

Henry Walker Direct: 615.252.2363 Fax: 615.252.6363 hwalker@babc.com

August 3, 2017

Via Electronic Filing

Sharla Dillon
Tennessee Public Utility Commission
502 Deaderick Street, 4<sup>th</sup> Floor
Nashville, TN 37243

Docket No. 17-00076

Re:

Petition of Cartwright Creek, LLC to Amend Service Territory to Include the

Spanntown Development in Williamson County

Dear Sharla:

HW/dbi Attachment

Cartwright Creek, LLC files the attached petition to amend its service territory in order to provide service to the proposed Spanntown development in Williamson County, Tennessee. I have enclosed our check in the amount of \$25.00 to cover the filing fee.

Please contact me if you should have any questions.

Sincerely,

BRADLEY ARANT BOULT CUMMINGS LLP

By:

Henry Walker

7/4033901.1 11398-301006

#### BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

IN RE:	)		
	)		
PETITION OF CARTWRIGHT CREEK, LL	<b>C</b> )		
TO AMEND SERVICE TERRITORY TO	)	Docket No	
INCLUDE THE SPANNTOWN	)		
DEVELOPMENT IN WILLIAMSON COUN	TY)		

# PETITION OF CARTWRIGHT CREEK, LLC TO AMEND SERVICE TERRITORY TO INCLUDE THE SPANNTOWN DEVELOPMENT IN WILLIAMSON COUNTY

Cartwright Creek, LLC ("Cartwright Creek" or "the Company") petitions the Tennessee Public Utility Commission ("the Commission") to amend the Company's service area to include a proposed development called "Spanntown", located in Williamson County, Tennessee approximately 2.5 miles east of the Company's present service territory.

Spanntown is a proposed, high-end residential development on Spanntown Road in Williamson County. Exhibit 1 (attached) shows the location of the development and its proximity to the Company's existing service area that includes the Arrington Retreat, Hideaway and proposed Hardeman Springs developments. Currently the Company has two hundred residential customers in this area and will have over eight hundred customers when the three developments are fully built-out. Spanntown will add another forty houses with initial construction expected to begin in 2018.

Cartwright Creek has been a regulated provider of wastewater services in Williamson County since 2004. The Company currently has approximately 660 residential and 42 commercial customers. The Company's contact information is on file at the Commission. As explained in the attached testimony of Company manager Mr. Bruce Meyer (Exhibit 2), the

Company has the managerial, technical and financial ability to provide service to the Spanntown development.

Cartwright Creek's financial viability has been recently reviewed by the Commission in Docket 16-00127, a "Staff assisted" rate case. Order issued January 10, 2017. As a result of that case, the Company's financial situation is now steadily improving and the addition of forty new customers in Spanntown will further strengthen the Company's position. The developer of Spanntown will bear all expenses for the engineering and construction of a collection and treatment system which will then be deeded to Cartwright Creek. The developer has also agreed to pay for the costs of this application.

Wastewater service in Spanntown will be provided through a septic tank effluent pump ("STEP") system, with septic tanks and pumps at each home and a recirculating sand filer ("RSF") treatment system. Cartwright Creek currently owns and operates this type of system at both Arrington Retreat and Hideaway and employs a full-time, licensed wastewater operator to maintain those systems. The same operator will initially mange the Spanntown system. When all the other developments are fully completed, an additional operator will be hired. Cartwright Creek also maintains an office and shop near the Hideaway treatment facility, about five miles from the Spanntown development. As a result, Cartwright Creek can serve Spanntown without a significant increase in resources while collecting tap fees¹ from Spanntown that will be placed into an escrow account and used to maintain and improve Cartwright Creek's facilities in other areas.

<sup>&</sup>lt;sup>1</sup> The Company will charge residents of Spanntown the same tap fees and recurring charges approved by the Commission for the Arrington and Hideaway developments in Docket 16-00127. A copy of the tariff is attached as Exhibit 5.

As set forth in the attached letter from the Nolensville/College Grove utility district (Exhibit 3), the district does not offer wastewater service and therefore cannot provide wastewater service to Spanntown. As shown in Exhibit 4, the developer of Spanntown has asked Cartwright Creek to provide service to the development. In sum, there is a public need for wastewater service at the proposed Spanntown development, the developer has requested such service from Cartwright Creek, and the Company has the financial, technical and managerial ability to provide the requested service. Therefore, the Company asks that the Commission grant this application to extend the Company's service area to include the proposed Spanntown development.

