

DSH & Associates, LLC Engineering/Construction/Utility Services

June 13, 2010

filed electronically in docket office on 06/14/11

Sharla Dillon Dockets and Records Manager Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505 Sharla.Dillon@tn.gov 615-741-2904 ext 136

SUBJECT: CCN Submittal Package

PROJECT: Lakeside Estates Waste Water Treatment System

Docket Number 11-00020

Dear Ms. Dillon,

Please find attached:

• Amended CCN Submittal Package

• Response to Data Request 4/27/11

Let me know if you require additional information.

Sincerely,

Douglas S. Hodge, Ph.D., PMP

) ouglas S. Hodg

Manager

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919 Operations Manager

P: 865-755-8066/F: 866-480-5943

Hodge.DSH@gmail.com

Data Request Dated April 25, 2011

- 1. Explain why LaFollette Utilities Board ("LUB") is releasing the wastewater system for Lakeside Estates to DSH & Associates, LLC ("DSH" or "Utility").
 - a. Response: From conversations and correspondence with LUB, DSH can only speculate at the exact reasoning. LUB would have to be requested directly to receive a formal response. However, it is DSH opinion that LUB does not want to own and operate small decentralized wastewater systems. Their operational model does not result in profitable operation and the associated risk of poor treatment results impacts their reputation across all their larger municipal systems.
- 2. Provide a copy of the contract or agreement between DSH and LUB to transfer the state operating permit and operating agreement.
 - a. Response: See Attachment #1
- 3. Regarding the transfer of SOP #07073: Has an application to transfer the wastewater system from LUB to DSH been submitted to TDEC by either party? If the answer is yes, please file the application in this Docket. If not, please submit the transfer application to TDEC and file a copy with the Authority.
 - a. Response: Yes, a letter application to transfer the wastewater system was submitted to TDEC and their response was included in our CCN application as attachment #15. For additional referencing, the initial letter requesting transfer and TDEC's response is included as Attachment #2.
- 4. State what funding or financial capital is available to the Utility to operate the wastewater system <u>excluding</u> the Utility revenue.
 - a. As outlined in DSH financial statements submitted as Attachment #17 and update financials through March 31, 2011(Attachment #3), DSH carries a typical working capital of approximately \$40,000. We feel this will be more than adequate to handle any expected gaps between expenses and revenues associated with operation and maintenance of the Lakeside wastewater treatment system.
- 5. Please clarify who the developer of Lakeside Estates is: Norris Lake Properties, LLC or Trimbach Development, LLC ("Trimbach or Developer").
 - a. Response: The developer is Trimbach Development, LLC. The CCN application has been corrected to reflect this change.

- Page 2 of 31
 - 6. Provide a copy of the license to do business in the State of Tennessee for Trimbach Development, LLC.
 - a. Response: See Attachment #4.
 - 7. Please provide the name of the Home Owners Association ("HOA") for Lakeside Estates and a copy of the Home Owners Association's license to do business in the State of Tennessee.
 - a. Response: See Attachment #5.
 - 8. Please provide pro forma financial statements for DSH for the first year after the wastewater system is transferred. Include balance sheet, income statement and statement of cash flows.
 - a. Response: Pro forma financial information through March 2011 is attached (Attachment #3). Forecasts of pro forma financial statements through July 2012 are attached (Attachment #11).
 - 9. Will there be any funds transferred for the wastewater system between LUB and DSH? Will there be any transfer of accounts receivable? If not, please explain how the accounts receivable will be handled.
 - a. Response: There will be a transfer of \$1 for the purchase of the Wastewater Treatment System. There will be no transfer of accounts receivable. LUB will bill client through a set date for serves provided. After that date, DSH will be responsible for providing services and will bill clients according to their approved tariffs commencing on a date that is agreed upon with LUB and corresponding with TRA's approval of the CCN application. The purchase agreement between LUB and DSH outlines the transfer dates and associated responsibilities (Attachment #1).
 - 10. In the Operation and Maintenance ("O & M") Contract between DSH and Trimbach, reference is made on page 161 to the Developer being responsible for transferring property and easements, currently owned by LUB, to DSH within 2 months of commencement of this agreement. Explain how Trimbach is able to transfer the property and easements if LUB is currently the owner.
 - a. Response: Language in the contract has been changed, re-reviewed and re-signed to state the following: "Developer/HOA will support the transfer of property and easements owned currently by LaFollette Utility and Trimbach Development to DSH within 2 months of commencement of this agreement." See modified Contract (Attachment #6) and easement/property transfer agreements (Attachment #7).
 - 11. The O&M contract between the Developer and the Utility gives the Utility authority to impose a special assessment on the owners of all building structures or residential units in order to repair and remediate the

- wastewater system should a catastrophic event render the system inoperable or substantially impair the system. Should this not be set forth in a contract between the HOA and the Utility?
- a. Response: The contract between the Developer and DSH has been modified to include the HOA. The modified contract is included as Attachment #6).
- 12. Provide a copy of the contract between the HOA and DSH.
 - a. Response: See modified contract (Attachment 6).
- 13. Provide a copy of the by-laws for the HOA.
 - a. Response: The Lakeside Estate By-Laws and C&Rs are included as Attachment #12.
- 14. The O & M between DSH & Trimbach states that maintenance, repair or replacement of the Septic Tank Efficient Pumping ("STEP") units shall be the obligation of the homeowners for individual STEP systems and the HOA association for community owned STEP systems. State why there is a need for community owned STEP systems. How many STEP systems is community owned, and how many are individually owned. How much does a STEP unit cost? Is there a difference between the costs for the community owned and individual STEP units?
 - a. Response: Currently, there is no Community owned STEP systems. The pool has no restroom of food services with any plans for future expansion and therefore is not connected to the decentralized treatment system. There is no cost difference for the initial installation of the STEP systems (community vs. individual). The cost is based on the expected daily flow rate for each STEP system.
- 15. Provide evidence that the HOA has agreed that all STEP units and pumps will be installed by DSH. In addition, provide the price that DSH will charge for the STEP system including installation.
 - a. Response: This has been added to the contract between Trimbach/HOA and DSH to provide these services at a unit price based flow rate (Attachment #6).
- 16. Include in DSH's tariff any charges that the Utility will bill for equipment (STEP units, etc.) and for installation.
 - a. Response: Since DSH will not be maintaining the STEP systems, we do not have any tariff's associated the O&M of these units. STEP installation costs have been added to both the residential and commercial tariff explanation sheets (see Section 4 of modified CCN application documentation).

- 17. Who currently owns the wastewater system? Who currently owns the 25+ acres of land associated with the wastewater system?
 - a. Response: The wastewater treatment system is owned by LaFollette Utility. Trimbach Development owns the 25+acres of land associated with the wastewater system. An agreement has been prepared that states that this land will be deeded over to DSH within 2 months of the CCN being issued by TRA (Attachment #7).
- 18. On page 25, of the Petition, it is stated that Norris Lake Properties, LLC is the developer that paid for the system and that the land that the system is on is owned by Trimbach. Please clarify which entity will be transferring the deeded land and wastewater system to DSH and provide documentation.
 - a. Response: The Petition has been corrected to state that Trimbach Development was the developer that paid for the treatment system. LaFollette Utility will be transferring the force main easements and Trimbach Development will deed the land associated with the wastewater and drip system to DSH. Documentation supporting this transfer is included in the modified contract between DSH and the Developer/HOA and in the Agreement to transfer easements/deed to Wastewater Treatment System Land/Property (Attachment #1 and #7, respectively).
- 19. Provide a copy of the deed(s) as documentation that the land and wastewater system are owned by Trimbach.
 - a. Response: The treatment system is owned by LaFollette Utility and the land is owned by Trimbach (Attachment #7).
- 20. Provide a tariff filed in accordance with TRA Operating Rules and Regulations. Specifically referring to:

1220-4-1-.02 Tariff Specifications:

- 1. Form and Style of Tariffs
 - (b) The initial tariff filed by each public utility shall be Designated as TRA No. 1 and thereafter as other tariffs are filed they shall be designated with the next number in consecutive numerical order. Revisions and additions shall be inserted in the most appropriate location and denoted by the previous sheet numbers plus a letter, i.e., 3A, 3B, etc., or 3.1, 3.2, etc. Revisions to tariff sheets shall be denoted by 1st Revised Sheet No.3, 2nd Revised Sheet, etc.

1220-4-1-.03 Tariff Contents:

- (1) Tariffs must explicitly state the rates and charges for each class of service rendered, designating the area or district to which they apply.
- (2) Rules and regulations of the utility that in any manner affects the rates charged or to be charged or that define the extent or character of the service to be given shall be included with each tariff.

Response: Tariff has been modified per the above directions.

- 21. The proposed tariff should be consistent with information included in the Petition. Provide an explanation and a corrected tariff, if necessary for the following inconsistencies:
 - a. A Commercial without Food Service Rate Sheet is included in Attachment 14 of the Petition; however, it is not included in the tariff. This page should be included to support the pool listed as part of the total hookups on page 24 of the Petition.
 - 1. Response: After discussion with the developer on future plans for the development, there are no plans to add any community STEP systems and therefore no need for the "commercial without food service rate" sheet. This rate sheet has been removed from the Attachment 14 of the Petition.
 - b. The Tap Fee Schedule on page 163 of the Petition is not the same as the tap fee included in the tariff.
 - 1. Response: The contract document referred to on page 163 of the Petition has been replaced with an updated contract document with a number of modifications. This document is included as Attachment #6.
- 22. State whether the following individuals are full time/part time employees or contractual employees. If contractual employees, please provide copies of each contract.
 - a. Mike Johnson
 - b. Herb Norton
 - 1. Response: DSH uses these individuals across a number of projects but after further evaluation, we will not use them on this project. Therefore, no contracts are included and the CCN application has been amended to remove their names. However we have added Glen Schmidt and Robert Young for engineering and certified waste water operation, respectively. Their certifications, resumes, and contracts are attached (Attachment #8).

- 23. Under technical requirements on page 24 of the Petition, it states that 36 lots have been sold. The contract between Trimbach and DSH states that 37 homes have been sold. Clarify how many homes have been sold and the status of each: (1) completely built and are being billed monthly for wastewater, (2) under construction and are being billed an access fee, (3) or a lot that has been sold and is being charged an access fee. In addition, provide the customer type: (1) residential customer, (2) rental customer or (3) lot owner (minus a home).
 - a. Response: See attached Table A (Attachment #9)
- 24. Provide the number of customers billed by LUB for the month of March and the amount each customer was billed. In addition, provide the total revenue billed by LUB for March 2011 for these customers.
 - a. Response: According to LUB records (Attachment #10), a total of 26 customers were bill in March, 2011 representing \$1,416.48 in revenue.
- 25. We understand that all of the 36/37 units should be producing revenue at the present time. If all 36/37 units are not revenue producers explain why.
 - a. As outlined in Table A (Attachment #9), there are 26 owners currently attached to the system and being billed. Of those 26 homes, 23 are rental dwellings and are categorized as "Commercial" and 3 are residential dwellings. Five homes were built prior to the construction of the decentralized treatment facility and have their own septic/leach field systems that are regulated independently by TDEC. Three customers own land only and will be billed the standard \$120 per year. Six lots are owned by the developer and will be bill access fees of \$120 per year.
- 26. Does the utility have any employees other than those under contract? If yes, provide name and position of each.
 - a. The Utility does not have any employees.
- 27. Provide backup for all expense assumptions on the five year statement of revenues and expenses used to establish rates, inclusive but not limited to a copy of the tariff from the local electric company and a written quote from the insurance agencies supporting the bond premium and the monthly insurance amount.
 - a. Response: Backup documentation for electrical utility rate, bond premium, insurance, O&M sampling services, and pump replacement costs are included as Attachment #13.
- 28. The escrow amount includes pumping of (4) four units per year. What is the basis for this number? Please state if this number is based on the 3 bedroom residential homes or the 6 bedroom rental units.

- Page 7 of 31
 - a. Response: This is based on our experience with Orenco Systems (treatment components installed at the site) decentralized holding and equalization tanks and recommendations from their local technical representative (Jeff Brownfield (423-479-3811). Jeff Brownfield also constructed the initial system at Lakeside and has supported its on-going maintenance and is familiar with all previous equipment and material needs.
 - 29. Explain fully what services local and corporate management fees cover, as listed on page 118.
 - a. Response:
 - ♦ Local Management
 - Preparation of subcontracts
 - > Purchase of equipment, materials, and supplies
 - Coordination of weekly system inspections, alarms, maintenance, and response actions
 - > Collection of monthly client usage rates
 - ➤ Coordination with bookkeeper for billing and payment services
 - Bond Coordination
 - > Support TRA requests/audits
 - > Communications with clients and customers
 - Corporate Management
 - > Coordination of company insurance
 - > Yearly tax preparation
 - > Yearly TRA regulated audit support
 - Coordination of overhead cost payments
 - 30. Provide a cost allocation manual for allocating revenue and expenses to regulated and non-regulated activities within DSH.
 - a. The company will be split into two separate business units. One unit will be for non-regulated activities and the other will be for regulated activities. To ensure separation of all costs, each business unit will have its own bank account and management structure. This is a common practice used by many companies that perform regulated and non-regulated work. The Cost Allocation Manual is included as Attachment #19.
 - 31. Provide an Excel spreadsheet with working formulas showing the calculation of commercial escrow that the Utility is proposing.
 - a. Response:

Calculation Assumptions:	
Initial System Capital Cost	\$ 425,000
Treatment capacity (GPD)	12000
Unit rate cost (\$/gal)	\$ 35.42
Unit rate cost (\$/100 gal)	\$ 3,541.67

Note: Much of the infrasture that was installed initially will support future expansions. Equilization tanks, pumps, and controls for a 72,000 gpd (approx. 205 homes) was installed. Future expansion will require addition of biological treatment PODs, associated pumps and piping, and drip system expansion. The estimated unit price for future expansion is calculated as follows:

Page 9 of 31

Expansion will occur on 4000 gpd increases based on equipment.

	Equ	ipment								
	Cos	t	Frei	ight	Tax	(Inst	tallation	Tot	al
Advantex POD	\$	13,800	\$	1,200	\$	1,425	\$	6,900	\$	23,325
POD Piping	\$	3,000	\$	150	\$	299	\$	1,500	\$	4,949
Electrical installation	\$	3,300	\$	200	\$	333	\$	1,650	\$	5,483
Drip Field 3700 LF	\$	5,550	\$	1,200	\$	641	\$	2,775	\$	10,166
Drip Field Piping	\$	2,500	\$	200	\$	257	\$	1,250	\$	4,207
Drip Field Electrical	\$	1,200	\$	100	\$	124	\$	600	\$	2,024
					Tot	tal Insta	llati	on Cost	\$	50,153

Treatment Capacity	4000 GPD
Installation Cost	\$ 50,153
Unit Rate	\$ 12.54 \$/Gal

*Round off to \$1250 for

Unit Rate \$ 1,253.83 \$/100 gal calculations

Daily Flowrate	Number of Bedrooms	Estimate Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00

- 32. On page 46 of the Petition, the Utility states that DSH's annual revenue for 2011 is anticipated to be \$160K.
 - a. Please provide a breakdown of this revenue by source.
 - a. Response: Since the initial submittal of the petition, DSH revenues projections have changed. Please see Attachment #14 for updated numbers. The petition has been modified to include this update.
 - b. Please explain how this revenue amount differs from the \$30,502 Total 2011 Revenue on the same page.
 - a. Response: Please refer to response 32a and Attachment #14.

- c. Provide average number of gallons of flow, by month, for the total system as it exists today. Provide documentation for this amount.
 - a. Response: The installed system has an existing capacity of 12,000 GPD. This is documented in Attachment #15 for the Phase I system and the 3 Advantex PODs that are installed. Each POD has a treatment capacity of 4000 GPD. Attachment #18 shows historical flowrates for each home owner for a 12 month period. This information was provided by LaFollette Utility.
- 33. Staff's understanding is that two six bedroom homes are being built as part of Phase II; however, they have not yet tapped onto system. The DSH tariff indicates \$7,500 in tap fees will be due from each unit. Who will receive the \$15,000 in tap fee revenue?
 - a. Response: Since DSH does not have ownership of the system, Trimbach Development has agreed to collect these fees and use them for covering the expansion cost of Phase II. According to DSH and Trimbach/Lakeside HOA contract, Trimbach/Lakeside HOA are responsible for all Phase II expansion costs.
- 34. Explain Doug's Draw Account (30300) on your statement of cash flows and balance sheet statement, page 204 & 205 of the Petition
 - a. Response: Doug's Draw represents what money was paid to Doug Hodge as owner of DSH and Associates. The term draw is used by accountants to identify what monies are paid to owners of companies. It can include payment for labor costs or profit on a project.
- 35. Provide copies of the December 2010 and March 2011 bank statements for DSH.
 - a. Response: DSH bank statements are included as Attachment #14.
- Were any tap fees collected by either the developer or LUB that will be turned over to DSH? If the answer is yes, please state the type of each customer, the date and the amount of tap fees that were collected.
 - a. Response: No tap fees have ever been collected by LUB. It was not part of their agreement with Trimbach Development and the HOA. No tap fees have been provided to DSH by either Trimbach Development or LUB.
- 37. Please provide a copy of the engineering plans and specifications for Phase II of the wastewater utility for Lakeside Estates.
 - a. Engineering plans are included as Attachment #15. All phased construction was submitted and approved by TDEC with the SOP permit application. Those drawings are included. The Phase I, II, and future phase construction components are identified.

Page 11 of 31

- 38. Provide a description of the duties performed by Herb Norton and Environmental Management Group.
 - a. Response: As discussed in the response to question 22, we no longer plan to use Herb Norton on the Lakeside Estates Project. The Petition has been modified to identify this change.
- 39. Provide the address and telephone numbers for the board of directors listed on page 17 of the Petition.
 - a. Response:
 - **a.** Doug Hodge, 4028 Taliluna Avenue, Knoxville, TN, 37919, 865-755-8066
 - **b.** Pete Dayton, 545 Farragut Commons Drive, Farragut, TN 37934, 865-387-4432
 - c. Roger Goins, 2927 Essary Drive, Fountain City, TN 37918
- 40. Complete the table below regarding the 5 phases of expansion of the waste water system at Lakeside Estates. In addition, provide any contracts concerning the expansions.

	Phase I	Phase II	Phase III	Phase IV	Phase V
Start Date	March	July 2011	Jan 2013	Jan 2015	Jan 2017
	2008				
End Date	Now	Dec 2012	Dec 2014	Dec 2016	Dec 2018
Cost to	\$425,000	\$50,000	\$50,000	\$50,000	\$50,000
Build/Modify					
Total Units					
# rental units	23	4	4	4	4
# bedrooms	142	18	18	18	18
#residential units	3	7	7	7	7
# bedrooms	16	21	21	21	21
# access fee	9	4	4	4	4
customers					
# units not attached	5	5	5	5	5
to system					
Funding	\$0	\$50,000	\$50,000	\$50,000	\$50,000
Responsibility					
Gallons of Flow	12,000	12,000	12,000	12,000	12,000
(Design Capacity)	gallons	gallons	gallons	gallons	gallons
Lots Sold Not	8	9	10	11	12
Providing Service					
Total Tap Fees	0	11	11	11	11

Page 12 of 31

- 41. Provide a copy of the proposed notification letter being sent to customers to notify them of the transfer of the utility from LUB to DSH. The notification letter must include any changes in rates from LUB to DSH.
 - a. Notification letter is included as Attachment #16.
- 42. How many of the lots in Phase I will not be serviced by DSH? Please provide lot numbers.
 - a. Response: A total of 14 lots consisting of 5 homes that have their own septic systems, 3 vacant lot owners, and 6 lots owned by the developer.
- 43. In the table above, reference is made to "Number of property owners not attached to the system". Why are these property owners not attached to the system? Will they ever attach to the system?
 - a. Response: These were owners that bought property prior to the decentralized system being installed. They have their own septic and drip field systems and will not be attached to the treatment system in the future.
- 44. What is the total design capacity (gallons of flow) of the wastewater system, as it exists today?
 - a. Response: The capacity of the installed system is 12,000 gpd.
- 45. Please provide a corrected surety bond or bank letter of credit in accordance with TRA Rule 1220-4-13-.07.
 - a. Response: Corrected Surety Bond is included as Attachment #17

Attachment #1

Contract between DSH and LaFollette Utility

WASTE WATER TREATMENT SYSTEM SALES/TRANSFER AGREEMENT

This Agreement is entered into this 2nd day of May, 2011, by and between DSH & Associates, LLC ("BUYER") and the City of LaFollette Board of Public Utilities ("SELLER").

WITNESSETH:

Whereas, BUYER is a utility company that provides waste water services. Whereas, the SELLER has requested BUYER to take over the Waste Water Treatment System (WWTS) located at Lakeside Estates (at Lakeside Estates Subdivision).

NOW, THEREFORE, for and in consideration of the mutual covenants of the parties, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

- 1. The BUYER will purchase the WWTS (including the waste water treatment plant, drip field, and associated force mains and pumping stations) for a sum of \$1.
- 2. On or before the execution of this Agreement, SELLER will provide the following to BUYER for BUYER to obtain the necessary permit and approvals to construct the modifications and operate the System for the Development:
 - a. SELLER shall submit three (3) sets of complete Tennessee Department of Environment and Conservation (TDEC) approved, stamped plans and specifications, together with all calculations, engineering reports, approval letters, and discharge permits; and
 - b. SELLER shall submit one complete set of all other surveying and engineering documents for the WWTS including, without limitation, designs, road profiles, storm water drainage and utility drawings, and survey plats.
- 3. The Commencement Date shall be the date when BUYER assumes formal responsibility for the operation of the System. BUYER will execute a Memorandum of Commencement establishing the Commencement Date for purposes of this Agreement.

- Effective with the Commencement Date, ownership of any and all components, parts and equipment of the System will immediately become the property of BUYER.
- 4. SELLER shall provide documents which are a current representation of the utility easement areas which are to be BUYER easements. Such easements shall also reflect all current as-built conditions and any possible future areas. These as-built easements shall be indicated on the final subdivision plat with metes and bounds before BUYER will approve the final plat. SELLER shall provide a ten (10) foot easement for all collection lines, and these easements shall be shown on the final plat. The easements may be included in the easements dedicated for other utility easements as specified in the County Zoning and Subdivision Regulations. SELLER will be responsible for transferring property and easements owned currently by SELLER to BUYER within one (1) month of commencement of this agreement. This will require legal transfer and recording of plat information with the County. The area transferred will be adequate for the final extent of the treatment system required to treat effluent from 200 home units (treatment system, pipelines, drip field areas).
- 5. SELLER shall provide as-built drawings of all components of the System. As-built drawings shall be presented in Auto CAD format or similarly compatible format.
- 6. SELLER shall provide all finalized construction documents including approved shop drawings, operation and maintenance manuals, vendor information, warranty information, instructional manuals, and other relevant materials regarding the design, construction, and operation of the System.
- 7. SELLER shall provide documents stating that all components of the treatment plant and drip field area shall have a permanent ingress/egress easement. Said ingress/egress shall be, at a minimum, a roadbed which is drivable during wet weather conditions in order to provide access for repair and maintenance purposes. SELLER's engineer shall provide a document stating that all federal, state, and local permits have been obtained.
- 8. Failure to perform any obligation of this Agreement after fourteen (14) calendar days' notice of the failure to perform or within any time period set forth in this Agreement shall constitute an Event of Default by SELLER, and BUYER may at that time, terminate the Agreement. Such termination will release BUYER from any liability to SELLER and from any obligation to provide waste water service to the Development.

