

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

January 5, 2007

IN RE:)
)
PETITION OF INTEGRATED RESOURCE)
MANAGEMENT, INC. TO AMEND ITS)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO SERVE AN AREA IN)
BLOUNT COUNTY, TENNESSEE KNOWN)
AS ASHLEY MEADOWS SUBDIVISION)

07-00008
Docket No. _____

electronically filed 1/5/07 @ 12:35pm

PETITION TO AMEND CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY

Integrated Resource Management, Inc. ("IRM"), by and through its undersigned counsel, hereby petitions the Tennessee Regulatory Authority ("Authority") to amend its Certificate of Public Convenience and Necessity ("CCN") to expand its service area to include a portion of Blount County, Tennessee known as Ashley Meadows Subdivision ("Ashley Meadows"). In support of its Petition, IRM submits the following:

1. The subject area has received temporary plat approval in Blount County. A copy of the proposed service area is attached hereto as **Exhibit A**;
2. The respective governments of Blount County and the City of Maryville have confirmed that they have no intent to own, operate, or provide wastewater treatment services to this area. See **Exhibits B and C** attached hereto;
3. IRM has a \$20,000.00 Surety Bond, No. 4933653, on file with the Authority. A copy of IRM's surety bond is attached hereto as **Exhibit D**;

4. IRM has executed a Utility Agreement with Joseph W. King Construction, Inc. and David E. McKinney in which IRM becomes the operator of the wastewater treatment system for Ashley Meadows upon completion and construction of the system. A copy of the Utility Agreement is attached hereto as **Exhibit E**;

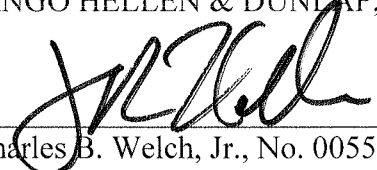
5. IRM has filed its application for a state operating permit on November 20, 2006 with the Tennessee Department of Environment and Conservation ("TDEC"). A copy of IRM's application and the initial response from TDEC is attached hereto collectively, as **Exhibit F**. IRM will supplement this Petition with the state operating permit number upon issuance from TDEC.

6. Pre-filed testimony of Jeffrey W. Cox and proposed tariffs are attached hereto as **Exhibits G and H** respectively.

WHEREFORE, PREMISES CONSIDERED, Integrated Resource Management, Inc. respectfully requests that the Authority grant its Petition to Amend its Certificate of Public Convenience and Necessity to Serve an Area in Blount County, Tennessee Known as Ashley Meadows Subdivision.

Respectfully submitted,

FARRIS MATHEWS BRANAN
BOBANGO HELLEN & DUNLAP, PLC

By: 

Charles B. Welch, Jr., No. 005593
Jamie R. Hollin, No. 025460
618 Church Street, Suite 300
Nashville, Tennessee 37219
Telephone: 615-726-1200
Facsimile: 615-726-1776
Email: cwelch@farrismathews.com
jhollin@farrismathews.com
Attorneys for IRM

List of Exhibits

<u>Name</u>	<u>Exhibit</u>
Proposed Service Area.....	A
Blount County Letter.....	B
City of Maryville Letter.....	C
Surety Bond.....	D
Utility Agreement.....	E
Application and TDEC Response.....	F
Pre-filed Testimony.....	G
Proposed Tariff.....	H

EXHIBIT A



Integrated Resource Management, Inc.

Territory Location Map

**Ashley Meadows
Blount County**

Docket # _____

**Prepared for:
The Tennessee Regulatory Authority**

**This is a copy of the:
Blount County Tax Map**



Approximate North
1" = 400'
Approximate Scale

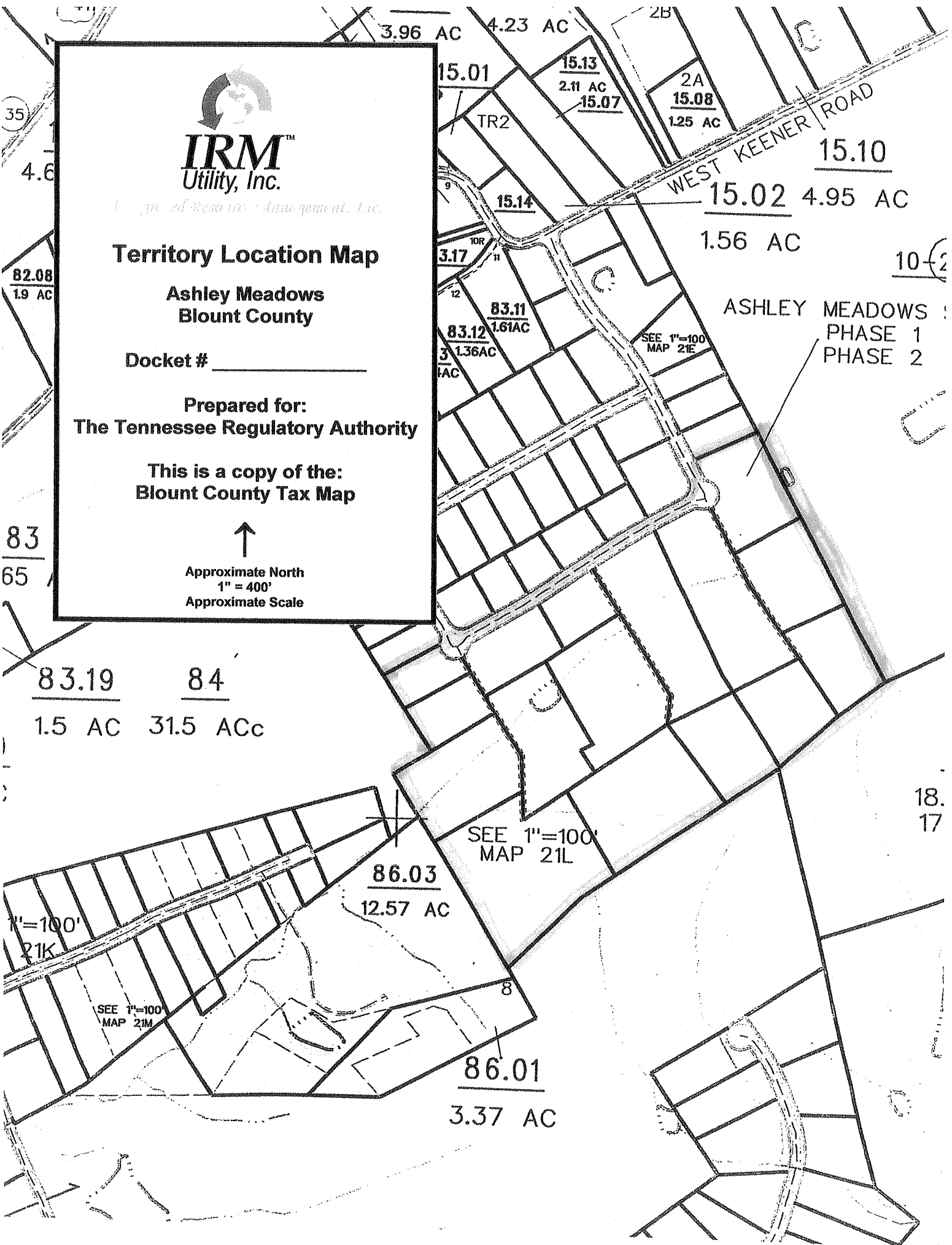
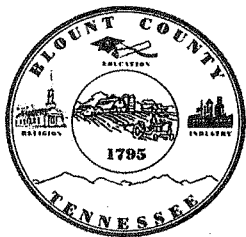