Respectfully submitted,

Bv:

Henry Walker (B.P.R. No. 000272) Bradley Arant Boult Cummings, LLP

1600 Division Street, Suite 700

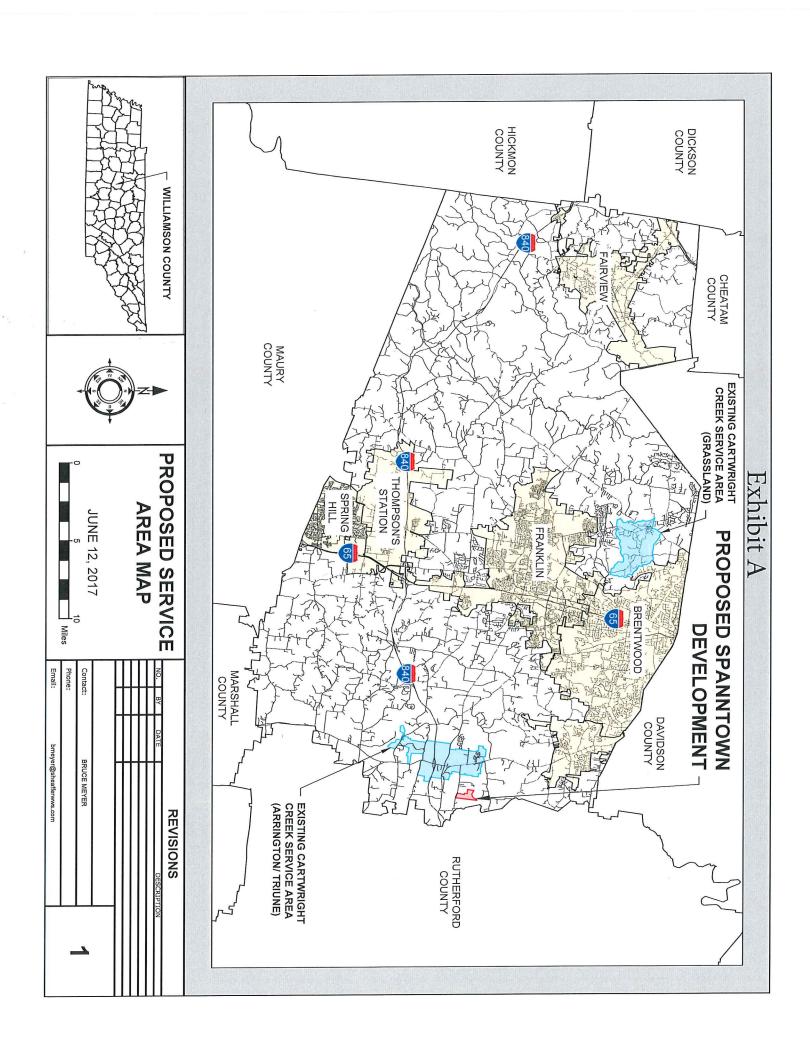
Nashville, TN 37203

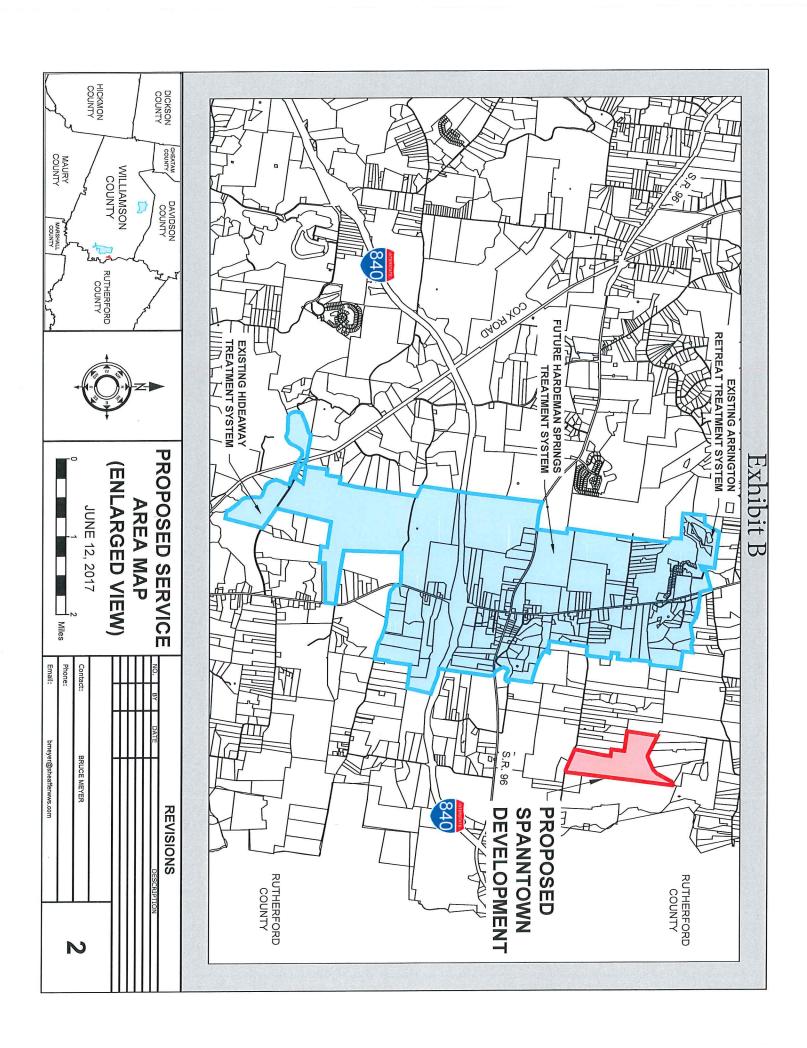
Phone: 615-252-2363

Email: hwalker@babc.com

Attorneys for Cartwright Creek, LLC

MAPS SHOWING LOCATION OF CARTWRIGHT CREEK'S EXISTING SERVICE AREA AND LOCATION OF PROPOSED SPANNTOWN DEVELOPMENT.





# PRE-FILED TESTIMONY OF MR. BRUCE MEYER

## BEFORE THE TENNESSEE PUBLIC UTILITY COMISSION

IN RE:	)		
	)		
PETITION OF CARTWRIGHT CREEK, LLC	)		
TO AMEND SERVICE TERRITORY TO	)	Docket No	
INCLUDE THE SPANNTOWN	)		
DEVELOPMENT IN WILLIAMSON COUNTY	)		

DIRECT TESTIMONY of BRUCE MEYER

ON BEHALF OF CARTWRIGHT CREEK, LLC

1	Q1.	PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND
2		OCCUPATION FOR THE RECORD.
3	<i>A1</i> .	My name is Bruce Meyer and my business address is 1551 Thompson's Station
4		Road West, Thompson's Station, TN 37179.
5		
6	Q2.	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
7	<i>A2</i> .	I am employed by Sheaffer Wastewater Solutions, LLC as Operations Manager.
8		
9	Q3.	HOW LONG HAVE YOU BEEN EMPLOYED BY SHEAFFER
10		WASTEWATER SOLUTIONS?
11	<i>A3</i> .	I have been employed by Sheaffer Wastewater Solutions ("Sheaffer") for
12		approximately sixteen years.
13		
14	Q4.	WHAT IS YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE?
15	A4.	I have a Bachelor's and Master's Degrees in Environmental Engineering from the
16		University of Illinois, Chicago and the Illinois Institute of Technology,
17		respectively. I have over 35 years of experience in various roles in the
