

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ADMINISTRATOR FOR THE DEPARTMENT OF PUBLIC WORKS TO EXECUTE AN EXTENSION DEPOSIT AGREEMENT WITH TENNESSEE-AMERICAN WATER COMPANY FOR THE RACCOON MOUNTAIN ROAD WATERLINE EXTENSION PROJECT, CONTRACT NO. E-26-005-201, IN THE AMOUNT OF FOUR MILLION FIVE HUNDRED FORTY-FIVE THOUSAND ONE HUNDRED FIFTY-SEVEN DOLLARS (\$4,545,157.00).

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That it is hereby authorizing the Administrator for the Department of Public Works to execute an extension Deposit Agreement with Tennessee-American Water Company for the Raccoon Mountain Road Waterline Extension Project, Contract No. E-26-005-201, in the amount of \$4,545,157.00.

ADOPTED: _____, 2026

/mem

EXTENSION DEPOSIT AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 20____, by and between the TENNESSEE-AMERICAN WATER COMPANY, hereinafter called the "WATER COMPANY" and the City of Chattanooga hereinafter called the "DEPOSITOR."

WHEREAS, the DEPOSITOR desires an extension of the water distribution mains of the WATER COMPANY as hereinafter described.

W I T N E S S E T H:

FIRST: The WATER COMPANY contracts and agrees to lay the water main (s) as shown in red on the diagram which is hereto attached and made a part hereof, which main (s) and described and located as follows:

Install approximately 15,300' of 8" main and 14 public fire hydrants
To supply a portion of Raccoon Mountain Rd.
in Chattanooga, TN

SECOND: It is expressly understood and agreed that if the WATER COMPANY shall be delayed or prevented from installing the water main (s) hereinabove described because of its failure to secure pipe or other necessary construction materials, or for any other causes beyond its control, such failure or delay in performance shall be excused; provided, however, that if such failure or delay in performance shall extend for a period of more than one (1) year from the date hereof, the DEPOSITOR shall have the right to cancel and terminate this Agreement on thirty (30) days' written notice to the WATER COMPANY and thereafter both parties shall be relieved of all duties and obligations arising hereunder. The right to cancel and terminate this Agreement by the DEPOSITOR shall not be revoked, however, if the WATER COMPANY has received the necessary pipe and construction materials and the DEPOSITOR has made the deposit as hereinafter required, in which event the WATER COMPANY shall have the obligation to prosecute diligently the work of installing the water main (s) hereinabove described until said work is completed.

THIRD: The DEPOSITOR hereby agrees to deposit with the WATER COMPANY, upon receipt of written notice from the WATER COMPANY that it is prepared and able to go forward with the work provided in Paragraph FIRST hereof, and amount equal to (a) the estimated number of feet of pipe to be installed multiplied by the estimated Unit Cost Per Foot of Main, plus the estimated cost of all other facilities (excluding public fire hydrants, hydrant laterals, service lines and meters) which the WATER COMPANY shall have determined are required to render adequate service, less (b) a credit equal to the amount produced by multiplying the estimated Unit Cost Per Foot of Main by one hundred (100) and by multiplying this result by the number of Bona Fide Prospective Customers whose premises abut said extension and will be directly connected thereto.

FOURTH: Upon completion of the installation of the water main (s) described in Paragraph FIRST above, or as soon thereafter as may be practicable, the WATER COMPANY shall furnish to the DEPOSITOR a statement of actual cost. In the event that such statement of cost is less than the original estimate of cost, the WATER COMPANY shall promptly return to the DEPOSITOR the difference between such amounts. In the event that such statement of cost exceeds the original estimate of cost, the DEPOSITOR shall promptly make a further deposit with the WATER COMPANY in an amount equal to the difference between such amounts. It is the intent of this paragraph that the DEPOSITOR shall deposit the actual cost to the WATER COMPANY, less the credit provided for in Paragraph THIRD above.

