

KING'S CHAPEL CAPACITY

Providing Superior Wastewater Service to Tennessee

November 30, 2015

VIA HAND DELIVERY

Mr. David Foster, Chief
Utilities Division
Tennessee Regulatory Authority
502 Deaderick Street, 4th Floor
Nashville, Tennessee 37219

Filled Electronically TRA Docket Office
11/30/15

Re: Docket No. 14-00158 – Tariff Filing of Kings Chapel Capacity to true-up bonding costs.

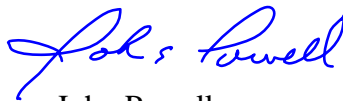
Dear Mr. Foster:

Attached are the responses of King's Chapel Capacity to the TRA Staff's 4th Data Request.

Included within this response is a proposed tariff filing and support documentation that trues-up the Company's bonding cost from February 2009 through May 2015. These tariff pages have an effective date of January 1, 2016.

Thank you for your assistance in this matter.

Sincerely,



John Powell
President

KING'S CHAPEL CAPACITY

Tariff Filing to True Up Bonding Cost – Docket 14-00158

Response to the TRA Staff's Fourth Data Request

- 1. Please refer to Attachment WHN-2 of the Direct Testimony of Hal Novak. Provide an updated bond true-up calculation incorporating bonding costs and recoveries through May 2015.**

RESPONSE:

Please see Attachment TRA4-1. The calculation methodology is identical to that contained in Attachment WHN-2 to the testimony of William H. Novak with the following updates:

- A. Cost and recovery from October 2014 through May 2015 has been added.
- B. Customer counts from October 2014 through May 2015 have been added.
- C. Bond #7 for \$12,000 expired in May 2014 and was replaced with Bond #9 for \$12,500. Please see Attachment TRA4-1a for the bond transaction and a confirmation from Williamson County for the bonds that are currently in effect.
- D. Bond #10 for \$82,500 was added in November 2014. Please see Attachment TRA4-1a for the bond transaction and a confirmation from Williamson County for the bonds that are currently in effect.
- E. Bond #11 for \$20,000 related to TRA financial security requirements were added from November, 2014. Please see Attachment TRA4-1c for supporting documentation on this bond.
- F. KCC has received notice from Williamson County requiring new performance bonds for the wastewater collection system of \$70,000 and \$92,500 beginning January 1, 2016. Please see Attachment TRA4-1b for confirmation of this new bond requirement.
- G. Projected bills have been increased to 152 annualized customers to reflect expected growth over the next 12 months.

KING'S CHAPEL CAPACITY

Tariff Filing to True Up Bonding Cost – Docket 14-00158

Response to the TRA Staff's Fourth Data Request

2. **Please provide an updated proposed tariff reflecting the monthly bonding surcharge computed in response to question no. 1, above.**

RESPONSE:

Please see Attachment TRA4-2 for both a clean and marked-up copies of an updated tariff with a proposed effective date of January 1, 2016.

ATTACHMENT TRA4-1

Bond True-Up Calculation

**Kings Chapel Capacity
True-Up of Bonding Cost - February 2009 Through May 2015**

Item	Amount
Williamson County Bond Requirement at May 2015	\$199,500
New Bond Required by Williamson County in (\$70,000 and \$92,500) in 2016	162,500
TRA Financial Security	20,000
Total Pro Forma Bond Requirement	\$382,000
Interest Rate adopted by TRA for KCC Bonding	7.95%
Current Bond Pass-Through Costs	\$30,369
Over-Recovered Bond Costs (February 2009 - May 2015)	17,280
Net Pro Forma Bond Surcharge	\$13,089
Projected Bills (152 Customers * 12)	1,818
Pro Forma Monthly Bonding Surcharge Rate	\$7.20
Current KCC Monthly Bonding Surcharge Rate	\$18.60
Monthly Bonding Surcharge Reduction	\$11.40