EXHIBIT B



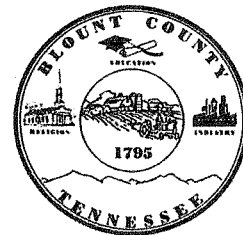
JERRY G. CUNNINGHAM

Blount County Mayor

341 Court Street, Maryville, TN 37804-5906

Phone: (865) 273-5700

Fax: (865) 273-5705



JERRY G. CUNNINGHAM
Blount County Mayor

DAVID R. BENNETT, CPA, CGFM
Assistant County Mayor

September 6, 2006

Joseph W. King Construction, Inc.
535 W. Lamar Alexander Pkwy
Maryville, Tennessee 37801

Re: Ashley Meadows Subdivision - Blount County

Dear Mr. King:

Please be advised that the distance to the nearest public sewer line from the above reference property is greater than 5 miles and that line is owned and serviced by the City of Maryville. The County does not operate a sewer facility; therefore no public sewer is available to this property and there are no plans in the future for sewer service.

Sincerely,

Jerry G. Cunningham

JGC.amc

EXHIBIT C



Water Quality Control Department

332 Home Avenue
Maryville, TN 37801
(865) 981-3300 *phone*
(865) 981-3334 *fax*
www.ci.maryville.tn.us

September 6, 2006

Joseph W. King Construction, Inc.
535 W. Lamar Alexander Parkway
Maryville, TN 37801

Gentlemen:

The City of Maryville has no plans to extend sewer service to the proposed Ashley Meadows Subdivision, Seymour, TN, which is located on Tax Map 21L, B, 1 – 27, in Blount County. This property is outside the City's Urban Growth Boundary, and as such, will not receive sewer service in the next 12 months or in the foreseeable future.

If you have any questions, please contact me at 981-3322.

Sincerely,

Jeffrey A. Rose, P.E.
Director of Water Quality Control
City of Maryville

JAR/vjm

c: Jesse McWhorter
Greg McClain
Darrell Tipton

EXHIBIT D

1220-4-13-.08 STANDARD FORMS FOR FILING FINANCIAL SECURITY.

- (1) The following is a form to be used by wastewater service providers under the jurisdiction of the Tennessee Regulatory Authority when filing a corporate surety bond pursuant to this Chapter.

CORPORATE SURETY BOND

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

REFERENCE: Name of Company authorized by TRA: Integrated Resource Management, Inc.

Company ID # as assigned by the TRA:
Corporate Surety Bond #: 4933653
Effective Date: March 9, 2006
Expiration Date: March 9, 2009

Integrated Resource Management, Inc. Baneberry, TN

Great American Insurance Company

(Name of Utility) of (City), (State), as Principal, and (Name of Surety), a corporation created and existing under the laws of (State), as Surety, (hereinafter called "Surety") are bound to the State of Tennessee in the sum of ^{Twenty} Thousand Dollars (\$20,000.00) and Principal and Surety hereby bind themselves, their successors and assigns, to pay in accordance with the following terms:

THE CONDITION OF THIS BOND IS:

The Principal is or intends to become a public wastewater utility subject to the laws of the State of Tennessee and the rules and regulations of the Tennessee Regulatory Authority ("Authority") relating to the operation of a public wastewater utility:

Integrated Resource Management, Inc.

3444 Saint Andrews Drive
Baneberry, TN 37890

Tennessee Code Annotated § 65-4-201 requires the holder of a franchise for water or sewer service to furnish a bond with sufficient surety, as approved by the Authority, conditioned as prescribed in Tenn. Comp. R. & Regs. Chapter 1220-4-13.

The Principal and Surety have delivered to the Authority a Surety Bond with an endorsement as required by the Authority.

After notice to the Principal and Surety and a contested case hearing that results in the suspension or revocation of the Principal's Certificate of Public Convenience and Necessity (CCN), the replacement of an operator by the Authority, or the appointment of a receiver by a court, the Authority may assess a sum sufficient of this bond, up to its maximum sum, to enable the continued operation of the public wastewater utility.

The Principal and the Surety are held and firmly bound to the State of Tennessee, in accordance with the provisions of Tenn. Comp. R. & Regs. Chapter 1220-4-13, in the amount of ^{Twenty} Thousand Dollars (\$20,000.00) lawful money of the United States of America to be used for the full and prompt payment of any monetary obligation imposed against the Principal, its representatives, successors or assigns, in any contested case proceeding brought under

WASTEWATER REGULATIONS

CHAPTER 1220-4-13

(Rule 1220-4-13-.08, continued)

Chapter 1220-4-13, by or on behalf of the Authority, for which obligation the Principal and the Surety bind themselves, their representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

Upon entry of an Order that finds a monetary obligation pursuant to Chapter 1220-4-13, and delivery to the Surety of a Bond Notice, substantially in the form set forth below ("Notice"), the Surety promises to pay, by wire transfer of immediately available funds, the amount of the monetary obligation as stated in the Order and Notice.