18		environmental industry. I currently hold a Professional Engineering license in
19		Tennessee and have State of Tennessee Biological Natural Systems and
20		Collection System II wastewater operator's licenses.
21		
22	Q5.	WHAT ARE YOUR RESPONSIBILITIES AS THE OPERATIONS
23		MANAGER FOR CARTWRIGHT CREEK, LLC?

1		
2		
3	A5.	I am responsible for the day-to-day operation, engineering and permitting for
4		Cartwright Creek, LLC ("Cartwright Creek").
5		
6	Q6.	PLEASE DESCRIBE THE CARTWRIGHT CREEK SERVICE AREA.
7	A6.	Cartwright Creek currently provides service to the Grassland's area in Williamson
8		County and to the Arrington Retreat and Hideaway subdivisions in the
9		Arrington/Triune area in Williamson County. Another development that
10		Cartwright Creek will serve, Hardeman Springs, will begin construction in late
11		2017. The existing service areas and treatment sites are shown in the map on
12		Exhibit A. The existing service area in the Arrington/Triune area was approved
13		by the Tennessee Regulatory Authority in Docket Nos. 04-00358 and 07-00180.
14		
15	Q7.	WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
16		PROCEEDING?
17	A7.	The purpose of my testimony is to describe the proposed development and the
18		capability of Cartwright Creek to properly manage and maintain the wastewater
19		treatment and collection systems.
20		
21	Q8.	PLEASE DESCRIBE THE PROPOSED SPANNTOWN DEVELOPMENT
22	A8.	The proposed Spanntown Development is a residential development consisting of
23		40 homes on approximately 170 acres. It will be developed in two phases. It will