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Month	Bond #1	Bond #2	Bond #3	Bond #4	Bond #5	Bond #6	Bond #7	Bond #8	Bond #9	Bond #10	Bond #11	Bond Total	7.95% Interest Rate	Monthly Cost	Customers Billed	Cost Per Customer	Base Rate	Rate Difference	(Under)/Over Recovery	Cumulative Recovery	
February 2009	\$151,642	\$11,500	\$6,533		\$8,213							\$177,888	14,142	1,179	54	21.82	\$18.60	-\$3.22	-\$174.11	-\$174.11	
March	151,642	11,500	6,533		8,213							177,888	14,142	1,179	54	21.82	18.60	-3.22	-174.11	-348.22	
April	151,642	11,500	6,533		8,213							177,888	14,142	1,179	54	21.82	18.60	-3.22	-174.11	-522.33	
May	151,642	11,500	6,533		8,213							177,888	14,142	1,179	55	21.43	18.60	-2.83	-155.51	-677.84	
June	151,642	11,500	6,533		8,213							177,888	14,142	1,179	55	21.43	18.60	-2.83	-155.51	-833.35	
July	151,642	11,500	6,533		8,213							177,888	14,142	1,179	55	21.43	18.60	-2.83	-155.51	-988.86	
August	151,642	11,500	6,533		8,213							177,888	14,142	1,179	56	21.04	18.60	-2.44	-136.91	-1,125.77	
September	151,642	11,500	6,533		8,213							177,888	14,142	1,179	56	21.04	18.60	-2.44	-136.91	-1,262.68	
October	151,642	11,500	6,533		8,213							177,888	14,142	1,179	57	20.68	18.60	-2.08	-118.31	-1,380.99	
November	151,642	11,500	6,533		8,213							177,888	14,142	1,179	58	20.32	18.60	-1.72	-99.71	-1,480.70	
December	151,642	11,500	6,533		8,213							177,888	14,142	1,179	58	20.32	18.60	-1.72	-99.71	-1,580.41	
January 2010	151,642	11,500	6,533		8,213							177,888	14,142	1,179	59	19.97	18.60	-1.37	-81.11	-1,661.52	
February	151,642	11,500	6,533		8,213							177,888	14,142	1,179	60	19.64	18.60	-1.04	-62.51	-1,724.03	
March	151,642	11,500	6,533		8,213							177,888	14,142	1,179	61	19.32	18.60	-0.72	-43.91	-1,767.94	
April	151,642	11,500	6,533		8,213							177,888	14,142	1,179	61	19.32	18.60	-0.72	-43.91	-1,811.85	
May	151,642	11,500	6,533		8,213							177,888	14,142	1,179	61	19.32	18.60	-0.72	-43.91	-1,855.76	
June	151,642	11,500	6,533		8,213							177,888	14,142	1,179	62	19.01	18.60	-0.41	-25.31	-1,881.07	
July	151,642	11,500	6,533		8,213							177,888	14,142	1,179	64	18.41	18.60	0.19	11.89	-1,869.18	
August	151,642	11,500	6,533		8,213							177,888	14,142	1,179	65	18.13	18.60	0.47	30.49	-1,838.69	
September	151,642	11,500	6,533		8,213							177,888	14,142	1,179	66	17.86	18.60	0.74	49.09	-1,789.60	
October	151,642	11,500			8,213							171,355	13,623	1,135	66	17.20	18.60	1.40	92.37	-1,697.23	
November	151,642	11,500			8,213							171,355	13,623	1,135	67	16.94	18.60	1.66	110.97	-1,586.26	
December	151,642	11,500			8,213							171,355	13,623	1,135	68	16.69	18.60	1.91	129.57	-1,456.69	
January 2011	151,642	11,500			8,213							171,355	13,623	1,135	69	16.45	18.60	2.15	148.17	-1,308.52	
February	151,642	11,500			8,213							171,355	13,623	1,135	65	17.47	18.60	1.13	73.77	-1,234.75	
March	151,642	11,500			8,213							171,355	13,623	1,135	69	16.45	18.60	2.15	148.17	-1,142.38	
April	151,642	11,500			8,213							171,355	13,623	1,135	67	16.94	18.60	1.66	110.97	-1,031.41	
May	151,642	11,500			8,213							171,355	13,623	1,135	66	17.20	18.60	1.40	92.37	-939.04	
June	151,642	11,500			8,213							171,355	13,623	1,135	70	16.22	18.60	2.38	166.77	-772.27	
July	151,642	11,500			8,213							171,355	13,623	1,135	68	16.69	18.60	1.91	129.57	-642.70	
August	151,642	11,500			8,213							171,355	13,623	1,135	67	16.94	18.60	1.66	110.97	-531.73	
September	151,642	11,500			8,213							171,355	13,623	1,135	69	16.45	18.60	2.15	148.17	-383.56	
October	151,642	11,500			8,213							171,355	13,623	1,135	69	16.45	18.60	2.15	148.17	-235.39	