If for any reason, the Surety Bond is not to be renewed upon its expiration, the Surety shall, at least 60 days prior to the expiration date of the Surety Bond, provide written notification by means of certified mail, return receipt requested, to the Tennessee Regulatory Authority, that the Surety Bond will not be renewed beyond the then current maturity date for an additional period.

Failure to renew the Surety Bond shall operate to forfeit the Surety Bond, without the necessity of the Authority being required to hold a hearing concerning the Principal's operation or CCN. In such an event and upon a directive from the Authority, the Surety agrees to deposit the maximum sum of this Surety Bond with the administrator of the Authority's bonding program to enable the continued operation of the public wastewater utility.

The bond shall become effective after execution by the Principal and Surety and upon filing with the Authority, and shall continue from year to year unless the obligations of the Principal under this bond are expressly released by the Authority in writing.

The Principal and Surety consent to the conditions of this Bond and agree to be bound by them.

This 9th day of March 20 06

(Principal)

Great American Insurance Company

(Surety)

By

Mary E. Joseph, Attorney-in-Fact

GREAT AMERICAN INSURANCE COMPANY®

Administrative Office: 580 WALNUT STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by
this power of attorney is not more than EIGHT

No. 0 18287

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute in behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
MARY E. JOSEPH	MYRTIE F. HENRY	ALL
JULIE RADICAN	DEBORAH NEICHTER	\$10,000,000
KATHY HOBBS	VIRGINIA E. WOOLRIDGE	
SANDRA F. HARPER	MARGIE M. LOWRY	

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 7TH day of APRIL, 2006
Attest GREAT AMERICAN INSURANCE COMPANY

STATE OF OHIO, COUNTY OF HAMILTON - ss:

DAVID C. KITCHIN (513-412-4602)

On this 7TH day of APRIL, 2006, before me personally appeared DAVID C. KITCHIN, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is the Divisional Senior Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal of the said Company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated March 1, 1993.

RESOLVED: That the Division President, the several Division Vice Presidents and Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.

RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract or suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

CERTIFICATION

I, RONALD C. HAYES, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of March 1, 1993 have not been revoked and are now in full force and effect.

Signed and sealed this 9th day of March, 2006

EXHIBIT E



P.O. Box 642
3444 Saint Andrews Drive
White Pine, Tennessee 37890
Phone (Vol) 674-0828
Facsimile (Vol) 674-2352
Toll Free (877) 746-2910

UTILITY AGREEMENT

This Utility Agreement ("Agreement") is made and entered into effective the 1st day of March, 2006, by and between SHORE BUILDERS, INC, a Tennessee Corporation, JOSEPH W. KING CONSTRUCTION, INC, a Tennessee Corporation, (collectively "Builders"), INTEGRATED RESOURCE MANAGEMENT, INC., d/b/a IRM Utility, Inc., a Tennessee Corporation ("Utility"), and DAVID E. MCKINNEY, a resident of Loudon, Tennessee ("McKinney")(the "Parties").

For and in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties intend to be bound by the terms of this Agreement.

RECITALS

1. Builders are the owners of Lots 28, 29, 30, 31, 32, 34, 46, 47, 48, 49, 50 and 52, of Ashley Meadows Subdivision, Phase II, as shown of record in Map File 1551A in the Register's Office for Blount County, Tennessee, (hereinafter "Development"). Builders must ensure that an operable wastewater treatment system exists for the benefit of the owners of each Lot;
2. Builders and McKinney subject to a prior, separate agreement caused the approvals for subsurface sewage disposal which was by the Blount County Health Department to serve each individual lot of the Development. However, the Blount County Health Department revoked approvals of the previously approved plat, making it necessary for an alternative wastewater treatment system to be constructed to service the Development. An alternate combined wastewater system proposed by Utility has been accepted by the Builders and McKinney as an alternative to provide wastewater service for the Development;

3. Parties desire to enter into an agreement relative to the installation and operation of the said sewer system in which Utility becomes the operator of the wastewater treatment system for the Development upon completion of the construction of the system;

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

SECTION 1. ACKNOWLEDGEMENT

The Parties acknowledge and agree that the recitals set forth herein are true and correct and are incorporated herein by this reference describing specifically the understandings and intentions of the respective Parties.

SECTION 2. DEFINITIONS

When used in this Agreement, the following terms shall have the meanings set forth next to the same as follows:

2.1 "Builders" shall refer collectively to Shore Builders, Inc. and Joseph W. Construction, Inc. who are licensed contractors and owners of said Development.

2.2 "Development" means Lots 28, 29, 30, 31, 32, 34, 46, 47, 48, 49, 50 and 52, of Ashley Meadows Subdivision, Phase II, as shown of record in Map File 1551A in the Register's Office for Blount County, Tennessee. It also includes additional lots that may be platted for inclusion to the Development.

2.3 "Estimated construction costs" shall mean the estimated cost of inspections, installation, equipment, and construction of a wastewater treatment system built in accordance with the drawings, plans, and specifications approved by the engineers or representatives of the Utility.

SECTION 3. DUTIES OF PARTIES

3.1. The Builders shall act as contractor and shall construct and install a sewage collection, treatment, and disposal system (hereinafter "System") to serve the Development. The System shall be constructed and installed in accordance with drawings, plans, and specifications selected and approved by the Utility's engineers or representatives. The repair, maintenance, and replacement of the System shall be the responsibility of the Utility after the construction of the System is complete and accepted by the Utility.

3.2 McKinney shall, at its sole cost and expense, including, without limitation, provide all necessary engineering and construction costs and/or fees, perform all of the work necessary for the complete and final installation of the System in accordance with the drawings, plans, and specifications approved by the engineers or representatives of the Utility.

3.3. Construction of the System shall be subject to the supervision and approval of the Utility's engineers and representatives, who shall have a right of inspection throughout the progress of the work. Builders grant permission to Utility to enter upon the property of the Development to inspect, approve, and facilitate construction and installation of the wastewater treatment system; Builders and McKinney agrees that it shall not backfill soils over or cover any pipe, fittings, or connections until first inspected and approved by the Utility.