9. Any notice or communication required or permitted hereunder shall be in writing and be sent either by: (i) personal delivery service with charges therefore billed to shipper; (ii) overnight delivery service with charges therefore billed to shipper; or (iii) United States Mail, postage prepaid, registered or certified mail, return receipt requested, addressed to BUYER or SELLER at the respective addresses set forth below:

BUYER: DSH & Associates, LLC

Douglas S. Hodge, Ph.D., PMP

Operations Manager 4028 Taliluna Ave. Knoxville, TN 37725

865-755-8066

Hodge.dsh@gmail.com

SELLER: Walter M. Baird, Jr.

General Manager

LaFollette Utilities Board

P.O. Box 1411

La Follette, TN 37766

Any notice or communication sent as provided herein shall be deemed given or delivered:

(i) upon receipt if personally delivered; (ii) upon delivery by an overnight delivery service; or (iii) if sent by the U.S. Postal Service Registered or Certified Mail, on the date appearing on the return receipt, or if there is no date on such return receipt, the receipt date shall be presumed to be the postmark date appearing on such return receipt. If delivery is refused or cannot be made, the notice date shall be the date of attempted delivery as evidenced by the appropriate notations made by the Postal Service. Either party may change its address by notice to the other party in the manner set forth above at least ten (10) days prior to such change.

This Agreement contains the entire agreement of the parties, and any and all other prior agreements, discussions, or understandings are merged herein. This Agreement may not be modified except in writing signed by all parties hereto. This provision may not be orally waived.

IN WITNESS THEREOF, the parties have hereunto set their hands, effective the year and date first above written.

City of LaFollette Board of Public Utilities

By: Wath M. Siel 1.
Title: General Manager
Date: 5/2/11
DSH & Associates, LLC
By: Douglas S. Hodg
Title:Managing Member
Date: 5/2/11

Attachment #2

TDEC Correspondence



STATE OF TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION 401 CHURCH STREET L & C ANNEX 6TH FLOOR NASHVILLE TN 37243

FEB 0 9 2011

Mr. Douglas S. Hodge, Ph.D., PMP Manager DSH & Associates, LLC 4028 Taliluna Ave. Knoxville, TN 37919

Subject:

SOP Permit No. SOP-07073

LaFollette Utilities Board - Lakeside Estates WWTP

LaFollette, Campbell County, Tennessee

Dear Mr. Hodge:

This responds to your letter of November 1, 2010. We have discussed your request with Tennessee Regulatory Authority. Per our working arrangement with TRA, you must comply with TRA's certifying requirements prior to us modifying this permit to reflect the transfer to DSH & Associates, LLC. DSH & Associates, LLC must obtain a Certificate of Public Need and Necessity (CCN) and fulfill TRA's bonding requirements.

If you have questions, please contact the division at the Knoxville Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Wade Murphy at (615) 532-0666 or by Email at Wade.Murphy@tn.gov. To reach TRA, please call (615)741-2904.

Sincerely:

Vojin Janjić

Manager, Permit Section

CC:

DWPC, Permit Section & Knoxville Environmental Field Office

Mr. Eddie Troxell, LaFollette Utilities Board, waterdep@ccdi.net

Mr. Jon Trimbach, Developer-Lakeview Estates, jon@norrislakeproperties.com

Mr. Walter M. Baird, Jr., LaFollette Utilities Board, kenbaird@ccdi.net

Attachment #3

DSH financials through March 31, 2011

2:50 PM 03/24/11 Accrual Basis

DSH & Associates, LLC Balance Sheet As of March 24, 2011

	Mar 24, 11
ASSETS	
Current Assets	
Checking/Savings	
BB&T DSH Checking	71,457.78
DSH & Associates	1,057.28
Hodge Personnal	-26.23
Money Market	328.38
Total Checking/Savings	72,817.21
Accounts Receivable	
11000 · Accounts Receivable	16,610.40
Total Accounts Receivable	16,610.40
Total Current Assets	89,427.61
Fixed Assets	
15000 · Furniture and Equipment	7,485.68
Total Fixed Assets	7,485.68
TOTAL ASSETS	96,913.29
TOTAL ASSETS LIABILITIES & EQUITY	96,913.29
	96,913.29
LIABILITIES & EQUITY	96,913.29
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities	96,913.29
LIABILITIES & EQUITY Liabilities Current Liabilities	96,913.29 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities	
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities	9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities	9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities	9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity	9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity 30300 · Doug's Draws	9.69 9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity	9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity 30300 · Doug's Draws 32000 · Retained Earnings	9.69 9.69 9.69 9.69 -103,820.75 152,636.36
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity 30300 · Doug's Draws 32000 · Retained Earnings Net Income	9.69 9.69 9.69 9.69 -103,820.75 152,636.36 48,087.99

2:49 PM 03/24/11 Accrual Basis

DSH & Associates, LLC Profit & Loss

January 1 through March 24, 2011

	Jan 1 - Mar 24, 11
Ordinary Income/Expense	
Income	
42600 · Construction Income	6,902.67
42700 · Consulting Income	41,185.32
Total Income	48,087.99
Gross Profit	48,087.99
Net Ordinary Income	48,087.99
Net Income	48,087.99

Attachment #4

Trimbach Development State License to do Business



STATE OF TENNESSEE Tre Hargett, Secretary of State

Division of Business Services William R. Snodgrass Tower 312 Rosa L. Parks AVE, 6th FL Nashville, TN 37243-1102

TRIMBACH DEVELOPMENT, LLC

June 8, 2011

320 Echo Valley Dr Vandalia, OH 45377

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

Control #: 660236 Formation Locale: Ohio

Filing Type: Limited Liability Company - Foreign Date Formed: 08/02/2005

Filing Date: 06/08/2011 11:06 AM Fiscal Year Close 12

Status: Active Annual Rpt Due: 04/01/2012

Duration Term: Perpetual Image #: 6899-1958

Managed By: Other

Document Receipt

Receipt #: 486537 Filing Fee: \$300.00
Payment-Check/MO - TRIMBACH DEVELOPMENT, LLC, Vandalia, OH \$300.00

Registered Agent Address

Jon Trimbach 312 Central Ave La Follette, TN 37766

Congratulations on the successful filing of your **Certificate of Authority** for **TRIMBACH DEVELOPMENT**, **LLC** in the State of Tennessee which is effective on the date shown above.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.

Tre Hargett Secretary of State

Processed By: Debbie Pruitt

Print this report

Corporation Details

	Corporation	Details				
Entity Number	1560314					
Business Name	TRIMBACH DEVELOPMENT, LLC					
Filing Type	DOMESTIC LIMITED LIABILITY COMPANY					
Status	Active					
Original Filing Date	08/02/2005					
Expiry Date						
Location:	County:		State:			
Agent / Registrant Information						
SEAN H HARMON 214 W MONUMENT AVE DAYTON,OH 45402 Effective Date: 08/02/2005 Contact Status: Active						
	Incorporator In	formation				
	SEAN H HA	RMON				
	Filing	s				
	Filing Type	Date of Filing	Document Number/Image			
ARTICLES OF ORGANI	ZATION/DOM. LIMITED LIABILITY CO	08/02/2005	200521402542			





Application for Employer Identification Number (For use by employers, corporations, partnerships, trusts, estates, churches, Form **SS-4**(Rev. December 2001)

EIN

(ikev. bece Departmen				ntities, certain individuals, a		5.)	20-33	351191
Treasury Internal Re	venue Service	your rec	ords.	OMB No.	1545-0003			
1* Legal	name of entity (or individual) for whach Development LLC	nom the EIN is being	g requested				`	
	name of business (if different from I	name on line 1)		3 Executor, trustee, "care	e of nam	е		
	ng address (room, apt., suite no. ar) South County Road 25A	nd street, or P.O. bo	ox)	5a Street address (if diffe	erent) (Do	not enter a	P.O. box)	<u> </u>
4b* City,	state, and ZIP code City OH 45371 -			5b City, state, and ZIP o	ode			
	y and state where principal busines	ss is located						
7a* Name	e of principal officer, general partne Trimbach	er, grantor, owner, o	or trustor	7b* SSN, ITIN, EIN 284-58-7139				
	of entity (check only one)		Estate	(SSN of decedent)				
	Proprietor (SSN)			fministrator (SSN)				
Partne	•			SSN of grantor)				
Corpo	ration (enter form number to be file	d) *		al Guard		e/local govern		
	nal Service			s' cooperative		rai governm		
	h or church-controlled organization		REMIC		I India	n tribal gove	rnment/enterpri	ses
	nonprofit organization (specify) (specify)		Group Exe	emption N0. (GEN) 🟲				
	rporation, name the state or foreign ble) where incorporated	n country	State		Fo	reign countr	4	
9* Reaso	n for applying (check only one)			Banking purpose (specify p	purpose)	>	***	
	d new business (specify type)			Changed type of organizat			>	
▶ Prop	perty Development		Γ	Purchased going business	` · ·	• •		
Hired e	employees (Check the box and see	e line 12)	ſ.	Created a trust (specify typ	pe) 🟲			
	liance with IRS withholding regulation	ons	Γ.,	Created a pension plan (sp	pecify type	e) 🟲		
Other ((specify) 🟲							
	business started or acquired (mont AUG 2 2005	th, day, year)		11* Closing month of acc DEC	counting y	ear		
	late wages or annuities were paid c ill first be paid to nonresident alien.				lding agen	ıt, enter date		
	st number of employees expected i expect to have any employees durit					griculture	Household 0	Other 0
14* Chec	k box that best describes the princi	pal activity of your b	ousiness	Health care & s	social assi	istance	Wholesale-a	gent/broker
Constr		Transportat	tion & warehous	sing Accommodation			Wholesale-c	
₩ Real e		Finance & i		[™] Retail				
Cther (
15* Indica	ate principal line of merchandise so orty Development	ld; specific construc	ction work done;	products produced; or serv	vices prov	vided.		
16a* Has	the applicant ever applied for an e		on number for th	is or any other business?.		T Ye	s V. No	
	es" please complete lines 16b and uchecked "Yes" on line 16a, give a		as and trade as	ma abayya on prior conficcti	ion if diffo	rant from line	t or 9 obove	
Legal nar		ppiicani s iegai nan	ne and trade har	tie strowit ou buot abblicari	ion ii uillei	tent nom me	e + OF Z above.	
Trade na								
16c Appro	oximate date when, and city and sta	ate where, the appli	cation was filed	. Enter previous employer i	dentification	on number if	known.	
Approxim	nate date when filed (month, day, ye	ear) City and s	state where filed		Previous	s EIN		
	Complete section only if you want to a	uthorize the named inc	dividual to receive	the entity's EIN and answer qu	uestions abo	out the comple	tion of this form	
Third	Designee's name				[Designee's tek	phone number (ir	nclude area code)
Party	Sean H Harmon					=		,
Designee	Address and ZIP code				[((<u>937</u>) <u>22</u> 4	····	
	214 West Monument Ave Da	<u>yton</u> OH <u>45402</u> -			1 (Designee's fax (937) 46°	number (include I - 4139	area code)
	Hon of portion I don't 1k-1 l ka	ninad thin annih-est	and in the beer -	Constitution and testing the	- Image	•		
correct, and	Ities of perjury,I declare that I have exan I complete.	инео ина аррисацой,	and to the best of	my knowledge and belief, it is		oolicant's tele	phone number (in	clude area code\
	title (type or print clearly)					, ,		

Response to Data Request dated 4/27/11 6/10/11 Page 17 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #5

Lakeside Estates HOA License to do Business



STATE OF TENNESSEE Tre Hargett, Secretary of State

Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: LAKESIDE ESTATES PROPERTY OWNERS ASSOCIATION, INC.

General Information

Control #: 537896 Formation Locale: Claiborne County

Filing Type: Corporation Non-Profit - Domestic Date Formed: 01/05/2007

Filing Date: 01/05/2007 9:02 AM Fiscal Year Close 12

Status: Active
Duration Term: Perpetual
Public/Mutual Benefit: Mutual

Registered Agent Address

Principal Address

Jon Trimbach 106 Bluebird Lane 106 Bluebird Lane Speedwell, TN 37870

Speedwell, TN 37870

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description		Image #
06/21/2010	2009 Annual Report		A0035-1832
06/03/2010	Notice of Determination		A0027-1200
11/20/2009	2007 Annual Report		6624-1211
11/20/2009	2008 Annual Report		6624-1212
11/20/2009	Reinstatement		6624-1213
Filing St	atus Changed From: Inactive - Dissolved (Administrative) To: Active		
Inactive	Date Changed From: 11/23/2009 To: No Value		
11/20/2009	Articles of Amendment		6624-1214
Principa	Address 1 Changed From: 122 HUESTON WOODS LN To: 106 Bluebird Lane		
Register	red Agent # Changed From: 0362494 To: 0417783		
Register	red Agent Physical Address 1 Changed From: 122 HUESTON WOODS LN To: 106	Bluebir	d Lane
08/22/2008	Dissolution/Revocation - Administrative		ROLL 6366
06/17/2008	Notice of Determination		ROLL 6325
01/05/2007	Initial Filing		5910-0508
Active Assu	umed Names (if any)	Date	Expires

IRS DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 01-21-2010

Employer Identification Number:

27-1717973

Form: SS-4

Number of this notice: CP 575 A

LAKESIDE ESTATES PROPERTY OWNERS ASSOCIATION INC % JON TRIMBACH 320 ECHO VALLEY DR VANDALIA, OH 45377

For assistance you may call us at: 1-800-829-4933

IF YOU WRITE, ATTACH THE STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 27-1717973. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1120H 01/21/2010

After our review of your information, we have determined that you have not filed tax returns for the above-mentioned tax period(s) dating as far back as 2008. Please file your return(s) by 02/05/2010. If there is a balance due on the return(s), penalties and interest will continue to accumulate from the due date of the return(s) until it is filed and paid. If you were not in business or did not hire any employees for the tax period(s) in question, please file the return(s) showing you have no liabilities.

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, Accounting Periods and Methods.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, Entity Classification Election. See Form 8832 and its instructions for additional information.

IMPORTANT INFORMATION FOR S CORPORATION ELECTION:

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-5 must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, Election by a Small Business Corporation.

(IRS USE ONLY) 575A 01-21-2010 LAKE B 999999999 SS-4

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, Electronic Choices to Pay All Your Federal Taxes and Publication 4248, EFTPS (Brochure). If you need to make a deposit before you receive your Welcome Package, please visit an IRS taxpayer assistance center to obtain a Federal Tax Deposit Coupon, Form 8109-B. To locate the taxpayer assistance center nearest you, visit the IRS Web site at http://www.irs.gov/localcontacts/index.html. Note: You will not be able to obtain Form 8109-B by calling 1-800-829-TAXFORMS (1-800-829-3676).

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at www.irs.gov for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

IMPORTANT REMINDERS:

- * Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you.
- * Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- * Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to do not complete and return the stub. Thank you for your cooperation.

Willie wo, and had complete and roddin one sown.	1001
. Keep this part for your records.	CP 575 A (Rev. 7-2007)
 Return this part with any correspondence so we may identify your account. Please	CP 575 A
correct any errors in your name or address.	999999999
Your Telephone Number Best Time to Call DATE OF THIS: () - EMPLOYER IDEN FORM: SS-4	NOTICE: 01-21-2010 TIFICATION NUMBER: 27-1717973 NOBOD

INTERNAL REVENUE SERVICE CINCINNATI OH 45999-0023 1. Lululah da kada kalah da Hasab kan kalah da Habi bal LAKESIDE ESTATES PROPERTY OWNERS ASSOCIATION INC % JON TRIMBACH 320 ECHO VALLEY DR VANDALIA, OH 45377

Docket No. 11-00020 DSH & Associates, LLC

Attachment #6

Modified Contract between DSH & Trimbach Development/Lakeside Estates HOA

WASTEWATER SERVICE AGREEMENT

This Agreement is entered into this 2nd day of May, 2011, by and between DSH & Associates, LLC ("DSH") and Trimbach Development, LLC & Lakeside Estates HOA ("Developer/HOA"). Services outlined in this agreement will commence on the 1st of July, 2011.

WITNESSETH:

Whereas, DSH is a utility company that provide wastewater services. Whereas, the Developer/HOA has requested DSH to make a commitment to provide wastewater services to Lakeside Estates (at Lakeside Estates Subdivision); and Whereas, the DSH is willing and able to provide wastewater services to Lakeside Estates upon the terms, provisions and conditions hereinafter set out, all of which are acceptable to the Developer/HOA.

NOW, THEREFORE, for and in consideration of the mutual covenants of the parties, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

- Developer/HOA has a subdivision in Campbell County, Tennessee, which development will be known as Lakeside Estates ("Development"). The Development consists of two hundred (200) residential units. DSH hereby agrees to and will provide wastewater services to the Development.
- 2. DSH will provide wastewater services to the Development using a wastewater disposal system ("System") commonly referred to as an "onsite wastewater treatment system." The System consists of two fundamental sections: (a) the collection lines, and (b) the treatment plant. The treatment plant as defined for this Agreement includes the drip fields. Each of the 200 separate commercial and residential units will have a Septic Tank Efficient Pumping

- ("STEP") unit and pump. From the STEP units, the wastewater will be pumped to the treatment plant.
- 3. Developer/HOA agrees to engage the services of a DSH & Associates, LLC to design any future modifications to the System for the Development. DSH & Associated, LLC costs will be limited to 10% of estimated total cost of installation (equipment, labor, material) of the modified system for the detailed engineering component of services. The design modifications shall be approved by DSH and its consulting engineers. The System will be designed in accordance with sound engineering practices and will be licensed, permitted and approved by all necessary and prudent governmental authorities. The Developer/HOA will further engage the services of DSH to build the System in accordance with the plans and specifications created by Developer/HOA's licensed engineer as approved by DSH and its consulting engineers. Developer/HOA will place in the HOA for Lakeside Estates that all Septic Tank Efficient Pumping ("STEP") unit and pumps shall be installed by DSH. DSH will provide a lump sum price for these systems based on volume of required STEP tank.
- 4. Developer/HOA will cause to be provided to DSH a 6 month warranty on the design and construction of the current system in such that any failure or defect in design, material, workmanship, functionality, or operation which occurs within 6 months of the Commencement Date (as defined in section 8) will be rectified, repaired or replaced at no charge to DSH. Developer/HOA warrants to DSH that the materials, equipment, functionality, and workmanship of the System will be good quality, that the work will be free from defects and that the work will conform to the requirements of the design plans and specifications. Work not conforming to these requirements, including substitutions not properly approved and authorized by DSH, may at DSH's option be considered defective.

- 5. On or before the execution of this Agreement, Developer/HOA will provide the following to DSH for DSH to obtain the necessary permit and approvals to construct the modifications and operate the System for the Development:
 - a. Developer/HOA shall submit three (3) sets of complete Tennessee Department of
 Environment and Conservation (TDEC) approved, stamped plans and specifications,
 together with all calculations, engineering reports, approval letters, and discharge
 permits; and
 - b. Developer/HOA shall submit two complete sets of all other surveying and engineering documents for the Development including, without limitation, road profiles, storm water drainage and utility drawings, and survey plats.
 - c. Developer/HOA will provide all legal support required to transfer existing CCN and State Operating Permit (SOP-07073) currently held by LaFollette Utility Board to DSH.
- 6. Upon the completion of the construction modifications of the System and its acceptance for use by DSH, DSH will own, operate and maintain the System beginning on the Commencement Date as set forth in section 7.
- 7. The Commencement Date shall be the date when DSH assumes formal responsibility for the operation of the System. DSH will execute a Memorandum of Commencement establishing the Commencement Date for purposes of this Agreement. This memo will be directed to both Trimbach Development and Lakeside Estates HOA. Effective with the Commencement Date, ownership of any and all components, parts and equipment of the System will immediately become the property of DSH.
- 8. Developer/HOA shall support the transfer of documents which are a current representation of the utility easement areas which are to be DSH easements. Such easements shall also

reflect all current as-built conditions and any possible future areas. These as-built easements shall be indicated on the final subdivision plat with metes and bounds before DSH will approve the final plat. Developer/HOA will support the transfer of a ten (10) foot easement for all collection lines, and these easements shall be shown on the final plat. The easements may be included in the easements dedicated for other utility easements as specified in the County Zoning and Subdivision Regulations. Developer/HOA will support the transfer of property and easements from owned currently by LaFollette Utility and Trimbach Development to DSH within 2 months of commencement of this agreement. Currently, Trimbach Development owns the land that the waste water treatment system is installed on and LaFollette owns a permenant easement for the force mains. DSH will be provided an additional easement for the force main and the deed to the waste water treatment land. This will require legal transfer and recording of PLAT information with the County. The area transferred will be adequate for the final extent of the treatment system required to treat effluent from 200 home units (treatment system, pipelines, drip field areas).

- Developer/HOA shall provide as-built drawings of all components of the System. As-built drawings shall be presented in AutoCAD format or similarly compatible format.
- 10. Developer/HOA shall provide all finalized construction documents including approved shop drawings, operation and maintenance manuals, vendor information, warranty information, instructional manuals, and other relevant materials regarding the design, construction, and operation of the System.
- 11. Developer/HOA's design engineer of record shall certify the inspection and construction of the System based upon the design engineer's observation of the construction. The engineer shall also certify that the System has been designed in accordance with sound engineering practices and in compliance with all laws, regulations, rules, ordinances, and engineering

practices applicable to such systems, that the System is fully operational and that the System is ready to be used as designed and intended. Developer/HOA shall provide documents stating that all components of the treatment plant and drip field area shall have a permanent ingress/egress easement. Said ingress/egress shall be, at a minimum, a roadbed which is drivable during wet weather conditions in order to provide access for repair and maintenance purposes. Developer/HOA's engineer shall provide a document stating that all federal, state, and local permits have been obtained.