1		be located approximately 2 miles East of Nolensville Road on Spanntown Road in
2		Williamson County. Exhibit 1 shows the Spanntown development location and
3		proximity to Cartwright Creek's existing operations.
4		
5	Q9.	WHAT TYPE OF WASTEWATER COLLECTION AND TREATMENT
6		SYTEM IS PROPOSED TO PROVIDE SEWER SERVICE?
7	A9.	The collection system will be a septic tank effluent pump (STEP) system, with
8		septic tanks and pumps at every home. The pumps discharge to common low-
9		pressure collection lines that will convey the wastewater to a central treatment
10		system. The treatment system type will be a Recirculating Sand Filter (RSF).
11		The treated effluent will be disinfected and land applied through drip irrigation.
12		There are hundreds of these collection and treatment systems successfully treating
13		wastewater across Tennessee.
14		
15	Q10.	WHAT IS THE CURRENT STATUS OF THE SPANNTOWN
16		DEVELOPMENT?
17	A10.	The civil engineering design of the development is underway. The design of the
18		wastewater collection and treatment system has also begun. Construction
19		activity will not commence until Williamson County approval is granted to the
20		overall development, including the wastewater treatment system. The county and
21		state permitting and approval process will continue through this year with site
22		construction and initial home construction in 2018.

23

1	Q11.	WHAT IS THE STATUS OF PERMITTING WITH THE TENNESSEE
2		DEPARTMENT OF ENVIRONMENT AND CONSERVATION?
3	A11.	The wastewater collection and treatment systems will be approved via a State
4		Operating Permit (SOP) application and construction drawing approval. The
5		SOP application is expected to be completed and submitted to TDEC in the Fall.
6		A copy of the SOP will be filed with the Commission.
7		
8	Q12.	DOES CARTWRIGHT CREEK HAVE THE MANAGERIAL AND
9		TECHNICAL ABILITY TO OPERATE AND MAINTAIN THE
10		SPANNTOWN DEVELOPMENT'S WASTEWATER TREATMENT
11		SYSTEM?
12	A12.	Yes. The Spanntown Development's collection and treatment system is fits well
13		into Cartwright Creek's existing operations in the Arrington/Triune area, where
14		there are two existing wastewater collection and treatment systems and an
15		upcoming system owned and operated by Cartwright Creek. We currently have
16		about 200 customers at these developments and at full build out will have 870
17		customers.
18		Cartwright Creek has a full-time, licensed wastewater operator and an office/shop
19		at the existing Hideaway treatment facility, approximately 5 miles from the
20		proposed Spanntown development. His duties include operation of the
21		wastewater treatment system at the Arrington Retreat development,
22		approximately 2.5 miles west of the proposed Spanntown Development. It is
23		anticipated that this operator will at first operate the Spanntown system. When

1		required, Cartwright Creek's other wastewater operators will assist the Hideaway
2		operator. Eventually, as more homes are constructed, an additional operator will
3		be added at the Arrington/Triune area. Due to the existing operations, Cartwright
4		Creek has the equipment and tools required for the regular maintenance and
5		operation of the system. Cartwright Creek's also has established relationships
6		with several qualified contractors to address regular and emergency maintenance
7		needs.
8		
9	<i>Q13</i> .	HOW WILL THE CONSTRUCTION OF THE PROPOSED COLLECTION
10		AND TREATMENT SYSTEM AT THE SPANNTOWN DEVELOPMENT BE
11		MANAGED AND FUNDED?
12	A13.	The developer will bear all expense for the engineering and construction of the
13		collection and treatment system. Cartwright Creek will review and approve the
14		design and will field inspect and approve the construction. Upon completion and
15		passing final inspection, the systems will be deeded to Cartwright Creek, LLC for
16		ownership and operation.
17		
18	Q14.	WHAT RATES AND CHARGES WILL BE USED FOR AT THE
19		SPANNTOWN DEVELOPMENT?
20	A14.	Cartwright Creek will use rates approved for the Arrington and Hideaway
21		customers in Docket 16-00127. A rate sheet for Spanntown is attached as Exhibit
22		5.