3.4. For services to be performed by the Utility, McKinney hereby agrees to pay to the Utility a non-refundable amount equal to Ten Percent (10%) of the estimated construction cost of the System (hereinafter the "Estimated Compensation Amount

3.5. The Utility, at its cost and expense, shall petition the Tennessee Regulatory Authority for a Certificate of Public Convenience and Necessity (CCN) for the Development and McKinney, at its cost and expense, shall apply for a state operating permit to be issued in the name of the Utility by the Tennessee Department of Environment and Conservation. In the event that the CCN is not granted or the state operating permit is not issued, the Builders and McKinney agrees to release, indemnify and hold the Utility harmless from any and all obligations associated with the Development.

3.6. At its own cost and expense, McKinney shall have the duty to immediately repair, all breaks, leaks, or defects in the System of any type which occur within one (1) year from the date the System is accepted by the Utility. In the event that McKinney shall fail to make such immediate repairs, then the Utility shall be authorized to make such repairs at the sole expense of McKinney. If McKinney fails to reimburse Utility for any costs associated with these repairs within thirty (30) days of receipt of a written demand for payment, Utility will also be entitled to recover any attorney fees, court costs, and any other expenses incurred to recover costs and expenses associated with repair of the system.

3.7. Builder will facilitate and execute Restrictive Covenants and Bi-Laws (Bi-Laws) of the Development that provide that a service agreement or contract between the owner and the Utility will be required by each homeowner to establish wastewater service; the Utility will charge an initial fee and a monthly fee; the fee is to be determined and will be established by a proposal to the Tennessee Regulatory Authority (TRA); and a description of the Septic Tank Effluent Pumping system that is approved by the engineers of the Utility. ~~If Utility is required to sign any plats insuring that proper provisions have been made for the installation of the wastewater treatment system, Builder must obtain a bond or irrevocable letter of credit naming the Utility as the beneficiary in an amount equal to the estimated construction cost.~~ Parties intend for construction to be complete prior to plat recording.

3.8. Nothing contained herein shall be construed so as to restrict the Utility's right to increase the capacity or to extend the System as it may, in its sole discretion, deem appropriate, including, without limitation, extending the System for the purpose of providing waste water sewer service to customers inside or outside of the Development.

Utility Services Agreement

IRM Utility, Inc., Shore Builder, Inc. Joseph W. King Construction, Inc., David E. McKinney
Ashley Meadows, Blount County

Page 3 of 6

3.9. Upon the Utility's acceptance of the System, Builders and McKinney shall convey all right, title and interest in the System to the Utility. McKinney and the Builder shall, upon request of the Utility, execute and deliver any and all documents necessary to convey the System and to grant the Utility an easement in and to the real property surrounding the System to such extent necessary for access to inspect, repair, replace and maintain the System.

SECTION 4. WARRANTIES

4.1 McKinney hereby represents and warrants that all materials and labor attributable to the System shall be paid in full at the time of the completion of the construction and installation of the System and the System shall be free from any and all liens and encumbrances. Such representation shall survive the conveyance of the System by McKinney and the Builder to the Utility, as required by Section 3.9 of this Agreement.

4.2. McKinney hereby represents and warrants that the System will be in conformance to the plans and specifications approved by the Utility.

SECTION 5. TERM

The term of this Agreement shall commence on its effective date and shall remain in effect indefinitely.

SECTION 6. SEVERABILITY

If any part of this Agreement for any reason shall be declared invalid or unenforceable, such decision shall not affect the validity or enforceability of any remaining portion, which shall remain in full force and effect; provided, however, that in the event a part of this Agreement is declared invalid and the invalidity or enforceability of such part has the effect of materially altering the obligations of any party under this Agreement, the Parties agree, promptly upon such declarations being made, to negotiate in good faith to amend this Agreement so as to put such Party in a position substantially similar to the position such party was in prior to such declaration.

SECTION 7. RIGHTS OF ASSIGNMENT; SUCCESSORS AND ASSIGNS

No Party shall have any right to assign this Agreement or any of their respective rights or obligations under this Agreement to any third party except by operation of law or with the prior written consent of the other Parties; such consent shall not be unreasonably delayed, conditioned, or withheld. The Utility shall have no right to assign, transfer, convey, pledge, or hypothecate the permis or any interest thereto without any necessary approval of the Tennessee Department of Environment and Conservation, and the prior written agreement of the purchaser or assignor to be bound by the terms and conditions of this Agreement.

Utility Services Agreement

IRM Utility, Inc., Shore Builder, Inc. Joseph W. King Construction, Inc., David E. M^cKinney
Ashley Meadows, Blount County

Page 4 of 6

SECTION 8. NOTICES

Any notices under this Agreement shall be in writing and shall be deemed delivered on the date of delivery if delivered by personal service, telecopy (and confirmed by first class mail), or recognized commercial courier service with postage or charges prepaid, and on the third day following dispatch if sent only by registered or certified mail with postage or charges prepaid. Unless subsequently notified in writing in accordance with this Section by a Party, any notice or communication hereunder shall be addressed:

If to IRM Utility, Inc., as follows:

IRM Utility, Inc.
P.O. Box 642
3444 Saint Andrews Drive
White Pine, Tennessee 37890
Facsimile Number: (865) 674-2352

If to David E. McKinney, as follows:

David E. McKinney
8463 Hotchkiss Valley Road
Loudon, Tennessee 37774
Facsimile Number:

If to Shore Builders, Inc., as follows:

Shore Builders, Inc.
535 W. Lamar Alexander Pkwy.
Maryville, Tennessee 37801
Facsimile Number: 865-983-4621

If to Joseph W. King Construction, Inc., as follows:

Joseph W. King Construction, Inc.
PO Box 6582
Maryville, Tennessee 37802
Facsimile Number: 865-681-1070

SECTION 9. ENTIRE AGREEMENT.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements or understandings of the parties with regard to the subject matter hereof. No interpretation, change, termination, or waiver of any provision hereof shall be binding upon a party unless in writing and executed by the other party. No modification, waiver, termination, recession, discharge, or cancellation of any right or claim under this Agreement shall affect the right of any party hereto to enforce any other claim or right hereunder.

