewer Use Ordinance, City Code Chapter 31.

2.0 Overview

During the review of the existing agreements between the City and their regional customers, thirteen (13) inter-jurisdictional agreements were found for nine (9) regional customers. Table 2-1 shows the proposed implementation schedule for re-negotiation of existing agreements or new agreements.

Table 2-1

Inter-Jurisdictional Agreement Renegotiation Schedule

Regional Customer	State	Agreement	Agreement Expiration	Renegotiation Schedule
Collegedale	TN	Collegedale Regional Agreement	5/26/2030	Subject to the terms and conditions of the existing agreement
Dade County Water and Sewer Authority	GA	Dade County Regional Agreement	1/28/2023	Subject to the terms and conditions of the existing agreement
Fort Oglethorpe	GA	Fort Oglethorpe	5/13/2017	No later than within twelve (12) months of the expiration of the agreement
Hamilton County WWTA	TN	East Ridge Regional Agreement	4/28/2008	Within six (6) months of the approval of this plan
Hamilton County WWTA	TN	Hamilton County Regional Agreement	10/4/2033	Subject to the terms and conditions of the existing agreement
Hamilton County WWTA	TN	Lookout Mountain TN Regional Agreement	8/12/2019	No later than within twelve (12) months of the expiration of the agreement
Hamilton County WWTA	TN	Red Bank Regional Agreement	11/2/2014	No later than within twelve (12) months of the expiration of the agreement

Regional Customer	State	Agreement	Agreement Expiration	Renegotiation Schedule
Hamilton County WWTA	TN	Soddy Daisy		Within six (6) months of approval of this plan
Lookout Mountain	GA	Lookout Mountain GA Regional Agreement	11/30/2019	No later than within twelve (12) months of the expiration of the agreement
Ringgold	GA	Ringgold Regional Agreement	4/22/2033	Subject to the terms and conditions of the existing agreement
Rossville	GA	Rossville	10/20/2014	No later than within twelve (12) months of the expiration of the agreement
Walker County	GA	Walker County	1/1/2014	Within six (6) months of approval of this plan
Windstone	TN, GA	Windstone	Expired*	Within six (6) months of approval of this plan

*Subject to ongoing litigation between the City and Windstone.

3.0 Agreement Template

The City has developed a draft Inter-Jurisdictional Agreement template for use in developing, negotiating and enforcing agreements with neighboring utilities which discharge sewage into the City's Interceptor Sewer System (ISS). A copy of the Template is attached in Appendix A.

3.1 Minimum Provisions

The Inter-Jurisdictional Agreement template has been developed pursuant to the terms and conditions of the CD. Each of these provisions and the portion of the Template that pertains to the provision are described below.

3.1.1 Flow Limitations

Contracting parties will comply with flow limitations designed to ensure adequate capacity within Chattanooga's wastewater collection, retention and transmission systems (WCTS). Paragraph 6(i) of the Inter-Jurisdictional Agreement template outlines requirements for contracting parties to remain in compliance with the Capacity Assurance Program (CAP) set forth in the CD.

3.1.2 Management, Operation, and Maintenance Requirements

Contracting parties will be required to properly manage, operate, and maintain their sewage collection and conveyance systems so as to minimize peak flows into the City's WCTS by reducing inflow and infiltration (I&I). Paragraph 6 of the Inter-Jurisdictional Agreement template outlines requirements for contracting parties for development and implementation of a Capacity, Management, Operations and Maintenance (CMOM) program.

3.1.3 Compliance with Legal Authorities

Contracting parties will comply with in the requirements of 40 C.F.R. § 403.8(f) with regard to equivalent control, monitoring, and enforcement of industrial use dischargers into the City's WCTS from the municipal satellite sewer systems. Paragraph 7(b) of the Inter-Jurisdictional Agreement template requires conformance with the minimum legal requirements contained in the EPA's Federal Pretreatment Regulation (40 C.F.R. Part 403).

3.2 Agreement Term, Modification, and Enforcement Provisions

The CD requires that the Inter-Jurisdictional Agreement template delineates provisions addressing the term or life of agreements between the City and contracting parties, including the following:

- Mechanisms for appropriate modification of the agreements; and
- Mechanisms for enforcement of the agreements.

Implementation of each of these mechanisms is addressed in the Inter-Jurisdictional Agreement template. Paragraph 2 of the Inter-Jurisdictional Agreement template delineates provisions for the term and modification of agreements and enforcement of the agreement is set forth in Paragraph 23(h) of the CD.

3.3 Agreement Expiration or Termination Provisions

The CD requires that the Inter-Jurisdictional Agreement template contains provisions for when any currently existing agreements expire or terminate. These provisions are addressed in the template; Paragraph 2(a).

Appendix A

Inter-Jurisdictional Agreement Template

INTER-JURISDICTIONAL AGREEMENT
BETWEEN
CITY OF CHATTANOOGA, TENNESSEE
AND
[INSERT ENTITY NAME]

THIS INTER-JURISDICTIONAL 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 the “City”), and [INSERT ENTITY NAME], a municipal corporation, located in [INSERT COUNTY NAME] County, [TENNESSEE OR GEORGIA], organized and existing under the laws of the State of [TENNESSEE OR GEORGIA] (hereinafter referred to as "[INSERT ENTITY NAME]"). Chattanooga and [INSERT ENTITY NAME] are sometimes referred to in this Agreement individually as a “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 operated its wastewater treatment works as a part of the 201 Area Wide Facilities Plan, [INSERT ENTITY NAME] being located in the drainage redefined by the 201 Area Wide Facilities Plan and served by Chattanooga's treatment works, desires 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 treatment works all wastewater and extraneous waters from all sources entering the wastewater collection and transmission system or “WCTS” from inside or outside its boundaries are required to be treated and discharged through permitted point sources; and

WHEREAS, Chattanooga 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 (“Consent Decree”); and

WHEREAS, Chattanooga and [INSERT ENTITY NAME] had previously entered into an agreement [INSERT DATE HERE], which governed the treatment and disposal of wastewater by Chattanooga from [INSERT ENTITY NAME], which agreement was amended on [INSERT DATE HERE]; and

WHEREAS, the Parties have recognized that because of the Consent Decree and changes in federal or state law and regulations relating to the environment and to the operation of WCTS and treatment works, it is necessary to replace the previous agreement with this Agreement; and

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

WHEREAS, by virtue of the authority of the laws of Georgia, particularly Ga. L. 1956, P3499 and Ga.L.1989, pp.4186-4187, [INSERT ENTITY NAME] is authorized to enter into this Agreement;

NOW, THEREFORE, IN CONSIDERATION of the premises and mutual undertakings as herein after set forth, it is mutually agreed by and between Chattanooga and [INSERT ENTITY NAME], each acting by and through its duly authorized officials, and pursuant to resolutions duly, legally, and properly adopted, all as the same appear of record on the official minutes of _____, Resolution No. _____, and of _____ as Resolution No. _____ to wit;

1. Purpose. [INSERT ENTITY NAME] is authorized pursuant to the terms and conditions of this Agreement to discharge wastewater into the Chattanooga WCTS for treatment and disposal. Chattanooga shall be responsible for the conveyance of [INSERT ENTITY NAME] wastewater from the [INSERT ENTITY NAME] WCTS to Chattanooga treatment works and shall be responsible for appropriate treatment and disposal of such wastewater.