12. Developer/HOA agrees that DSH may require additional equipment and appurtenances to be constructed and to be paid for by HOA tap fees listed in this contract, although such additional equipment and appurtenances may not be included on the plans. The Developer/HOA certifies that the phase I system has been installed and is currently operating. The design flowrate of the Phase I system is 12,000 gallons per day. The phase II System is currently being designed and will increase the design flowrate to 16,000 gallons per day and improve the overall performance. The Phase I and II systems should support 35 homes at an average flowrate of 450 gallons per day (current average flowrate per unit at Lakeside Estates, based on historical information provide by LaFollette Untility). Prior to the 36th home being tied into the system and or the total system measured flowrate exceeding the design flowrate into the sewer force main and treatment facility, additional capacity will be required, such equipment and appurtenances may include, but are not limited to, treatment Pods, tanks, maintenance/equipment building for the plant, fencing with lockable gates around the plant and maintenance building, signage, and gravel surface within the boundaries of the plant fencing. All future design and construction costs will be the responsibility of the Developer/HOA. To support future expansion costs of the system DSH has agreed to establish an escrow fund. Funds derived from tap fees from future

homes that tie into the system will be placed into the escrow fund and will be used to support expansion of the system. If escrowed funds are not sufficient to support required treatment system expansion, it is the Developer/HOA responsibility to support the additional cost. Tap fees for each new unit will be derived based on the number of bedrooms as listed in the table below:

Daily	Number of Estimate	
Flowrate	Bedrooms	Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00

- a
- b. The tap fees may change base on inflation, cost of goods/materials, etc., and do not include the cost to expand the existing sewer force main. Force main extensions will have to be cover by the Developer/HOA.
- 13. DSH will operate and maintain the System and provide wastewater service ("service") to the Development in accordance with the following:
 - a. All applicable building structures in the Development will be required to install the wastewater service line and connectors as specified by DSH.
 - b. Each residential unit will be charged the published wastewater rates and charges of DSH. The furnishing of service will be governed by DSH rules, regulations and policies. As of the date of this Agreement, DSH's monthly service rate for wastewater service is \$44.53.
 - c. If a home is rented out at anytime or daily flowrate exceed 300 gallons per day at anytime during a 12 month period, DSH's monthly rate for wastewater service will

- be a minimum of \$69.53 (see attachment 1 for estimated service rates based on monthly usage Commercial Rate Overnight Rental Units).
- d. Each residential unit (lot) that does not contain a structure will be charged and annual service rate of \$120. Access fees will only be charged for lots based on the total existing capacity of the treatment system which after Phase II expansion will be 35 homes (based on 450 gallons per day usage). As outlined in section 16, there are 26 lots with homes which leaves 9 lots that will be charged access fees (3 non-resident property owners and 6 lots owned by the developer).
- e. The maintenance, repair or replacement of the wastewater service lines from each of the STEP units and the maintenance, repair or replacement of the STEP unit and pump for each unit to the sewer main shall be the responsibility of the owner of the residential/commercial unit. DSH will install the STEP system for owners for a fix price of \$6,000 per unit (based on a 3 bedroom unit) if system is not pre-existing. This price includes a 15% markup of equipment and services.
- f. The maintenance, repair or replacement of the wastewater service lines from the future community STEP units shall be the responsibility of the Developer/HOA.
- 14. Upon the execution of this Agreement, Developer/HOA agrees to pay DSH \$8,000 to cover DSH's legal, permitting, engineering and administrative expenses related to this submittal of the CCN package to Tennessee Regulatory Authority. This application package will require substantial information from the Developer/HOA and includes but is not limited to:
 - Owners User Manual
 - Lakeside Letter Requesting DSH System Takeover
 - LaFollette Utility Board Letter Releasing SOP
 - Sworn Pre-filed Testimony
 - SOP Lakeside Estates
 - DSH Articles of Incorporation
 - DSH State of TN Business License
 - Degrees & Certificates of DSH Staff
 - Lakeside Estates Decentralized System Engineering Drawings

- Build-out Cost Analysis (5-yr)
- Lakeside Estates Subdivision Plans
- · Chart of Accounts
- Performance Bond
- Pro Forma Income Statement (2-yr)
- Operation and Maintenance Contract (DSH and Trimbach Development, LLC)
- TDEC Letter of Acceptance of Transfer of WWTS
- LaFollette Letter stating no service line in area of subdivision
- 15. When Developer/HOA closes on a residential unit in the development, Developer/HOA will collect at the closing the required tap fees and access fees. These fees will be promptly tendered to DSH by the agent conducting the closing. Developer/HOA will include DSH's Wastewater Service Agreement with the closing documents for each residential unit and will be responsible for causing the residential unit owner to execute such Agreement at or prior to closing. Developer/HOA shall deliver the fully executed Wastewater Service Agreement and fees to DSH within ten (10) business days of the residential unit closing. Developer/HOA agrees that failure on the part of Developer/HOA or the closing agent to collect such fees from residential unit purchasers shall not absolve Developer/HOA of the responsibility of tendering such fees to DSH within the ten (10) business day time period specified herein.
- 16. No connection will be provided to the force main sewer collection system until tap fees are provided. Developer/HOA certifies that as of the date of this contract, 34 units have been sold. Units 23 and 24 have been sold and tap fees collected prior to this agreement will be used by the Developer/HOA to fund the construction of the Phase II system expansion. Units 23 and 24 cannot be connected to force main/treatment system until Phase II construction is complete.
 - a. Lot Summary:
 - i. Non-resident property owners (requires access fee) = 3
 - ii. Developer owned lots requiring access fee = 6
 - iii. Resident property owners = 3
 - iv. Commercial overnight rental property owners = 23

- v. Number of property owners not attached to system = 5
- 17. Developer/HOA agrees to provide to each Residential/Commercial Unit Purchaser DSH's STEP System Policy as shown in Attachment 1.
- 18. Developer/HOA will cause to be installed in the water supply line serving each residential unit or units, on the owner's side of the water meter, prior to any branch in the water supply line, a lockable valve to which DSH will have access. DSH will provide in its Wastewater Service Agreement (referred to in section 13) that DSH shall have the authority to turn off the water supply to the home in the event the monthly wastewater bill is not paid for a period of sixty (60) days. Additionally, Developer/HOA will incorporate into the disposal line, prior to the STEP unit, a locked valve box which valve will be closed and locked as of completion of the construction. The valve will be opened by DSH personnel upon receipt by DSH of the account balance plus all late fees and reconnection fees.
- 19. Performance pursuant to the terms and conditions of this Agreement is contingent on the receipt of a letter or other written acknowledgement from each necessary governmental authority, utility district, or other public utility to the effect that no such entity plans or intends to extend sewer service to the Development within the next twelve (12) months. The letters should be in substantially the form attached hereto as collective Exhibit 3.
 Developer/HOA shall bear the responsibility for procuring these letters which shall be addressed directly to DSH.
- 20. Developer/HOA will further cause the following language, or similar language as agreed in advance between DSH and Developer/HOA, to be incorporated into all restrictions and protective covenants for Lakeside Estates and, to the extent restrictions or protective covenants are already of record, Developer/HOA will cause such recorded restrictions or protective covenants to be amended, in order to include such language as a lien on all real

property within the Development:

a. Developer/HOA has contracted with a utility ("Utility") to operate and maintain the wastewater system ("System") serving the Development. There is hereby created and shall be a lien in favor of the Utility against any individual residential/commericial units or building structures for default in the payment of any fee or charge imposed by the Utility in the operation of the System which lien shall also secure fees and costs (including attorney fees) incurred by the Utility incident to the collection of such fees or charges or enforcement of such lien, regardless of whether legal action is commenced. Each such fee or charge, together with interest, costs, and attorney fees, shall also be the personal obligation of the person or persons who were the Owner or Owners of the residential unit or building structure at the time when the fees or charges were incurred. In the event of the occurrence of a catastrophic event, an act of God, or any other event beyond the control of the Utility that renders the System inoperable or substantially impairs the operation of the System, the Utility shall have the authority to impose a special assessment on the owners of all building structures or residential units in order to repair and remediate the System. There shall also be a lien in favor of the Utility against each individual residential unit or building structure to secure the payment of such special assessment, including collection costs and fees (including attorney fees) incurred by the utility. Notwithstanding any other provision of these covenants this lien shall be subordinate to only a first priority purchase money mortgage or first priority purchase money deed of trust.

- b. The maintenance, repair or replacement of the Septic Tank Efficient Pumping ("STEP") units shall be the obligation of the homeowners for individual STEP systems and the HOA association for community owned STEP systems.
- 21. Developer/HOA may terminate the Agreement prior to the Commencement Date at Developer/HOA's discretion following written notice to DSH of its intent to so terminate subject to the conditions set forth in this section. This Agreement shall not terminate unless and until such time as DSH has received, in a form satisfactory to DSH, its engineers and its counsel, written authorization from the Tennessee Department of Environment and Conservation and the Campbell County Planning Commission acknowledging that DSH has no obligation to provide wastewater service to the Development and releasing DSH from any liability arising as a result of the termination. Developer/HOA shall execute a written release releasing DSH from any liability arising as a result of the termination of this Agreement. Developer/HOA will forfeit all monies paid to DSH if the Agreement is terminated.
- 22. Notwithstanding any other provision of this Agreement and notwithstanding the payment by Developer/HOA of the amounts set forth in this Agreement, DSH shall not be obligated to accept the System or commence operations unless and until all of the obligations of Developer/HOA and the criteria set forth in this Agreement have met to the sole satisfaction of DSH, DSH's engineers and DSH's consultants. In the event DSH, for whatever reason, fails or refuses to accept the System and commence operations, DSH shall refund the tap fees and wastewater disposal deposits tendered by the Developer/HOA, but shall have no other or further liability to Developer/HOA or to the owners or units within the Development.

23. Failure to perform any obligation of this Agreement after fourteen (14) calendar days' notice of the failure to perform or within any time period set forth in this Agreement shall constitute an Event of Default by Developer/HOA, and DSH may at that time, terminate the Agreement. Such termination will release DSH from any liability to Developer/HOA and from any obligation to provide wastewater service to the Development.

24. Any notice or communication required or permitted hereunder shall be in writing and be sent either by: (i) personal delivery service with charges therefore billed to shipper: (ii) overnight delivery service with charges therefore billed to shipper; or (iii) United States Mail, postage prepaid, registered or certified mail, return receipt requested, addressed to Utility or Developer/HOA at the respective addresses set forth below:

Utility: DSH & Associates, LLC

Douglas S. Hodge, Ph.D., PMP

Operations Manager 4028 Taliluna Ave Knoxville, TN 37725 865-755-8066

Developer/HOA Jon Trimbach

President

Trimbach Development, LLC/Lakeside Estate HOA

320 Echo Valley Drive Vandalia, OH 45377 937-238-6843

Any notice or communication sent as provided herein shall be deemed given or delivered: (i) upon receipt if personally delivered; (ii) upon delivery by an overnight delivery service; or (iii) if sent by the U.S. Postal Service Registered or Certified Mail, on the date appearing on the return receipt, or if there is no date on such return receipt, the receipt date shall be presumed to be the postmark date appearing on such return

receipt. If delivery is refused or cannot be made, the notice date shall be the date of attempted delivery as evidenced by the appropriate notations made by the Postal Service. Either party may change its address by notice to the other party in the manner set forth above at least ten (10) days prior to such change.

This Agreement contains the entire agreement of the parties, and any and all other prior agreements, discussions, or understandings are merged herein. This Agreement may not be modified except in writing signed by all parties hereto. This provision may not be orally waived.

IN WITNESS THEREOF, the parties have hereunto set their hands, effective the year and date first above written.

Trimbach Development, LLC

By:

Title: Managing Member

Date: <u>6/10/11</u>

Lakeside Estates HOA, LLC

By:

Title: Managing Member

Date: <u>6/10/11</u>

DSH & ASSOCIATES, LLC

By:

Title: Managing Member

Date: <u>5/2/11</u>

Attachment #1

Governing the sewage collection

and treatment systems of DSH & Associates (DSH)

Statement of Purpose

The general purpose of these rules and regulations is:

- To establish procedures for furnishing sewage collection and treatment services on a uniform basis to customers within the Company's service area.
- 2. To provide standards and procedures for:
- 3. Acceptable sewage characteristics
- 4. Protection of the integrity of the water tight system
- 5. Engineering design standards
- Construction standards and inspection requirements
- 7. Quality of materials

Authorization of Rules and Regulations

DSH & Associates, LLC is a corporation organized and engaged in business as a public utility in the State of Tennessee. The Company is regulated Under a Certificate of Convenience and Necessity issued the Tennessee Public Service Commission (PSC) under Docket No. <a href="https://docs.psc.nc/rules-n

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of the Company

Utility Facilities on Private Property

The Company shall maintain all septic pump and septic gravity tanks, control systems and service lines required to provide sewer services on the Customer's premises. The Customer must execute an agreement that acknowledges the Company to have a perpetual easement in, over, under and upon the specified land of Customer as shown on the property plat, with the right to operate and repair all components of the sewer system on the Customer's property, including but not limited to the septic tank and septic pump tank systems. The Customer must grant the Company permission to enter upon Customer's property for any reason connected with the provision or removal of sewer service or collection therefore. The Customer must agree to allow the Company to install an approved cut off valve between the house and water supply and grant the Company exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. The Customer understands there will be a charge of \$100.00 for installation of this valve. The Customer's Building and Pluming outfall line shall be maintained by the Customer.

Discontinuance of Service

Service under any application may by dis-continued for the following reason:

- 1. Non-payment of bill as hereinafter set forth below
- 2. For misrepresentation of application
- 3. For adding to the property without notice of the Company
- For tampering any service pipe, tank, control system, filter or any other facilities of the Company in any way whatsoever.
- 5. For violation of any rules of the Company.
- For disconnecting or reconnecting service by any party, other than a duly authorized agent of the Company without the consent of the Company.

Non-Payment Penalties

The Customer agrees to promptly pay for service at the then current schedule or rates and fees and agrees to abide by and be subject to the Company's billing and cutoff procedures. Should the Customer not pay in accordance with the Company's rules, the Customer agrees to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.

A non-payment penalty of five percent (5%) of the total bill amount will be due after the due date shown on the bill. If payment is not received within fifteen days after the due date, a 2nd notice will be sent to the customer. If payment is not received within 30 days, service will be turned off from the customer's property as per the Sewer Service Contract Agreement (Attachment 1) executed by the customer with no additional notice being sent. No service shall be reconnected if disconnected for non-payment (or any other valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is \$40. The reconnection fee is \$50 plus all back payments.

Returned Checks

A check returned by the bank will incur a fee of \$25.

Changes in Ownership, Tenancy of Service

A new application and contract must be made and approved by the Company on any change in ownership of property, or tenancy, or in the service as described in the application. In the event of a failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made an approved.

Sewer System Access Fee

The owner of each property parcel, which is provided a service connection when the sewer system is built, will be required to pay a sewer access fee of \$120.00 per year. This fee will be payable each July 1st. As each Customer attaches to the Service Connection and signs up for service, they will pay a pro-rated access fee for that year and thereafter the fee will not be charged.

Engineering, Material and Construction Standards

General: This specification covers the type of sewer system required for various design conditions of sewers constructed by Developer/HOAs.

- The requirements called for are a minimum in all cases. Bedding conditions, material specifications, sealing
 requirements and installation methods are the responsibility of the design engineer and must be approved by the
 Company Engineer
- Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of Environment. Any conflicts between company and state requirements shall be resolved so that the more restrictive shall covern.
- All sewage collection system components are to be watertight. This includes Building Outfall lines, all tanks, Collector Lines. Service Lines and Main Lines.
- Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
- Septic Pump and Septic Gravity Tanks are to be installed near the customer's building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
- STEP septic tanks must meet the specifications outlined in this document. Size of STEP tanks must be approved by DSH and will be based on the number of bedrooms in the home and the intended use of the home.
- All pipe is to be PVC. Classes and sizes will be per Engineer's design and in all cases Schedule 40 will be the minimum allowable.
- Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

Special Pretreatment Sewage Requirements

For all sewage connections the Company reserves the right to require any non-residential user to provide special pretreatment for any high strength effluent before discharge into its sewage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume and increase surge holding capacity at the Customer's expense. All customers will be required to follow the Owners User Manual for an effluent collection system supplied to them by the Company (Attachment 1). These requirements prohibit the dumping of any toxic chemicals that kill tank bacteria and disposal of an excessive amount of grease, among other things. All requirements (and notification of repair costs associated with the system abuse) are established in the Customer's Sewer Subscription Contract with the Company.

Damage

The Company shall in no event be responsible for maintaining any Building Outfall Line owned by the Customer, nor for damages created by sewage escaping there from, nor for defects in Customer's building lines or fixtures. The customer shall at all times comply with all regulations of the TRA and of the Company.

All leaks in any building pipe or fixture on the premises of the Customer shall be immediately repaired by the Customer. On failure to repair any such leak, the service may be discontinued until repairs are made. Any customer found introducing prohibited substances into the waste water system is liable to pay the full cost of cleanup and the repair of any damage caused.

Inspection

All pipes, valves and fixtures shall be at all reasonable hours, be subject to inspection by the Company or it's duly agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company. In case of emergency, call 865-851-

Service Area

The Company will provide service within its current service area. Additions to the service area must be approved by TRA.

Extension Plan

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing sewer systems. The sewer service charges listed in the sewer billing monthly rates do not include costs for constructing extensions to the sewer system. Any sewer system facilities required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facilities shall become the property of the Company to be credited to the account for Contributions in Aid of Construction. In addition, treatment system facility costs will be paid by the Customer desiring to connect onto the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the Developer/HOA or property owner is willing the bear the expense of designing and building the sewer system.

Contributions in Aid of Construction

Sewer system facilities furnished by Developer/HOAs and property owners to the Company will be recognized as Contributions in Aid of Construction in the amount of the actual cost of construction. Capital contributions from Developer/HOAs will be treated in like manner.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company, a Sewer Subscription Contract.

Customer Billing Forms

Customer billings will be sent monthly or annually to Customers for payment of a flat fee.

Individual Septic Tank and Pump Tank Requirements

Only the configurations listed on the Individual Septic Tank and Pump Tank requirements list may be used. This list may be added to or taken from as needed.

Public Contact

Doug Hodge 4028 Taliluna Ave Knoxville, TN 37919 865-851-8351

Tennessee Regulatory Authority Regulations

The Company, in its operation, shall conform to all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority. The TRA can be reached by phone at 1-800-342-8359 or 615-741-2904.

RESIDENTIAL RATE SHEET/EXPLANATION

FEES:	<u>TOTAL</u>
Non-Payment	5%
Tap Fee	See section 12a
Disconnection	\$ 40.00
Reconnection	\$ 50.00
Returned Check	\$ 25.00
Access Fee	\$120/yr
Monthly residential sewer rate	\$ 44.53

COMMERICAL RATE SHEET Overnight Rental Units

The monthly sewer charge per customer is based on the monthly average daily flow monitored from the unit being served. A minimum of \$69.53 per month will be charged for up to the first 300 gallons per day of average daily flow. (I) For each additional 100 gallons per day of average daily flow, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For average daily flows over 1,000 gallons per day, an additional monthly charge of \$157.95 per 1,000 gallons of average daily flow will apply.

	FLOW	<u>VRATE</u>	
COMMERCIAL W/O FOOD	BETWEE	N (GPD)	TOTAL**
Tier 1	0	300	\$ 69.53
Tier 2.1	301	400	\$ 84.53
Tier 2.2	401	500	\$ 99.53
Tier 2.3	501	600	\$ 114.53
Tier 2.4	601	700	\$ 129.53
Tier 2.5	701	800	\$ 144.53
Tier 2.6	801	900	\$ 159.53
Tier 2.7	901	1000	\$ 174.53
Tier 3.1	1001	2000	\$ 332.48
Tier 3.2	2001	3000	\$ 490.43
Tier 3.3	3001	4000	\$ 648.38
Each additional tier			\$ 157.95

Each customer will be billed the minimum monthly charge unless DSH determines that the customer's measured usage exceeds an average of 300 gallons per day over a thirty day period. Unless otherwise stated in this tariff, measured usage will be based on a customer's actual or estimated usage, averaged over a thirty-day period.

Actual usage may be measured in any of the following ways:

- Effluent flow meter.
- STEP pump. Usage will be measured by multiplying the period of elapsed pumping time shown on the pump times the capacity of the pump.
- In the absence of an effluent flow meter or a STEP pump, usage will be assumed to be equal to the customer's usage of potable water as shown on the customer's potable water meter.

If a customer is charged in excess of the minimum monthly fee, DSH will measure the customer's actual usage at least once every ninety days using one of the methods described above and display on the customer's statement the usage and measurement method used. In any month in which DSH does not measure the company's actual usage, the customer's monthly bill will be based on the customer's estimated monthly usage. No less than once every ninety days DSH will bill (or credit) the customer for any differences between an estimated bill and actual measured usage.

If a customer's usage exceeds the average daily design flow for three consecutive months, the customer may be required to pay any capital costs associated with increasing the capacity of that portion of the system designed and dedicated to serve that customer. For purposes of this section, DSH must measure actual usage for three consecutive months using one of the methods described above.

If DSH determines that a customer's usage meets the criteria described above, DSH will notify the customer in writing of any proposed construction work, the reasons for the work, and the estimated cost to the customer. The notice will also state that if the customer believes that his usage does not meet the criteria described above or that the charge to the customer is unjust and unreasonable, the customer

may file a written complaint with the Tennessee Regulatory Authority, located at 460 James Robertson Parkway, Nashville, TN, 37243. Unless the TRA orders otherwise, the filing of a complaint will not delay the proposed construction work but may initiate a proceeding in which the TRA will determine whether, under the terms of this tariff, the customer is responsible for the cost of the construction work.

SEWER SERVICE CONTRACT

DATE:	·
PRINTED NAME:	
ADDRESS OF PROPERTY:	
MAILING ADDRESS:	
TELEPHONE NUMBER:	
EMAIL ADDRESS:	

I hereby make application to DSH & Associates, LLC (DSH) for sewer service at the address of property stated above. In consideration of the undertaking on the part of DSH to furnish sewer service, I understand, covenant and agree as follows:

- I understand that the components of a sewer system have been installed on the property referred to above, which is owned or occupied by me, and which is to be connected with a wastewater disposal system owned and/or maintained by DSH. I warrant that any connection to and/or subsequent use to this system by the components on my property shall be in accordance with the Rules, Regulations and Plans of DSH. Regarding my usage of the system components on my property, which are owned by me, I covenant to follow the guidelines set forth in the Owners User Manual. Should I violate these Rules and/or abuse or damage my components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of DSH.
- I acknowledge DSH, its successors and assigns, have a perpetual easement in, over, under and upon the above specified land as shown on the property plat, with the right to operate and repair all components of the sewer system on my property, including but not limited to the septic tank and septic pump tank systems. I further grant DSH permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
- For all other plumbing and structures on the property, including the outfall line to the septic tank, I agree that
 I am responsible for all operation and repair thereof.
- 4. I agree to promptly pay for service at the then current schedule or rates and fees and agree to abide by and be subject to DSH's billing and cutoff procedures. Should I not pay in accordance with DSH's rules, I agree to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.
- I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules as approved by the Tennessee Regulatory Authority.
- 6. I agree that this Agreement shall remain in effect for as long as I own, reside upon or rent the above-described property. When such circumstances no longer exist, I agree to provide notice to DSH at least thirty (30) days in advance of my vacating the property.
- 7. I agree to allow DSH to install an approved cut off valve between the house and water supply and grant DSH exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. I understand there will be a charge of \$100.00 for installation of this valve.

SURSCRIBERS SIGNATURE:		

OWNERS USER MANUAL

Welcome! You are hooked up to a state of the art fixed film wastewater treatment system. This environmentally friendly system does an excellent job of treating wastewater and returning it to the soil. It will do best if you follow the guidelines listed below:

Proper Use:

Direct all wastewater from the home into the septic tank. Any wastewater can contain disease causing organisms and pollutants.

Practice water conservation to avoid overloading the onsite sewage system. Repair dripping faucets and leaking toilets. Run dishwashers when full. Do not do all your laundry in one day. Space out the washing machine use over the week. Replace old fixtures with water saving fixtures.

Do not direct water from gutter downspouts, sump pumps or subsurface drains into the septic tank. The sewage management system is designed based on an estimated daily water use. Excess water directed into the septic tank will cause a hydraulic failure.