SECTION 10. AMENDMENT

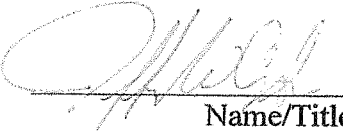
Utility Services Agreement

IRM Utility, Inc., Shore Builder, Inc. Joseph W. King Construction, Inc., David E. McKinney
Ashley Meadows, Blount County

This Agreement shall not be amended or modified except in writing signed by the parties hereto.

IN WITNESS WHEREOF, the Parties hereto, by their duly authorized officers, have caused this Agreement to be executed and their corporate seals to be affixed hereto, effective as of the date first above written.

Utility – IRM Utility, Inc.

 PRES
Name/Title

3-1-06

Date

Builder – Shore Builders, Inc.


Name/Title

3-9-06

Date

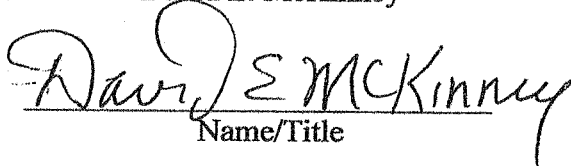
Builder – Joseph W. King Construction, Inc.


Name/Title

3-9-06

Date

David E. McKinney


Name/Title

3-1-06

Date

EXHIBIT F



Tennessee Department of Environment and Conservation
Division of Water Pollution Control
401 Church Street, 6th Floor L & C Annex
Nashville, TN 37243-1534
(615) 532-0625

APPLICATION FOR A STATE OPERATION PERMIT (SOP)

Type of application: ☒ New Permit ☐ Permit Reissuance ☐ Permit Modification

Permittee Identification: (Name of city, town, industry, corporation, individual, etc., applying, according to the provisions of Tennessee Code Annotated Section 69-3-108 and Regulations of the Tennessee Water Quality Control Board.)			
Permittee Name (applicant): Integrated Resource Management, Inc. (IRM Utility, Inc.)			
Permittee Address: P.O. Box 642, White Pine, TN 37890			

Official Contact: Jeffrey W. Cox, Sr.		Title or Position: President	
Mailing Address: P.O. Box 642 3444 Saint Andrews Drive		City: White Pine	State: TN
Phone number(s): 865-674-0828		Zip: 37890	
		E-mail: envsoilconsulting@charter.net	

Optional Contact: Marian J. Cox		Title or Position: Secretary	
Address: same		City:	State:
Phone number(s): 865-712-5997		Zip:	
		E-mail:	

Application Certification (must be signed in accordance with the requirements of Rule 1200-4-5-.05)		
I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.		
Name and title; print or type Jeffrey W. Cox, Sr. President	Signature 	Date November 20, 2006

Permit Number: SOP-_____

Facility Identification:		Existing Permit No.	
Facility Name: Ashley Meadows Subdivision		County:	Blount
Facility Address or Location: Ashley Meadows Subdivision off West Keener Road, Blount County		Latitude:	35 deg-50'
		Longitude:	83. deg-47'
Name and distance to nearest receiving waters: Non-blueline headwaters of an unnamed tributary to Little Ellejoy Creek. It is over 2 miles to the confluence with Little Ellejoy Creek. There is no stream discharge.			
If any other State or Federal Water/Wastewater Permits have been obtained for this site, list their permit numbers:			
Name of company or governmental entity that will operate the permitted system: Integrated Resource Management, Inc.			
Operator address: Jeffrey W. Cox, Sr. 3444 Saint Andrews Drive, Baneberry, Tennessee 37890			
Has the owner/operator filed for a Certificate of Convenience & Necessity (CCN), or an amended CCN, with the Tennessee Regulatory Authority (TRA) (may be required for collection systems and land application treatment systems)? ☒ Yes ☐ No ☐ N/A			
If the applicant listed above does not yet own the facility/site or if the applicant will not be the operator, explain how and when the ownership will be transferred or describe the contractual arrangement and renewal terms of the contract for operations. Ownership will be transferred when the system is built and accepted by Integrated Resource Management, Inc. as per executed contract with owner/developer.			
Complete the following information explaining the entity type, number of design units, and daily design wastewater flow:			
Entity Type	Number of Design Units		Flow (gpd)
☐ City, town or county	No. of connections:		
☒ Subdivision	No. of homes: 22	Avg. No. bedrooms per home: 3	6,600
☐ School	No. of students:	Size of cafeteria(s):	
		No. of showers:	
☐ Apartment	No. of units:	No. units with Washer/Dryer hookups:	
		No. units without W/D hookups:	
☐ Commercial Business	No. of employees:	Type of business:	
☐ Industry	No. of employees:	Product(s) manufactured:	
☐ Resort	No. of units:		
☐ Camp	No. of hookups:		
☐ RV Park	No. of hookups:	No. of dump stations:	
☐ Car Wash	No. of bays:		
☐ Other			
Describe the type and frequency of activities that result in wastewater generation. Typical residential domestic sewage.			

(continued)

Permit Number: SOP-_____

Engineering Report (required for collection systems and/or land application treatment systems):		☐ N/A
☒ Prepared in accordance with Rule 1200-4-2-.03 and Section 1.2 of the Tennessee Design Criteria (see website for more information) ☒ Attached, or ☐ Previously submitted and entitled:		
Approved? ☐ Yes, Date:		☐ No

Wastewater Collection System:	☐ N/A
System type (i.e., gravity, low pressure, vacuum, combination, etc.): Low pressure	
System Description: 2" PVC low pressure forced main	
Describe methods to prevent and respond to any bypass of treatment or discharges (i.e., power failures, equipment failures, heavy rains, etc.): 1-1000 gallon septic tanks are provided at each lot to handle peak flows and to provide 2-3 days of power failure storage.	
In the event of a system failure describe means of operator notification: Notification by telemetry with phone connection, visual & audible alarms.	
List the emergency contact(s) (name/phone): Jeffrey W. Cox, Sr. 865-712-5994	
For low-pressure systems, who is responsible for maintenance of grinder pumps and septic tanks (list all contact information)? Integrated Resource Management, Inc. will provide service. Owner is responsible for cost.	
Approximate length of sewer (excluding private service lateral): 2000	
Number/hp of pump stations: 22 / 0.5	Number/hp of grinder pumps /
Number/volume of low pressure pump tanks 22 / 1000 gal	Number/volume septic tanks 22 / 1000 gal
Attach a schematic of the collection system. ☒ Attached	
If you are tying in to another system complete the following section, listing tie-in points to public sewer system and their location (attach additional sheets as necessary):	
Tie-in Point	Latitude (xx.xxxx°)
Longitude (xx.xxxx°)	