2. Term and Required Modifications.

a) Term. This Agreement shall become effective on the date signed by both Parties ("Effective Date"), and shall remain in effect for a period of fifteen (15) calendar years.

b) Reopener. 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.

3. Definitions. Terms used in this Agreement that are defined in the CWA or in regulations promulgated pursuant to the CWA shall have the meanings assigned to them in the CWA, 33 U.S.C. §§ 1251 et seq., and regulations promulgated under the CWA, unless otherwise provided in this Agreement. Whenever the terms set forth below are used in this Agreement, the following specific definitions shall apply:

a) Act or "the Act" means the Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. §§ 1251, et seq.,

b) Chattanooga Area 208 Waste Treatment Management Plan shall mean a plan prepared under the provisions of Section 208 of the Act (33 U.S.C. § 1288) for area wide waste treatment management for areas of Hamilton County, Tennessee, and Dade, Catoosa, and Walker Counties in Georgia, as conditionally certified and designated by the respective governors of Tennessee and Georgia as conditionally approved by the Administrator of the Environmental Protection Agency or as may be modified from time to time hereafter.

c) Capacity, Management, Operation, and Maintenance or “CMOM” program means flexible program of accepted industry practices to properly manage, operate, and maintain sanitary wastewater collection, transmission, and treatment systems; to investigate capacity constrained areas of these system; and to respond to sanitary sewer overflow (“SSO”) events.

d) Department of Justice or “DOJ” means the United States Department of Justice and any of its successor departments or agencies.

e) Environmental Protection Agency or "EPA" means the United States Environmental Protection Agency, an agency of the United States, or where appropriate the term may also be used as a designation for the Administrator or other duly authorized official of said agency.

f) Georgia Environmental Protection Division or “EPD” means the Environmental Protection Division of the Department of Natural Resources of the State of Georgia as defined by Ga. St. §12-5-22 which regulates the operation of sewer systems and activities that alter the waters of the State of Georgia including any successor agency having such responsibility.

g) Infiltration, as defined by 40 C.F.R. § 35.2005(b)(20), means water other than wastewater that enters the sewer system including sewer service connections and foundation drains from the ground through such means as defective pipes, pipe joints, connections and manholes.

h) Inflow, as defined by 40 C.F.R. § 35.2005(b)(21), means water that enters the sewer system (including service connections) from sources such as, but not limited to, roof leaders, cellar drains, yard drains, area drains, drains from springs, swampy areas, manhole covers, cross connections between storm sewers and sanitary sewers, catch basins, cooling towers, storm water, surface run off, street wash waters, and drainage.

i) Inflow Infiltration or “I/I” means the total quantity of water from inflow and infiltration. Excessive I/I is defined by 40 C.F.R. § 35.2005(b)(16).

j) Interference means a discharge which, alone or in conjunction with a discharge(s) from other sources, both inhibits or disrupts the publically owned treatment works (“POTW”), its treatment process or operations, or its sludge processes, use or disposal, and therefore is a cause of a violation of any requirement of the POTW's NPDES permit (including an increase in the magnitude or duration of a violation) or of the prevention of sewage sludge use or disposal in compliance with the following statutory provisions and regulations or permits issued there under (or more stringent State or local regulations): Section 405 of the Clean Water Act, the Solid Waste Disposal Act (“SWDA”) (including Title 11, more commonly referred to as the Resource Conservation and Recovery Act (“RCRA”), and including State regulations contained in any

State sludge management plan prepared pursuant to Subtitle D of the SWDA), the Clean Air Act, the Toxic Substances Control Act, and the Marine Protection, Research and Sanctuaries Act. See 40 C.F.R. §403.3(i). Additionally, excessive I/I that causes or contributes to SSOs and discharge violations at the POTW shall be considered as causes of interference.

k) Local Pretreatment Standards means any substantive or procedural requirement related to pretreatment, other than a National Pretreatment Standard imposed on an industrial user.

l) National pollutant Discharge Elimination System Permit or “NPDES” Permit means NPDES permit no. TN0024210 issued to Chattanooga pursuant to Section 402 of the Clean Water Act, 33 U.S.C. §1342, for the Moccasin Bend WWTP and any such future extended, modified, or reissued permits.

m) National Pretreatment Standard or Pretreatment Standard means any regulation containing pollutant discharge limits promulgated by the EPA in accordance with Section 307(b) and (c) of the Act (33 U.S.C. § 1317) and applies to Industrial Users. This term includes prohibitive discharge limits established pursuant to 40 C.F.R § 403.5. See 40 C.F.R §403.3(j).

n) Publicly Owned Treatment Works or “POTW” shall mean a treatment works as defined by Section 212 of the Act, (33 U.S.C. 1292) and includes any sewers that convey wastewater to such a treatment works, and any devices and systems used in the storage, treatment, recycling and reclamation of municipal sewage or liquid industrial waste but does not include pipes, sewers or other conveyances not connected to a facility providing treatment.

o) Tennessee Department of Environment and Conservation or “TDEC” means the administrative department or agency of the State of Tennessee that regulates the operation of sewer systems and activities that alter the waters of the State of Tennessee including any successor agency having such responsibility.

p) Wastewater Collection and Transmission System or “WCTS” means the wastewater collection, retention, and transmission systems including all pipes, force mains, gravity collection and interceptor sewer lines, lift stations, pump stations, manholes, and other appurtenances thereto that are designed to collect and convey wastewater to and from the user interconnection points.

4. **Rejection of Wastewater.** Chattanooga reserves the right to reject any wastewater from [INSERT ENTITY NAME] which does not meet its standards. Unless there shall be an imminent and substantial endangerment human health or the environment, Chattanooga shall notify [INSERT ENTITY NAME] in writing at least thirty (30) days prior to rejecting any such wastewater flow and the basis for such rejection. To the extent that Chattanooga rejects such wastewater flow for treatment, [INSERT ENTITY NAME] shall then be authorized to attempt to provide additional conveyance and treatment from any other source or to provide necessary pretreatment to bring the rejected wastewater into compliance.