Use commercial bathroom cleaners and anti-bacterial soaps in moderation. Treatment in the wastewater system depends on natural bacteria. The Utility does not recommend the use of septic tank additives. These products are not necessary for proper system operation.

Do not plant trees or bushes on top of the septic or pump tank. Root intrusion may damage and block the line.

Do not dig without knowing the location of your septic and pump tank. Landscape the site to allow surface water to drain off of these tanks. Divert roof drains from these tanks. Standing water over these tanks will cause increased load saturations and potential pump failure.

Do not park or drive over the septic and pump tank. This can damage or compromise the tanks.

Do not pour grease, oil, paint or other chemical products down the drain. Do not put not-biodegradable items such as cigarette butts, feminine hygiene products, condoms, disposable diapers or other similar solid waste into the septic tank. Remember living microbes clean the wastewater.

Do not enter your septic or pump tank. Gases from inside the tank can be fatal. Keep the lids secure and screwed down.

Do not turn off the main circuit breaker to the wastewater pumps when going on vacation. The pumps will need to handle any infiltration into the system.

If there is a power failure, your alarm might go off when the power comes back on. Wait at least 2 hours; if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay.

Customer Service: 865-622-2452

Jon Trimbach

320 Echo Valley Drive Vandalia, OH 45377 877-204-0785

Lakeside Estate HOA

Attn: Lakeside Estate Property Owners

(Address Stamp Here)

Trimbach Development, LLC has engaged DSH & Associates (DSH), LLC (a waste water utility

company) to replace LaFollette Utility District for waste water utility services. Their rate sheets and other pertinent information are attached. This transition will be effective July 1st, 2011.

Please contact me by phone if you have any transitional questions. The DSH point of contact is Doug Hodge who can be reached at 865-622-2452 or hodge.dsh@gmail.com.

Jon Trimbach

Managing Member Trimbach Development, LLC

11/1/10

DSH & Associates, LLC

4028 Taliluna Avenue, Knoxville, TN 37919

Dear DSH Utility Services Customers

I would like to welcome you to DSH & Associates, LLC and Lakeside Estates. We at DSH & Associates, LLC look forward to providing the best and most environmentally friendly wastewater treatment service. First of all I would like to explain our rates for Lakeside Estates.

We have 3basic rates, one if you have not built your home yet and the other as your home is built. First, the rate if you have not built your home yet is referred to as an access fee. The access fee is \$120.00 dollars per year and is due on July 1st. What this fee pays for is the maintenance of the lines in the streets and the treatment plant components. Even if no homes are built in the subdivision, maintenance and test records must be maintained to meet state requirements. We use this fee to offset these costs so that when you are ready to connect, the system will be ready for you.

Our next rate is for when you build your home and tie on, this rate is \$44.53 per month. If you rent your home during any period of time, you will pay a minimum rate of \$69.53 per month and your rate will be prorated based on usage. For this payment we will treat the wastewater to the highest standards and dispose of it into a drip emitter field. We use the fixed film system of treating the wastewater because of it's reliability and it can be maintained more cost effectively than other systems. This is a fully automated PLC controlled system for the utmost reliability. You will additionally install a septic and pump tank at your home at your expense. We will pump and maintain the septic tank, pump tank and components at no additional cost to you. It should be noted that we do not maintain any plumbing or unstop any blockages in your home or the outfall line to the septic tank.

Additional charges are as follows:

- Service disconnect \$40.00
- Service reconnect all past due amounts with late fees and \$50.00 Returned Check Fee \$25.00
- A 5% late fee will be added to the total bill on the lot of any month in which we have not received your

A complete copy of our tariff or billing amounts is available for viewing at our office during normal business hours by

Now for connecting, we have a set of specifications that must be followed and are included in this packet. You must get a permit from Jefferson County Environmental Health before starting work. Before you can connect to the DSH & Associates, LLC Service Connection you must sign and return your Sewer Service Contract Agreement.

You will need to install a cut off valve between the house and water supply and grant DSH & Associates, LLC exclusive rights to use such valve to cut off water in order to safely stop wastewater flow.

You will have an alarm post next to your pump tank or on your house. If there is a power failure, this alarm might go off after the power comes back on due to residual water needing to be pumped out. Wait at least 2 hours and if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay. If you need additional assistance, please call our Customer Service number: 865-851-8351.

All payments will be sent to:

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919

Again I would like to welcome you to DSH & Associates, LLC and Lakeside Estates. We at DSH & Associates, LLC will do our best to handle your wastewater service needs in an honest and professional manner.

Sincerely,

Douglas S. Hodge, Ph.D. PMP Operations Manager DSH & Associates, LLC

Douglas S. Hodge

DSH & Associates, LLC

Individual STEP septic tank requirements.

Only configurations and equipment approved by DSH may be used. Not following these configurations shall be cause for disconnect until the specifications are met.

All connections to the septic and dosing will be:

- 4" schedule 40 PVC at not less than 1/8" fall per 1'
- Have an Inspection port relief valve between the septic tank and pump tank. The Inspection port relief valve will be on an elevation of not less than 6" below the elevation where the building outfall line leaves the home. (see approved products)
- Foam core pipe is approved if it meets local code requirements

The line from the pump tank to the main line will be:

- Pressure rated Schedule 40 PVC minimum 1.25 inch
- Have a piece of single strand insulated copper wire included in the ditch turned up in the utility box at the road and alarm post for future locating needs.
- Pumped line from pump tank to service connection should be buried at least 18"deep.

The STEP septic must meet the Utility's design requirements:

- All tanks must be on the Utility's approved list. Other tanks may be added to approved list if they meet all requirements. Contact the Utility for details on adding additional equipment to approved list.
- Shall be of a watertight design and all joints must be sealed to stop ground water intrusion and sewage leaks. Concrete/Fiberglass tanks must be I piece tanks with sealed lid.
- The STEP septic tank will be a two chamber design at least 1500 gallon capacity.
- The septic tank will have PVC tees in each end at least 1/3 the water depth.
- The outlet tee will include a septic tank filter.
- The top of the tanks shall not be buried deeper than 24" from the surface.
- The septic tank will include two approved risers to the surface.
- The dosing tank will include one approved riser to the surface.
- The risers will have two forms of entry security. Safety screws in outer lid and a riser pan with cement lid or a safety screen.
- The dosing tank will have a 1.5 inch metal pipe entering at least 46"on center from the bottom of the tank at the riser end. The total length of the installed pump and piping shall be 46" from center of the line entering the tank to the bottom of the pump.
- The pipe in the tank will have a 1/16 hole pointed downward in the tank to relieve air after pump cycle.
- The pump tanks will have an EZ pull adapter for quick pump service.
- A1 pipes in the dosing tank will be galvanized water pipe, aluminum or stainless steel
- Metal pipe must extend at least 3' from tank toward Utility connection before converting to using PVC.

- The metal elbow shall have a 1/16 hole at a 30 degree downward angle drilled into it'
- A non spring check valve shall be connected to the Utility service just inside the Utility service box. This will make a total of two check valves at the service box.

Electrical Connections

- All connections shall meet the national electrical code.
- All connections shall be located outside of the tank.
- An approved alarm post with a high level alarm shall be located at the pump tank riser.
- No electrical connections are allowed inside the pump tank or riser.
- Two 110 volt electrical circuits are required from the house to the alarm post. One 12 gauge dedicated for the pump and one 14 gauge for the alarm, so the alarm will work even if the pump throws a circuit breaker. Wire in PVC conduit or direct burial wire is required.
- The conduit connecting the riser to the alarm post must be sealed so as to keep corrosive gasses from entering the alarm post.

Approved Materials: (contact the Utility in advance to recommend an addition to this list)

Risers: Can use either Orenco System or Polylok System risers as outlined below:

- Orenco: Jeff Brownfield at 423-331-2036
 - 2.000 FL24G-4BU Fiberglass Lid, 24" W/ Urethane Gasket, Angled Core; 4 bolts, Inlet & outlet
 - o 2.000 RR2436 Pvc Access Riser, 24" Dia.
 - o 2.000 MA320 200 G Epoxy Kit
 - o 1.000 SB4 Pvc Splice Box W/4 Cord Grips
 - 1.000 PV55-1817 Simplex Biotube Pump Vault for 24" Riser, 18" Cartridge
- Polylok: www.polvlok.com 877-POLYLOK
 - o Polylok 3008 HD Heavy Cover or
 - o Polylok 3008 RC Light Duty Cover
 - o Polylok 3008-RP 24" Riser Pan or
 - o Polylok 3008-SS 24" Safety Screen
 - o Polylok 3008 24" Riser 6" tall
 - o Polylok 3008-R12 24" Riser 1,2" tall
 - o Polylok PL-68 Filter Cartridge (septic tank filter)
 - o Polylok 3009-AR (adapter ring for plastic tanks)

Alarm Post:

- SJE Rhombus model PSPL20V6HL7 A www.sierhombus.com 1-888-DIALSJE
- Septic Products Inc. Observer 100 www.septicproducts.com 419-282-5933

EZ pull adapter -EZ-Puller 1.5 inch www.webtrol.com 800-769-7867

Inspection Port Relief Valve 562-304 www.Plum.com 800-462-6991

STEP Septic Tank: 1 piece 2 chamber

- Orenco Step Tank: Jeff Brownfield 423-331-2036
- Norwesco 1050 Septic tanks part number 42250,42248,42283, 42293 www.norwesco.com
- Ashley Cement Tanks: Must be L piece 2 chamber poured tanks with two Polylok 24" risers and sealant between lid and tank.
- Watson Septic, Madisonville, TN
- Dixie Concrete, LaFollette, TN
- Tays Septic, Crossville, TN
- Morrison Tank & Vault, Morrison, TN

Approved Pumps:

- Myers 2NFLs1-8E www.femvers.com 419-289-1144
- Orenco: Jeff Brownfield at 423-331-2036
 - 1.000 PF100511 Effluent Pump; 1/2Hp, 10gpm, 115V, 60Hz, 10' Lead
 - o 1.000 HV100BCFCPRX Hose & Valve Assembly, 1" Pressure, w/B,C,FC,X
 - o 1.000 MF3A-Y,B,R-27V Fl. Assem.;(Y,B,R);27" step pump vault
 - o 1.000 S1ETM Simplex Panel, 115V W/Etm

Some local Installers: (if an installer does poor work, the Utility reserves the right to not allow him/her to do further work) To add your installer, please call the Utility first: Doug Hodge at 865-851-8351.

For additional technical assistance call DSH & Associates, LLC. 865-622-2452.

Docket No. 11-00020 DSH & Associates, LLC

Attachment #7

Agreement to Transfer Deed to Wastewater Treatment System Land/Property

AGREEMENT

This Agreement is entered into this <u>2</u> day of April, 2011, by and between DSH & Associates, LLC ("DSH") and Trimbach Development, LLC ("Developer.

WITNESSETH:

WHEREAS, the parties have entered into various agreements whereby Developer has retained DSH to complete and operate the waster water treatment facility for Developer's project known as Lakeside Estate; and

WHEREAS, in connection with the regulatory approval of the agreement with DHS, the parties agree that upon approval of the agreement with DHS, certain easements and other properties shall be transferred to DHS in connection with its services.

NOW, THEREFORE, for and in consideration of the mutual covenants of the parties, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

- 1. The Developer agrees that upon the approval by the Tennessee Department of Environment and Conservation ("TDEC") of the agreement between it and DHS for the management of the waste water treatment facility pursuant to the other agreements between the parties, Developer shall convey by deed, title to the real property comprising the location of the waste water treatment plant and the area for the drip field. Said Property shall consist of the real property designated as the "Area Reserved for Sewage Disposal" containing approximately 18.48 acres and 5.21 acres and the area designated as the "Sewage Disposal Plant" containing approximately 1.6 acres, both as shown on the plat of record in Plat Cabinet A, Slide 581 in the Register's Office for Campbell County, Tennessee and as shown on the attached exhibit. The Developer agrees to convey such property by deed within 60 days of the approval of the project by TDEC.
- 2. Also upon the approval by TDEC, Developer shall also convey to DHS a permanent and perpetual, joint, non-exclusive easement Twelve (12') feet wide for the location, installation and maintenance of sewer lines and meters for the general purposes of providing sewer service to the Developer's subdivision development known as Lakeside Estates, said easement being further shown on the plat of said subdivision of record in Plat Cabinet A, Slide 581, and as described in the Easement of record in Warranty Deed Book 443, Page 617 and by the Assignment recorded in Misc. Book 88, Page 889 in the Register's Office for Campbell County, Tennessee, which plat is incorporated herein by reference.

3. This agreement shall supplement the prior agreements entered into between the parties.

Executed this 2 day of April, 2011.

DSH & ASSOCIATES, LLC

By:

Title: Managing Member

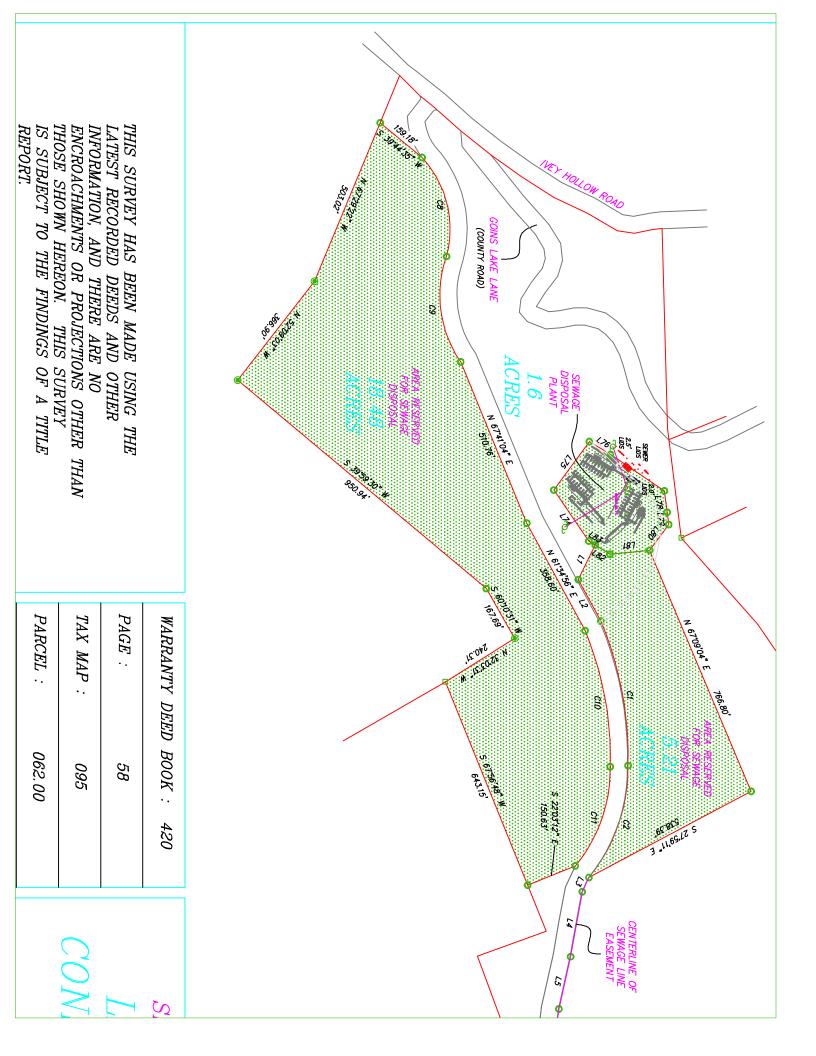
Date: 4/2/11

TRIMBACH DEVELOPMENT, LLC

Ву: _

Title: Managing Member

Date: <u>4/2/11</u>



Jon Trimbach

Trimbach Development, LLC 320 Echo Valley Drive Vandalia, OH 45377 877-204-0785

Douglas Hodge

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919 865-755-8066 Hodge.dsh@gmail.com

Dr. Hodge,

Per our phone conversation on 3/15/11, Trimbach Development (developer for Lakeside Estates) will transfer all permanent easements associated with the Wastewater Treatment Facility, Drip Field, pump stations, and force main line locations to DSH & Associates, LLC (see attached easement locations). These easements are currently assigned to LaFollette Utility District (the current operator). I have spoken with Eddy Troxell, with LaFollette, and he has agreed to the transfer. The transfer date will be the same date as the final issued CCN from TRA.

Please give me a call with any questions.

Jon Trimbach

President

Trimbach Development, LLC

Eddy Troxell

LaFollette Utility District

Water Department Manager



AMENDED DECLARATION OF ROADWAY, SEWAGE AND WATER EASEMENT

This Declaration is made this <u>25th</u> day of April, 2008, by Lakefront Condominiums, LLC, a Tennessee Limited Liability Company, and Trimbach Development, LLC, an Ohio Limited Liability Company (hereinafter collectively referred to as "Declarant");

WITNESSETH:

WHEREAS, Declarant owns certain real property located in District Number One (1) of Campbell County, Tennessee, by deed recorded in Deed Book 439, Page 414, in the Register's Office for Campbell County, Tennessee, as shown on Plat entitled "Sewage Disposal System for Lakeside Estates Condominiums and Villas" of record in Plat Cabinet A, Slide 591, in the Register's Office for Campbell County, Tennessee; and

WHEREAS, Declarant wishes to clarify the conveyance of certain easements to and from the tracts shown on the hereinabove referenced plat;

NOW, THEREFORE, in consideration of the sum of Ten (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Declarant does hereby declare for the use and benefit of the owners of Condominium Units and/or Villa Units in Lakeside Estates Condominiums and Villas, together with the said owners of future Condominium Units and/or Villa Units, if any, and individual homeowners, if any, and individual landowners, if any, and/or the future holders of any other types or kinds of ownership interests in the Lakeside Estates Subdivision area depicted on the hereinabove referenced plat, and/or any future property which may be annexed thereto, and/or LaFollette Utilities Board, together with their respective heirs, executors, administrators, successors and assigns, a permanent, non-

exclusive easement for ingress and egress across the roadways shown on the hereinabove referenced plat.

In addition to the abovedescribed road right of way, the Declarant does hereby grant and convey unto all owners of Condominium Units and/or Villa Units in Lakeside Estates Condominiums and Villas, together with the said owners of future Condominium Units and/or Villa Units, if any, and individual homeowners, if any, and individual landowners, if any, and/or the future holders of any other types or kinds of ownership interests in the Lakeside Estates Subdivision area depicted on the hereinabove referenced plat, and/or any future property which may be annexed thereto, and/or LaFollette Utilities Board, together with their respective heirs, executors, administrators, successors and assigns, a perpetual, non-exclusive use of the existing sewage line easement, water line and roadway, as shown on the hereinabove referenced plat, and any future roadways which may be constructed on the lands shown on the hereinabove referenced plat, which shall hereafter be maintained by and at the expense of the said owners of Condominium Units and/or Villa Units in Lakeside Estates Condominiums and Villas, together with the said owners of future Condominium Units and/or Villa Units, if any, and individual homeowners, if any, and individual landowners, if any, and/or the future holders of any other types or kinds of ownership interests in the Lakeside Estates Subdivision area depicted on the hereinabove referenced plat, and/or any future property which may be annexed thereto, together with their respective heirs, executors, administrators, successors and assigns.

In addition to the roadway easement described above, Declarant further dedicates to the owners of Condominium Units and/or Villa Units in Lakeside Estates

Condominiums and Villas, together with the said owners of future Condominium Units and/or Villa Units, if any, and individual homeowners, if any, and individual landowners, if any, and/or the future holders of any other types or kinds of ownership interests in the Lakeside Estates Subdivision area depicted on the hereinabove referenced plat, and/or any future property which may be annexed thereto, and/or LaFollette Utilities Board, together with their respective heirs, executors, administrators, successors and assigns, a non-exclusive sewage line easement twelve (12.0') feet in width under which a sewage line will be placed, the centerline of said easement being situated as depicted on the hereinabove referenced plat.

Said sewage line leads from what is known as Lakeside Estates Condominiums and Villas to a designated "Area Reserved for Sewage Disposal" and "Sewage Disposal Plant" as shown on the hereinabove referenced plat, and the Declarant further dedicates a non-exclusive easement to the owners of Condominium Units and/or Villa Units in Lakeside Estates Condominiums and Villas, together with the said owners of future Condominium Units and/or Villa Units, if any, and individual homeowners, if any, and individual landowners, if any, and/or the future holders of any other types or kinds of ownership interests in the Lakeside Estates Subdivision area depicted on the hereinabove referenced plat, and/or any future property which may be annexed thereto, and/or LaFollette Utilities Board, together with their respective heirs, executors, administrators, successors and assigns, for use of the said "Area Reserved for Sewage Disposal" and "Sewage Disposal Plant" as shown on the hereinabove referenced plat for sewage disposal and sewage disposal plant construction.

Declarant further conveys unto the owners of Condominium Units and/or Villa Units in Lakeside Estates Condominiums and Villas, together with the said owners of future Condominium Units and/or Villa Units, if any, and individual homeowners, if any, and individual landowners, if any, and/or the future holders of any other types or kinds of ownership interests in the Lakeside Estates Subdivision area depicted on the hereinabove referenced plat, and/or any future property which may be annexed thereto, and/or LaFollette Utilities Board, together with their respective heirs, executors, administrators, successors and assigns, the non-exclusive right to use a sewage pump station located under the twelve (12.0') foot wide sewage line easement referenced and identified above, together with the non-exclusive right to enter upon all of the lands described herein to repair and maintain all equipment, sewage lines, and the sewage pump station, as necessary, in the future, and this non-exclusive easement shall run with the subject lands.

This Amended Declaration of Roadway, Sewage and Water Easement is intended to supplant that certain Declaration of Roadway, Sewage and Water Easement dated December 6, 2007, and recorded in Deed Book 440, Page 310, in the Register's Office for Campbell County, Tennessee, on December 7, 2007.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on the day and year first above written

0800	3169
6 PGS : AL - EASEME	NT
RUTH BATCH: 37500	
04/28/2008 - 04:	25 PM
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	30.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	32.00

STATE OF Ohio	
STATE OF Spire	
COUNTY OF Montgomery	*
	T / /
Personally appeared before me,	on Trimbach, a
Notary Public in and for the above named state an am personally acquainted, and who acknowledge	d county, Jon Trimbach, with whom I d that such person executed the within
instrument for the purposes therein contained, ar	d who further acknowledged that such
person is the Chief Manager of Trimbach Dev	relopment, LLC, and is authorized by
Trimbach Development, LLC to execute this	s instrument on behalf of Trimbach
	instrument on centar of assessment
Development, LLC.	
18 · AWITNESS my hand, at office, this 25	day of <i>April</i> , 2008.
	Rim D. Kelson
	NOTARY PUBLIC
My commission expires:	
, 100 m 100 3	
BRIAN D. NELS	
Notary Public, State of C	
My Commission Expires Nov.	1, 2011

Recorded in Montgomery County

trimbach/lakeside.estates.condo.easement.doc/cpb
This Instrument was prepared by Joseph G. Coker, Attorney at Law, Post Office Box 134, 160 Valley Street, Jacksboro, Tennessee 37757, Phone (423) 562-5187.

