



Name of Project: Jack Daniel Cooperage – Water System Improvements

Location: Lawrence County / Mallard Fox West Industrial Park

Services provided: ARC Grant preparation

Project Narrative: In late 2012, the North Central Alabama Regional Council of Governments (NARCOG) assisted in the funding needed to attract the Jack Daniel Cooperage Plant to Lawrence County (first industry to locate there). NARCOG prepared a \$300,000 ARC grant as part of the \$1.1M total needed for water system improvements. The remaining pieces of the funding puzzle were provided by the ADC, ADECA CDBG, and the Lawrence County Commission TVA in lieu of funds as local match.

The proposed project consists of a strong collaboration of community, state, regional, and federal partners and resources including:

- Lawrence County
- Lawrence County Industrial Development Board
- Tennessee Valley Authority (TVA)
- North-central Alabama Regional Council of Governments (NARCOG)
- Alabama Department of Economic and Community Development (ADECA)
- Appalachian Regional Commission (ARC)
- Alabama Department of Commerce (ADC)

Goal/Strategy:

- ARC Goal #3 – Develop and improve Appalachia’s infrastructure to make the region economically competitive.
- State Strategy 3.2.1 – Support job creation and retention by investing in water, sewer, site development, industrial access roads, and other physical infrastructure to serve new and expanding industrial and commercial development.

Funding:	<u>Amount</u>	<u>%</u>	<u>Source</u>
State	\$400,000	37%	CDBG ED Funds
State	\$200,000	18%	ADC ED Funds
Local	\$200,000	18%	Lawrence County
<u>ARC</u>	<u>\$300,000</u>	<u>27%</u>	ARC
Total	\$1,100,000	100%	

Description: The project entails the replacement of 14,230 LF of existing 12" water main with 20" water mains; 7 - 20" gate valves with box and cover; 1 - 20" by 90 degree bend; 5 – 1" air relief valves with box and covers; 1 – distribution service vault-in-place; and earthwork. The entire project will be located within existing ROW's along Highway 20/72 and on industrial park property. The project design and budget were prepared by Pugh Wright McAnally, Inc. Presently, the existing water system will not provide the required fire flow demand for the Jack Daniel Cooperage operation, which will create between 120-135 jobs and approximately \$55M in private investment. The project is estimated to begin in December 2012 in order to be complete by May 2013.

Rationale:

- The project will alleviate the problem of the existing water system line sizes being too small to provide the required fire flow demand for the Jack Daniel Cooperage operation.
- The project will meet the local, regional, and state needs to create jobs. The Jack Daniel Cooperage operation will create between 120-135 jobs and approximately \$55M in private investment.
- The project is critical circumstance that compels the ARC to fund this project is due to the Jack Daniels Cooperage plans to have \$4M in white oak staves on site by May 1, 2013. Therefore, this critical infrastructure project must be fast tracked. Additionally, the project financing leverages funds from local, state, and federal sources.

Benefits: Project benefits include the creation of 120-135 jobs (up to 225 over a 5-year period), approximately \$55M in private investment, and the increased water system main size will help attract and better serve future industrial park prospects and tenants.

Performance Measurement:

Output – The improvement of the existing water system by increasing 12" water mains with 20" water mains.

Outcomes – The creation of 120-135 jobs (up to 225 over a 5-year period) and approximately \$55M in private investment. This will be accomplished through the "documentation" of the number of jobs created (Jack Daniels has agreed to employ a minimum of 51% of their employees from persons meeting HUD's LMI income levels as a condition of the CDBG ED Grant Funds) and the amount of private investment expended. Additional performance measures will hopefully be a lower unemployment rate and higher per capita income for Lawrence County as determined by the US Census. Additionally, the project will leverage approximately \$55M in private investment



Photo Credit: NARCOG