5. Imminent and Substantial Endangerment.

a) If there is a potential for an imminent or substantial endangerment to human health or the environment or Chattanooga's WCTS, including without limitation the potential for interference of or other harm to Chattanooga's WCTS or with the operation of the WWTP, upon discovery or notification of such, [INSERT ENTITY NAME] shall immediately take steps to halt said discharge and mitigate the harm. Chattanooga may seek injunctive relief against [INSERT ENTITY NAME] and/or any user contributing to the emergency condition, and/or may pursue other self-help remedies. [INSERT ENTITY NAME] agrees to assist Chattanooga and to join such litigation and/or hereby assigns to [INSERT ENTITY NAME] the right to bring such action in its name and for their mutual benefit.

b) In the event Chattanooga seeks injunctive relief against [INSERT ENTITY NAME] and/or any user contributing to the emergency condition, or self-help remedies, Chattanooga shall be entitled under this Agreement to recover all costs and expenses related to such action from [INSERT ENTITY NAME] and/or any user contributing to the emergency condition.

6. CMOM. [INSERT ENTITY NAME] shall develop and implement a CMOM program as set forth in this section for the entire portion of [INSERT ENTITY NAME]'s WCTS connected to Chattanooga's WCTS.

a) Engineering Standards. All work performed under this section shall be performed using sound engineering practices, which include the relevant provisions of the following: *Handbook: Sewer System Infrastructure Analysis and Rehabilitation*, EPA/625/6-91/030, 1991; *Existing Sewer Evaluation and Rehabilitation*, WEF MOP FD-6, 1994; *Computer Tools for Sanitary Sewer Capacity Analysis and Planning*, EPA/600/R-07/111, October 2007; *Design of Wastewater and Stormwater Pumping Stations*, WEF MOP FD-4; Chapter 40, *Wastewater Pumping Stations*, latest edition *Recommended Standards for Wastewater Facilities*, Great Lakes –Upper Mississippi River Board of State and Provincial Public Health and Environmental Managers (Ten State Standards); and the Tennessee Design Criteria for Sewage Works in accordance with Tenn. R. & Regs., ch. 1200-4-2-.03; Georgia Environmental Protection Division documents: *Guidelines for Sewage Collection Systems* (Revised Nov. 2010), *Certification Process for Wastewater Plans and Specifications Submittals* (July 26, 2012), *Pump Stations and Force Mains Submittal Common Problems List* (May 2006); provided, however, if any of the above-referenced standards are updated, the latest edition shall apply.

b) CMOM Self-Assessment. Within six (6) months after the Effective Date of this Agreement, [INSERT ENTITY NAME] shall submit to Chattanooga for review and approval, a CMOM Programs Self-Assessment of [INSERT ENTITY NAME]'s WCTS to evaluate the CMOM programs that [INSERT ENTITY NAME] has in place that are designed to reduce peak flows and reduce and eliminate SSOs from [INSERT ENTITY NAME]'s WCTS. The CMOM Programs Self-Assessment shall be performed in accordance with the United States Environmental Protection Agency's *Guide for Evaluating Capacity, Management, Operation, and Maintenance (CMOM) Programs at Sanitary Sewer Collections Systems*, EPA 305-B-05-002 (ver. Jan. 2005), or as may be updated by EPA. The CMOM Programs Self-Assessment shall be certified by a registered Tennessee/Georgia engineer. Each CMOM Program should

contain in specific written detail the following: i) a defined purpose and goal; ii) established performance measures; (iii) procedures for periodic review; and iv) provisions for implementation of the CMOM program by trained personnel. Recommended improvements for both the CMOM programs and capital projects shall include expeditious schedules for implementation, provided, however, that the implementation schedule shall not extend past five (5) years after Chattanooga's approval of the [INSERT ENTITY NAME]'s CMOM Self-Assessment. Further, [INSERT ENTITY NAME] shall review and revise its CMOM on an annual basis.

c) Flow Monitoring.

1) Within ninety (90) days of the Effective Date of the Agreement, [INSERT ENTITY NAME] shall develop a detailed flow monitoring work plan certified by a registered Tennessee/Georgia engineer ("Flow Monitoring Work Plan") and submit to Chattanooga for review and approval. The Flow Monitoring Work Plan shall divide [INSERT ENTITY NAME]'s WCTS into sewersheds or sub-basins of reasonably equal size (i.e., 20,000 linear feet) and shall be reasonably selected to achieve the intended purpose of allocating I/I contributed by [INSERT ENTITY NAME] and which will allow for an appropriate analysis of the performance of individual sewersheds or sub-basins. The Flow Monitoring Work Plan shall include: i) provisions for monitoring both dry weather and wet weather conditions; ii) an expeditious schedule for completing the flow monitoring; iii) detailed specifications for proper operations and maintenance of the flow monitors to ensure data quality; and iv) standards for conducting the data analysis and reporting to Chattanooga. The Flow Monitoring Work Plan shall specify that the flow monitors and rain gauges will remain in operation until a minimum of three (3) one-inch (1") or greater rain events occur.

2) Within sixty (60) days of approval of the Flow Monitoring Work Plan submitted in the preceding paragraph by Chattanooga, [INSERT ENTITY NAME] shall implement the flow monitoring plan.

d) SSES Work Plan. Within six (6) months of completing the flow monitoring described in paragraph 4.c) of the Agreement, [INSERT ENTITY NAME] shall develop an SSES Work Plan certified by a registered Tennessee/Georgia engineer, and submit it to Chattanooga for review and approval. The SSES Work Plan shall include the following:

1) Priority Ranking. Based on the results of the flow monitoring assessment described in 4.c) above, [INSERT ENTITY NAME] shall rank the priority for completing SSES evaluations of the sewersheds or sub-basins based on the following: i) the areas with the worst I/I; ii) the location of areas of SSOs or system surcharging affecting [INSERT ENTITY NAME]'s WCTS; and iii) those areas near surface waters that have been included on TDEC's/EPD's CWA Section 303(d) list of impaired waters for pathogens and areas identified as having environmental justice issues (minority and/or low income neighborhoods).