November	151,642	11,500			8,213							171,355	13,623	1,135	71	15.99	18.60	2.61	185.37	-50.02	
December	151,642	11,500			8,213							171,355	13,623	1,135	71	15.99	18.60	2.61	185.37	135.35	
January 2012	151,642	11,500		\$65,000	8,213							236,355	18,790	1,566	72	21.75	18.60	-3.15	-226.65	-91.30	
February	151,642	11,500		65,000	8,213							236,355	18,790	1,566	71	22.05	18.60	-3.45	-245.25	-336.55	
March	151,642	11,500		65,000	8,213							236,355	18,790	1,566	70	22.37	18.60	-3.77	-263.85	-600.40	
April	151,642	11,500		65,000	8,213							236,355	18,790	1,566	70	22.37	18.60	-3.77	-263.85	-864.25	
May	151,642	11,500		65,000	8,213							236,355	18,790	1,566	70	22.37	18.60	-3.77	-263.85	-1,128.10	
June	151,642	11,500		65,000	8,213							236,355	18,790	1,566	70	22.37	18.60	-3.77	-263.85	-1,391.95	
July	151,642	11,500		65,000	8,213		\$40,000					276,355	21,970	1,831	72	25.43	18.60	-6.83	-491.65	-1,883.60	
August	151,642	11,500		65,000	8,213		40,000					276,355	21,970	1,831	71	25.79	18.60	-7.19	-510.25	-2,393.85	
September	151,642	11,500		65,000	8,213		40,000					276,355	21,970	1,831	71	25.79	18.60	-7.19	-510.25	-2,904.10	
October	151,642	11,500		65,000	8,213		40,000					276,355	21,970	1,831	70	26.16	18.60	-7.56	-528.85	-3,432.95	
November	151,642	11,500		65,000			40,000					268,142	21,317	1,776	71	25.02	18.60	-6.42	-455.84	-3,888.79	
December	151,642	11,500		65,000			40,000					268,142	21,317	1,776	78	22.77	18.60	-4.17	-325.64	-4,214.43	
January 2013	151,642	11,500		65,000			40,000					268,142	21,317	1,776	81	21.93	18.60	-3.33	-269.84	-4,484.27	
February	151,642	11,500		65,000			40,000					268,142	21,317	1,776	82	21.66	18.60	-3.06	-251.24	-4,735.51	
March	151,642	11,500		65,000			40,000					268,142	21,317	1,776	83	21.40	18.60	-2.80	-232.64	-4,968.15	
April	151,642			65,000			40,000					256,642	20,403	1,700	85	20.00	18.60	-1.40	-119.25	-5,087.40	
May	151,642			65,000			40,000					256,642	20,403	1,700	83	20.48	18.60	-1.88	-156.45	-5,243.85	
June				65,000			40,000					105,000	8,348	696	84	8.28	18.60	10.32	866.78	-4,377.07	
July				65,000			40,000					105,000	8,348	696	86	8.09	18.60	10.51	903.98	-3,473.09	
August				65,000			40,000					105,000	8,348	696	86	8.09	18.60	10.51	903.98	-2,569.11	
September				65,000			12,000					77,000	6,122	510	87	5.86	18.60	12.74	1,108.08	-1,461.03	
October				65,000			12,000					77,000	6,122	510	87	5.86	18.60	12.74	1,108.08	-352.95	
November				65,000			12,000	\$67,500				144,500	11,488	957	89	10.76	18.60	7.84	698.09	345.14	
December				65,000			12,000	67,500				144,500	11,488	957	89	10.76	18.60	7.84	698.09	1,043.23	
January 2014				65,000			12,000	67,500				144,500	11,488	957	89	10.76	18.60	7.84	698.09	1,741.32	
February				65,000			12,000	67,500				144,500	11,488	957	90	10.64	18.60	7.96	716.69	2,458.01	
March				65,000			12,000	67,500				144,500	11,488	957	90	10.64	18.60	7.96	716.69	3,174.70	
April				19,500		\$17,500	12,000	67,500				116,500	9,262	772	92	8.39	18.60	10.21	939.39	4,114.09	
May				19,500		17,500	12,000	67,500				116,500	9,262	772	99	7.80	18.60	10.80	1,069.59	5,183.68	
June				19,500		17,500	67,500	12,500				117,000	9,302	775	99	7.83	18.60	10.77	1,066.28	6,249.96	
July				19,500		17,500	67,500	12,500				117,000	9,302	775	102	7.60	18.60	11.00	1,122.08	7,372.04	
August				19,500		17,500	67,500	12,500				117,000	9,302	775	103	7.53	18.60	11.07	1,140.68	8,512.72	
September				19,500		17,500	67,500	12,500				117,000	9,302	775	103	7.53	18.60	11.07	1,140.68	9,653.40	
October				19,500		17,500	67,500	12,500				117,000	9,302	775	115	6.74	18.60	11.86</			