Land Application Treatment System:	☐ N/A
Type of Land Application Treatment System: ☒ Drip ☐ Spray ☐ Other, explain:	
Type of treatment facility preceding land application (recirculating media filters, lagoons, other, etc.): Recirculating media filter with carbon filter odor control and UV disinfection	
Attach a treatment schematic. ☒ Attached	
Describe methods to prevent and respond to any bypass of treatment or discharges (i.e., power failures, equipment failures, heavy rains, etc.): The lots will not send any flow to the treatment facility without power to pump. Equipment failure will signal alarm with telemetry and Integrated Resource Management, Inc. will be notified and respond immediately.	
For land application, list: ☒ Proposed acreage involved: 1.5 ac ☒ Inches/week to be applied: 1.1	
Describe how access to the treatment area will be restricted if wastewater disinfection is not proposed: UV will be used.	
Attach required additional Engineering Report Information (see website for more information)	
☒ Topographic map (1:24,000 scale presented at a six inch by six inch minimum size) showing the location of the project including GPS coordinates, latitude and longitude in decimal degrees should also be included. ☒ Scaled layout of facility showing the following: lots, buildings, etc. being served, the wastewater collection system routes, the pretreatment system location, the proposed land application area(s), roads, property boundaries, and sensitive areas such as streams, lakes, springs, wells, wellhead protection areas, sinkholes and wetlands. ☒ Soils information for the proposed land disposal area in the form of an extra high intensity soils map (50 foot grid stake). The soils information should include soil depth (borings to a minimum of 4 feet or refusal) and soil profile description for each soil mapped. ☒ Topographic map of the area where the wastewater is to be land applied with no greater than two-foot contours presented at a minimum size of six inches by six inches. ☒ Describe alternative application methods based on the following priority rating: (1) connection to a municipal/public sewer system, (2) connection to a conventional subsurface disposal system as regulated by the Division of Groundwater Protection, and/or (3) land application.	

(continued)

Permit Number: SOP-_____

Pump and Haul:	☒ N/A
Reason system cannot be served by public sewer:	
Distance to the nearest manhole where public sewer service is available:	
When sewer service will be available:	
Volume of holding tank: _____ gal.	
Tennessee licensed septage hauler (attach copy of agreement):	
Facility accepting the septage (attach copy of acceptance letter):	
Latitude and Longitude (in decimal degrees) of approved manhole for discharge of septage:	
Describe methods to prevent and respond to any bypass of treatment or discharges (i.e., power failures, equipment failures, heavy rains, etc.):	

Holding Ponds (for non-domestic wastewater only):	☒ N/A
Pond use: ☐ Recirculation ☐ Sedimentation ☐ Cooling ☐ Other (describe):	
Describe pond use and operation:	
If the pond(s) are existing pond(s), what was the previous use?	
Have you prepared a plan to dispose of rainfall in excess of evaporation? ☐ Yes ☐ No	
If so, describe disposal plan:	
Is the pond ever dewatered? ☐ Yes ☐ No	
If so, describe the purpose for dewatering and procedures for disposal of wastewater and/or sludge:	
Is(are) the pond(s) aerated? ☐ Yes ☐ No	
Volume of pond(s): _____ gal.	Dimensions:
Is the pond lined (Note if this is a new pond system it must be lined for SOP coverage. Otherwise, you must apply for an Underground Injection Control permit.)? ☐ Yes ☐ No	
Describe the liner material (if soil liner is used give the compaction specifications):	
Is there an emergency overflow structure? ☐ Yes ☐ No	
<i>If so, provide a design drawing of structure.</i>	
Are monitoring wells or lysimeters installed near or around the pond(s)? ☐ Yes ☐ No	
<i>If so, provide location information and describe monitoring protocols (attach additional sheets as necessary):</i>	

(continued)

Permit Number: SOP-_____

Mobile Wash Operations:		☒ N/A
☐ Individual Operator ☐ Fleet Operation Operator		
Indicate the type of equipment, vehicle, or structure to be washed during normal operations (check all that apply): ☐ Cars ☐ Trucks ☐ Trailers (Interior washing of dump-trailers, or tanks, is prohibited.) ☐ Other (describe): ☐ Parking Lot(s): sq. ft. ☐ Windows: sq. ft. ☐ Structures (describe):		
Wash operations take place at (check all that apply): ☐ Car sales lot(s) ☐ Private industry lot(s) ☐ County(ies), list: ☐ Public parking lot(s) ☐ Private property(ies) ☐ Statewide		
Wash equipment description: ☐ Truck mounted ☐ Rinse tank size(s) (gal.): ☐ Collection tank size(s) (gal.): Pressure washer: psi (rated) gpm (rated) Vacuum system manufacturer/model: ☐ Trailer mounted ☐ Mixed tanks size(s) (gal.): Number of tanks per vehicle: Pressure washer: ☐ gas powered ☐ electric Vacuum system capacity: inches Hg		
Describe any other method or system used to contain and collect wastewater:		
List the public sewer system where you are permitted or have written permission to discharge waste wash water (include a copy of the permit or permission letter):		
Are chemicals pre-mixed, prior to arriving at wash location? ☐ Yes ☐ No		
Describe all soaps, detergents, or other chemicals used in the wash operation (attach additional sheets as necessary):		
Chemical name:	Manufacturer:	Primary CAS No. or Product No.