FIFTH: The WATER COMPANY hereby agrees to refund to the DEPOSITOR, during the period of ten (10) years from the actual date of the original deposit hereunder, for each additional Bona Fide Customer for which a service line has been connected to the extension in question an amount equal to the completed actual Unit Cost Per Foot of Main used in calculating the final deposit multiplied by one hundred (100).

SIXTH: The ownership of the water main (s) installed hereunder shall at all times be and remain in the WATER COMPANY, its successors and assigns.

SEVENTH: This Agreement shall be valid and binding on the WATER COMPANY only when executed by its President or a Vice President.

EIGHTH: This Agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the respective parties.

NINTH: Any notice given hereunder shall be deemed sufficient if in writing and sent by registered mail to the WATER COMPANY at 109 Wiehl St. Chattanooga, TN 37403 and to
(address of WATER COMPANY)
the DEPOSITOR at 101 E 11th St, Room 100, Chattanooga, TN 37402-4285.
(address of DEPOSITOR)

TENTH: This Agreement is entered into pursuant to the legally established Rules and Regulation of the WATER COMPANY, and the words, phrases, and terms hereof are to be understood and interpreted in conformity with said Rules and Regulations, which are hereby incorporated herein by reference.

Executed in duplicate by the parties hereto on the date first above written,

WITNESS:

TENNESSEE AMERICAN WATER COMPANY

By Aaron Nottis – Director of Engineering

WITNESS:

DEPOSITOR

By Jerramy Wood, Administrator Public Works
City of Chattanooga

SUPPLEMENTAL MEMORANDUM

This Supplemental Memorandum is executed by the parties hereto under and pursuant to the provisions of paragraph THIRD of an Extension Deposit Agreement in writing between the parties entered into on the _____ day of _____, 20____, for the installation by the WATER COMPANY of a certain water main (s) described therein in the paragraph FIRST. It is therefore agreed and stipulated:

The estimated cost of the extension is \$ \$4,545,157 Dollars.

Credit is allowed for 0 Bona Fide Prospective Customers at the rate of \$ _____ Dollars each for a total amount of \$ 0.00 Dollars in accordance with paragraph THIRD (b) of the Extension Deposit Agreement.

The amount of deposit received from the DEPOSITOR (S) \$4,545,157 Dollars.

The Supplemental Memorandum shall be attached to the original Extension Deposit Agreement.

Dated _____

Date of Deposit

TENNESSEE AMERICAN WATER COMPANY

WITNESS: _____

By _____

Aaron Nottis – Director of Engineering

WITNESS: _____

DEPOSITOR: _____

Jerramy Wood, Administrator Public Works City
of Chattanooga

EXTENSION DEPOSIT
AGREEMENT
BETWEEN

TENNESSEE-AMERICAN
WATER COMPANY

AND

City of Chattanooga
101 E 11th St, Room 100
Chattanooga TN 37402-4285

DATED

Covering the following:

Install approximately 15,300' of 8" main and 14 public fire hydrants
To supply a portion of Raccoon Mountain Rd.
in Chattanooga, TN

WBS# -



Jason T Hooper PE
Manager, Engineering Project Delivery

Tennessee American Water
1206 Broad Street, Suite 102
Chattanooga, TN 37402
423-633-5256
jason.hooper@amwater.com

September 17, 2026

Jerramy Wood
Administrator Public Works
101 E 11th St, Room 100
Chattanooga TN 37402-4285

RE: Raccoon Mountain Road Main Extension

Dear Customer,

Regarding your request for the cost of a water main installation for the above project, we have completed our preliminary survey, and it will be necessary to install approximately 15,300' of 8" main and 14 public hydrants. The estimated cost for the main extension and design engineering is \$4,320,718 and the cost of the fire hydrants are \$224,439. This estimate is good for 30 calendar days, and the materials will not be ordered until payment is received in full.

We will require a check in the amount of \$4,545,157 before we can schedule construction. After the job is completed, we will adjust your deposit to actual costs and refund any money you have remaining or bill you for the additional amount required.

For the public hydrant, which is non-refundable, please sign this letter in the space below indicating your agreement (1) for us to install the hydrant and (2) to the cost estimate. Return the signed letter back to us for our part of the execution.