KINGS CHAPEL CAPACITY
Bond #1

Amount	Bank	Start	End
\$151,642	Franklin Synergy Bank	05/01/08	05/31/13
0	Released	06/01/13	

KINGS CHAPEL CAPACITY
Bond #2

Amount	Bank	Start	End
\$57,500	First Tennessee	08/07/06	04/23/07
57,500	SunTrust	04/23/07	06/20/08
11,500	SunTrust	06/20/08	09/27/10
11,500	Franklin Synergy Bank	09/27/10	03/31/13
0	Released	04/01/13	

KINGS CHAPEL CAPACITY
Bond #3

Amount	Bank	Start	End
\$32,500	SunTrust	07/02/07	06/20/08
21,775	SunTrust	06/20/08	04/24/09
6,533	SunTrust	04/24/09	09/30/10
0	Released	10/01/10	

KINGS CHAPEL CAPACITY
Bond #4

Amount	Bank	Start	End
\$65,000	Franklin Synergy Bank	03/28/12	01/10/14
65,000	Reliant Bank	01/10/14	02/28/14
19,500	Reliant Bank	02/28/14	

KINGS CHAPEL CAPACITY
Bond #5

Amount	Bank	Start	End
\$41,000	SunTrust	10/22/07	06/20/08
27,375	SunTrust	06/20/08	11/01/08
8,213	SunTrust	11/01/08	10/19/10
8,213	Franklin Synergy Bank	10/19/10	10/31/12
0	Released	11/01/12	

KINGS CHAPEL CAPACITY
Bond #6

Amount	Bank	Start	End
\$17,500	Reliant Bank	04/15/14	

KINGS CHAPEL CAPACITY
Bond #7

Amount	Bank	Start	End
\$40,000	Franklin Synergy Bank	07/01/12	08/01/13
12,000	Franklin Synergy Bank	08/01/13	01/10/14
12,000	Reliant Bank	01/10/14	05/29/14

Replaced with Bond #9 for \$12,500.

KINGS CHAPEL CAPACITY
Bond #8

<u>Amount</u>	<u>Bank</u>	<u>Start</u>	<u>End</u>
\$67,000		11/01/13	

KINGS CHAPEL CAPACITY
Bond #9

Amount	Bank	Start	End
\$12,500	Reliant Bank	05/29/14	

**KINGS CHAPEL CAPACITY
Bond #10**

Amount	Bank	Start	End
\$82,500	Reliant Bank	11/24/14	

**KINGS CHAPEL CAPACITY
Bond #11**

<u>Amount</u>	<u>Bank</u>	<u>Start</u>	<u>End</u>
\$20,000	Reliant Bank	10/23/14	

ATTACHMENT TRA4-1a

New Bond Transactions

And

Williamson County Bond
Confirmation

Rogers C. Anderson
Williamson County Mayor



Community Development
Joe Horne, Director

WILLIAMSON COUNTY GOVERNMENT

November 23, 2015

Ashby Communities
John Powell
PO BOX 190
Arrington TN 37014

Re: Wastewater Bonds

Dear John,

As requested, these are the bonds that Williamson County had in effect from October 2014 through May 2015 for the King's Chapel project.

Kings Chapel, Section 3A	\$19,500.00
Kings Chapel, Section 3B	\$17,500.00
Kings Chapel, Section 3C	\$12,500.00
Kings Chapel, Section 4B	\$67,500.00
Kings Chapel, Section 6	\$82,500.00

Please let me know if you need any additional information.

Regards,

Debbie Smith
Administrative Office Manager
Williamson County Planning & Zoning



IRREVOCABLE STANDBY LETTER OF CREDIT

Letter of Credit Number: 9054480

*** REVISED ***

Amount: U.S. \$ 82,500.00 (eighty two thousand five hundred dollars and zero cents U.S. DOLLARS)

This Letter of Credit is issued on November 24, 2014 by Issuer in favor of the Beneficiary for the account of Applicant. The parties' names and their addresses are as follows:

APPLICANT:

ASHBY COMMUNITIES, LLC
Entity Type: Limited Liability Company
1165 MEADOW BRIDGE LANE
ARRINGTON, TN 37014-9109

BENEFICIARY:

WILLIAMSON COUNTY PLANNING COMMISSION
Entity Type: Corporation
1320 WEST MAIN STREET, SUITE 400
FRANKLIN, TN 37064

ISSUER:

RELIANT BANK
1736 Carothers Parkway
Suite 100
Brentwood, TN 37027

1. **LETTER OF CREDIT.** Issuer establishes this Irrevocable Standby Letter of Credit (Letter of Credit) in favor of Beneficiary in the amount indicated above. Beneficiary may draw on this Letter of Credit with a Draft (or Drafts, if the maximum number of drawings is greater than one). Each Draft shall be signed on behalf of Beneficiary and be marked "Drawn under Reliant Bank Letter of Credit No. 9054480 dated November 24, 2014." Drafts must be presented at Issuer's address shown above on or before the Expiration Date. The presentation of any Draft shall reduce the Amount available under this Letter of Credit by the amount of the draft.