OFFICIAL STATE USE ONLY

Received Date	Permit Number SOP	Field Office	Reviewer
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STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
KNOXVILLE ENVIRONMENTAL FIELD OFFICE
3711 MIDDLEBROOK PIKE
KNOXVILLE, TENNESSEE 37921-6538
PHONE (865) 594-6035 STATEWIDE 1-888-891-8332 FAX (865) 594-6105

December 21, 2006

Mr. Jeff Cox
P. O. Box 642
White Pine, Tennessee 37890

RE: Ashley Meadows
Proposed Wastewater Treatment System
Blount County

Dear Mr. Cox:

On December 12, 2006, I came to the above site where a drip irrigation system for disposal of effluent from a wastewater treatment system was being considered. This would involve a system with a capacity of about 6000 gallons per day (gpd). This would involve taking over treatment for units now discharging to a failing septic tank system with capacity for additional units.

Please note the following general comments and conditions applicable to a wastewater treatment plant with drip irrigation:

1. In accordance with rules of the Department, 1200-5-5-.02 a plat plan of the subdivision must be submitted in triplicate. The plat should show lots, buildings, etc. being served, the wastewater collection system routes, the treatment system location, the proposed land application area, roads, property boundaries, and sensitive areas including streams, lakes, springs, sinkholes and wetlands. Plans must show neighboring residents and other land uses, and placement of sewage treatment facilities must be made as to minimize the effect to such neighbors. An engineering report must be submitted with the permit application and must include:
 - a) A description of the activities generating the wastewater,
 - b) A description of the collection system and/or the treatment process to be utilized, including design flow and how it was derived,

- c) A topographic map (1:24,000 scale presented at a minimum of 6" by 6") showing the location of the project including GPS coordinates,
 - d) A discussion of alternatives including connection to a municipal/public sewer system, connection to a conventional subsurface disposal system as regulated by the Division of Groundwater Protection, or use of on-site disposal as regulated by the division of Water Pollution Control,
 - e) Soils information for the proposed land disposal area in the form of an extra high intensity soils map (50 ft) grid stake. The soils information should include soil depth (borings to a minimum of 4 ft or refusal) and soil profile description for each soil mapped,
 - f) A topographic map of the area where wastewater is to be land applied at no greater than 2 ft contours.
- 2. Wetlands and other waters of the State must be avoided and protected, both in construction of the sewage plant and drip field and in the rest of the development. Sinkholes will also be avoided.
 - 3. Plans, including the soils report by a certified soil scientist, must be approved by the central office in Nashville. The site is not approved until the application, engineering report, soils plan and other plans are approved.
 - 4. A certified operator for the treatment plant is required.
 - 5. The system must have a State Operating Permit. The permit will require laboratory monitoring, submission of operation reports, etc. The permittee will be liable for any violations of the permit or the Tennessee Water Quality Control Act including civil penalties under Section 69-3-115 of the Act. The permit should be applied for 180 days in advance of it being needed. This permit will have a public notice comment period associated with it, and therefore a possibility of public hearings.
 - 6. For multiple ownership situations such as a subdivision a utility is needed to serve as the permittee to own and operate the wastewater treatment plant. In this case it is our understanding that IRM utility will serve as the owner and permittee.
 - 7. The permit submittal (engineering report) should address the fate of nitrates in the discharge to show that sufficient denitrification in the soil can occur during each month of the year and that the effluent will not leave the property containing nitrates in excessive amounts.
 - 8. Plans must show in detail the slopes expected on the drip field. Projects with slopes greater than 50% are likely to be disapproved, with more conservative design considerations for areas with 30-50% slopes.

9. As noted above, this site is where existing homes are already discharging to conventional septic tank drain fields which are failing. The soils in the area are very marginal for disposal use, and it stands to reason that the risk for failure here is higher than average. The area being proposed is previously undisturbed. During the visit you said 1.5 acres would be used initially while a 0.75 acre reserve area would be held back in case it is needed. As we understand it your plan is to utilize a lower application rate, spreading the flow over twice as much land as usual, while at the same time spacing drip lines at half the usual distance to achieve the most diffused, even distribution possible. French drains will be used to keep extraneous water out of the drip field. It is important to show on the plans that these French drains do not become a conveyance for drip effluent to run off the property. We may request that the soils be examined by one of the Department's own soil scientists as well during the review process.
10. Construction of the development itself, roads, etc., will require a construction stormwater permit.

Your cooperation with this office is appreciated. Should you have any questions please do not hesitate to call me at 594-5521.

Sincerely,



Woodson L. Smith
Division of Water Pollution Control

cc: Municipal Facilities Section, DWPC, Nashville
Blount County Health Department

EXHIBIT G

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

January 5, 2007

IN RE:

PETITION OF INTEGRATED RESOURCE
MANAGEMENT, INC. TO AMEND ITS
CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY TO SERVE AN AREA IN
BLOUNT COUNTY, TENNESSEE KNOWN
AS ASHLEY MEADOWS SUBDIVISION

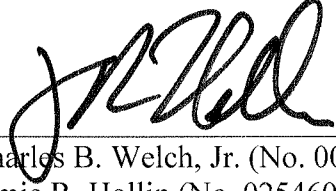
Docket No. _____

PRE-FILED DIRECT TESTIMONY OF JEFFREY W. COX, SR.

Respectfully submitted,

FARRIS MATHEWS BRANAN
BOBANGO HELLEN & DUNLAP, PLC

By: _____


Charles B. Welch, Jr. (No. 005593)

Jamie R. Hollin (No. 025460)

618 Church Street, Suite 300

Nashville, Tennessee 37219

Telephone: 615-726-1200

Facsimile: 615-726-1776

Email: cwelch@farrismathews.com

jhollin@farrismathews.com

*Attorneys for Integrated Resource
Management, Inc.*

1 **Q:** **Please state your name for the record and your position with the Petitioner,**
2 **Integrated Resource Management, Inc. (“IRM”).**

3 A: Jeffrey W. Cox, Sr. I am the President of IRM.

4 **Q:** **Are you presenting testimony on behalf of IRM?**

5 A: Yes.

6 **Q:** **Did you assist and cause to be filed the Petition in this proceeding requesting**
7 **an expansion of service area and an extension of authority for IRM to**
8 **provide wastewater sewer services in Blount County, Tennessee to a**
9 **residential subdivision known as Ashley Meadows Subdivision?**

10 A: Yes.

11 **Q:** **Can you describe the service you will be providing?**

12 A: Yes, the service will be the same as we have petitioned for in the past. We will be
13 operating an onsite wastewater treatment facility that beneficially reuses the water
14 in subsurface drip irrigation systems.