Attached is a copy of our Main Extension Agreement, which covers the deposit and refund provision for the water main. Please sign and return the agreement to us. Upon receipt of this agreement, we will have our officers fully execute it and we will return a copy to you for your records.

If you have any questions regarding this matter, please contact me at (423) 633-5256.

Sincerely,

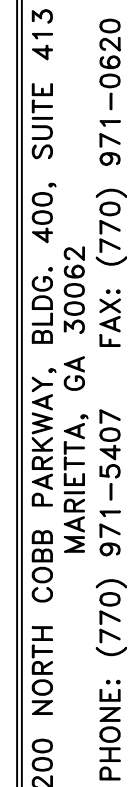
Jason T. Hooper, PE
Manager, Engineering Project Delivery

I request installation of this hydrant and agree to the estimated cost.

Jerramy Wood, Administrator Public Works

Date

Enclosures



THESE PLANS AND DRAWINGS ARE NOT TO BE REPRODUCED, CHANGED OR COPIED IN ANY FORM OR MANNER WHATSOEVER WITHOUT FIRST OBTAINING THE EXPRESS WRITTEN PERMISSION AND CONSENT OF CROY ENGINEERING, LLC. NOR ARE THEY TO BE ASSIGNED TO ANY PARTY WITHOUT WRITTEN PERMISSION AND CONSENT.

Plot Style: ..., Plotted By: Lisa Von Hagel on 09/13/2024 2:31 P

No.	REVISION REFERENCE	DATE

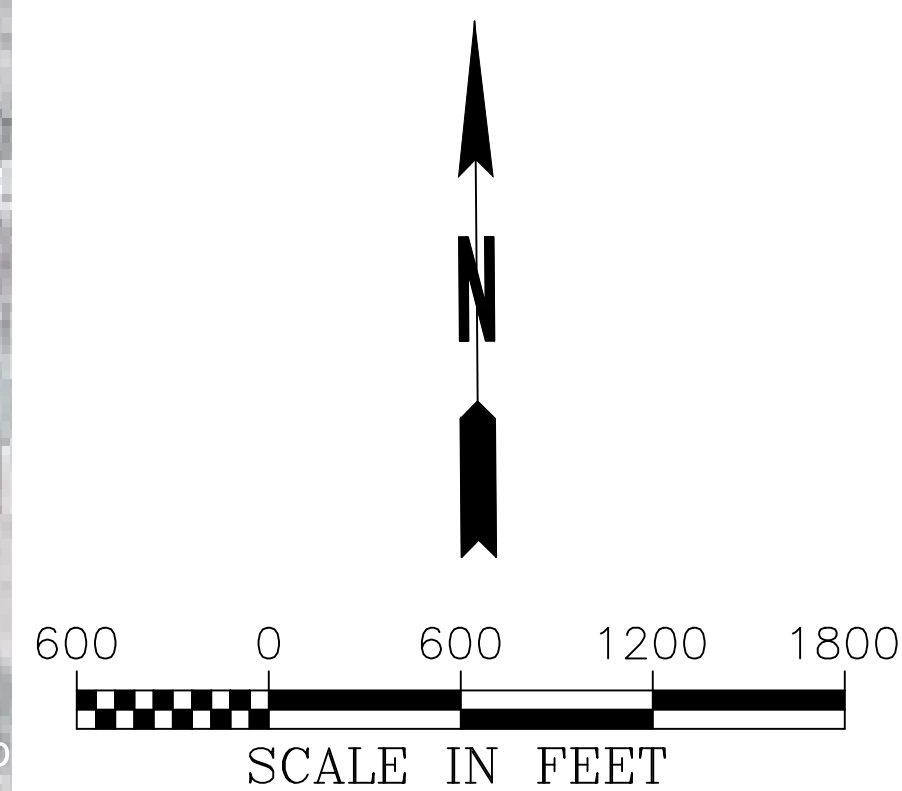
SEAL

SHEET TITLE
OVERALL MAP

PROJECT NUMBER	2341.016
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DRAWING NUMBER

C-100



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