	LAKEFRONT CONDOMINIUMS, LLC,
	a Tennessee Limited Liability Company
Ву	: July
Na	me: Jon Trimbonh
Its	: Chief municipal
	TRIMBACH DEVELOPMENT, LLC, an Ohio Limited Liability Company
	an Only Immed Linding Company
Ву	: Gand
	me: Jan Trimbuch
Its	: Chief menber
Notary Public in and for the above name am personally acquainted, and who ack instrument for the purposes therein com- person is the Chief Managing Agen	e, Jon Trimbach, a sed state and county, Jon Trimbach, with whom I knowledged that such person executed the within stained, and who further acknowledged that such that of Lakefront Condominiums, LLC, and is ms, LLC to execute this instrument on behalf of the state
My commission expires:	Briss D. Kelson NOTARY PUBLIC
W. 10 . 14	IAALD AUTO OCCU
	IAN D. NELSON ary Public, State of Ohio

BRIAN D. NELSON Notary Public, State of Ohio My Commission Expires Nov. 1, 2011 Recorded in Montgomery County

Attachment #8

Engineer and Operator's Certifications, Resumes, Subcontracts



GLENN SCHMIDT, P.E. PRINCIPAL ENGINEER

QUALIFICATIONS

Mr. Schmidt has more than 21 years of experience as a process engineer AND PROJECT ENGINEER PROVIDING ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL. AREAS OF EXPERTISE INCLUDE PROCESS DESIGN, CONSTRUCTION SUPPORT, O&M, INDUSTRIAL/COMMERCIAL/RESIDENTIAL WASTE WATER TREATMENT SYSTEM DESIGN, SPECIALTY CHEMICAL SYSTEMS, CHEMICAL STORAGE, MIXING AND METERING SYSTEM DESIGNS, DEWATERING FOR CONSTRUCTION SUPPORT, WASTE SLURRY RETRIEVAL DEWATERING AND STABILIZATION FOR DISPOSAL, CHEM DEMIL PROCESS DESIGN EXPERIENCE AND PROCESS UTILITIES SYSTEMS.

EXPERIENCE

DSH & ASSOCIATES, KNOXVILLE, TN PRINCIPLE ENGINEER

2011 - PRESENT

MR. SCHMIDT SERVES AS A SENIOR PRINCIPLE ENGINEER FOR DSH. HE PROVIDES ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL.

JACOBS ENGINEERING GROUP INC., OAK RIDGE, TN 2008 – 2011 SENIOR PROCESS ENGINEER

MR. SCHMIDT SERVES AS A SENIOR PROCESS ENGINEER FOR JACOBS, OAK RIDGE, TN OFFICE. HE PROVIDES PROCESS ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL. HIS PROJECT EXPERIENCE INCLUDES THE FOLLOWING:

DOE'S UPF:

MR. SCHMIDT IS CURRENTLY ASSIGNED TO Y-12'S URANIUM PROCESSING FACILITY WITHIN THE UTILITIES GROUP. HE IS THE PIPING GROUP LEAD AND THE DESIGN LEAD FOR SEVERAL UTILITY SYSTEM INCLUDING THE CHILLED WATER SYSTEM. DEMINERALIZED WATER SYSTEM. PROCESS WATER SYSTEM AND POTABLE WATER SYSTEM. HIS RESPONSIBILITIES INCLUDE CONCEPTUAL DESIGN THROUGH DETAILED DESIGN. HE HAS PREPARED THE PFDS. P&IDS. ASSOCIATED DESIGN CALCULATIONS AND SYSTEM DESCRIPTIONS. IN SUPPORT OF HIS WORK FOR UPF MR. SCHMIDT HAS BECOME PROFICIENT AT USING AFT FATHOM HYDRAULIC MODELING SOFTWARE.

BECHTEL POWER GROUP SENIOR MECHANICAL ENGINEER

2007 - 2008

MR. SCHMIDT DEVELOPED AN EXTENSIVE RAW COOLING WATER SYSTEM HYDRAULIC HEAD LOSS MODEL FOR THE WATTS BAR UNIT 2 CONSTRUCTION COMPLETION PROJECT FOR TVA. THE MODEL WAS INITIATED BY GLENN AND



INVOLVED EXTRACTION OF DESIGN DATA FROM SEVERAL DRAWING AND DESIGN DOCUMENTS FOR AN EXTENSIVE LIST OF WATER USERS. THE MODEL PROVED TO BE A USEFUL TOOL AT IDENTIFYING BOTTLENECKS AND PROVIDING A BASIS TO DETERMINE THE REQUIRED PUMP CAPACITY FOR THE DUAL UNIT OPERATION.

MR. SCHMIDT DEVELOP SEVERAL OPERATING MODES FOR THE ESSENTIAL RAW COOLING WATER SYSTEM THAT REQUIRED DEFINING WATER USERS AND THE FLOW REQUIREMENTS IN ORDER TO MODEL THE SYSTEM FOR DUAL UNIT OPERATION AT WATTS BAR NUCLEAR POWER PLANT. THE MODEL IS BEING USED TO PROVIDE THE BASIS FOR THE PUMP HEAD AND FLOW REQUIREMENTS COMPARED TO THE SYSTEMS EXISTING CAPACITY.

CAPE ENVIRONMENTAL, KNOXVILLE, TN LEAD TECHNICAL ENGINEER

2005 - 2007

MR SCHMIDT PREPARED OR OVERSAW THE PREPARATION OF PLANS, SPECIFICATIONS AND DRAWINGS FOR CONSTRUCTION AND OPERATIONS. HE PROVIDED TECHNICAL SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION PERSONNEL AND OPERATIONS PERSONNEL. HIS PROJECT EXPERIENCE INCLUDES THE FOLLOWING:

ROCKAWAY BOROUGH GROUNDWATER REMEDIATION:

MR. SCHMIDT WAS THE LEAD ENGINEER FOR THE PROJECT THAT INCLUDES THREE EXTRACTIONS WELLS SUPPLYING GROUND WATER CONTAMINATED WITH PCE TO AN AIR STRIPPER TREATMENT PROCESS. MR. SCHMIDT CONDUCTED A DESIGN AND CONSTRUCTABILITY REVIEW FOR THE TASK AND PARTICIPATED IN PARTNERING MEETINGS WITH THE PROJECT STAKEHOLDERS. HIS GROUNDWATER PUMP AND TREAT PROCESS DESIGN EXPERIENCE HELPED HIM IDENTIFY A MAJOR COST SAVINGS BY RECOMMENDING A COMMON HEADER PIPE FORCE MAIN FOR THE EXTRACTION WELLS TO FEED THE WATER TREATMENT PLANT IN LIEU OF INDIVIDUAL FORCE MAINS FROM EACH WELL. THE DESIGN CHANGE AVOIDED MULTIPLE INTERFACE PROBLEMS WITH UNDERGROUND UTILITIES AND RESULTED IN A \$500,000 COST REDUCTION. HE OBTAINED QUOTES FOR MECHANICAL, ELECTRICAL, CONTROLS, AND PROCESS EQUIPMENT AND PLAYED A LEAD ROLE IN PREPARING A FIRM FIXED PRICE BID FOR THE PROJECT. MR SCHMIDT WAS THE SITE SUPERINTENDENT FOR THE WELL INSTALLATION.

GRUBER'S GROVE BAY SEDIMENT DREDGING:

MR. SCHMIDT WAS THE LEAD ENGINEER FOR THE PROJECT. THE PROJECT SCOPE REQUIRED REMOVAL OF 60,000 CY OF SEDIMENT FROM A 17 ACRE BAY WITH A HYDRAULIC DREDGE. THE DREDGE MATERIAL WAS DEWATERED AND STORED ONSITE. THE SEDIMENT SLURRY WAS TREATED FOR MERCURY, LEAD AND COPPER TO BIND THE METALS TO THE SEDIMENT TO ENSURE THE FILTRATE MEET THE SPRAY IRRIGATION REQUIREMENTS. MR. SCHMIDT PROVIDED PROCESS DESIGN SUPPORT UPON AWARD. HE DEVELOPED THE POLYMER FEED SYSTEM DESIGN THAT WAS PROVEN TO BE SIMPLE AND RELIABLE TO OPERATE AND EFFECTIVE AT REMOVING THE MERCURY, LEAD AND COPPER FOR THE SPRAY IRRIGATION PROCESS. MR. SCHMIDT PERFORMED SLURRY LINE HYDRAULIC CALCULATION UTILIZING PIPE FLO SOFTWARE. THE CALCULATIONS SUPPORTED A DESIGN DECISION TO ELIMINATE AN IN LINE BOOSTER PUMP THAT RESULTED IN A \$200,000 SAVING FOR THE BOTTOM LINE. MR. SCHMIDT PROVIDED CONSTRUCTION SUPPORT, O&M SUPPORT TO



OPTIMIZE THE SYSTEM AND STAND IN COVERAGE FOR THE SITE SUPERINTENDENT AS NEEDED.

ROCKY HILL GROUNDWATER TREATMENT FACILITY:

MR. SCHMIDT WAS THE LEAD ENGINEER FOR THE PROJECT. THE PROJECT CONSISTED OF A GROUND WATER PUMP AND TREAT SYSTEM. THE WATER CONTAINS TCE AS THE PRIMARY CONTAMINATE OF CONCERN AND IS PROCESSED THROUGH A LIQUID PHASE GRANULAR ACTIVATED CARBON PROCESS. MR. SCHMIDT PROVIDED ENGINEERING SUPPORT FOR THE FACILITY. HE CLOSED OUT PUNCH LIST ITEMS INCLUDING VESSEL REPLACEMENT, UNDER DRAIN REPLACEMENT, SUMP MODIFICATIONS, AND O&M MANUAL COMMENT CLOSEOUT. MR. SCHMIDT PREPARED THE WORK PLANS AND DRAWINGS AND PROVIDED PROCUREMENT SUPPORT ALONG WITH DIRECT HANDS ON CONSTRUCTION SUPPORT. ALL TASKS WERE COMPLETED AS PLANNED AND ON SCHEDULE.

ROBINS AIR FORCE BASE:

MR. SCHMIDT PROVIDED PROCESS / MECHANICAL DESIGN SUPPORT FOR VARIOUS PROJECT ASSOCIATED THE BASES' INDUSTRIAL WASTEWATER TREATMENT OPERATIONS AND REMEDIATION SYSTEMS. MR. SCHMIDT PREPARED THE BASIS OF DESIGN DOCUMENTS, PROCESS FLOW DIAGRAMS, P&IDS, GENERAL ARRANGEMENTS DRAWINGS, MATERIAL TAKE OFFS, EQUIPMENT SPECIFICATIONS, PROCUREMENT SUPPORT AND CONSTRUCTION DRAWINGS FOR VARIOUS BASE PROJECTS.

MR. SCHMIDT PREPARED THE PIPING DRAWING AND ASSOCIATED HYDRAULIC CALCULATIONS FOR A 2,400 GPM OIL WATER SEPARATOR. HE IDENTIFIED A COST SAVING OF USING PVC PIPING IN LIEU OF CAST IRON FOR THE ABOVE GROUND COMPONENTS AND RECOMMENDED BUTTERFLY VALVE IN LIEU OF 14 INCH PINCH VALVE RECOMMENDED BY PREVIOUS DESIGNERS. THE LARGE PINCH VALVES COST 12 TIMES AS MUCH AND ARE DIFFICULT TO OPERATE. THE EQUIPMENT WAS INSTALLED AND HAS PROVEN TO BE RELIABLE AND EFFECTIVE.

MR. SCHMIDT PREPARED THE CONSTRUCTION DRAWING FOR A 1,000 SCFM VAPOR PHASE GAC SYSTEM FOR VOC REMOVAL. HE PREPARED THE MATERIAL TAKE OFF AND PROVIDED PROCUREMENT SUPPORT. MR. SCHMIDT OVERSAW CONSTRUCTION IN THE FIELD THAT WAS STREAMLINED IN ORDER TO COMPLETE THE EQUIPMENT, PIPING AND ELECTRICAL WORK IN 4 DAYS FOLLOWED BY A SUCCESSFUL STARTUP THAT REQUIRED NO TROUBLE SHOOTING.

JACOBS ENGINEERING GROUP INC., OAK RIDGE, TN 1998 – 2005 PROCESS DEPARTMENT MANAGER

MR. SCHMIDT SERVED AS THE PROCESS DEPARTMENT MANAGER FOR JACOBS, OAK RIDGE, TN OFFICE AND HAS MANAGED UP TO 35 PROCESS ENGINEERS. HE PROVIDED PROCESS ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL. HIS PROJECT EXPERIENCE INCLUDES THE FOLLOWING:

SODIUM METAL STORAGE AND HANDLING:

MR. SCHMIDT SERVED AS THE SODIUM METAL SUBJECT MATTER EXPERT FOR BECHTEL JACOBS CORPORATION TO RECONFIGURE BULK SODIUM METAL STORAGE IN A SAFE CONFIGURATION IN ACCORDANCE WITH INDUSTRY STANDARDS. STORAGE AND REPACKAGING RECOMMENDATIONS AND OVERSIGHT



OF SEVERAL LARGE SODIUM AND LITHIUM METAL SHIELDING CONTAINERS WAS PERFORMED SAFELY WITHOUT INCIDENCE.

ROCKY FLATS AMERICIUM WATER TREATMENT SYSTEM:

ENGINEERING MANAGER AND LEAD PROCESS ENGINEER FOR A 1,400 GPM WATER TREATMENT PLANT TO REMOVE AMERICIUM FROM 30 MILLION GALLONS OF CONTAMINATED WATER. THE TREATMENT FACILITY WAS A FAST TRACK DESIGN EFFORT TO PREVENT THE RELEASE OF CONTAMINATED WATER THAT WOULD DRAIN TO A MAJOR CITY WATER STORAGE RESERVOIR. RESPONSIBILITIES INCLUDED CONCEPTUAL DESIGN DEVELOPMENT, DEVELOPING AND EVALUATING JAR TESTS DATA, DESIGN CALCULATIONS FOR EQUIPMENT SIZING, COMMISSIONING PLAN, LEAD STARTUP ENGINEER, AND OPERATOR ROUND SHEETS.

MMR PERCHLORATE AND RDX WATER TREATMENT SYSTEM:

DESIGN PROJECT MANAGER FOR A 250 GPM GROUNDWATER TREATMENT SYSTEM TO REMOVE PERCHLORATE AND RDX. RESPONSIBLE FOR TECHNOLOGY SELECTION, BENCH SCALE TEST EVALUATIONS, COST ESTIMATE DEVELOPMENT AND ALL DESIGN ACTIVITIES. THE SYSTEM WAS INSTALLED AS DESIGNED AND HAS PROVEN TO BE RELIABLE.

NEW BEDFORD HARBOR DREDGING PROJECT:

ENGINEERING MANAGER FOR THE ARMY CORP OF ENGINEERS NEW BEDFORD HARBOR REMEDIATION PROJECT. RESPONSIBLE FOR ENGINEERING, COMMISSIONING, AND START-UP. THE PROJECT REQUIRED DREDGING OF 750,000 CY OF PCB LADEN SEDIMENTS. THE PROCESS INCLUDES THREE 2,000 GPM DREDGES, COURSE SCREENING, DESANDING, POLYMER TREATMENT TO FACILITATE FILTER PRESS DEWATERING AND A 2,000-GPM WATER TREATMENT FACILITY TO SUPPORT THE DREDGING OPERATION. WATER TREATMENT INCLUDES COPRECIPITATION PROCESS FOR LEAD, COPPER, AND CADMIUM FOLLOWED BY FILTRATION AND CARBON ADSORPTION TO REMOVE PCBS. MR SCHMIDT WAS THE LEAD START-UP ENGINEER FOR THE PROJECT AND DEVELOPED A FAST TRACK HYDROGEN SULFIDE PROCESS CONTROL SYSTEM CONCEPTUAL PLAN, BENCH SCALE TEST, AND FULL SCALE SYSTEM START-UP. THE HYDROGEN SULFIDE PROCESS CONTROL DEVELOPMENT ALLOWED THE PROJECT TO RESTART FROM A SYSTEM DOWN, STANDBY COST STATUS.

WHITE PHOSPHORUS RAIL CAR FACILITY:

LEAD PROCESS ENGINEER FOR THE DEPARTMENT OF ARMY WHITE PHOSPHORUS RAILCAR UNLOADING, STORAGE TANK AND FEED SYSTEM DESIGN. RESPONSIBILITIES INCLUDED EQUIPMENT SELECTION AND LAYOUT, PROCESS DESCRIPTION, ENGINEERING CALCULATIONS, EQUIPMENT DATA SHEETS AND P&ID'S.

DOE FERNALD K-65 WASTE TREATMENT:

LEAD PROCESS ENGINEER FOR TREATMENT OF RESIDUAL RADIOACTIVE ORE FOR DOE'S FERNALD SITE. MR SCHMIDT LED THE INITIAL PROPOSAL EFFORTS ALONG WITH THE ENGINEERING MANAGER. HE DEVELOPED THE BASIS OF DESIGN FOR THE PROPOSAL AND SOLD JACOBS DESIGN CAPABILITIES TO THE CLIENT. THE SYSTEM DESIGN INCLUDED WASTE SLURRY RETRIEVAL, STORAGE TANKS, THICKENER, GROUT MIXERS AND CHEMICAL FEED SYSTEMS ALONG WITH STORAGE AND TRANSPORTATION CONTAINERS FOR THE TREATED WASTE MATERIAL. THE OVERALL PROJECT COST WAS \$300M AND INCLUDE \$30M IN DESIGN, CONSTRUCTION AND OPERATIONS SUPPORT FOR THE OFFICE.



MR SCHMIDT DEVELOPED A WATER TREATMENT OPTIMIZATION STUDY TO IMPROVE URANIUM REMOVAL FOR DOE'S FERNALD SITE. THE STUDY REQUIRED A DETAILED SURVEY OF THE CURRENT PLANT OPERATION. DEVELOPED THE JAR TESTING PLAN AND RECOMMENDED PREFERRED ALTERNATIVES FOR IMPLEMENTATION.

ROHM AND HAAS CHEMICAL STORAGE FEED SYSTEMS:

LEAD PROCESS ENGINEER AND START-UP ENGINEER FOR ROHM AND HAAS CAPITAL PROJECTS FOR POLYMERS EXPANSION. SYSTEM DESIGN EXPERIENCE INCLUDES TRIETHANOLAMINE, SODIUM HYPOPHOSPHATE AND GLACIAL ACRYLIC ACID UNLOADING, STORAGE AND FEED SYSTEM DESIGN. MR. SCHMIDT DESIGNED AND STARTED UP THE RAILCAR UNLOADING AND STORAGE FACILITY FOR GLACIAL ACRYLIC ACID FEED SYSTEM.

DOE'S SAINT LOUIS AIRPORT PROJECT (SLAPS):

LEAD PROCESS ENGINEER TO DEVELOP AND OPTIMIZE SELENIUM REMOVAL FOR USACE ST. LOUIS AIRPORT SITE TO REMOVE SELENIUM FROM IMPOUNDED SURFACE WATERS COLLECTED DURING REMEDIATION OF RADIOACTIVE WASTE DRUMS. HE WAS THE TEAM LEADER FOR VALUE ENGINEERING PROCESS DEVELOPMENT, DEVELOPED TREATABILITY TEST PLAN AND FULL SCALE DESIGN AND OPERATING PROCEDURES. THE DESIGN WAS IMPLEMENTED AND MET THE REQUIRED DISCHARGE STANDARDS.

DOE'S WELDON SPRING SITE REMEDIAL ACTION PROJECT:

LEAD PROCESS ENGINEER FOR GROUNDWATER EXTRACTION SYSTEM DESIGN FOR TCE, URANIUM AND NITRATE REMOVAL. THE DESIGN REQUIRED GRANULAR ACTIVATED CARBON FOR TCE REMOVAL, ION EXCHANGE FOR URANIUM REMOVAL, BIOLOGICAL TREATMENT FOR NITRATE DESTRUCTION, FOLLOWED BY HYDROGEN PEROXIDE FEED SYSTEM DESIGN FOR RESIDUAL ORGANIC DESTRUCTION AND BIOLOGICAL ACTIVITY.

LEAD PROCESS ENGINEER AND PROJECT ENGINEER FOR AN INDUSTRIAL LANDFILL LEACHATE WATER TREATMENT SYSTEM. THE SYSTEM DESIGN INCLUDED COLLECTION AND FEED SYSTEMS, OXIDATION FOR MANGANESE PRECIPITATION AND FILTRATION FOLLOWED BY ION EXCHANGE FOR URANIUM REMOVAL.

PUEBLO CHEMICAL DEPOT, CHEMICAL DEMILITARIZATION FACILITY:

LEAD PROCESS ENGINEER FOR THE DESIGN OF THE PUEBLO CHEMICAL DEPOT, CHEMICAL DEMILITARIZATION FACILITY DESIGN TO DESTROY 790,000 MUSTARD AGENT FILLED MUNITIONS. RESPONSIBLE FOR ALL PFD'S, GA'S AND P&ID'S. SYSTEM ENGINEER FOR SPENT DECON DISPOSAL SYSTEM AND FURNACE SYSTEMS POLLUTION ABATEMENT SYSTEMS

MASSACHUSETTS MILITARY RESERVATION:

LEAD PROCESS AND START UP ENGINEER FOR THE DESIGN CONSTRUCTION AND OPERATION OF 11 GROUNDWATER TREATMENT SYSTEMS FOR OTIS AIR FORCE BASE. THE TREATMENT RATES RANGED FROM 600 GPM TO 4,000 GPM. UNIT PROCESSES ARE GREENSAND FILTRATION TO REMOVE IRON AND MANGANESE, ACTIVATED CARBON TO REMOVE ORGANIC COMPOUNDS AND SODIUM HYPOCHLORITE FEED SYSTEM TO CONTROL BIOLOGICAL GROWTH. RESPONSIBILITIES INCLUDED DETAIL PROCESS DESIGN, START-UP PROCEDURES, LEAD START-UP ENGINEER, AND OPERATIONS PROCESS ENGINEERING SUPPORT. PLANT OPTIMIZATION EXPERIENCE INCLUDES REBEDDING OF GREENSAND FILTER



VESSELS AND PROVIDING DETAILED OPERATING PROCEDURES IN ORDER TO EFFECTIVELY OPERATE THE FILTERS. DESIGNED A SODIUM HYPOCHLORITE FEED SYSTEM TO MINIMIZED BACKWASHING DUE TO BIOFOULING ON ACTIVATED CARBON FILTERS.

WELDON SPRING SITE REMEDIAL ACTION PROJECT MORRISON KNUDSEN CO, ST CHARLES, MO 1998

1991

LEAD PROCESS ENGINEER

LEAD PROCESS ENGINEER RESPONSIBLE FOR OVERALL SYSTEM PERFORMANCE, MAINTENANCE RECOMMENDATIONS, AND DESIGN LEAD FOR ALL WASTE TREATMENT. MR SCHMIDT DEVELOPED PLANT MODIFICATIONS ALONG WITH PROCEDURES FOR MAINTENANCE AND OPERATIONS.

DREDGING AND DEWATERING OPERATIONS:

MR. SCHMIDT DEVELOPED SEVERAL DEWATERING SYSTEMS TO SUPPORT OPERATIONS AND MAJOR CONSTRUCTIONS PROJECTS. SEVERAL VACUUM TRUCK AND SLURRY OPERATIONS WERE DEVELOPED TO REMOVE WATER AND SEDIMENTS FROM SEVERAL CONTAINMENT SYSTEMS. UNIT PROCESSES INCLUDED DREDGING OPERATIONS, SLUICING OPERATIONS, SETTLING PONDS, THICKENERS, CLARIFIERS, FILTER PRESS SYSTEMS AND SLUDGE INTERIM STORAGE AND DISPOSAL OPERATIONS. HE WAS THE PROCESS ENGINEER OVER DREDGING OF 180,000 CY OF WASTE SLURRY FOR TREATMENT.