15 **Q:** **How many customers will be served by the proposed system?**

16 A: The system will provide wastewater treatment for 22 residential lots.

17 **Q:** **Do you operate any systems in this area?**

18 A: Yes, we operate Compass Point which is in the same county. We also have a
19 CCN for Sterling Springs, Wild Briar, and Mountain Shangrila in the neighboring
20 Sevier County.

21 **Q:** **When did the company receive its first Certificate of Public Convenience and**
22 **Necessity (“CCN”) from the Tennessee Regulatory Authority (“Authority”)**
23 **to operate a sewer system in Tennessee?**

1 A. After a hearing in October 2003, in Docket 03-00467 and pursuant to this
2 Authority's final order dated March 16, 2004, IRM was granted a CCN.

3 **Q. Does IRM have the managerial, technical, and financial ability to provide**
4 **wastewater service in the area referred to in the Petition?**

5 A. Yes.

6 **Q: Have you contacted other potential utility service providers in the area to**
7 **determine whether they might have any plans to service the area?**

8 A: Yes. The governmental entities of Blount County and the City of Maryville have
9 provided letters indicating that they do not intend to provide wastewater service.

10 **Q: Is there a public need for wastewater service to this area?**

11 A: Yes.

12 **Q: Is all of the information in the Petition accurate to the best of your**
13 **knowledge, information, and belief?**

14 A: Yes, it is.

15 **Q: Have you submitted plans to the Tennessee Department of Environment and**
16 **Conservation ("TDEC") for approval?**

17 A: The in-field engineering and soil information has been completed and the
18 Preliminary Engineering Report is being submitted to TDEC this week.

19 **Q: Does IRM intend on complying with all Authority rules, statutes, and orders**
20 **pertaining to the provision of wastewater services in Tennessee?**

21 A: Yes.

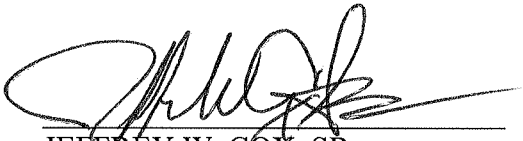
22 **Q: Does this conclude your testimony?**

23 A: Yes.

AFFIRMATION

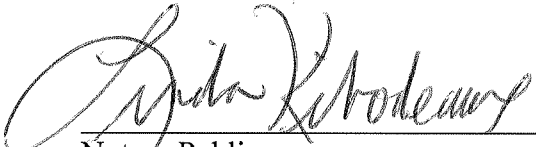
STATE OF TENNESSEE)
)
COUNTY OF Jefferson)

JEFFREY W. COX, SR., having been first duly sworn, makes oath that the statements contained in the foregoing Pre-Filed Direct Testimony are true to the best of his knowledge, information, and belief.



JEFFREY W. COX, SR.

SWORN TO AND SUBSCRIBED before me, on this the 18 day of Dec,
2006.



Notary Public

My Commission Expires:

1/23/2010



EXHIBIT H

INTEGRATED RESOURCE MANAGEMENT, INC.
Sewer Systems with Commercial Customers or Special Contracts

<u>System</u>	<u>County</u>
1. Cove Mountain Realty—03-00467—Special Contract	Sevier
2. Valley Mart Exxon—03-00467—Special Contract	Sevier
3. Lot 23, The River Club—04-00152—Special Contract	Knox
4. Wild Briar Ridge—05-00056—Special Contract*	Sevier
5. Sterling Springs—05-00055—Special Contract*	Sevier
6. Mountain Shangrila—06-00156—Special Contract*	Sevier
7. Flat Hollow—Pending—Special Contract*	Campbell
8. Ashley Meadows—Pending—Special Contract*	Blount
9. Lost Creek Campground—Pending—Special Contract	Union

* Residential rate of \$35.11 per month will apply unless the owner rents the unit to the public for any portion of the year. In this case, the commercial rate will apply and be determined according to the approved tariff sheet based upon total projected gallons per day. See Commercial Rate Sheet. Billings for service shall be sent to and remain the responsibility of the unit's owner.

Tariff Rate Sheet

Commercial Sewer Rates – Without Food Service

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

A minimum service charge will be \$75.00 per month for the first 300 gallons per day of design flow expected. For each additional 1000 gallons per day an additional charge of \$15.00 per month per 100 gallons will be charged. For design flows expected over 1,000 gallons per day, up to 3000 gallons per day, the following additional monthly charges per 1,000 gallons of daily flow will apply:

Treatment	Disposal		
	Sub-surface Drip Irrigation	Point Discharge	Off-Site
Sand, Gravel, Media Filters	\$140.00	\$165.00	-
Lagoon	\$116.00	\$140.00	-
Off-site	-	-	Pass Through & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess Water Usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gals

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

Fees: Nonpayment – 5%
Disconnection - \$10.00
Reconnection - \$15.00
Returned Check - \$20.00

June 28, 2004

Tariff Rate Sheet

Commercial Sewer Rates – With Food Service

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc will need to petition for rates on a case by case basis for such systems

A minimum service charge will be \$100.00 per month for the first 300 gallons per day of design flow expected. For each additional 1000 gallons per day an additional charge of \$18.00 per month per 100 gallons will be charged. For design flows expected over 1,000 gallons per day, up to 3000 gallons per day, the following additional monthly charges per 1,000 gallons of daily flow will apply:

Treatment	Disposal		
	Sub-surface Drip Irrigation	Point Discharge	Off-Site
Sand, Gravel, Media Filters	\$170 00	\$192 00	-
Lagoon	\$142 00	\$163 00	-
Off-site	-	-	Pass Through & \$94 00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess Water Usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210 00
1,001 gallons to 2,000 gallons above expected design flow	\$220 00
Over 2,000 gallons above expected design flow	\$220 00/1000 gals

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

Fees: Nonpayment – 5%
Disconnection - \$10.00
Reconnection - \$15.00
Returned Check - \$20.00