2) Perform SSES Evaluations. Based on the ranking developed in the preceding paragraph, [INSERT ENTITY NAME] shall complete SSES evaluations in at least 10 percent of the length or footage of [INSERT ENTITY NAME]'s total WCTS on an annual basis. Provided, however, if [INSERT ENTITY NAME] has a Peaking Factor that exceeds the Peaking Factor allowed under this Agreement as defined herein, [INSERT ENTITY NAME] agrees to complete SSES evaluations in at least 20 percent of the length or footage of [INSERT ENTITY NAME]'s total WCTS on an annual basis. For the purposes of this Agreement, the Peaking Factor shall be developed using the flow as determined by the flow monitoring conducted pursuant to paragraph 4.c. above, and the Babbit Equation, or an alternative proposed by [INSERT ENTITY NAME] and approved in writing by Chattanooga.

3) Correct Defects. Following completion of the SSES Evaluations in the preceding paragraph, [INSERT ENTITY NAME] shall complete the repairs of all of the defects identified. All such repairs (e.g., point repairs, grouting, lining, capital projects, etc.), shall be performed within three years of completing the SSES evaluations.

4) Records Management System. [INSERT ENTITY NAME] shall implement and maintain a Geographic Information System/Maintenance Management System ("GIS/MMS") defining and documenting [INSERT ENTITY NAME]'s WCTS infrastructure inventory and work history. The GIS/MMS shall be used for both SSES work as well as operations and maintenance. Such system shall be adequate to support an appropriate and adequate condition rating and asset management system.

5) Post-SSES Flow Monitoring. The SSES Work Plan shall specify that [INSERT ENTITY NAME] shall perform flow monitoring as soon as [INSERT ENTITY NAME] completes all of the work identified in the SSES Evaluations designed to correct all of the defects as described in paragraph 4.d.3 above. The Post-SSES Flow Monitoring shall be performed expeditiously and include: i) monitoring both dry weather and wet weather conditions; ii) detailed specifications for proper operations and maintenance of the flow monitors to ensure data quality; and iii) standards for conducting the data analysis and reporting to Chattanooga. The flow monitors and rain gauges will remain in operation until a minimum of three (3) one-inch (1") or greater rain events occur for the Post-SSES Flow Monitoring.

e) Sewer Overflow Response Plan ("SORP"). Pursuant to paragraph 20(a) of the Consent Decree, Chattanooga is required to develop and implement a SORP. Within six (6) months of the Effective Date of the Agreement, [INSERT ENTITY NAME] agrees to develop and submit a SORP to Chattanooga for Chattanooga's review and approval. Such SORP shall be consistent in all material respects with Chattanooga's approved SORP under the Consent Decree. Further, [INSERT ENTITY NAME] shall keep the SORP up to date and make changes to the SORP upon written notification by Chattanooga in order to maintain consistency with Chattanooga's approved SORP under the Consent Decree.

f) Fats, Oil & Grease (“FOG”) Program. Pursuant to paragraph 20(c) of the Consent Decree, Chattanooga is required to develop and implement a FOG Program. Within twelve (12) months of the Effective Date of the Agreement, [INSERT ENTITY NAME] agrees to develop and submit a FOG Program to Chattanooga for Chattanooga’s review and approval. Such FOG Program shall be consistent in all material respects with Chattanooga’s approved FOG Program under the Consent Decree. Further, [INSERT ENTITY NAME] shall keep the FOG Program up to date and make changes to the FOG Program upon written notification by Chattanooga in order to maintain consistency with Chattanooga’s approved FOG Program under the Consent Decree.

g) Pump Station Operations and Maintenance (“O&M”) Program. Pursuant to paragraphs 20(e) and (f) of the Consent Decree, Chattanooga is required to develop and implement a Pump Station O&M Program. Within twelve (12) months of the Effective Date of the Agreement, [INSERT ENTITY NAME] agrees to develop and submit a Pump Station O&M Program to Chattanooga for Chattanooga’s review and approval. Such Pump Station O&M Program shall be consistent in all material respects with Chattanooga’s approved Pump Station O&M Program under the Consent Decree. Further, [INSERT ENTITY NAME] shall keep the Pump Station O&M Program up to date and make changes to the Pump Station O&M Program upon written notification by Chattanooga in order to maintain consistency with Chattanooga’s approved Pump Station O&M Program under the Consent Decree.

h) Gravity Line Preventative Maintenance Program. Pursuant to paragraphs 20(d) of the Consent Decree, Chattanooga is required to develop and implement a Gravity Line Preventative Maintenance Program. Within twelve (12) months of the Effective Date of the Agreement, [INSERT ENTITY NAME] agrees to develop and submit a Gravity Line Preventative Maintenance Program to Chattanooga for Chattanooga’s review and approval. Such Gravity Line Preventative Maintenance Program shall be consistent in all material respects with Chattanooga’s approved Gravity Line Preventative Maintenance Program under the Consent Decree. Further, [INSERT ENTITY NAME] shall keep the Gravity Line Preventative Maintenance Program up to date and make changes to the Gravity Line Preventative Maintenance Program upon written notification by Chattanooga in order to maintain consistency with Chattanooga’s approved Gravity Line Preventative Maintenance Program under the Consent Decree.

i) Capacity Assurance Program.

1) Pursuant to paragraph 20(h) of the Consent Decree, Chattanooga is required to develop and implement a Capacity Assurance Plan. Within thirty-six (36) months of the Effective Date of the Agreement, [INSERT ENTITY NAME] agrees to develop and submit a Capacity Assurance Plan to Chattanooga for Chattanooga’s review and approval. Such Capacity Assurance Plan shall be consistent in all material respects with Chattanooga’s approved Capacity Assurance Plan under the Consent Decree. Further, [INSERT ENTITY NAME] shall keep the Capacity Assurance Plan up to date and make changes to the Capacity Assurance Plan upon written notification by Chattanooga in order to maintain consistency with Chattanooga’s approved Capacity Assurance Plan under the Consent Decree.