This Letter of Credit sets forth in full the terms of Issuer's obligation to Beneficiary. This obligation cannot be modified by any reference in this Letter of Credit, or any document to which this Letter of Credit may be related.

This Letter of Credit expires on the Expiration Date.

2. **DRAWINGS.** Beneficiary shall be permitted to make multiple drawings on this Letter of Credit. The maximum number of drawings that may be made on this Letter of Credit is N/A. "Draft" means a draft drawn at sight.

3. **DOCUMENTS.** Each Draft must be accompanied by the following, in original and two copies except as stated:

A. The original Letter of Credit, together with any amendments.

B. A sight draft drawn by Beneficiary on Issuer.

C. A signed statement by Beneficiary including the following statement: Ashby Communities, LLC has failed to complete the Wastewater Collection System for the Kings Chapel Subdivision, Section 6 and/or has failed to obtain written authorizations to release from all affected agencies for the subdivision known as King's Chapel, Section 6 and that Williamson County Planning Commission is entitled to funds under the terms of the Letter of Credit.

Issuer shall be entitled to accept a draft and the documentation described above, as required by the terms of this Letter of Credit, from any person purporting to be an authorized officer or representative of Beneficiary without any obligation or duty on the part of Issuer to verify the identity or authority of the person presenting the draft and such documentation.

4. **SPECIAL INSTRUCTIONS.** The term of this Letter of Credit is 12 months, but is automatically renewable. This Letter of Credit may be cancelled by the Issuer upon sixty (60) days' notice to the Beneficiary in accordance with the terms of this Letter of Credit

5. **EXPIRATION DATE.** This Letter of Credit expires at the close of business at Issuer's address at 04:30 PM Central Time (Time) on November 7, 2015 (Date). Issuer agrees to honor all Drafts presented in strict compliance with the provisions of this Letter of Credit on or before the Expiration Date.

6. **NON-TRANSFERABLE.** This Letter of Credit is not transferable.

7. **APPLICABLE LAW.** This Letter of Credit is governed by the International Standby Practices 1998 (ISP98). This Letter of Credit is also governed by the laws of Tennessee, except as those laws conflict with the International Standby Practices 1998 (ISP98).

ISSUER:

Reliant Bank

By 
Mark E. Ryman, Senior Vice President

Date

11-24-14

ASHBY COMMUNITIES, LLC
Standby Letter Of Credit
TN/4XXKARENMO000000000676043N

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Initials _____
Page 1

IRREVOCABLE STANDBY LETTER OF CREDIT

Letter of Credit Number: 9052687

Amount: U.S. \$ 12,500.00 (twelve thousand five hundred dollars and zero cents U.S. DOLLARS)

This Letter of Credit is issued on May 29, 2014 by Issuer in favor of the Beneficiary for the account of Applicant. The parties' names and their addresses are as follows:

APPLICANT:

ASHBY COMMUNITIES, LLC
Entity Type: Limited Liability Company
1165 MEADOW BRIDGE LANE
ARRINGTON, TN 37014-9109

BENEFICIARY:

WILLIAMSON COUNTY PLANNING COMMISSION
Entity Type: Corporation
1320 WEST MAIN STREET, SUITE 400
FRANKLIN, TN 37064

ISSUER:

RELIANT BANK
1736 Carothers Parkway
Suite 100
Brentwood, TN 37027

1. LETTER OF CREDIT. Issuer establishes this Irrevocable Standby Letter of Credit (Letter of Credit) in favor of Beneficiary in the amount indicated above. Beneficiary may draw on this Letter of Credit with a Draft (or Drafts, if the maximum number of drawings is greater than one). Each Draft shall be signed on behalf of Beneficiary and be marked "Drawn under Reliant Bank Letter of Credit No. 9052687 dated May 29, 2014." Drafts must be presented at Issuer's address shown above on or before the Expiration Date. The presentation of any Draft shall reduce the Amount available under this Letter of Credit by the amount of the draft.

This Letter of Credit sets forth in full the terms of Issuer's obligation to Beneficiary. This obligation cannot be modified by any reference in this Letter of Credit, or any document to which this Letter of Credit may be related.

This Letter of Credit expires on the Expiration Date.

2. DRAWINGS. Beneficiary shall be permitted to make multiple drawings on this Letter of Credit. The maximum number of drawings that may be made on this Letter of Credit is N/A. "Draft" means a draft drawn at sight.