23

1	Q15.	YOU DESCRIBED THE STEP COLLECTION SYSTEM IN A PREVOUS
2		ANSWER. HOW WILL THE SEPTIC TANKS AND PUMPS AT EACH
3		HOME BE MAINTAINED?
4	A15.	The Tennessee Department of Environment and Conservation (TDEC) requires a
5		STEP system of this type to be owned by the utility to ensure that it is properly
6		installed and maintained. Therefore, Cartwright Creek will own and maintain the
7		STEP system components at each customer's home. Maintenance will be done
8		by qualified contractors and the homeowner will pay the contractors directly.
9		
10	Q16.	WHY DOES CARTWRIGHT CREEK WANT TO SERVE THIS NEW
11		DEVELOPMENT AND WHAT BENEFIT IS IT TO EXISTING SEWER
12		CUSTOMERS?
13	A16.	Cartwright Creek wants to serve the Spanntown Development because an increase
14		in customer base helps the financial picture for the utility. Its proximity to
15		existing operations means it can be served with a relatively few new additional
16		resources. And finally, the tap fees from each home will be escrowed and used,
17		with TPUC approval, to improve Cartwright Creek's facilities.
18		
19	Q17.	DOES CARTWRIGHT CREEK HAVE THE FINANCIAL RESOURCES TO
20		PROVIDE SERVICE TO THE SPANNTOWN DEVELOPMENT?
21	A17.	Yes. Cartwright Creek's financial capability was presented and reviewed by
22		TPUC staff extensively during the work for the 2016 joint rate case in Docket No
23		16-00127. The rates and charges approved in that case helped the financial

picture of the company. Additional customers and tap fees will continue to improve the utility's long term financial situation.

WILL THE COMPANY ABIDE BY THE ORDERS AND RULES OF THE COMMISSION?

A18. Yes.

DOES THIS COMPLETE YOUR TESTIMONY?

A19. Yes, it does.

9

# LETTER FROM NOLENSVILLE/COLLEGE GROVE UTILITY DISTRICT



N Nolensville/College Grove Utility District

C P.O. Box 127, 2002 Johnson Industrial Blvd., Nolensville, TN 37135

G Phone No. 615-776-2511 - Fax No. 615-776-2591

March 8, 2017

Mr. David W. Nichols Ragan Smith Associates, Inc. 315 Woodland St. Nashville TN 37206

Re: Spanntown Rd Development / 2974 Spanntown Rd. Map (110) Parcel (051.06) Sanitary Sewer Service Release

Dear Mr. Nichols

Nolensville College Grove Utility District does not provide any sanitary sewer service to any development or developer . So NCG does release its sanitary sewer rights to this property.

The Property address is 2974 Spanntown Rd. Arrington, TN 37014. Map (110) Parcel (051.06)

If I can provide any additional information please call or email.

Sincerely,
MhE Politon

Mike E Polston General Manager NCG Utility District

# LETTER FROM DEVELOPER OF SPANNTOWN



CHRISTOPHER SMITH PRINCIPAL

August 3, 2017

Bruce Meyer, Cartwright Creek, LLC 1551 Thompson's Station Road West Thompson Station, TN 37179

Re:2970 Spanntown Road Dear Mr. Meyer

I am writing you to request wastewater service at our 170 acre project on Spanntown Road. We would like for you to initiate proceedings to include our proposed project in Cartwright Creek's service area. We anticipate developing 40 large acreage tracts in two phases. Thank you in advance for consideration of this service.

Sincerely:

# PROPOSED TARIFFS FOR SPANNTOWN DEVELOPMENT

#### **EXHIBIT 5**

Cartwright Creek Wastewater Service Tariff TRA #1 – Rate Schedules

Ori	ginal Sheet #1-xx
Effective Date:	, 2017

#### SCHEDULE OF RATES & CHARGES SPANNTOWN SERVICE TERRITORY

**Residential Monthly Wastewater Service:** 

All Residential Customers \$55.25

**Commercial Monthly Wastewater Service:** 

Rate per 1,000 Gallons per Month (Actual or Estimated Flow) \$8.75 Minimum Monthly Charge 37.00

Miscellaneous Charges:

Monthly Capital Recovery Surcharge	\$7.50
Returned Check Charge	\$25.00
Disconnection Charge	\$10.00
Reconnection Charge	\$15.00
Late Payment Penalty	5.00%

All customers are also required to provide a refundable security deposit equal to twice the estimated monthly bill prior to obtaining service.

#### **Property Owner/Builder/Developer Fees:**

Residential Tap Fee	\$5,000.00
Commercial Tap Fee per Gallon per Day Peak Usage	\$14.29*
Construction Inspection Fee	\$250.00
Construction Reinspection Fee	\$50.00

A property owner, builder or developer may apply to the Company for a Service Connection to an existing wastewater treatment facility owned and operated by the Company. If acceptable to the Company, the applicant shall sign the Contracts for Service and pay the Company the required Tap Fees and other applicable fees pursuant to this Tariff.

<sup>\*-</sup> Commercial Tap Fees are computed by multiplying the peak daily usage (estimated or known)

<sup>\* \$14.29,</sup> or \$5,000.00 whichever is greater.