Steve explained if the plant is to be built on the existing site, the [illegible] of the [illegible] will be possible with conventional treatment. The next expansion of the plant to a different site [illegible] incorporation of expensive membrane equipment or relocation of the plant to a different site. [illegible] on current prices, a membrane treatment plant is 2 to 3 times the cost of a conventional plant on a per gallon basis.

7) Sam then explained how the initial findings of the design report appear to suggest an alternate site might be in the best interest of the City. Two parcels appear to be good candidates for the relocation of the wastewater treatment plant. The first parcel is bordered by Sharp Hollow Road and River Divide Road. The site is commonly referred to as "the old fairgrounds site." The second site is across the river from the first site and is bordered by Henderson Road and Fairway Drive.

8) Sam presented a schematic layout of a plant at the fairgrounds site (as seen below). The benefits of this site were discussed including the isolation from population, the location along the proposed force main route, and the ability to expand on the property. Earlene indicated this property had just been annexed into the City and she expected a cabin development was in the works for the parcel. Sam and Steve requested Earlene work on obtaining that parcel for expansion.

9) Earlene proposed utilizing a property along Highway 321. The potential for the property was discussed and it was determined the majority of the property is in the flood plain and would be difficult to utilize for a wastewater treatment plant.

10) Earlene then explained her concern over the cost of the project. The City has approximately 5500 permanent residents and funds from the sale of water and sewer service are required to fund the project. Steve indicated that there may be opportunity to transfer the sewer plant site to the parks department and utilize the proceeds from that sale of the existing plant site to fund the project. Earlene was not in agreement with this concept.

11) Discussion continued on the funding of the project. Earlene expressed concern that Gatlinburg would not be in a position to contribute their portion of funding to the project. Steve said SSR will draft a intergovernmental agreement with language defining how each government will pay for the projec

12) Sam asked what other information was required for the City to make a decision on the location of plant. Earlene requested SSR prepare a Technical Memorandum describing the findings o preliminary engineering report as described in the meeting. She would then take this informati Council for a Workshop Session on April 4, 2007. Sam explained completion of the initial report was contingent on the City making a decision on the location of the plant site.