3. DOCUMENTS. Each Draft must be accompanied by the following, in original and two copies except as stated:

A. The original Letter of Credit, together with any amendments.

B. A sight draft drawn by Beneficiary on Issuer.

C. A signed statement by Beneficiary including the following statement: Ashby Communities, LLC has failed to complete the Wastewater Collection System for the Kings Chapel Subdivision, Section 3C and/or has failed to obtain written authorizations to release from all affected agencies for the subdivision known as King's Chapel, Section 3C and that Williamson County Planning Commission is entitled to funds under the terms of the Letter of Credit.

Issuer shall be entitled to accept a draft and the documentation described above, as required by the terms of this Letter of Credit, from any person purporting to be an authorized officer or representative of Beneficiary without any obligation or duty on the part of Issuer to verify the identity or authority of the person presenting the draft and such documentation.

4. SPECIAL INSTRUCTIONS. The term of this Letter of Credit is 12 months, but is automatically renewable. This Letter of Credit may be cancelled by the Issuer upon sixty (60) days' notice to the Beneficiary in accordance with the terms of this Letter of Credit


5. EXPIRATION DATE. This Letter of Credit expires at the close of business at Issuer's address at 04:30 PM Central Time (Time) on May 29, 2015 (Date). Issuer agrees to honor all Drafts presented in strict compliance with the provisions of this Letter of Credit on or before the Expiration Date.

6. NON-TRANSFERABLE. This Letter of Credit is not transferable.

7. APPLICABLE LAW. This Letter of Credit is governed by the International Standby Practices 1998 (ISP98). This Letter of Credit is also governed by the laws of Tennessee, except as those laws conflict with the International Standby Practices 1998 (ISP98).

ISSUER:

Reliant Bank

By 
Mark E. Ryman, Senior Vice President

Date 5-29-14

ATTACHMENT TRA4-1b
Support for Anticipated New
Bonds Required by
Williamson County



Rogers C. Anderson
Williamson County Mayor

Planning Department
Michael Matteson, Director

November 13, 2015

Ashby Communities
Attn: John Powell
PO Box 190
Arrington, TN 37014

RE: Planning Commission Meeting of November 12, 2015

Subdivision/Project: **King's Chapel, Section 5**

Agenda Item No.: 20

At referenced meeting the following action took place:

- ☐ Concept Plan
- ☐ Residential Site Plan
- ☐ Preliminary Plat
- ☒ **Final Plat - Approved**
- ☐ Other

Staff recommended approval with the following stipulations:

1. The payment of \$53,620 (\$1,915 per lot) as traffic mitigation funds to the appropriate traffic shed escrow account;
2. The posting of a Performance Bond in the amount of \$267,000 for roads, drainage and erosion control. This is a reduced Performance amount based on work completed;
3. The posting of a Maintenance Bond in the amount of \$13,795 for water improvements as specified by Milcrofton Utility District;
4. The posting of a Performance Bond in the amount of \$70,000 for the wastewater collection system;

5. The approved HOA documents must be recorded at the same time as the recording of the Final Plat;
6. Execution of a Stormwater Maintenance Agreement and submission of an Operation and Maintenance Plan for stormwater improvements; and
7. That the applicant provides two copies of the approved Final Plat in .dwg format on recordable media based on the Tennessee State Plane Coordinate System prior to signature and recording of the plat.

FUTURE REQUIREMENTS - Approval contains following requirements/stipulations:

☐ Zoning Certificate ☐ Septic Permit ☐ Driveway Permit ☐ Sign Permit
☐ Affidavit of Compliance ☒ Improvement Surety ☐ Building Permit ☐ Funds in-lieu
☐ Land Disturbance Permit ☒ Stormwater Maintenance ☒ Performance Agreements

GENERAL INSTRUCTIONS:

Land Disturbance Permit - contact Engineering Department at 790-5809. Sketch Plan & Site Plan approval expires in 6 months; **Preliminary Plat approval expires in 2 years. Final Plat approval** requires **surety** be provided from an approved financial institution within 50 miles of Franklin. Separate letters of credit are to be issued for each performance bond required. Section 3.2 (4) (I) of the Subdivision Regulations requires that bonds and surety be posted within sixty (60) days of the approval of the final plat. The plat shall be registered within thirty (30) days after the bond has been posted if required, or if no bond is required, thirty (30) days after approval. Bonds and surety for water and sewer are to be made payable to the utility district, with copies forwarded to Williamson County Planning/Engineering. Contact the appropriate utility district for water and sewer bond forms and information. **Bond form(s) and/or Affidavit of Compliance, if enclosed, are to be notarized and returned.** Cashiers Check required for **funds in lieu**. For **signage permit** information, contact the Codes Compliance Department.

