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FEB 18 2011

TN REGULATORY AUTHORITY
UTILITIES DIVISION

DSH & Associates, LLC
Engineering/Construction/Utility Services

11-00020

February 11, 2010

Patsy Fulton
Utility Rate Specialist
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505
615-741-2904 ext 193
Patsy.fulton@state.tn.us

SUBJECT: CCN Submittal Package
PROJECT: Lakeside Estates Waste Water Treatment System

Dear Patsy,

Attached please find the sign performance bond (attachment 12) and our signed contract with Robert Young (attachment 16), the identified certified operator for this facility.

We look forward to working with you and the rest of the team in moving this approval forward. Let me know if you require additional information.

Sincerely,

Douglas S. Hodge, Ph.D., PMP
Manager

DSH & Associates, LLC
4028 Taliluna Avenue
Knoxville, TN 37919
Operations Manager
P: 865-755-8066/F: 865-851-8351
Hodge.DSH@gmail.com

CORPORATE SURETY BOND

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

REFERENCE: DSH & Associates, LLC

Company ID: _____
Corporate Surety Bond #: 0010226
Effective Date: 1/31/11
Expiration Date: 1/31/12

DSH & Associates, LLC, as Principal, and Companion Property and Casualty Insurance Company, a corporation created and existing under the laws of _____, as Surety, (Hereinafter called "Surety") are bound to the State of Tennessee in the sum of exactly Twenty Thousand and 00/100 Dollars (\$20,000), 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: (describe utility and location)

Lakeside Estates Wastewater Collection and Treatment System, LaFollette TN

Tennessee Code Annotated § 65-4-201 requires the holder of a franchise for wastewater 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) 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 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 sixty (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. Before the date of expiration, the public wastewater utility shall provide the Tennessee Regulatory Authority with a replacement Surety Bond or petition consistent with Rule 1220-4-13-.07(5). Failure to have approved financial security in effect will subject the public wastewater utility to daily penalties pursuant to Tenn. Code Ann. § 65-4-120.

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 31st day of January 20 11.

Wynne S. Rudge
(Principal)

Companion Property and Casualty Insurance Co.
(Surety)

By: David R. Brett
David R. Brett, Attorney-in-Fact

June, 2006

COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY

P.O. Box 100165 (29202)

51 Clemson Road

Columbia, SC 29229

GENERAL POWER OF ATTORNEY

Know all men by these Presents, that the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY had made, Constituted and appointed, and by these presents does make, Constitute and appoint Andrew C. Heaner of Atlanta, Georgia; Richard L. Shanahan of Atlanta, Georgia; Stefan E. Tauger of Parker, Colorado; Arthur S. Johnson of Atlanta, Georgia; Martha G. Ross of Charlotte, North Carolina; James E. Feldner of West Lake, Ohio; Jeffery L. Booth of Parma, Ohio; Cheryl L. Torrao of Lutz, Florida; Melanie J. Stokes of Atlanta, Georgia; Garry W. Black of Murfreesboro, Tennessee; David R. Brett of Columbia, South Carolina; Donald J. Kersey of Birmingham, Alabama; Donald H. Gibbs of Atlanta, Georgia; Diane L. McLain of Fitchburg, Wisconsin; Julie Deupree of Birmingham, Alabama; Jason S. Centrella of Jacksonville, Florida; or Brian Clark of Charlotte, North Carolina, EACH as its true and lawful attorney for it and its name, place and stead to execute on behalf of the said company, as surety, bonds, undertakings and contracts of suretyship to be given to all obligees provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount of the sum of \$1,000,000 (One Million dollars).

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted pursuant to due authorization by the Executive Committee of the Board of Directors of the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY on the 19th day of May, 2008.

RESOLVED, that the Chairman, President or any Vice President of the Company be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY bonds, undertakings and all contracts of suretyship; and that any Officer, Secretary or any Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future, with respect to any bond undertaking or contract of suretyship to which it is attached.

In Witness Whereof, the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY has caused its official seal to be hereto affixed, and these presents to be signed by its President and attested by its Vice President this 16th day of AUGUST, 2010.

Attest: COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY

By: [Signature]
Charles M. Potok, President

[Signature]
Curtis C. Stewart, Vice President & CFO

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

On this 16th day of August, 2010, before me personally came the above named officers to me known, who being by me duly sworn, did depose and say that they reside in Columbia, in the County of Richland, State of SC, at Columbia; that they are the President and Vice President & CFO of COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY, the corporation described in and which executed the above instrument; that they know the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed and that they signed their names thereto pursuant to due authorization.

[Signature] Notary Public, State of SC, qualified in Richland County Commission Expires: 7/14/14

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

I, the undersigned, an officer of COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY, a South Carolina Corporation DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Executive Committee of the Board of Directors set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Columbia, Dated the 31st. day of January, 2011.