2) During the period from between the Effective Date of this Agreement and the time that the [INSERT ENTITY NAME]'s Capacity Assurance Plan has been approved by Chattanooga, [INSERT ENTITY NAME] shall submit a written request for review and approval to Chattanooga for new connections to the [INSERT ENTITY NAME]'s WCTS, except that capacity certifications are not required for the addition of new connections that are less than 5,000 gallons per day. [INSERT ENTITY NAME]'s request shall include a certification that [INSERT ENTITY NAME]'s WCTS has adequate Transmission Capacity and Collection Capacity as those terms are defined in the Consent Decree and that the additional flow will not result in [INSERT ENTITY NAME] exceeding the Instantaneous Flow Rate allowed in the Agreement. [INSERT ENTITY NAME] shall not permit the construction of projects involving new connections which exceed 5,000 gallons per day until receipt of written approval from Chattanooga, and the State if such approval is necessary.

j) Moratorium. If Chattanooga's WCTS is placed under moratorium, injunction, administrative order, or any other form of regulatory sanction by any regulatory authority for a portion of Chattanooga's WCTS that receives wastewater from [INSERT ENTITY NAME]'s WCTS, the Parties agree to meet and to develop a joint plan to correct the problems within a reasonable period of time to satisfy the obligations imposed on Chattanooga by any regulatory authority regarding such moratorium.

k) Annual CMOM Status Report. [INSERT ENTITY NAME] shall prepare and submit an Annual CMOM Report to Chattanooga by January 30 following each calendar year for review and approval. The Annual CMOM Report shall be prepared by a registered Tennessee/Georgia engineer. The Annual CMOM Report shall describe the updates made to [INSERT ENTITY NAME]'s CMOM required by the preceding paragraph, as well as the following: odor control defect identification; corrosion defect identification; flow monitoring data and reports; reports of any flow isolation studies; identification and removal of illicit sources and I/I; I/I analyses and reduction; date, time, location and root causes of all SSOs; summary of steps taken to mitigate and eliminate all SSOs; dye testing; smoke testing; manhole condition assessment inspections; CCTV and sonar inspections of gravity sewer lines; gravity sewer line cleaning; gravity sewer line defect analysis; pump station mechanical and electrical performance and reliability; residential grinder pump mechanical and electrical performance and reliability; force main condition assessment; field inspections; and other investigations and assessments as necessary to identify sewer system defects and prioritize corrective rehabilitation actions. The annual status report shall identify CMOM work, SSES work, and rehabilitation work planned, in-progress, and completed.

7. Sewer Use Ordinance.

a) Purpose. [INSERT ENTITY NAME] will regulate through a comprehensive sewer user ordinance, a contract with the user and/or other appropriate regulatory measures, the introduction of wastewater into its WCTS in a manner essentially consistent with ordinances and other regulatory measures adopted by Chattanooga in its sewer use ordinance.

b) Legal Requirements. The [INSERT ENTITY NAME]'s comprehensive sewer user ordinance, contract, or other appropriate measure shall conform to the minimum legal requirements contained in the Federal Pretreatment Regulation (40 C.F.R. § 403). Additionally, said sewer user ordinance, contract, or other appropriate measure shall incorporate local pretreatment standards and other ancillary regulations at least as stringent as those then in effect in effect in Chattanooga.

c) Regulatory Agency Approval. Within three (3) months of the Effective Date of this Agreement, [INSERT ENTITY NAME] shall submit its comprehensive sewer user ordinance, contract, or other appropriate measure to Chattanooga for its review and approval.

d) Ordinance Review. Once [INSERT ENTITY NAME]'s comprehensive sewer user ordinance, contract, or other appropriate measure is approved by Chattanooga, every three (3) years [INSERT ENTITY NAME] shall review and update its comprehensive sewer user ordinance, contract, or other appropriate measure and resubmit it to Chattanooga for review and approval. [INSERT ENTITY NAME] shall review and update its comprehensive sewer user ordinance, contract, or other appropriate measure for continued compliance with appropriate state agency or EPA regulations and Chattanooga's local pretreatment standards.

8. Discharge and Pretreatment Standards.

a) Discharge Regulatory Authority. Chattanooga has the obligation under state and Federal law to regulate the introduction of wastewater into Chattanooga's WCTS, particularly from industrial and commercial sources, and to operate the POTW in conformity with applicable federal and state laws, regulations, and NPDES permits. As such, Chattanooga hereby restricts the discharge of the following into its WCTS, and [INSERT ENTITY NAME] agrees to comply with such restrictions:

- 1) Pollutants which create a fire or explosion hazard;
- 2) Pollutants which will cause corrosive structural damage;
- 3) Solid or viscous pollutants in amounts which will cause obstruction to the flow in sewers or other interference with the operation of the POTW;
- 4) Pollutants, including oxygen demanding pollutants (biochemical oxygen demand, etc.), released in a discharge of such volume or strength as to cause interference in the POTW;
- 5) Pollutants, including oxygen demanding pollutants (biochemical oxygen demand, etc.), released in a discharge of such volume or strength as to cause an objectionable odor or other such public nuisance;
- 6) Heat which will inhibit biological activity in the POTW;
- 7) Petroleum oils, non-biodegradable cutting oils, or products of mineral oil origin in amounts that will cause interference or pass through the WWTP;

- 8) Pollutants which result in the presence of toxic gases, vapors, or fumes in a quantity that may cause acute worker health and safety problems;
- 9) Pollutants which result in the presence of toxic gases, vapors, or fumes in a quantity that may cause a public nuisance; and
- 10) Any trucked or hauled pollutants, except at discharge points designated by Chattanooga.

b) Local Pretreatment Standards. To achieve the standards and provisions set forth in the City's NPDES permit, Chattanooga has established specific discharge limitations (sometimes hereinafter referred to as "local pretreatment standards") regulating the introduction of wastewater into the WCTS by certain classes of users, particularly industrial users, which may from time to time need to be revised. Chattanooga may review said local pretreatment standards and revise same from time to time. [INSERT ENTITY NAME] agrees to comply with all such standards, and cooperate with Chattanooga in the enforcement of such standards within [INSERT ENTITY NAME]'s WCTS.

9. Categorical Pretreatment Standards.

a) Regulatory Authority. [INSERT ENTITY NAME]'s ordinance, user agreement or other regulatory measure shall incorporate categorical pretreatment standards promulgated by the EPA by authority of the Act Sections 307(b) and (c), 33 U.S.C. § 1317. These standards shall supersede any specific discharge limits in the ordinance, contract or other regulatory measure which are less stringent than the categorical standards as they apply to the particular industrial subcategory.

b) Notification of Affected Users. [INSERT ENTITY NAME] shall notify all affected industrial users of pertinent categorical standards and monitoring and reporting requirements contained in 40 C.F.R. § 403.12 or included as part of the categorical standard. [INSERT ENTITY NAME] agrees that all industrial wastes will be pretreated in accordance with the foregoing standards before being released into the Chattanooga WCTS.