INDUSTRIAL WASTEWATER TREATMENT:

MR. SCHMIDT WAS RESPONSIBLE FOR PROCESS DESIGN, OPERATION, AND MONITORING OF FOUR WATER TREATMENT PLANTS. THE TREATMENT PLANTS INCLUDED A 50 GPM VAPOR RECOMPRESSION SEEDED SLURRY FALLING FILM EVAPORATOR, TWO 100 GPM PHYSICAL CHEMICAL PROCESSES UTILIZING THE FOLLOWING UNIT PROCESSES: CHEMICAL PRECIPITATION, MULTIMEDIA FILTRATION, ACTIVATED ALUMINA ADSORPTION, ACTIVATED CARBON ADSORPTION, ION EXCHANGE RESINS, AND ASSOCIATED SLUDGE DEWATERING. THE FOURTH PLANT WAS A 25-GPM MOBILE COAGULATION FILTRATION PROCESS. PRIMARY CONTAMINANTS WERE URANIUM, THORIUM, RADIUM, HEAVY METALS, SELENIUM, 2,4-DNT, TNT, PCBS, FLUORIDE, SULFATE, NITRATE, CYANIDE, AND OTHERS. RESPONSIBLE FOR IDENTIFYING AND DEVELOPING BENCH TESTS NECESSARY TO SUPPORT PROCESS DESIGN IMPROVEMENTS AND MODIFICATIONS.

PROJECT EXPERIENCE INCLUDES IMPROVING PLANT REMOVAL EFFICIENCY FOR URANIUM FROM 80% TO 98% BY DEVELOPING AND IMPLEMENTING A COPRECIPITANT PROCESS. SECONDARY BENEFITS WERE IMPROVED SLUDGE SETTLING AND DEWATERING. HE DEVELOPED INNOVATIVE METHOD FOR PRECIPITATING FLUORIDE FROM THE ACTIVATED ALUMINA REGENERATION FLUID TO IMPROVE PLANT PRODUCTION. HE DEVELOPED BARIUM CHLORIDE COPRECIPITATION PROCESS TO REDUCE SULFATE CONCENTRATION AT THE PLANT EFFLUENT. THE SULFATE AND FLUORIDE PRECIPITATION PROCESSES WERE DEVELOPED UNDER TIME-CRITICAL SITUATIONS TO PROVIDE CONTINUOUS PLANT PRODUCTION. HE WAS RESPONSIBLE FOR LEACHATE CHARACTERIZATION FOR INDUSTRIAL DISPOSAL CELL TO DETERMINE CHEMICAL CHARACTERISTICS AND PROJECT FLOW RATE. HE DEVELOPED THE CONCEPTUAL ENGINEERING REPORTS TO EVALUATED TREATMENT OPTIONS.

MR. SCHMIDT DEVELOPED AN EVAPORATOR WASTE BRINE TREATMENT AND DISPOSAL PROCESS. BRINE CONTAINED SEVERAL HEAVY METALS INCLUDING



SELENATE AND SELENITE. WASTE STABILIZATION WASTE SELECTED AS THE BEST OPTION AND IMPLEMENTED FULL SCALE.

BIODENITRIFICATION:

MR. SCHMIDT WAS RESPONSIBLE FOR THE BIODENITRIFICATION PROCESS DEVELOPMENT, REGULATORY AGENCY APPROVAL, PROCESS DESIGN, PROCESS OPERATION, PROCESS MONITORING, AND PROCESS IMPROVEMENTS. THE TREATMENT PROCESS IS CONSIDERED AN INNOVATIVE TREATMENT TECHNOLOGY. INITIAL TREATMENT WAS IN SITU BIODENTRIFICATION OF CONTAMINATED WATER IN 1 MILLION GALLON BATCHES. THE DEVELOPMENT WAS FAST-TRACKED, WHICH ELIMINATED THE LIKELY POTENTIAL OF EXCEEDING AVAILABLE HOLDING CAPACITY AND FURTHER CONTAMINATING AN ADDITIONAL 45 MILLION GALLONS OF WATER WITH NITRATES. THE WORK PROVIDED THE FOUNDATION TO DEVELOP A BIODENTRIFICATION PROCESS TO DESTROY 610 TONS OF NITRATES AND PRECIPITATE METALS FROM 25 MILLION GALLONS OF SLUDGE AND WATER. THE BIOPROCESS INCLUDED DEVELOPMENT OF A BIOLOGICAL SELENIUM COTREATMENT. PUBLISHED AND PRESENTED PROJECT SUMMARIES.

RCRA WASTE TREATMENT:

RESPONSIBLE FOR TREATMENT OF 50-PLUS RCRA WASTE STREAMS. ACTIVITIES INCLUDED CONCEPTUAL TREATMENT PLANS, DEVELOPING A BENCH TEST, DESIGNING FULL-SCALE TREATMENT PROCESSES, AND PROVIDING INTEGRAL OPERATIONS SUPPORT FOR TREATMENT.

THE TREATMENT PROCESSES UTILIZED INCLUDED: CHEMICAL PRECIPITATION OF RCRA METALS; ACTIVATED CARBON ADSORPTION OF ORGANIC COMPOUNDS; CHEMICAL SOLIDIFICATION OF INORGANIC SLUDGE INCLUDING SELENIUM STABILIZATION AND CONTAMINATED DEBRIS WITH HEAVY METALS; CHROMIUM REDUCTION FOLLOWED BY PRECIPITATION AND SOLIDIFICATION; CYANIDE DESTRUCTION; MERCURY AMALGAMATION; MAGNESIUM AND SODIUM METAL DEACTIVATION; POTASSIUM PERMANGANATE DEACTIVATION AND PRECIPITATION; PARAFORMALDEHYDE DEACTIVATION; SODIUM DICHROMATE REDUCTION AND PRECIPITATION; AND CUTTING-EDGE TECHNOLOGY RESEARCH AND DEVELOPMENT ON SELENIUM TREATMENT TECHNOLOGIES.

DESIGN ENGINEER:

DEVELOPED TREATABILITY STUDIES FOR RADIOACTIVE SLUDGE AND NITROAROMATIC CONTAMINATED SOIL TREATMENT OPTIONS. PEER-REVIEWED DESIGN DOCUMENTS AND COORDINATED TECHNOLOGY EXCHANGE WITH FERNALD AND OTHER DOE FACILITIES.

PROJECT EXPERIENCE INCLUDES DEVELOPING AND PERFORMING A BENCH SCALE TEST TO QUANTIFY RADON RELEASED DURING DREDGING AND PROCESSING OF RAFFINATE SLUDGE. HE AUTHORED A FORMAL REPORT THAT PROJECTED RADON GAS EMISSION RATES DURING SLUDGE PROCESSING AND PROVIDED ESTIMATES OF AMBIENT RADON LEVELS DURING PLACEMENT WITHIN AN ENGINEERED DISPOSAL CELL. DESIGNED AND WROTE THE TREATABILITY STUDY WORK PLANS TO BIOREMEDIATE NITROAROMATIC-CONTAMINATED SOIL. PARTICIPATED IN A SETTLING TEST ON RAFFINATE SLUDGE AND PERFORMED DESIGN CALCULATION TO SIZE THE CSS THICKENER. KEY MEMBER DURING THE DESIGN OF A CHEMICAL STABILIZATION/SOLIDIFICATION (CSS) PILOT-SCALE FACILITY FOR PROCESSING RAFFINATE SLUDGE AND SOILS. THE CSS FACILITY DESIGN



INCLUDED DREDGING, DEWATERING, MIXING, AND EXTENSIVE RADON RELEASE AND CONTROL ANALYSIS.

ECOLOGY & ENVIRONMENT, INC., ST. LOUIS MO 1990 – 1991 1.1 ASSOCIATE CHEMICAL ENGINEER

MR. SCHMIDT PROVIDED ENGINEERING SUPPORT FOR REMEDIAL INVESTIGATIONS/FEASIBILITY STUDIES AND REMEDIAL DESIGN/REMEDIAL ACTION PROGRAMS FOR SITES CONTAINING HAZARDOUS WASTE. MR. SCHMIDT DEVELOPED WORK PLANS FOR CONDUCTING SOIL, WATER, AND BIOTA SAMPLING. SET THE STANDARD FOR FIELD CREWS' TRIP REPORTS.

PROJECT EXPERIENCE AT ECOLOGY & ENVIRONMENT, INC. INCLUDED EXTENSIVE SITE ASSESSMENTS OF MAJOR NATURAL GAS PIPELINE FACILITIES. RESPONSIBLE FOR WORK PERFORMED AT SEVEN FACILITIES THROUGHOUT KENTUCKY. HE WORKED TO INVESTIGATE THE SOURCE OF EXTENSIVE GROUNDWATER CONTAMINATION BY UTILIZING A GEOPROBE VAN. HE DEVELOPED OF A CORRECTIVE ACTION PLAN TO ADDRESS AN ESTIMATED 50 MILLION GALLONS OF FREE PRODUCT FLOATING ON A SHALLOW WATER TABLE AND DISCHARGING INTO LAKE MICHIGAN. INITIAL CORRECTIVE ACTION MEASURES INCLUDED AN INTERCEPTOR TRENCH COMBINED WITH PRODUCT RECOVERY WELLS.

EDUCATION

B.S., 1989, CHEMICAL ENGINEERING, UNIVERSITY OF MISSOURI — COLUMBIA

CERTIFICATIONS

- REGISTERED PROFESSIONAL ENGINEER (PE), MISSOURI, 1997, #E-27526
- REGISTERED PROFESSIONAL ENGINEER (PE), NEW JERSEY, 2006, 24GE04636500
- REGISTERED PROFESSIONAL ENGINEER (PE), TENNESSEE, 2009, 113576

TRAINING

- ENERGY EFFICIENT CHILLED WATER SYSTEMS. 2009
- CONSTRUCTION QUALITY MANAGEMENT FOR CONTRACTORS, 2007
- 8-Hour OSHA HazWOPER Refresher Training, Annually through 2011
- PIPE-FLO SEMINAR, 2005
- INDUSTRIAL FLUID MIXING FOR ENGINEERS BY AICHE, 2002
- Waste Management International Symposium, March 1997
- IN SITU AND ON-SITE BIORECLAMATION SYMPOSIUM, APRIL 1995
- ADVANCED INDUSTRIAL WASTEWATER TREATMENT COURSE, OCT 1994
- Ion Exchange Theory and Practice Course, Oct 1994
- DOE TREATMENT TECHNOLOGY WORKSHOP. JUNE 1993
- IMPROVED METHODS OF SOLIDIFICATION/STABILIZATION COURSE, FEB 1992



SUBCONSULTANT AGREEMENT No. 001_ FOR PROFESSIONAL SERVICES

THIS AGREEMENT, enter	ed into this <u>1st</u>	day of <u>April, 201</u>	1, by and between DSH &
Associates, LLC with office	es at 4028 Taliluna Avenue	, Knoxville, TN 3791	9 865-755-8066 hereinafter
referred to as "DSH" and	Glen Schmidt	located at _4028	Taliluna Avenue, Knoxville,
TN, 37919 , hereina	fter referred to as SUBCO	ONSULTANT.	

WHEREAS, **DSH** may enter into future contracts with <u>Subdivisions that require</u> <u>Wastewater Utility Service</u> (CLIENT) for the purposes of furnishing certain professional services in connection with <u>Wastewater Utility</u>; and

WHEREAS, **DSH** desires **SUBCONSULTANT** to perform certain professional and technical services in connection with **CLIENT** requirements and **SUBCONSULTANT** desires to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

I. SCOPE OF WORK

SUBCONSULTANT shall perform in a proper manner, satisfactory to **DSH**, the technical services as more fully described in Attachment A. "Scope of Work" which is attached hereto and incorporated herein by reference.

II. <u>TIME OF PERFORMANCE</u>

The services to be performed hereunder shall commence upon receipt by **SUBCONSULTANT** of a written "Notice to Proceed" and shall be completed in accordance with the schedule set forth in Attachment A. This Agreement will remain in effect for one year from the date of the Notice To Proceed. The Agreement can be renewed for an additional year upon written notification signed by both parties, prior to the expiration of the period of performance, that the Agreement will be extended for an

additional year. This option to extend the contract for an additional one year period will continue indefinitely at the mutual approval of both parties.

III. COMPENSATION AND PAYMENT

For satisfactory performance of the services described above, **DSH** shall pay to **SUBCONSULTANT** the compensation provided for in Attachment B. "Payment" which is attached hereto and incorporated herein by reference. After receipt and approval by **DSH** of **SUBCONSULTANT's** invoice prepared in such form and supported by such documents as **DSH** may reasonably require, **DSH** will include **SUBCONSULTANT's** invoice with **DSH's** regular billings to the **CLIENT**. **DSH** will make payment to the **SUBCONSULTANT** within ten (10) days after receipt of payment from the **CLIENT** for work performed by **SUBCONSULTANT**.

IT IS UNDERSTOOD AND AGREED TO BY THE SUBCONSULTANT THAT PAYMENT FROM CLIENT TO DSH FOR WORK PERFORMED BY SUBCONSULTANT IS A CONDITION PRECEDENT FOR PAYMENT TO SUBCONSULTANT FROM DSH.

IV. COMPLIANCE WITH LAWS

SUBCONSULTANT shall observe and abide by all applicable laws, ordinances and regulations of federal, state and local governments, in connection with the work performed hereunder.

V. SUBCONTRACT AND ASSIGNMENT

This Agreement may not be assigned or subcontracted, in whole or part, without the prior written consent of **DSH**. Approval by **DSH** of any subcontractor shall not relieve the **SUBCONSULTANT** of any liability or responsibility for the proper performance of the work under this Agreement.

VI. <u>INSPECTIONS</u>

All work performed by **SUBCONSULTANT** shall be subject to the quality inspection and approval by **DSH** at all times, but such approval shall not relieve **SUBCONSULTANT** of responsibility for the proper performance of the work. **SUBCONSULTANT** shall provide sufficient, safe and proper

facilities at all times for such inspection of the work, and shall furnish all information concerning the work, and grant **DSH's** duly authorized representatives free access at all reasonable times to **SUBCONSULTANT's** facilities where the work under this Agreement is to be performed.

VII. CHANGES

DSH shall have the right, at any time prior to completion of the work to direct changes in this Agreement, including but not limited to, change in the Scope of Work. If the change causes an increase or decrease in the cost of, or the time required for the **SUBCONSULTANT's** performance under this Agreement; the **SUBCONSULTANT** must submit to **DSH** within ten (10) days after receipt of the change notice any request for adjustment. **DSH** will issue an addendum to this Agreement for equitable adjustments.

VIII. TERMINATION FOR CONVENIENCE

- a) **DSH** shall have the right at any time to terminate this Agreement in whole, or in part, by written notice to **SUBCONSULTANT**. Upon receipt of this notice the **SUBCONSULTANT** shall immediately discontinue performance, will not place any further orders and will promptly cancel all orders to subcontractors.
- b) In the event of termination for convenience **DSH** shall pay, in accordance with Article III above, the **SUBCONSULTANT** for all work performed and accepted by **DSH** prior to termination, plus the profit due for the work performed. However, in no event shall **DSH** be obligated to pay more than the Agreement value less any previously paid funds.

SUBCONSULTANT shall have the right at any time to terminate this Agreement in whole, or in part, by written notice to DSH. Prior to termination and cessation of work SUBCONSULTANT will complete all work and reports that comprise the approved PROJECT, and submit same to DSH and CLIENT prior to cessation of work.

IX. <u>DEFAULT</u>

a) Should the **SUBCONSULTANT** breach any provisions of this Agreement **DSH** shall have the rights and remedies provided by law or under these terms and conditions.

- b) **DSH** shall have the right at any time to terminate this Agreement in whole, or in part, if the **SUBCONSULTANT** fails to perform any of its obligations or if the **SUBCONSULTANT** fails to give **DSH** assurance of adequate performance within ten (10) working days after written request by **DSH** for such assurances.
- c) In the event of a breach of the Agreement **DSH** may:
 - 1) Declare the **SUBCONSULTANT** to be in default.
 - 2) Cancel this Agreement in whole or in part.
 - 3) Withhold payment of any further funds which may be due the **SUBCONSULTANT** until the default is corrected.
 - 4) Pursue any and all other remedies afforded by law.

X. <u>INDEMNIFICATION AND INSURANCE</u>

- a) **SUBCONSULTANT** shall indemnify, defend and hold harmless **DSH** and **CLIENT**, and their respective officers, agents, servants and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the **SUBCONSULTANT's** negligent acts, errors or omissions in the performance of the services under this Agreement.
- b) With respect to its indemnification obligation hereunder, **SUBCONSULTANT** hereby assumes the entire responsibility and liability for any and all damages or injury (including death resulting therefrom) to employees of the **SUBCONSULTANT** caused by, resulting from, arising out of or occurring in connection with the performance of the services under this Agreement, and if any claims for such damage or injury (including death resulting therefrom) be made or asserted, whether or not such claims are based upon **DSH's** or **CLIENT's** alleged or actual negligent acts, errors or omissions, **SUBCONSULTANT** agrees to indemnify, defend and hold harmless **DSH** and **CLIENT**, and their respective officers, agents, servants and employees from and against all such claims, damages, losses and expenses, including but not limited to attorneys' fees, that they may directly or indirectly sustain, suffer or incur as a result thereof.

XI. <u>INDEPENDENT CONTRACTOR</u>

The **SUBCONTRACTOR** is an independent contractor and shall not be regarded as an employee or agent of **DSH**. At times, DSH may provide **SUBCONSULTANT** business tools, such as email accounts, marketing materials, etc., for use in accomplishing work. However, use of these business tools must always include a disclaimer to identify that **SUBCONSULTANT** is not an DSH employee or agent.

XII. CONFIDENTIALITY

No publicity releases (including news releases and advertising) relating to this Agreement or the Work hereunder shall be issued by the **SUBCONSULTANT** without the prior written approval of **DSH**. The **SUBCONSULTANT** will comply at all times with the confidentiality terms established in the Mutual Non-Disclosure Agreement included as Attachment D to this Agreement.

XIII. CONFLICT OF INTEREST

Conflicts can occur from the standpoint of the organization or from personnel. Such conflicts could potentially jeopardize the quality of work due to inadvertent or intentional bias placed on Task Order performance. To avoid such conflicts the SUBCONTRACTOR represents, warrants and confirms, for the duration of the Project, that neither SUBCONTRACTOR nor any of SUBCONTRACTOR's subcontractors has or has had any commitment to perform services for others or any other obligations or circumstances which conflict with the interest of DSH's or SUBCONTRACTOR's obligations hereunder as specified in the Agreement.

Further, SUBCONTRACTOR warrants that, for the duration of the Project, SUBCONTRACTOR will not propose to or enter into any agreement or engage in any conduct that would conflict with the interest of DSH's or SUBCONTRACTOR's obligations under this Agreement.

XIV. EXAMINATION OF RECORDS

The **SUBCONSULTANT** agrees that **DSH** will have access to and the right to examine any books, documents, papers and records of any and all the transactions relating to this Agreement. The **SUBCONSULTANT** shall maintain all records for a period of three (3) years after completion of the Work.

XV. OWNERSHIP OF DOCUMENTS

Upon completion and payment in full of all monies due to **SUBCONSULTANT**, all drawings, specifications, reports, information or data prepared by or furnished to **SUBCONSULTANT** in connection with any or all work to be performed under this Agreement shall be the property of **the Client and are considered Works Made for Hire.** The **SUBCONSULTANT** shall have no liability for any claim, liability or cost arising out of any unauthorized DSH or modification by the **SUBCONSULTANT** of any work products without the written authorization of **CLIENT**.

XVI. PARTIAL INVALIDITY

If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired or invalidated thereby.

XVII. <u>HEADINGS</u>

Headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

XVIII. GOVERNING LAWS

The validity or construction of this Agreement, as well as the rights and duties of the parties hereinunder, shall be governed by the laws of the State specified in the Choice of Law or other applicable clause in the Prime Agreement or, if no such State is specified, then the State of Tennessee.

XIX. <u>COMPLIANCE WITH PRIME AGREEMENT</u>

SUBCONSULTANT hereby agrees to abide and be bound by the terms of Prime Agreement between **DSH** and its client, which is incorporated herein by reference and included as Attachment C to this Agreement. In the event of any conflict between this Agreement and any other document(s), the stricter terms and conditions shall control.

XX. SUPPLEMENTS TO AGREEMENT

The following exhibits, supplements or addendums form an integral part of this Agreement.

- Attachment "A" Scope of Work
- Attachment "B" Compensation and Payment
- Attachment "C" Prime Agreement Terms and Conditions
- Attachment "D" Mutual Non-Disclosure Agreement

XXI. ENTIRE AGREEMENT

This Agreement constitutes the whole agreement between the parties with respect to the subject matter contained herein and there are no terms other than those contained herein. No modification or amendment of this Agreement shall be valid unless in writing and signed by the parties hereto.

DSH & Associates, LLC
Wougha S. Holly-
Signature
Name: _Douglas S. Hodge, Ph.D., PMP
Title: Operations Manager
Date: 4/1/11

SUBCONSULTANT

Gle	5	Hamls
-----	---	-------

Signature

Name: Glen Schmidt

Title: <u>DSH Principle Engineer</u>

Date: 4/1/11_____

Attachment A Scope of Work

For the purposes of this Contract, the Scope of Work includes:

• Providing engineering, construction and consulting services as requested by DSH.

Attachment B Compensation and Payment

- A. For the performance of services as set forth by this agreement, the SUBCONSULTANT shall be paid **\$50 per hour.**
- C. All services should be invoiced within 30 days of final performance. DSH will provide a Subconsultant Invoice Transmittal form to be included with each invoice. *The completed form may be attached, if so desired.* Please send the invoice along with the completed Subconsultant Invoice Transmittal form to:

Evergreene Utility Services, LLC 4028 Taliluna Avenue Knoxville, TN 37919 865-755-8066

Or submit via e-mail to:

hodge.dsh@gmail.com

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
12/31/2011
THIS IS TO CERTIFY THAT
Robert C Young; Jr.