Bond No. 0010226

[Signature]
Curtis C. Stewart, Vice President & CFO

Number 28876

ENVIRONMENTAL MANAGEMENT GROUP

P.O. Box 804, VONORE, TN 37885

This agreement is entered into this
, by and between ENVIRONMENTAL MANAGEMENT GROUP, P. O. Box
804, Vonore, TN 37885, hereinafter referred to as "EMG" and
DSH Associates, LLC hereinafter referred to as "owner".

In consideration of the terms, covenants, and conditions
of this Agreement, it is hereby agreed as follows:

1. TERM: This agreement shall commence on and continue
until cancelled by written notice thirty days in advance by
either party.

2. LOCATION OF PROPERTY: This Agreement specially covers
the operation and maintenance of the Wastewater Plant located
at Lakeside Estates Development, LaFollette, TN

3. FEE: In consideration for the operation of the plant,
OWNER agrees to pay EMG, \$433 per month.

4. GOVERNMENTAL REGULATIONS: All maintenance, operation,
and service performed by EMG under this Agreement shall be
that as required by the State Department of Environment and
Conservation and/or such other governmental agencies as shall
exercise jurisdiction over said sewage treatment plant in
accordance with appropriate departmental guidelines, testing
procedures and operations during the effective date of this
Agreement.

EMG will at all times operate and maintain the plant in
accordance with the manufacture's recommended procedures to
assure compliance with State, County, and local regulations.
EMG will strive to exceed the discharge standards providing
approved design parameters are not exceeded.

5. FREQUENCY: EMG will perform on-site inspections a
minimum of | per week.

6. SPECIFIC DUTIES: EMG shall perform on-site inspection,
testing and reporting to fulfill regulatory requirements.

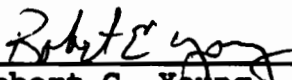
7. SUPERVISION: EMG will supervise any action by others at the PLANT. They will supervise sludge removal and pump down from any portion of the PLANT. They will ensure that the pump down is properly performed without destroying the beneficial bacteria action in the tanks.

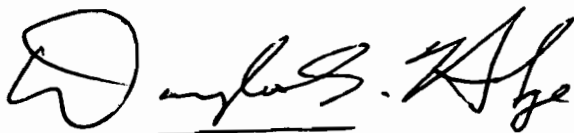
8. NOTIFICATION OF PROBLEMS: EMG will immediately notify the appropriate authority including the "OWNER" by telephone, or any faster method available in the event of PLANT upset, need for PLANT pump down and/or untreated wastewater feed into improper areas, (including lakes, streams, rivers, real property, etc.)

9. REPAIRS: It is not intended that any pump, blower, or other piece of equipment be replaced or repaired by EMG.

10. INVENTORY: All costs for disinfection material (Chlorine, etc.) shall be billed to the OWNER. All costs for sludge removal shall be billed to the "OWNER"

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.


Robert C. Young
ENVIRONMENTAL MANAGEMENT GROUP


DSH & Associates, LLC, Manager
P.O. Box 10621
Knoxville, TN 37939

WATER AND WASTEWATER OPERATOR CERTIFICATE BOARD

NAME AND MAILING ADDRESS

Robert C Young, Jr.
145 Pointe Summit Drive
Greenback, TN 37742

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
WATER AND WASTEWATER OPERATOR CERTIFICATION BOARD

I.D. NO.
1842

EXPIRATION DATE
12/31/2008

RENEWAL NO.

64735

THIS IS TO CERTIFY THAT

Robert C Young

IS IN GOOD STANDING WITH THE BOARD FOR THE CLASSIFICATIONS LISTED:

WW4 SW
CSI



CN-0770 (REV. 2-99)

WHEN CORRESPONDING ALWAYS REFER TO YOUR I.D. NUMBER
AND SEND NOTIFICATION OF ADDRESS CHANGE

WATER AND WASTEWATER OPERATOR CERTIFICATE BOARD

NAME AND MAILING ADDRESS

Robin G Hetzel-Young
145 Pointe Summit Drive
Greenback, TN 37742

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
WATER AND WASTEWATER OPERATOR CERTIFICATION BOARD

I.D. NO.
1075

EXPIRATION DATE
12/31/2008

RENEWAL NO.

64729

THIS IS TO CERTIFY THAT

Robin G Hetzel-Young

IS IN GOOD STANDING WITH THE BOARD FOR THE CLASSIFICATIONS LISTED:

WW4



CN-0770 (REV. 2-99)

WHEN CORRESPONDING ALWAYS REFER TO YOUR I.D. NUMBER
AND SEND NOTIFICATION OF ADDRESS CHANGE