10. Compliance Monitoring and Enforcement. [INSERT ENTITY NAME] shall be responsible for enforcing violations of federal, state, and local pretreatment standards and regulations. [INSERT ENTITY NAME] agrees to carry out monitoring and inspection activities to determine compliance by industrial users with pretreatment standards in a manner essentially consistent with such activities then being undertaken by Chattanooga. [INSERT ENTITY NAME] may contract with a competent person, corporation, or governmental agency, including Chattanooga, to sample and analyze wastewater samples. Chattanooga shall be furnished a copy of the data obtained from such monitoring activities by [INSERT ENTITY NAME] and a copy of all industrial monitoring reports submitted by users of the WCTS. [INSERT ENTITY NAME] and Chattanooga may collect effluent samples from [INSERT ENTITY NAME]'s WCTS, including any dischargers within [INSERT ENTITY NAME]'s WCTS. Chattanooga and [INSERT ENTITY NAME] agree to cooperate in the collection of such samples and to exchange the results of any analysis of such split samples. [INSERT ENTITY NAME] agrees to work jointly with Chattanooga in processing applications for discharge of industrial waste or

other regulated waste into the Chattanooga WCTS. Both Parties shall have the authority to withhold approval of an application for discharge of industrial or other regulated waste for cause. The approval of any such application will not be unreasonably withheld.

11. Chattanooga's Administration of Pretreatment Program. Chattanooga and [INSERT ENTITY NAME] may enter into a pretreatment agreement providing Chattanooga with the legal authority and responsibility for performance of technical and administrative activities necessary for implementation of a pretreatment program for [INSERT ENTITY NAME]. These activities may include, among others: updating the industrial waste survey; providing technical services, such as sampling, process chemical analysis, and engineering advice; industrial user discharge permitting; compliance monitoring; and enforcement support.

12. Pretreatment Program Enforcement.

a) General. Chattanooga may from time to time review [INSERT ENTITY NAME]'s pretreatment program, for conformance with 40 C.F.R. § 403, and to ensure inclusion of all other legal provisions mandated by this Agreement. Chattanooga may periodically review the enforcement efforts of [INSERT ENTITY NAME] and any other jurisdiction to ascertain whether pretreatment requirements are being diligently enforced.

b) Other. To the extent [INSERT ENTITY NAME] chooses to administer its own pretreatment program, Chattanooga may periodically review [INSERT ENTITY NAME]'s pretreatment program activities and funding to ensure that [INSERT ENTITY NAME] (and that of any outside jurisdiction utilizing Chattanooga's WCTS) is adequately administering its pretreatment program in conformance with the Federal Pretreatment Regulations (40 C.F.R. § 403) and all Chattanooga requirements.

c). Pretreatment Remedial Plan. If Chattanooga determines that [INSERT ENTITY NAME] has failed or has refused to fulfill any pretreatment obligations, Chattanooga may develop and issue a remedial plan containing a description of the nature of the pretreatment deficiencies, an enumeration of steps to be taken by [INSERT ENTITY NAME], and a time schedule for attaining compliance with all pretreatment requirements. [INSERT ENTITY NAME] agrees to comply with the terms of such plans.

13. Flow Measurement for Billing Purposes.

a) The measurements of wastewater flow from [INSERT ENTITY NAME]'s WCTS and into Chattanooga's WCTS shall be by reasonably appropriate methods for measuring wastewater flow as determined by Chattanooga. Flow meters shall be of the area/velocity type for gravity flow applications. The meters shall be of the magnetic type for pump station and force main applications. The meters shall be of the same or equivalent type of meter that is compatible with telemetry equipment as now being used in the Chattanooga WCTS. These flow meters shall be installed by [INSERT ENTITY NAME] and approved by Chattanooga for inter-connection points to the Chattanooga WCTS. Attached as Exhibit 1 are the address(es) and GIS location(s) of the billing flow meters and inter-connection points of [INSERT ENTITY NAME]'s WCTS to the Chattanooga's WCTS.

b) Inter-Connection Infrastructure Requirements. For new inter-connections from [INSERT ENTITY NAME] WCTS to the Chattanooga WCTS, [INSERT ENTITY NAME] shall submit a written request. Chattanooga shall specify the required flow meters and related telemetry equipment, which will be installed following approval of the inter-connection by Chattanooga, and shall be installed as a part of the construction of the new inter-connection. All plans related to the inter-connection points will be subject to review and approval by Chattanooga. Chattanooga shall be responsible thereafter to operate, maintain, repair and replace said flow meters and telemetry equipment. The Parties recognize that there may be areas where it is technically impractical to install meters and in such event the flow shall be accurately estimated using sound engineering practices for adjusting water metered flow, I/I, and any other particular circumstances. Any infrastructure requirements for any new inter-connections or modification to inter-connections of [INSERT ENTITY NAME] WCTS to the Chattanooga WCTS shall be the responsibility of [INSERT ENTITY NAME].

14. Rates, Billing, and Payments. For all wastewater treated by the WWTP, or through such other applicable regional WCTS and wastewater treatment plants as may hereafter be constructed by Chattanooga, [INSERT ENTITY NAME] shall pay Chattanooga in the manner hereafter set forth the lower of the applicable following rates (City Code Chapter 31, Article II, Section 31-36, § (c) and (d)):

a) Regional Service Charge Rates (Wheelage and Treatment). The regional sewer service use charge (wheelage and treatment) shall be collected from regional users of the system. The regional sewer service charge shall be determined either under the "billable flow" methods based upon the quantity of water used as shown by applicable water company meter readings or the "total flow" method based upon flow meter measured flow according to the applicable contract with the regional user.

b) Billable Flow. The billable flow charge is equal to the applicable regional operation and maintenance for wheelage and treatment plus the applicable regional charge for debt. The amount due from the regional user shall be the dollar amount derived by applying the total billable flow charge per one thousand (1,000) gallons of water sold (City Code Chapter 31, Article II, Section 31-36, § (c)). If regional customers are billed directly through municipal, utility, or private water company, the rate to be charged shall be equal to the regional billable flow charge applied per one thousand (1,000) gallons.

c) Total Flow. The total flow charge is equal to the applicable regional operation and maintenance for wheelage and treatment plus the applicable regional charge for debt. The amount due from the regional user shall be the dollar amount derived by applying the total flow charge to the quantity of water measured by a flow meter installed and maintained at or near the point of inter-connection between the system of the regional user and the Chattanooga system (City Code Chapter 31, Article II, Section 31-36, § (d)). In the event of any malfunction of said flow meters, flow shall be estimated, interpolated and/or projected in a reasonable manner. Such estimates, along with available readings for periods where there was no malfunction, shall form the basis for billing.

d) Excess Flow Penalty. If at any time during the billing period, the Instantaneous Flow Rate exceeds the maximum flow rate allowed in the Agreement, there will be a 15%

Excess Flow Penalty added to the sewer charge for the billing period. For the purposes of this Agreement, the maximum flow rates (including instantaneous, daily, and monthly maximum flow rate) is defined as set forth in Exhibit 1.

e) Payments. Payment from [INSERT ENTITY NAME] to Chattanooga shall be made monthly, with payment due within thirty (30) days following the billing date for the preceding month.

f) Source of Payments. The obligation of [INSERT ENTITY NAME] to pay for wastewater delivered and treated under this Agreement shall not be construed as a debt of [INSERT ENTITY NAME] requiring it to levy and collect a tax to discharge the same unless said obligation has been reduced to a legally enforceable judgment; but shall be an operating charge of its WCTS ranking equally to charges for salaries, wages, and other operating expenses of such system. [INSERT ENTITY NAME] covenants at all times to establish, maintain, prescribe, and collect fees, tolls, and charges for wastewater facilities furnished its customers, sufficient to provide funds for the payment of all obligations of [INSERT ENTITY NAME] under this Agreement.