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

WW4 SWS
CS1

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



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

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

Attachment #9

Table A List of current Land and Home Owners In Lakeside Estates

Table A: Lakeside Estates Homes as of May 2011

Number of Customers	Lot #	Owners Name	NLP Name	Status of Property	Customer Type	# of br	LUB ACCT.	Norris Address	Billing Address
1	439-414	LFC	Rustic A	Completed Built/Being Billed Monthly	Commercial	3	47231-012	123 Northbridge A	320 Echo Valley Dr A Vandalia, OH 45377
2	439-414	Trimbach Properties	Rustic D	Completed Built/Being Billed Monthly	Commercial	3	40926-032	123 Northbridge D	320 Echo Valley Dr D Vandalia, OH 45377
3	439-414	Patrick Castro	Rustic E	Completed Built/Being Billed Monthly	Commercial	3	45147-002	123 123 1247-002 Northbridge E	3161 Walkerview Dr Hilliard, OH 43026
4	6R	Dan & Lynn Graham	SLICE OF HEAVEN	Completed Built/Being Billed Monthly	Commercial	8	45666-043	120 Bluewater Ln	5767 Stone Lake Dr Dayton, OH 45429
5	439-414 Unit 2	Kelly & Ellen Kooser	lakeside lounge	Completed Built/Being Billed Monthly	Commercial	5	46124-001	178 Blue Water Lane	444 Schenck Ave Dayton, OH 45409
9	439-414	LFC	Rustic C	Completed Built/Being Billed Monthly	Commercial	е	47231-002	123 123 Northbridge C	320 Echo Valley Dr C Vandalia, OH 45377
7	Ensel 439-414 Unit 3 Moore	Ensel & Michelle Moore	Bottoms UP	Completed Built/Being Billed Monthly	Commercial	5	47231-004	172 Blue Water Lane	4160 Test Rd Richmond, IN 47374
8	3R	LFC	Lakeside 2	Completed Built/Being Billed Monthly	Commercial	7	47231-006	139 Bridgevien Ln.	320 Echo Valley Dr Vandalia, OH 45377
6	7R	Trimbach Properties	Great Escape	Completed Built/Being Billed Monthly	Commercial	6	47231-009	126 Bluewater	320 Echo Valley Dr Vandalia, OH 45377
10	22R	Bill Driver	Cedar Cove	Completed Built/Being Billed Monthly	Commercial	6	47231-011	117 47231-011 Northbridge	102 N. Main St. Union, OH 45322-3343

ton,	эу,	∍y,	Ohio				C			. <u>c</u>	
6385 Brantford Rd. Dayton, Ohio 45414	123 Frederick Ct. Sydney, OH 45365	123 Frederick Ct. Sydney, OH 45365	31 Hadley Ave. Dayton Ohio 45419	7789 Woodbridge Ct Springboro, OH 45066	45305	45305	648 Murrell Dr. Kettering 45429	45419	ck Pike 45377	5707 High Tree Dr. Cinci Oh 45247	e Dr 429
antford 414	derick C 65	derick C 65	еу Аvе.	oodbrid oro, OH	ead Rd k, OH	1063 Mead Rd Bellbrook, OH 45305	rell Dr.	cwood A	redericl a, OH 4	gh Tree 47	one Lak OH 45
6385 Brantf Ohio 45414	123 Frede OH 45365	123 Frede OH 45365	31 Hadl 45419	7789 Woodbridge Ct Springboro, OH 4506	1063 Mead Rd Bellbrook, OH 45305	1063 Mead Rd Bellbrook, OH	648 Mui 45429	905 Oakwood Ave Oakwood, OH 45 ²	10880 Frederick Pike Vandalia, OH 45377	5707 High Oh 45247	5767 Stone Lake Dr Dayton, OH 45429
ue Lane	er Ln.	ridge	Je Ln.	ue Lane	ue Lane		130 Bluewater Ln.	ue Lane	ue Lane	ridge B	116 Bluewater Ln.
184 Blue Water Lane	142 Blue Water Ln.	143 Northbridge	136 Blue Water Ln.	160 Blue Water Lane	166 Blue Water Lane		130 Blu Ln.	148 Blue Water Lane	154 Blue Water Lane	123 Northbridge	116 Blu Ln.
47234-001	47399-001	47399-002	47464-001	47748-001	47749-001	47749-002	46412-001	46714-001	46763-001	46979-001	47780-001
5	7 2	7 2	7 2	7 2	2	6	8	7 2	7 2	3 6	5
Commercial	Residential	Commercial	Commercial	Residential	Residential						
Comr	Сот	Сот	Comm	Comm	Comm	Comm	Resid	Comm	Comm	Resid	Resid
eted g Billed hly	eted g Billed hly	eted g Billed hly	eted g Billed hly								
Completed Built/Being Billed Monthly	Completed Built/Being Billed Monthly	Completed Built/Being Billed Monthly	Completed Built/Being Billed Monthly								
Дор	wou	noo	atitude	ou R	Sky	oper		r boat	poc	B	
Rocky Top	serenity now	blue moon	lakeside latitude	Be As You R	Night Sky	BIG Dipper		float your boat	Wildwood	Rustic B	
nbach	hdlobn	hdlobn	Scot	chner	ulie	ulie	นน	otasia J		Knop	uu
439-414 Unit 1 Larry Trimbach	Brent Randolph	Brent Randolph	Diana & Scot Munn	Bob Forschner	John & Julie Bertke	John & Julie Bertke	Tom & Ann Becker	Chris & Stasia Shephard	George Moorman	Sue Ann Knop	Dan & Lynn Graham
14 Unit 1	10R	19R	9R	14 Unit 5	439-414 Unit 4		8R	439-414 Unit 7	439-414 Unit 6	439-414	5R
439-4	-,-	,		439-4	439-4	25R		439-4	439-4	433	
7	12	13	14	15	16	17	18	19	20	21	22

123 102 N. Main St. Union, OH Northbridge F 45322-3343	137 Northbridge Oh 45013	129 320 Echo Valley Dr Bridgevien Ln. Vandalia, OH 45377	127 Northbribge		153 9656 Olde Georgetown Northbridge Dayton, OH 45458	167 487 Lakewood Farms Dr. Northbridge Loveland Ohio 45140	185 Northbridge Dayton, OH 45419	/ater 620 Mcbee Rd. Belbrook, Trails oh 45305	/ater 320 Echo Valley Dr Trails Vandalia, OH 45377	109 1030 Weatchester Way Bridgevien Ln. Cincin Ohio 45244	-azy 123 Frederick Ct. Sydney, Lane OH 45365
					153 Northk	167 Northk	185 Northk	694 Water Front Trails	684 Water Front Trails	109 Bridge	TBD Lazy Cove Lane
47836-001	48372-001	48377-001	48594-001								
ဗ	8	8	7		N/A	N/A	N/A	N/A	N/A	3	8
Commercial	Commercial	Commercial	Commercial							Residential	Commercial
Completed Built/Being Billed Monthly	Completed Built/Being Billed Monthly	Completed Built/Being Billed Monthly	Completed Built/Being Billed Monthly	Completed Built/Not Connect to Sewer	Completed Built/Not Connect to Sewer	Completed Built/Not Connect to Sewer	Completed Built/Not Connect to Sewer	Completed Built/Not Connect to Sewer	Completed Built/Not Connect to Sewer	In Construction - June completion - will be billed	In Construction - June completion - will be billed
Rustic F	M & M'S	Lakeside 1	Dream Maker	NOTONSEWER	Happy Hour		L-Jetski	REFUGE	Bridgeview		Emerald Cove
Bill Driver	Mark Fehring	LFC	Bob & Joyanne Smith	POOL	Andrew Gaydosh	Bob Hayman	Lance Malusky	Ed Martinique	Jon Trimbach	Brad Hunkler	Brent Randolph
439-414F	20R	4R	21R	Common	435-296	446-807	425-209	435-527	439-496	428-371	23R
23	24	25	26		1	2	3	4	5	1	2

က	24R	Steve Connett	Waters Edge	In Construction - June completion - will be billed	Commercial	æ	<u> </u>	TBD Lazy Cove Lane	
4	65R	Ensel & Michelle Moore		In Construction - June completion - will be billed	Residential	3	19: Fr	195 Water Front Trails	4160 Test Rd Richmond, IN 47374
1	424-650	Andy Stuhlmiller		Land Only		N/A	175 Nort	175 Northbridge	8092 Forrest Glen Dr. Springboro, oh 45066
2	432-361	Dan Miller		Land Only		N/A	67. Fro	676 Water Front Trails	5768 Mark Dale Dr. Dayton Oh 45459
8	430-646	Dave Truscott		Land Only		N/A			8247 Frederick Pike Dayton 45414

	Lot Summary
200	Total number of Lots
	Lots with existing homes (Commercial Units) - being bill
23	currently
	Lots with existing homes
	(Residential Units) - being billed
3	currently
	Number of Vacant/Sold Lots - will
3	be billed an access fee
	Lots not using sewer system - not
5	being billed
	Under contruction will be added in
	August 2011 - will be bill in the
4	future.
169	Number of Un-Sold Lots

Response to Data Request dated 4/27/11 6/10/11 Page 22 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #10

LUB Records for March 2011 Number of Customers Billing Rates Revenues

05/04/11 09:22:00 LAFOLLETTE UTILITIES SEWER CUSTOMERS IN BOOK 141 MARCH 2011 STATISTICS

ROUTE #

ACCT# SUB# NAME

SERVICE

AMT BILLED

MAY 4,2011 PAGE

1,416.48				TOTALS 26	FINAL TOTAL COUNT
54.48	ហហ	FIX,ANN MARIE & JEROME SIZEMORE,JEFF & CYNTHIA	μμ	49036	141
4	ហ		Д	48594	141
4.4	ហ	GATE PROPERTY	ъ	48377	141
4.4	ហ		ן ע	48372	141
54.48	ហ		ц	47836	141
54.48	ഗ	GRAHAM, DANIEL J	N	47780	141
54.48	ហ	GRAHAM, DANIEL J	Н	47780	141
54.48	ហ	BERTKE, JOHN	N	47749	141
54.48	ហ	BERTKE, JOHN	Н	47749	141
54.48	ហ	FORSCHNER, ROBERT	Н	47748	141
54.48	UI	MUNN, RONALD & DIANA	Р	47464	141
54.48	ហ	RANDOLPH, BRETT & LENORA	N	47399	141
54.48	ເກ	RANDOLPH, BRETT & LENORA	1	47399	141
54.48	ហ	TRIMBACH, LARRY	P	47234	141
4	ហ	LAKEFRONT CONDOMINIUMS LLC	11	47231	141
54.48	ហ	LAKEFRONT CONDOMINIUMS LLC	9	47231	141
54.48	ហ	LAKEFRONT CONDOMINIUMS LLC	6	47231	141
54.48	ហ	LAKEFRONT CONDOMINIUMS LLC	4	47231	141
54.48	U	KNOPP, SUE ANN	Н	46979	141
54.48	ហ	MOORMAN, GEORGE & MARY	_	46763	141
54.48	U	SHEPHARD, STASIA & CHRIS	Ľ	46714	141
54.48	ហ	BECKER, ANN & TOM	1	46412	141
54.48	ហ	KOOSER, ELLEN THERESE	1	46124	141
54.48	ហ	CASTRO, PATRICK	N	45147	141
54.48	ហ	TRIMBACH PROPERTIES	32	40926	141

* * * END OF REPORT * * *

Response to Data Request dated 4/27/11 6/10/11 Page 23 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #11

DSH Pro Forma Financial Statements From July 2011 through July 2012

8:22 AM 05/17/11 Accrual Basis

DSH Income Statement Forecasts

From: July, 2011 To: July 2012

		July 2011 - July 2012
Existing	and forecasted projects	
	Douglas Lake Resort Consulting	182,000.00
	Lakeside Estates O&M	38,091.00
	Hiwassee Proserve Design	42,500.00
	Southland Marketing Consulting	5,300.00
	Cape Norris Point Design	12,500.00
	Norris Lake Properties O&M	40,000.00
	Blake Michaels System Design	2,000.00
TOTAL		322,391.00

DSH Cash Flow Forecasts

From: July, 2011 To: July 2012

	July 2011 - July 2012
OPERATING ACTIVITIES	
Net Income	322,391.00
Adjustments to reconcile Net Income	
to net cash provided by operations:	
11000 · Accounts Receivable	15,000.00
Net cash provided by Operating Activities	337,391.00
Net cash increase for period	337,391.00
Cash at beginning of period	41,000.00
Cash at end of period	378,391.00

DSH Balance Sheet Forecasts

From: July, 2011 To: July 2012

To: July 2012	
	July 2011 - July 2012
ASSETS	
Current Assets	
Checking/Savings	
BB&T DSH Checking	40,000.00
DSH & Associates	1,000.00
Total Checking/Savings	41,000.00
Accounts Receivable	
11000 · Accounts Receivable	15,000.00
Total Accounts Receivable	15,000.00
Total Current Assets	56,000.00
Fixed Assets	
15000 · Office Furniture and Equipment	7,485.68
16000 · Lakeside Estate Treatment System	678,000.00
17000 · Cape Norris Point Treatment System	252,000.00
Total Fixed Assets	937,485.68
TOTAL ASSETS	993,485.68
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20001 · Accounts Payable	12,500.00
Total Accounts Payable	12,500.00
Other Current Liabilities	
24000 · Payroll Liabilities	0.00
Total Other Current Liabilities	0.00
Total Current Liabilities	-12,500.00
Total Liabilities	-12,500.00
Equity	
Fixed Assets	937,485.68
Net Income	68,500.00
Total Equity	1,005,985.68
TOTAL LIABILITIES & EQUITY	993,485.68

Response to Data Request dated 4/27/11 6/10/11 Page 24 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #12

Lakeside Estate HOA By-Laws/C&R

BY-LAWS

<u>OF</u>

LAKESIDE ESTATES PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I

DEFINITIONS

The following terms as used in these By-Laws are defined as follows:

- (a) "Association" means the Lakeside Estates Property Owners Association, Inc., a Tennessee non-profit mutual benefit corporation.
- (b) "Board" means the Board of Directors of the Lakeside Estates Property Owners Association, Inc.
- (c) "By-Laws" means the By-Laws of the Lakeside Estates Property Owners Association, Inc.
- (d) "Common Property" means any real property from time to time owned or controlled by the Association.
- (e) "Declaration" means the Declaration of Covenants, Conditions, and Reservations for Lakeside Estates Subdivision, recorded in Miscellaneous Book 78, Page 501, and amended in Miscellaneous Book 82, Page 409, in the Register's Office for Campbell County, Tennessee, and as the same may be supplemented or amended.
- (f) "Developer" means Trimbach Development, LLC, an Ohio Limited Liability Company, and its successors.
- (g) "Development" means Lakeside Estates Subdivision, a residential and recreational area, as the same may be shown on plats thereof recorded from time to time.
- (h) "A.C.C." means the Architectural Control Committee, a selected group of owners designated to review building plans for compliance with the Declaration.
- (i) "Lot" means the numbered lots as shown on the recorded subdivision plat of the Property.
 - (j) "Owner" means:
 - (1) Any person, including Developer, who holds fee title to a Lot or an undivided interest in fee title to a Lot; or,

- (2) Any person who has contracted to purchase fee title to a Lot or an undivided interest in fee title to a Lot under a written agreement, in which case the seller under said agreement shall cease to be the "Owner" while said agreement is in effect; or,
- (3) Any lessee of a Lot under a recorded lease from the owner of fee title to said Lot for a term of not less than fifty (50) years, in which case the lessor under said lease shall cease to be the "Owner" while said lease is in effect.

ARTICLE II

Association Membership

- Section 1. <u>Classes of Membership</u>. There shall be members and associate members.
- Section 2. <u>Members</u>. Each Owner shall, by reason of ownership, become a member of the Association.

There shall be one voting member for each Lot regardless of the number of persons who may have any ownership interest in such Lot, or the manner in which title is held by them and regardless of the number of Lots in which any person may have an ownership interest. If more than one person shall have an ownership interest in any Lot, the voting member shall be designated in writing at the request of the Association.

- Section 3. <u>Association Members</u>. If not otherwise a member, each of the following shall be entitled to associate membership in the Association:
 - a. The spouse and children of a member who have the same principal residence as the member.
 - b. Persons who may be tenants or regular occupants of residences situated in the Development.

Associate members shall have no vote or right to notice of any regular or special meeting of members. The privileges and duties of associate members shall be established from time to time by the Board by resolution. The privileges and duties of associate members need not be the same as those of members.

Section 4. <u>Privileges of Membership</u>. Members and associate members shall have a license to use the Common Area subject to the provisions of the Declaration and subject to such other rules and regulations as may be established by the Board.

- Section 5. <u>Suspension of Privileges of Membership</u>. The Board may suspend the voting privileges of any member and license of any member or associate member to use the Common Areas for:
 - a. Any period during which any Association charge on such member's Lot remains unpaid; and/or
 - b. The period of any continuing violation by such member or associate member of the provisions of the Declaration after the existence thereof shall have been declared by the Board; and/or
 - c. A period to be determined by the Board, not to exceed three (3) months, for repeated violations of the By-Laws or the rules and regulations of the Association.

ARTICLE III

Evidence of Membership and Transfer

Section 1. Membership Certificates. Certificates of membership in the Association may be issued to members and associate members. Such certificates shall in such form as the Board shall from time to time designate and shall be issued over the signature of the President or other officer of the Association. Such certificate shall indicate whether or not the holder is a member or an associate member and shall also indicate the Lot the ownership of which gives rise to membership. Such certificate shall also clearly state on its fact that the Association is an unincorporated Association. Adequate records shall be maintained by the Association showing the names of the members and associate members of the Association, the type of membership and the date of membership.

Section 2. <u>Transfer</u>. When a member ceases to be an Owner, such person's membership, and those associate memberships existing through relationships to such person, shall cease, but such person shall remain liable for all Association charges incurred prior to the giving of written notice to the Associate that such person is no longer an Owner.

ARTICLE IV

Meetings of Members

Section 1. <u>Place of Meetings</u>. Any meeting of the members of the Association shall be held in the State of Ohio at such place therein as may be stated in the notice of such meeting.

Section 2. <u>Annual Meeting</u>. The annual meeting of the Association shall be held on or before December 31 of each year, commencing with the year 2009.

Section 3. <u>Special Meetings of the Association</u>. Special meetings of the Association may be called by the Board at any time in the manner herein provided. A special meeting may also be called upon the written petition of seventy-five percent (75%) of the members of the Association who have the right to vote at such meeting. Such petition shall set forth the purpose of the special meeting.

Section 4. Notice of Meetings of the Association. Written notice of the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than thirty (30) days nor more than forty (40) days before the date of the meeting, either personally or by mail, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to have delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with postage prepaid; or such notice may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5. <u>Quorum</u>. A quorum at either a special meeting or the annual meeting shall be a simple majority of the members entitled to vote at such meeting in person or by proxy. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law.

ARTICLE V

The Board of Directors

Section 1. Powers: The Board shall:

- a. Manage and control the affairs of the Association.
- b. Designate a banking institution or institutions as depository for the Association's funds; and the officer or officers authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.
- c. Perform other acts the authority for which has been granted herein or by law, including the borrowing of money for Association purpose. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper purpose. The Board may, if it determines that the same shall be reasonable necessary, assign, pledge, mortgage or encumber any Association property as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefore.

- d. The Board shall adopt such rules and regulations relating to the use of Association property, and sanctions for noncompliance therewith, as it may deem reasonably necessary for the best interest of the Association and its members. The Board may also establish and levy reasonable fees for the issuance of building permits or the use of Association property. The Board shall also employ a sufficient number of persons to adequately maintain Association property. Further, the Board may adopt reasonable rules of order for the conduct of the meetings of the Association, and with reference thereto, on procedural questions upon which no rules have been adopted, the ruling of the Chairman of the meeting shall be final.
- e. The Board shall, prior to the annual meeting of the Association in each year, adopt an operation budget to be presented for approval by the members at such annual meeting. upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy the annual assessment for each Lot for the following year. Upon the adoption and approval of the budget, the Board shall be bound by the same and shall not vary therefrom by more than fifteen percent (15%) of the total amount thereof without having called a special meeting of the Association to approve variations. The budget shall be adopted only after the members of the Association have had a reasonable opportunity to review the same and to comment thereon, either at hearings held thereon or through such other means as the board may direct.
- Section 2. <u>Number of Directors:</u> The number of Directors shall be three (3). Directors are required to be members, and may be officers. Officers must be property owners except the office of the Secretary/Treasurer.
- Section 3. <u>Term:</u> The initial Board of Directors shall serve for a term of one (1) year. Thereafter, board members shall serve for a term of one (1) year.

Sections 4. <u>Election of Board Members:</u>

a. Election of Board members shall be by written ballot as is hereinafter provided. In all elections of Board members, each member entitled to vote shall be entitled to as many votes as shall equal the number of votes which he is entitled to cast on any matter other than the election of Board members multiplied by the number of Board members to be elected, and he may cast all of such votes for a single Board member or may distribute them among the number to be voted for, or for any two or more of them, as he may see fit. The three (3) persons receiving the largest number of votes shall be elected.

b. Between the first and fifteenth day of _	of each
year, commencing with the year	, any member in good standing may
file with the Secretary/Treasurer of the Asso	ociation a statement of his or her
candidacy for election as a Board member	of the Association for the term
beginning immediately following the first annual	ual meeting of the Association held

after the filing of such statement, together with endorsements of his or her candidacy signed by two (2) members in good standing. The Secretary/Treasurer of the Association shall cause notice of each candidacy and a brief biographical statement of each candidate to be included in the notice of such annual meeting.

- c. All elections to the Board of Directors shall be made on written ballot which shall:
 - (1) Describe the vacancy to be filled; and,
 - (2) Set forth the names of those persons who have become candidates for the office of Board member in the order in which they filed their statements and endorsements of candidacy with the Secretary/Treasurer of the Association.

Such ballots shall be prepared and mailed by the Secretary/Treasurer to each member entitled to vote simultaneously with the mailing of the notice of the annual meeting of the Association.

- d. Each member entitled to vote shall receive one (1) ballot for each Lot for which he is the voting member.
- e. The ballots shall be returned to the Secretary/Treasurer of the Association at such address as the Board may from time to time determine, no later than ten (10) days prior to the annual meeting.
- f. Upon receipt of each return, the Secretary/Treasurer shall immediately place it in a safe or other locked place until the day fixed by the Board for the counting of such ballots. On that day, the external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to an Election committee consisting of the Secretary/Treasurer, the then existing Board, and a representative of each candidate for the office of Director. The Election Committee shall then determine that the signature of the member on the outside envelope is genuine.
- Section 5. <u>Meetings of the Board of Directors:</u> The Board shall meet at least annually. Special meetings of the Board may be called by the President or a majority of the Board and shall be held at such place as the call or notice of the meeting shall designate. Notice of a special meeting may be given in writing or orally at least twenty-four (24) hours prior to the date of said special meeting, or notice thereof may be waived by the Directors in writing. After adoption of a resolution setting forth the times of regular meetings, no notice of such meetings shall be required, or waived, but notice or special meetings of the Board shall be given.
- Section 6. <u>Action without Meetings:</u> Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if authorized in a

writing signed by all of the board members who would be entitled to vote upon said action at a meeting, and filed with the Secretary/Treasurer of the Association.

- Section 7. Quorum: A majority of the Board of directors shall constitute a quorum to transact business of the Board, and the act of the majority of the Board members present at any meeting shall be deemed to be the act of the Board.
- Section 8. <u>Vacancies:</u> If any vacancy exists on the Board, such vacancy shall be filed by the remaining Board members even though those remaining Board members might be less than a quorum. Any person so elected shall be a Director until his or her successor is elected either at the next annual meeting of the Association, or at a special meeting called for that purpose.
- Section 9. Specific Duties: The Board shall have the following specific duties:
 - a. Maintain the common area;
 - b. Collect the yearly, quarterly, or monthly assessment fee;
 - c. Responsibility for payment of Liability Insurance for the Common Area;
 - d. Enforcement of the restrictive covenants;
 - e. Payment of real estate taxes, utilities and liability insurance for the Common Area.