NOTE:

No building permits may be issued until the Engineering Department has confirmed completion of construction of the road subgrade and installation of the stormwater drainage system.





Rogers C. Anderson
Williamson County Mayor

Planning Department
Michael Matteson, Director

November 13, 2015

Ashby Communities
Attn: John Powell
PO Box 190
Arrington, TN 37014

RE: Planning Commission Meeting of November 12, 2015

Subdivision/Project: **King's Chapel, Section 7**

Agenda Item No.: 21

At referenced meeting the following action took place:

- ☐ Concept Plan
- ☐ Residential Site Plan
- ☐ Preliminary Plat
- ☒ **Final Plat - Approved**
- ☐ Other

Staff recommended approval with the following stipulations:

1. The payment of \$70,855 (\$1,915 per lot) as traffic mitigation funds to the appropriate traffic shed escrow account;
2. The posting of a Performance Bond in the amount of \$240,000 for roads, drainage and erosion control. This is a reduced Performance amount based on work completed;
3. The posting of a Maintenance Bond in the amount of \$11,205 for water improvements as specified by Milcrofton Utility District;
4. The posting of a Performance Bond in the amount of \$92,500 for the wastewater collection system;

5. The approved HOA documents must be recorded at the same time as the recording of the Final Plat;
6. Execution of a Stormwater Maintenance Agreement and submission of an Operation and Maintenance Plan for stormwater improvements; and
7. That the applicant provides two copies of the approved Final Plat in .dwg format on recordable media based on the Tennessee State Plane Coordinate System prior to signature and recording of the plat.

FUTURE REQUIREMENTS - Approval contains following requirements/stipulations:

☐ Zoning Certificate ☐ Septic Permit ☐ Driveway Permit ☐ Sign Permit
☐ Affidavit of Compliance ☒ Improvement Surety ☐ Building Permit ☐ Funds in-lieu
☐ Land Disturbance Permit ☒ Stormwater Maintenance ☒ Performance Agreements

GENERAL INSTRUCTIONS:

Land Disturbance Permit - contact Engineering Department at 790-5809. Sketch Plan & Site Plan approval expires in 6 months; **Preliminary Plat approval expires in 2 years. Final Plat approval** requires **surety** be provided from an approved financial institution within 50 miles of Franklin. Separate letters of credit are to be issued for each performance bond required. Section 3.2 (4) (I) of the Subdivision Regulations requires that bonds and surety be posted within sixty (60) days of the approval of the final plat. The plat shall be registered within thirty (30) days after the bond has been posted if required, or if no bond is required, thirty (30) days after approval. Bonds and surety for water and sewer are to be made payable to the utility district, with copies forwarded to Williamson County Planning/Engineering. Contact the appropriate utility district for water and sewer bond forms and information. **Bond form(s) and/or Affidavit of Compliance, if enclosed, are to be notarized and returned.** Cashiers Check required for **funds in lieu**. For **signage permit** information, contact the Codes Compliance Department.

NOTE:

No building permits may be issued until the Engineering Department has confirmed completion of construction of the road subgrade and installation of the stormwater drainage system.



ATTACHMENT TRA4-1c

Support for TRA Financial

Security Bond #1

LETTER OF CREDIT

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

REFERENCE: King's Chapel Capacity, LLC

Company ID #: 128917
Irrevocable Letter of Credit #: 9054271
Effective Date: October 23, 2014

Sir/Madam:

You have requested of Reliant Bank ("Lender") that we establish an irrevocable letter of credit which will remain available on behalf of King's Chapel Capacity, LLC ("Company") who has applied to the Tennessee Regulatory Authority (the "Authority") for authority to provide public wastewater services in the State of Tennessee. The purpose of this letter of credit is to secure payment of any monetary obligation imposed against the Company, its representatives, successors or assigns, in any contested case proceeding brought under Tenn. Comp. R. & Reg. Chapter 1220-4-13 by or on behalf of the Authority.

We hereby establish and issue, in favor of the Authority, an irrevocable letter of credit in the amount of Twenty Thousand Dollars (\$20,000.00) lawful money of the United States of America. Upon entry of an Order that finds a monetary obligation pursuant to Chapter 1220-4-13, the Authority may draw upon this letter of credit, at any time and from time to time, by delivering a Letter of Credit Notice, substantially in the form set forth below ("Notice"), to which Notice shall specify the amount (the "Draw Amount") to be drawn and the account (the "Bank Account") to which the Draw Amount should be delivered and shall be signed by an official designated and duly authorized by the Authority, to Lender at the address listed below, or to such other address as the Lender shall notify the Authority in writing by certified mail. Promptly after the delivery of each Notice, the Lender hereby covenants and agrees to deliver, by wire transfer of immediately available funds, the Draw Amount to the Bank Account.