15. Industrial User Surcharge.

a) Chattanooga now has various types of sewer service charges which apply to various dischargers to Chattanooga's WCTS. To the extent that the "industrial user surcharge," as that term is defined by Chattanooga ordinances now in effect or similar charges hereafter adopted shall apply to industries which may locate within [INSERT ENTITY NAME], Chattanooga agrees to bill said charges directly to the parties responsible (See City Code _____).

b) Service Termination. [INSERT ENTITY NAME] agrees to terminate the service, by means of its water utility or through any other water utility district or [INSERT ENTITY NAME] WCTS, for any user who does not pay the billings within sixty (60) days, subject to any pending dispute about the accuracy of the billing and provided that the bill shall have been paid except to the extent of any claimed overcharge.

16. Rate Review and Revisions.

a) Chattanooga agrees to periodically revise the charges for users or user classes to accomplish the following:

1. Maintain the proportionate distribution of operation and maintenance costs among users and user classes as required by federal law and regulations (See 33 U.S.C. §1284(b) and 40 C.F.R. §35-929, et seq.).
2. Generate sufficient revenue to pay the total operation and maintenance costs necessary to the proper operation and maintenance (including replacement) of the treatment works.

3. Apply excess revenues collected from a class of users to the costs of operation and maintenance attributable to that class and adjust the rates accordingly.
4. To comply fully with Section 204(b) of the Act (33 U.S.C. § 1284(b)) and all applicable federal or state laws and regulations.
5. The cost of operation and maintenance of Chattanooga's WCTS and treatment works not used by [INSERT ENTITY NAME] under this agreement shall be specifically considered in said rate charge system and such cost shall be proportionately distributed to Chattanooga.

b) Chattanooga agrees to review said rates annually, and make appropriate revisions thereto. Chattanooga shall give [INSERT ENTITY NAME] not less than sixty (60) days written notice of any proposed rate increase.

c) [INSERT ENTITY NAME] has heretofore adopted and agrees to maintain a user charge system for its users in accordance with Section 204(b)(1)(A) of the Act (33 U.S.C. § 1284(b)(1)(A)) and 40 C.F.R. § 35.929 through § 35.929-3, or other applicable federal or state laws or regulations. These rates shall be incorporated in appropriate municipal legislative enactments and following the public notification requirements of 40 C.F.R. § 25.

17. Liability for Wastewater. [INSERT ENTITY NAME] shall remain fully responsible for any and all liability related to the discharge of wastewater discharged to the Chattanooga WCTS under this Agreement and shall indemnify, defend, and hold harmless the City of Chattanooga, and its officers, employees, agents, and representatives from an against any and all claims, demands, causes of action, judgments, costs, expenses, damages or other liability of any kind, including but not limited to damages for injury or death, and from damage to persons or property. Any payments by [INSERT ENTITY NAME] under this provision shall be deemed an operation and maintenance expense of [INSERT ENTITY NAME] for purposes of determining the user fees which shall be necessary to insure that the WCTS has sufficient revenues for operation. *This covenant is not made for the benefit of any third party except as set forth in Paragraph 20(d) herein. Nothing herein shall be deemed to waive any defenses that [INSERT ENTITY NAME] may have to the claims of a third party pursuant to the Tennessee Governmental Tort Liability Act (T.C.A. § 29-20-101, et seq.) or pursuant to Article IX, Section II, Paragraph IX, of the Constitution of the State of Georgia, or Ga. St. § 36-31-1, et seq.*

18. Chattanooga Obligations. Chattanooga covenants and agrees to acquire, equip, operate, and maintain sufficient treatment facilities to comply with the NPDES Permit and in conformance with applicable statutes and regulations. Nothing herein shall prevent Chattanooga from entering into other contracts or agreements relating to the conveyance and treatment of wastewater from other municipalities or agencies.

19. Inter-jurisdictional Contracts. If any industrial users, private owner or owners, or outside jurisdiction discharging to [INSERT ENTITY NAME]'s WCTS but located outside the jurisdictional limits of Chattanooga, then [INSERT ENTITY NAME] shall regulate said user by a contract, ordinance, or resolution so as to enforce terms substantially equivalent to this

Agreement, and if a contract it shall be jointly executed by Chattanooga, [INSERT ENTITY NAME], and the outside jurisdiction. Regulation through the use of an ordinance or resolution shall be the preferred method of regulating users and this method shall be used where legally possible.

20. Stipulated Penalties.

a) [INSERT ENTITY NAME] shall be liable for stipulated penalties to Chattanooga for violations of this Agreement as specified herein. A violation includes failing to perform any obligation required by this Agreement, including any work plan or schedule approved under this Agreement, according to all applicable requirements of this Agreement, and within the specified time schedules established by or approved under this Agreement. Stipulated penalties shall begin to accrue on the day after performance is due or the day the violation occurs, whichever is applicable, and shall continue to accrue until performance is satisfactorily completed on until the violation ceases.

b) The following stipulated penalties shall accrue per violation or failure to perform per day for each violation of failure to perform of the requirements identified above or herein:

Period of Failure to Comply	Penalty per Violation per Day
1st through 15th Day	\$350
16th through 30th Day	\$500
31st Day and beyond	\$1,000

c) [INSERT ENTITY NAME] shall pay any stipulated penalty within sixty (60) days of receiving Chattanooga's written demand. Chattanooga's demand for payment of the stipulated penalties shall identify the particular violation or failure to perform to which the stipulated penalty relates, the amount of stipulated penalty being demanded, the calculation method underlying the demand, and the grounds on which the demand is based.

d) If [INSERT ENTITY NAME] fails to pay the stipulated penalties according to the terms of this Agreement, [INSERT ENTITY NAME] shall be liable for interest on such penalties, accruing as of the date payment becomes due. The interest rate shall be three (3) percent (%) plus the prime interest rate or the amount allowable by law, whichever is greater.

e) If a violation exceeds thirty (30) days or if [INSERT ENTITY NAME] fails to make payment of any stipulated penalty within sixty (60) days, it shall be grounds for immediate termination of this Agreement by Chattanooga. Chattanooga may terminate this agreement and the termination of the physical inter-connection(s) of the [INSERT ENTITY NAME] WCTS by providing written notice.

