

HALL COUNTY GOVERNMENT BOARD OF COMMISSIONERS

August 10, 2012

Mr. Richard Morgan
Team Leader, Southern Section, Regulatory Branch
Savannah District, Corps of Engineers
PO Box 889
Savannah, GA 31402-0889

RE: Hall County's 404 Permit Application and EIS

Dear Mr. Morgan:

Hall County's hope and preference for the proposed Glades Reservoir has long been to store water in the reservoir, then release it through the dam to Flat Creek and Lake Lanier, with the City of Gainesville pumping out at its existing water intakes, amounts of water equal to Hall County's releases.

We were informed by the Corps of Engineers early in 2009 that such an arrangement would require a storage contract for space in Lake Lanier even though the arrangement might be non-consumptive of such storage space. Since the Alabama/Florida/Georgia water conflict and its associated litigation prevented the Corps from issuing storage contracts, we developed our Section 404 permit application in a way that would not be dependent on a storage contract. The preferred alternative, on which the Corps is now producing an Environmental Impact Statement (EIS), involves piping water from the Chattahoochee River (with low flow augmentation provided by Glades Reservoir) to Cedar Creek Reservoir, followed by treatment and distribution of finished water by the City of Gainesville.

On June 25, 2012 the U.S. Supreme Court affirmed that municipal water supply is an authorized purpose of Lake Lanier, and the Corps of Engineers issued a legal opinion affirming that the Corps has authority to operate Lake Lanier to support some amount of water supply. These two decisions have given the Hall County Board of Commissioners confidence that Hall County can apply for and receive a storage contract from the Corps, allowing water from Glades Reservoir to be moved through Lake Lanier to the City of Gainesville's water intakes.

Therefore, we will no longer need to pipe water from the Chattahoochee and Glades to the Cedar Creek Reservoir. This letter is to inform you that Hall County has a new preferred alternative. This alternative is described in the attachment to this letter. We are aware that storage contracts need to be applied for, and we are working toward that.



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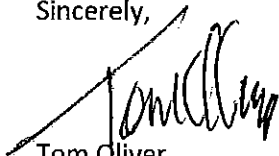
We have informed City of Gainesville representatives of this change in our preferred alternative, and we are having regularly scheduled meetings with Gainesville representatives. We are making progress in resolving the water issues between our two local governments.

Hall County is excited about the new alternative since it is simpler, has less environmental impact, and will cost about \$200 million less than our old preferred alternative.

Please see that the new preferred alternative is evaluated among other alternatives in the EIS.

We appreciate the Corps of Engineers' cooperative spirit as it leads the EIS process.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Oliver", written over a diagonal line that extends from the top left towards the center.

Tom Oliver
Chairman

CC: Honorable Danny Dunagan, Mayor, City of Gainesville
Hall County Board of Commissioners
Jock Connell, Special Projects Manager
Randy Knighton, County Administrator
Marty Nix, Assistant County Administrator
Kip Padgett, City Manager, City of Gainesville
Ken Rearden, Director, Public Works
Harold Reheis

PROJECT PLAN
NEW PREFERRED ALTERNATIVE
HALL COUNTY 404 APPLICATION
August 10, 2012

- The location, size, capacity, and safe yield of the proposed Glades Reservoir remain unchanged.
- The proposed Chattahoochee River pump station location remains the same, but there will be no pumps or pipes to transfer water from this pump station to the Cedar Creek Reservoir.
- Chattahoochee River pump station will pump only to Glades Reservoir. Proposed pipe route from pump station to Glades remains unchanged.
- Chattahoochee River pump station will pump to Glades Reservoir when flow rate in the River just upstream of the pump station exceeds the annual 7-day, 10-year minimum flow (A7Q10), and when water level in Glades Reservoir is lower than 1180 ft. above mean sea level (MSL).
- When flow rate in the Chattahoochee River is equal to or less than A7Q10, the pump station will not operate, even if Glades Reservoir's water level is lower than 1180 ft. above MSL.
- Chattahoochee River pump station will be operated so that any pumping to Glades Reservoir will not result in the streamflow immediately downstream from the pump station being less than A7Q10.
- Glades Reservoir will not have a pump station to pump water back to the Chattahoochee River pump station.
- Glades Reservoir water will be released through the dam via a metering device to the Flat Creek arm of Lake Lanier.
- Releases will meet Georgia EPD's minimum instream flow requirements for Flat Creek, and will provide the amount of water needed (up to an annual average of 72.5 mgd) for Gainesville and Hall County water users, which exceed the limits that Gainesville is permitted to withdraw from Lake Lanier.
- Gainesville will withdraw, on a daily basis, amounts of water equal to the amounts released from Glades Reservoir for Gainesville's use.
- Hall County will need to apply for and receive a storage contract from the Corps of Engineers, for the amount of conservation storage volume in Lake Lanier that is necessary for conveying water releases from Glades Reservoir to Gainesville's water intakes.