This letter of credit shall be deemed automatically renewed without amendment for successive one-year periods and may be canceled by the Lender by giving thirty (30) days advanced written notice by certified mail of such cancellation to the Authority and the Company, it being understood that the Lender shall not be relieved of liability that may have accrued under this letter of credit prior to the date of cancellation.

Failure to renew this letter of credit shall allow the Authority to draw upon it without the necessity of the Authority being required to hold a hearing concerning the Principal's operation or Certificate of Public Convenience and Necessity. In such an event and upon a directive from the Authority, the Lender hereby covenants and agrees to deliver by wire transfer of immediately available funds the maximum sum of this letter of credit to the Bank Account to enable the continued operation of the public wastewater utility.

The Lender hereby represents and warrants that it is qualified and authorized to issue this letter of credit and is a bank designated by the Treasurer of the State of Tennessee as an authorized depository bank for the deposit of state funds.

Except as otherwise expressly stated, this letter of credit is subject to the Uniform Customs and Practice for Documentary Credit (1993 Revision) International Chamber of Commerce Publication No. 500, or any revisions thereto.

Very Truly Yours,



Reliant Bank
Mark E. Ryman
Senior Vice President
1736 Carothers Parkway Suite 100
Brentwood, TN 37027

APPROVAL AND ENDORSEMENT

This is to certify that I have examined the foregoing letter of credit and found the same to be sufficient and in conformity to law and that the same has been filed with the Tennessee Regulatory Authority, State of Tennessee, this ____ day of _____ 2014.

Name:

Title:

ATTACHMENT TRA4-2

Proposed Tariff Sheets

**King’s Chapel Capacity
Wastewater Service Billing Summary**

System	Monthly Charge
Ashby Communities – Sheet 2	\$46.51

**King's Chapel Capacity
 Ashby Communities Billing Rates**

	Monthly Charge	Escrowed Amount
Collection System Operation and Maintenance (Tariff Items 1 – 4)	\$8.95	\$6.35
Treatment System Cost (Tariff Items 5 – 7)	6.23	2.90
Utility Cost (Tariff Items 11 and 13)	1.30	0.00
Disposal System Cost (Tariff Items 15 – 17)	1.53	0.88
Sampling and Testing Cost (Tariff Item 18)	7.00	0.00
Billing and Collection Cost (Tariff Item 20)	1.50	0.00
Miscellaneous Cost (Tariff Items 21 – 30 excluding Bonding)	8.60	0.00
Bonding Cost (Pass Through) **	11.40	0.00
Total	\$46.51	\$10.13

Incidental Rates:

Late Payment	5% of Bill.
Disconnection	\$10.00
Reconnection	\$15.00
Returned Check	\$20.00
Access	\$84.00

**** Bonding Cost incurred is passed through to the customer with no markup by the Company.**

Total Bonding Cost

Amount of Bond	\$382,000	
Interest Rate	<u>7.95%</u>	(1% Letter of Credit + 6.95% Debt Funding)
Bond Pass-Thru Cost	\$30,369	
Less Prior Recovered Cost	<u>17,280</u>	
Total Surcharge/(Refund)	\$13,089	
Projected Bills	<u>1,818</u>	(152 Customers * 12 Months)
Total	\$11.40	

**King’s Chapel Capacity
Wastewater Service Billing Summary**

System	Monthly Charge	D
Ashby Communities – Sheet 2	\$46.51	

**King’s Chapel Capacity
Ashby Communities Billing Rates**

	Monthly Charge	Escrowed Amount
Collection System Operation and Maintenance (Tariff Items 1 – 4)	\$8.95	\$6.35
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Miscellaneous Cost (Tariff Items 21 – 30 excluding Bonding)	8.60	0.00
Bonding Cost (Pass Through) **	11.40	0.00
Total	\$46.51	\$10.13

Incidental Rates:

Late Payment	5% of Bill.
Disconnection	\$10.00
Reconnection	\$15.00
Returned Check	\$20.00
Access	\$84.00

**** Bonding Cost incurred is passed through to the customer with no markup by the Company.**

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	Interest Rate	<u>7.95%</u>	(1% Letter of Credit + 6.95% Debt Funding)
	Bond Pass-Thru Cost	\$30,369	
	Less Prior Recovered Cost	<u>17,280</u>	
	Total Surcharge/(Refund)	\$13,089	
	Projected Bills	<u>1,818</u>	(152 Customers * 12 Months)
	Total	\$11.40	