21. Dispute Resolution. Unless otherwise specifically provided for herein, if there is a dispute between the Parties, including but not limited to comments or changes required by Chattanooga related to any submittal required herein, the Parties shall meet and confer for a period not to exceed thirty (30) days. If the matter is not resolved to the mutual satisfaction of

the Parties, [INSERT ENTITY NAME] shall implement the change subject to its right to seek review of the reasonableness of the change in a court of competent jurisdiction.

22. Notices. Unless otherwise specified herein, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and addressed as follows:

To the City of Chattanooga:

[INSERT CONTACTS HERE]

To the [INSERT ENTITY NAME]:

[INSERT CONTACTS HERE]

Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above. Further, Notices submitted pursuant to this Agreement shall be deemed submitted upon mailing, unless otherwise provided in this Agreement or by mutual agreement of the Parties in writing.

23. General Provisions.

a) Integration. This Agreement constitutes the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Agreement and supersedes all prior agreements and understandings, whether oral or written, concerning the subject matter embodied herein. Other than the submittals that are subsequently submitted by [INSERT ENTITY NAME] to Chattanooga and approved by Chattanooga pursuant to this Agreement, which shall become fully enforceable under this Agreement as if set forth fully herein, no other document, nor any representation, inducement, agreement, understanding, or promise, constitutes any part of this Agreement, nor shall it be used in construing the terms of this Agreement.

b) Records. [INSERT ENTITY NAME] shall file with Chattanooga a certified copy of its ordinance and any amendments thereto, other inter-jurisdictional agreements, each industrial waste discharge permit issued, and any contract entered into for the purposes of industrial waste control. Further, [INSERT ENTITY NAME] shall keep copies of any and all records related to [INSERT ENTITY NAME]'s performance under this agreement until three (3) years after the term of this Agreement expires, and provide Chattanooga access and or copies of such documents within thirty (30) days of Chattanooga's written request

c) Entry and inspection. Any authorized officer or employee of Chattanooga may enter and inspect at any reasonable time any part of the WCTS of [INSERT ENTITY NAME]. The right of entry and inspection shall extend to public property, streets, and sewer easements. Additionally, Chattanooga shall be permitted, as appropriate, to enter onto private property to inspect industrial waste discharges. If a request to enter private property is refused and there is a reasonable need to enter the property, [INSERT ENTITY NAME] shall institute necessary legal procedures to obtain an administrative search warrant or easement as appropriate. The right of inspection shall include on-site inspection of pretreatment and sewer facilities, observation,

measurement, sampling, testing, and access to (with the right to copy) all pertinent compliance records located on the premises of the industrial user.

d) **Third-Party Beneficiaries.** The Parties hereto agree that the State of Tennessee and/or the State of Georgia are third-party beneficiaries of this Agreement and shall have all rights granted the Parties hereunder to enforce the rights and obligations of the Parties. TDEC shall have the right to enforce all rights on behalf of the State of Tennessee under this Agreement. The EPD shall have the right to enforce all rights on behalf of the State of Georgia under this Agreement. Except as expressly provided herein, the Parties do not intend to create any rights in third persons and the Parties agree that there are no third-party beneficiaries to this Agreement. Except as expressly set forth herein, no person other than a Party to this Agreement may enforce this Agreement's terms, claim the right to benefit from its provisions, or rely upon the existence of its terms or conditions for its benefit.

e) **Additional Documentation.** Each Party hereto covenants to execute such additional documentation as will be necessary to effectuate the intent of this Agreement.

f) **Force Majeure.** In case by reason of "force majeure" either Party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then if such Party shall give notice and full particulars of such "force majeure" in writing to the other Party within five (5) days of the occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such "force majeure," shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such Party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, acts of a public enemy, orders of the United States or [the State of Tennessee or the State of Georgia] (excluding orders requiring action to comply with Chattanooga's NPDES permit, a sewer collection permit, or other permit related to the operation of a WCTS) or of any civil or military authority, insurrections, riots, epidemics, earthquakes, fires, hurricanes, restraint of government and people, civil disturbances, or explosions. Nothing herein shall be deemed to relieve Chattanooga or [INSERT ENTITY NAME] of its responsibility to operate their respective WCTS to reasonably control I/I in a storm or flood in accordance with generally accepted standards or government regulatory measures.

g) **Severability Clause.** Should any phrase, clause, sentence, or paragraph of this contract be held invalid, or unconstitutional by any Court or competent jurisdiction of the State of Tennessee, the State of Georgia, or the United States of America in any manner or respect whatsoever, it shall in no wise affect any or all of the remaining provisions, all of which shall remain in full force and effect. Provided that if such invalidity or unconstitutionality shall destroy the essence or effectiveness of this agreement and the Parties are unable to reach a new agreement which rectifies the invalidity or unconstitutionality, then the Parties shall continue the physical arrangements concerning the flow and treatment of sewage upon a quantum merit basis, subject to applicable state laws and regulations for a reasonable period of time until other suitable arrangements can be made for the treatment and disposal of the wastewater.

h) Controlling Law. The Parties hereto agree that this Agreement will be enforced and interpreted according to the laws of the State of Tennessee.

i) Assignment. The Parties agree that the rights, liabilities, and obligations of either may be assigned to a successor governmental entity or authority, and that either Party's interest in this agreement may be used to secure financing to improve the system of that Party or to establish a sewer authority. Providing, if the assignment involves a change in operational control of the WCTS or any material part thereof, the assignee shall agree to assume the liability and duty of the assignor to perform all of the terms and conditions of this Agreement.

j) Counterparts. This Agreement may be signed in counterparts, and its validity shall not be challenged on that basis.

[SIGNATURES TO APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto acting by and through their duly authorized officers, pursuant to the appropriate resolutions hereinbefore duly and properly adopted by each, have caused this contract and Agreement to be executed in duplicate, each delivering to the other a copy having the full force and effect of an original, all as of the ____day of _____, _____.

City of Chattanooga, Tennessee

By: _____

Mayor

Witness: _____

[INSERT ENTITY NAME]

By: _____

Mayor

Witness: _____

Exhibit 1
Location of Inter-Connection Flow Meters