ARTICLE VI

The Officers

- Section 1. Officers: The officers of the Association shall be the President, the Vice President, and the Secretary/Treasurer and such other officers and assistant officers as the Board may from time to time elect. Officers shall serve at the will of the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary/Treasurer. Officers shall be members of the Association, except the Secretary/Treasurer, who may be a member, but is not required to be a member.
- Section 2. <u>President:</u> The President shall be the general managerial officer of the Association, except as otherwise determined by the Board, and he shall be vested with the powers and duties generally incident to the office of President, except as otherwise determined by the Board, or as may be otherwise set forth in these By-Laws. He need not be a Director.
- Section 3. <u>Vice President:</u> In the absence of the President, or in the event of his inability or refusal to act, the Vice President is empowered to act and shall thereupon

be vested with the powers and duties of the President. In the event that there is more than one Vice President, the Board shall establish the order in which they serve.

Section 4. <u>Secretary/Treasurer:</u> The Secretary/Treasurer of the Association shall keep the minutes of all meetings of business and other matters transacted at the meetings of the members and of the Board. He or she shall mail, or cause to be mailed, all notices required under the By-Laws. He shall have the custody of the minutes of meetings, records and maintain a list of the members and their addresses and perform all other duties incident to the office of the Secretary/Treasurer. The Secretary/Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its funds, and perform such other duties as are incident to the office of Secretary/Treasurer. The Board may require that the Secretary/Treasurer be bonded for such amount and under such conditions as the Board may require.

Section 5. <u>Removal of Officers:</u> Any officer may be removed when in the judgment of the Board, the best interests of the Association will be served by such removal.

ARTICLE VII

The Architectural Control Committee

The Architectural Control Committee shall consist of three (3) persons, and these members shall be elected at the annual meeting of the Association and shall serve for a term of one year until the next annual meeting. The chief purpose of the Architectural Control Committee shall be to review building plans for compliance within the guideline of the Declaration of Covenants, Conditions, and Restrictions.

ARTICLE VIII

Duties of Members

Section 1. Payment of Assessments: The charges or assessments levied by the Association as provided in Article V, Section 1(e), shall be paid to the Association on or before the date fixed by resolution of the Board. Written notice of the charge and the date of payment shall be sent to each Owner at the address last given by such Owner to the Association. If any charge levied against any Lot shall not be paid when due, it shall become a lien upon said Lot, subject only to matters of record on such due dated and shall remain a lien until paid in full. The Board may bring such actions as it shall determine appropriate at law or in equity, by way of foreclosure of such lien or otherwise, to collect to the amount of said charge, including interest, costs of collection and attorney's fees. The sale or transfer of any Lot shall not affect any lien for charges provided for herein. Upon request the Association shall furnish a statement certifying that the charges against a specified Lot have been paid or that certain charges remain unpaid as the case may be.

Section 2. <u>Commencement of Assessments</u>: The maintenance assessment for the first calendar year assessments are made (2009) shall not exceed \$600.00 per Lot.

ARTICLE IX

Amendments

These By-Laws may be amended by a simple majority vote of the Members.

ARTICLE X

Indemnity

- (a) Any person made a party to any action, suit or proceeding, by reason of the fact that he, his testator or intestate representative is or was a Director, officer or employee of the Corporation, or of any Corporation in which he served as such at the request of the Corporation, shall be indemnified by the Corporation against the reasonable expenses, including attorney's fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceedings, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding, or in connection with any appeal therein that such officer, director or employee is liable for negligence or misconduct in the performance of his duties.
- (b) The foregoing right of indemnification shall not be deemed exclusive of any other rights to which any officer or trustee or employee may be entitled apart from the provisions of this section.
- (c) The amount of indemnity to which any officer or trustee may be entitled shall be fixed by the Board of Directors. except that in any case where there is no disinterested majority of the Board available, the amount shall be fixed by arbitration pursuant to the then existing rules of the American Arbitration Association.

The undersigned certify that the foregoing By-Laws were adopted by the members of the Lakeside Estates Property Association, Inc.

This 1 st day of January, 2007.	
	President
	Secretary/Treasurer

BK/PG:M82/409-424

07000434

DORMAS MILLER

16 PGS: AL - AMERIDED RESTRICTIONS

RUTH BATCH: 27636

01/11/2007 - 08:50 AM

VALUE 0.00

MORTGAGE TAX 0.00

TRANSIER TAX 0.00

RECORDING FEE 80.00

OP FEE 2.00

REGISTER'S FEE 0.00

TOTAL AMOUNT 82.00

STATE OF TERMESSEE, CAMPABLE COUNTY

This instrument prepared by: Joseph G. Coker Attorney at Law Post Office Box 134 Jacksboro, Tennessee 37757

AMENDED DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS for LAKESIDE ESTATES SUBDIVISION

THIS AMENDED DECLARATION of Protective Covenants and Restrictions, made effective this 3th day of January, 2007, by Trimbach Development, LLC., a limited liability company duly organized and existing under the laws of the State of Ohio, with offices at 122 Hueston Woods Lane, Speedwell, Tennessee 37870, hereinafter referred to as "DEVELOPER".

WITNESSETH:

THAT WHEREAS, said Developer is the owner of certain real estate located in Campbell County, Tennessee, as shown by deed of record in Warranty Deed Book 420, Page 58, in the Register's Office for Campbell County, Tennessee, as shown on plats of record in Plat Cabinet A, Slides 541, 542, 543 and 544, in the Register's Office for Campbell County, Tennessee, which said lands are and/or are to become a development known as LAKESIDE ESTATES SUBDIVISION; and

WHEREAS, it being to the interest, benefit and advantage of said Developer, and also to the interest, benefit and advantage of each and every person who now owns or who shall hereafter own any tract and/or lot and/or condominium and/or other property in said LAKESIDE ESTATES SUBDIVISION, that certain additional and supplemental protective covenants governing and regulating the use and occupancy of the same be established, the Developer sets forth and declares the following to be additional and amended covenants and restrictions running with the subject lands.

NOW, THEREFORE, for and in consideration of the premises, and of the benefits to be derived by said Developer and each and every subsequent owner of any tracts and/or lots and/or condominium and/or other property in the development, said Developer does hereby set up, establish, promulgate and declare the following protective covenants and restrictions to apply to all of said tracts and/or lots and/or condominiums and/or any other property, and to all persons owning said tracts and/or lots and/or condominiums, and or any other property, or any of them hereafter, as applicable, as set forth herein, to-wit:

- 1. At the discretion of the Developer, certain areas within LAKESIDE ESTATES SUBDIVISION shall be designated as common areas, which said areas shall be reserved for the common use of certain of the property owners in LAKESIDE ESTATES SUBDIVISION, and which said areas shall be owned and maintained by the Lakeside Estates Property Owners Association, Inc. (hereinafter sometimes referred to as "the LEPOA, Inc.") and/or the Lakeside Estates Condominium Owners Association, Inc. (hereinafter sometimes referred to as "the LECOA, Inc."), as applicable. Such areas shall hereinafter be referred to as "Common Areas."
- 2. The roadways shown on the hereinabove referenced plats of LAKESIDE ESTATES SUBDIVISION shall be built to Campbell County Highway Department specifications as presently required by the Campbell County Planning Commission; provided, however, that these roadways shall not be dedicated as public roads, but rather shall be a part of the Common Areas and shall remain private roadways to be maintained and preserved by the LEPOA, Inc. and the LECOA, Inc., unless eighty (80.00%) percent of the owners within the LEPOA, Inc. and the LECOA, Inc. should hereafter vote to seek dedication and acceptance of some or all of said roadways into the Campbell County road system or some other municipality, if then applicable. Upon execution of this Amended Declaration of Protective Covenants and Restrictions for Lakeside Estates Subdivision, the Developer shall request the Campbell County Planning Commission to amend its previous actions to show that such roadways will be private roads and not county roads.
- 3. In addition to its regular annual dues, the LEPOA, Inc. and the LECOA, Inc. shall collect from each owner within LAKESIDE ESTATES SUBDIVISION an annual assessment for roadway maintenance; provided, however, that the present owners of the following lots shall be exempt from this annual roadway maintenance assessment until such time as the owners of such lots shall convey said lots to a non-family member purchaser: Lots Numbers Four (4), Five (5), Seven (7), Eight (8), Nine (9), Nineteen (19), Twenty (20) and Twenty-One (21) in Phase I, as shown on the aforesaid plats of record in Plat Cabinet A, Slides 541, 542, 543 and 544, in the Register's Office for Campbell County, Tennessee, as applicable. At such times as each said lot is sold to a non-family member, the subsequent owners of each such lot shall thereafter pay the annual contribution for road maintenance as established by the LEPOA, Inc. and/or the LECOA, Inc., as applicable.
- 4. Except as otherwise amended by this instrument, the lots within this development shall continue to be subject to the Declaration of Covenants, Conditions and Restrictions dated February 10, 2006, set forth in Misc. Book 78, Page 501, in the Register's Office for Campbell County, Tennessee, which instrument is incorporated herein by reference as completely and fully as if copied verbatim, and this Amended Declaration of Protective Covenants and Restrictions is in supplement and amendment thereof, as applicable.

- 5. The lots, tracts, condominiums, and other properties within this development are further subject to all applicable Tennessee Valley Authority Easements, Restrictions, Reservations, and Covenants, as set forth in Deed Book 109, Page 19, in the Register's Office for Campbell County, Tennessee.
- 6. The owners of all lots within LAKESIDE ESTATES SUBDIVISION as shown in Plat Cabinet A, Slides 541, 542, 543 and 544, in the Register's Office for Campbell County, Tennessee, as applicable, shall be members of the LEPOA, Inc., and shall abide by all bylaws, terms, conditions, rules, regulations and fees established now and hereafter by said Lakeside Estates Property Owners Association, Inc. The owners of all condominium units within LAKESIDE ESTATES SUBDIVISION shall be members of the LECOA, Inc. and also shall be members of the LEPOA, Inc. and shall abide by all bylaws, terms, conditions, rules, regulations and fees established now and hereafter by said LEPOA, Inc.; provided, however, that notwithstanding any other provisions otherwise contained herein, the LECOA, Inc. shall have exclusive control for setting the bylaws, rules, terms, conditions, and regulations and fees pertaining solely to the condominium units, and common areas associated solely with such condominiums.
- 7. These protective covenants and restrictions shall continue forever unless amended by a vote of at least eighty (80%) percent of the then members of the Lakeside Estate Property Owners Associations, Inc. (LEPOA, Inc.) and for these purposes the term "property owners" is defined as the ownership of a lot, tract, condominium unit, or other such property within LAKESIDE ESTATES SUBDIVISION, with each property owner having the right to cast one (1) vote per lot, tract, property or condominium unit thereof.
- 8. The Grantee of any Deed conveying any lot or lots, parcels, tracts, condominiums, or other property shown on said plats shall be deemed by the acceptance of such Deed to have agreed to all such covenants covenanted to observe, comply with, and be bound by all covenants and restrictions which are the subject of this instrument.
- 9. The term "lots" as used herein shall refer to all lots shown on the hereinabove referenced plats. These lots shown shall be used for residential purposes only. Except as herein otherwise specifically provided, no structure shall be erected or permitted to remain on any lot or building plot on said land other than one single-family residence. The Developer, in its sole discretion, may designate areas on the surveys as common and recreational areas. No trade or commercial activity shall be carried on any residential lot or on any common area. This paragraph shall not be construed so as to preclude the rental of the lots for residential purposes as well as use of the common area by tenants. The Developer, in its sole discretion, has the right to designate areas for condominiums and/or multi-family dwellings. The Developer has the right to change these Protective Covenants and Restrictions

during the "Developer Control Period," which is defined as that period during which the Developer still owns any property within Lakeside Estates Subdivision; provided, however, that any such changes in these Protective Covenants and Restrictions shall only operate prospectively from the date thereof and shall not be considered as retroactive.

- No temporary building of any kind, including tent, trailer, barn, or mobile home shall be built or placed on any lot at any time.
- 11. No outside clothes lines shall be built or placed on any lot at any time.
- 12. No lot shall be used as a dumping ground for rubbish, trash, garbage, or other waste matter. Garbage or other waste shall be kept in sanitary containers. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. All containers for garbage or waste shall be placed so that they are not visible from the lake or any road-way in the subdivision.
- 13. No lot or group of lots in the development as delineated on the above referenced surveys shall be further divided or subdivided into smaller lots; provided, however, the Developer, in its sole discretion, shall have the right to change any lot lines of any lots unsold by the Developer and/or to subdivide, create or designate any other additional lots, tracts, or other divisions of unsold property.
- 14. No owners shall be allowed to strip topsoil from any lot or to remove trees or otherwise waste away the natural beauty of the lots. This does not disallow necessary construction or any other activities calculated to increase the beauty of the lot or increase its value or protect any lot from damage.
- 15. Nothing contained in these covenants and restrictions shall prevent the Developer or any person designated by the Developer from erecting or maintaining such commercial and display signs and such temporary dwellings and model houses and other structures as the Developer may deem advisable for development purposes.
- 16. No obnoxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.
- 17. Nothing shall be done on any lot whereby the natural flow of surface water shall be increased or altered in such a manner as to cause a nuisance to adjoining or neighboring property.
- 18. No exposed concrete block masonry foundations or walls are permitted.

- 19. Easements for installation and maintenance of utilities, septic\sewage facilities, roadways, and drainage facilities are reserved to the Developer along all lot lines, said easements being ten (10) feet in width.
- 20. The exterior of all houses must be completed within one year after the construction of same shall have commenced.
- 21. The residences constructed on said lots may be used for residential rental purposes without violation of these restricted covenants.
- 22. Invalidation of any one of these covenants by judgment or Court order shall in no wise effect any of the other provisions which shall remain in full force and effect.
- 23. All buildings, structures, installations, and other improvements to be located on any lot must comply with all governmental laws and regulations validly affecting said lot and if any provisions herein may differ therefrom such variance shall not be construed as a waiver by the Developer of the necessity of compliance with the terms hereof.
- 24. All tracts in this Development shall have an easement for sewage disposal in the lots and area designated by the Developer for sewage disposal. Each lot and tract shall retain a utility easement across all other lots and tracts for the purposes of installation and maintenance of a sewage disposal system, as applicable.
- 25. The Developer shall remain responsible for the maintenance of the Common Areas until such Common Areas have been conveyed by Warranty Deed to the Lakeside Estates Property Owners Association, Inc. and/or to the Lakeside Estate Condominium Owners Association, as applicable.
- 26. These covenants are to take effect immediately and shall be binding on all parties and all persons claiming under them. If the parties hereto or any of them, or their heirs or assigns, shall violate or attempt to violate any of the covenants herein it shall be lawful for the Developer or any other person or persons owning any property of any type situated in said subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants and either to prevent him or them from doing so or to recover damages or other damages for such violation, including reasonable attorneys fees, from any parties found to be in violation hereof.
- 27. Mark Fitzgerald and wife, Jacqueline K. Fitzgerald, Chad M. Ellis, Robert Hayman, K. Andrew Stuhlmiller and wife, Mary C. Stuhlmiller, Lancing P. Malusky and wife, Janice Malusky, John Bertke, Bradley J. Hunkler and wife, Kellie A. Hunkler, and David J. Truscott, hereby join in this instrument for the purpose of ratifying and confirming that the lots in Lakeside Estates Subdivision owned by them as of this date are subject to all of the terms and provisions of this

Amended Declaration of Protective Covenants and Restrictions and as referenced herein.

- 28. This instrument shall be binding upon the parties and their respective heirs, executors, administrators, successors, and assigns, and to any successor in interest to the parties, as applicable.
- 29. This instrument may be executed in duplicate original counterparts to be assembled by the preparer into a single recordable document.

 TRIMBACH DEVELOPMENT, LLO

By

Namy John Trimbach

Its: Monegy Mently

STATE OF

COUNTY OF

Before me, John William (name of notary public) of the state and county mentioned, personally appeared Jon Trimbach with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged such person to be Chief Manager of Trimbach Development, LLC, the within named party, and that such Chief Manager executed the foregoing instrument for the purpose therein contained, by signing the name of Trimbach Development, LLC, by himself, as Chief Manager.

WITNESS my hand and official seal at office this day

NOTARY PUBLIC

. •
\mathcal{L}
Za (4) Makus)
LANCING P. MALUSKY (G)
Januce 1/ Jaluation
JANICE MALUSKA "
STATE OF Skw
COUNTY OF Montgonery
Personally appeared before me When Many a Notani
Public, the within named affiant, Lancing P. Malusky, with whom I at a recently
acquainted, of proved to me on the basis of satisfactory evidence and who asknowledged
that should executed the Willin instrument for the purposes therein contained and
further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and
correct to the best of her/his knowledge, information, and belief.
RIAL
WITNESS my hand not of the wilder of the will have a control of the wilder of the wild
My Collillission expires the Control of the Control
NOTARY PUBLIC
My commission expires:
STATE OF _ Che
COUNTY OF Money
Parameter Company of the Company of
Personally appeared before me, July American a Notary
Public, the within named affiant, Janice Malusky, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged
that should executed the within instrument for the nurnoses therein contained and artistic
rather acknowledged that she/he has read the foregoing instrument and is familian with
and understands the contents thereof, and that the matters set forth therein are true and correct to the best of her/his knowledge, information, and belief.
WITNESS my hand, at office, this day of, 2006: 2007
KAREN MICAM
Notary Public, State of Other My Commission Expires February PUBLIC
My commission expires:
O CHILD OF THE CONTROL OF THE CONTRO
17E OF O'

ROBERT HAYMAN

STATE OF Chio COUNTY OF Hamilton

Personally appeared before me, a Notary Public, the within named affiant, Robert Hayman, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that she/he executed the within instrument for the purposes therein contained and who further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and correct to the best of her/his knowledge, information, and belief.

WITNESS my hand, at office, this 3rd day of January

NOTARY PUBLIC

My commission expires: //2/09

SHAWN TAYLOR Notary Public In and for the State of Ohio My Commission Expires November 21, 2009

NDREW STUHLMILLER Personally appeared before me, Public, the within named affiant, K. Andrew Stuhlmiller, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that she/he executed the within instrument for the purposes therein contained and who further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and correct to the best of her/his knowledge, information, and belief. WITNESS my hand, at office, this old day of January My commission expires: STATE OF **COUNTY OF** Personally appeared before me, Public, the within named affiant, Mary C. Stuhlmiller, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that she/he executed the within instrument for the purposes therein contained and who further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and correct to the best of her/his knowledge, information, and belief. WITNESS my hand, at office, this 5th day of Januar My commission expires: 11-30-09

DAVID J. TRUSC

STATE OF _____ COUNTY OF

Public, the within named affiant, David J. Truscott, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that she/he executed the within instrument for the purposes therein contained and who further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and

WITNESS my hand, at office, this

correct to the best of her/his knowledge, information, and belief.

__, 200

Ak Yespon M. Martin, Notary Public In and for the State of Ohio My Commission Expires June 28th, 2008

My commission expires:

NOTARY PUBLIC

CHAD M. ELLIS

STATE OF	Ohio	
COUNTY OF	Grene	
	11.0	Q

WITNESS my hand, at office, this 3^{16} day of 3^{10}

, 2006.

NOTARY PUBLIC

My commission expires:

SARA A. HAMMERMEISTER
Notary Public
In and for the State of Ohio
My Commission Expires
October 21, 2009

OHN BERTKE
Personally appeared before me, John Bertke, a Notary Public, the within named affiant, John Bertke, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that she/he executed the within instrument for the purposes therein contained and who further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and correct to the best of her/his knowledge, information, and belief.
WITNESS my hand, at office, this 3rd day of January, 2009.
My commission expires:NOTARY PUBLIC

BRIAN D. NELSON Notary Public, State of Ohio My Commission Expires Nov. 1, 2011 Recorded in Montgomery County

BRADLEY LHUNKLER
KELLIE A. HUNKLER
KELLIE A. HUNKLER

			-	_
STATE OF	0410			
COUNTY OF	HAMILTON	_		
Personal	ly appeared before me,	JOSEP)	M SHOEM	A-N-EA a Notary
	hin named affiant, Bradle			
	roved to me on the basis of			
	cuted the within instrumen			
	edged that she/he has read			
	s the contents thereof, and			erein are true and
correct to the be	est of her/his knowledge, in	formation, ar	ıd belief.	
WITNE	SS my hand, at office, this	ح day	of JAMARY	1 , 2006. 200
ACCES	DIL GEORGE CHOCKER COM COMMO			_
MOTARY	PUBLIC, STATE OF CIRCO ISSION EXPIRES 03-24-11	Josey	IM Stoc	and management
MY COMM	ISSION EXPIRES 03-24-17	NOTARY	PUBLIC	are the control of the
My commission	1 expires: <u>3-24-//</u>	1,011111		
iviy commission	capites.	_		
OTATE OF	0440			The second secon
STATE OF		_		
COUNTY OF	HAMILTON	_		
	ly appeared before me,			
	hin named affiant, Kellie			
	roved to me on the basis of			
that she/he exec	cuted the within instrumer	it for the pu	rposes therein co	ontained and who
further acknowl	edged that she/he has read	the foregoing	ng instrument and	d is familiar with
	s the contents thereof, and			
	est of her/his knowledge, in			
001100110 1110 00	ov 01 1101/1110 11110 1/110 go, 111	,		
WITNE	SS my hand, at office, this	3 day	of JANUARY	, 2006. ~ o
JO	SEPH M. SHOEMAKER RY PUBLIC, STATE OF OHIO MMISSION EXPIRES 03-24-11 1 expires: 3 - 24-11	0	om el	2 0
NU (A MY CO)	JRY PUBLIC, STATE OF ONIO MMISSION EXPIRES 03-24-11	NOTADY	DUDITO	sema
Mr. commission	n expires: 3 - 24 - //	NOIAKI	PUBLIC	
wry commission	expires: 5 2-7-77	-		Armen Co.
				7
				Tall " Processing

JACQUELINE K. FITZGERALD STATE OF **COUNTY OF** Personally appeared before me, \forall \lambda \leftrightarrow \forall \leftrightarrow \frac{1}{2\cup ris}, a Notary Public, the within named affiant, Mark Fitzgerald, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that she/he executed the within instrument for the purposes therein contained and who further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and correct to the best of her/his knowledge, information, and belief. WITNESS my hand, at office, this 4th day of Januar My commission expires: 2(10) 2010 STATE OF **COUNTY OF** Personally appeared before me, , a Notary Public, the within named affiant, Jacqueline K. Fitzgerald, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who acknowledged that she/he executed the within instrument for the purposes therein contained and who further acknowledged that she/he has read the foregoing instrument and is familiar with and understands the contents thereof, and that the matters set forth therein are true and correct to the best of her/his knowledge, information, and belief. WITNESS my hand, at office, this day of _______, 2006. **NOTARY PUBLIC**

My commission expires: ___

	grand tother e
	JAGQUELINE K. FIYZGERALD
STATE OF	- -
acquainted, or proved to me on the basis of that she/he executed the within instrument further acknowledged that she/he has read	Fitzgerald, with whom I am personally satisfactory evidence, and who acknowledged for the purposes therein contained and who the foregoing instrument and is familiar with that the matters set forth therein are true and primation, and belief.
WITNESS my hand, at office, this _	day of, 2006.
	NOTARY PUBLIC
My commission expires:	_
STATE OF DE GOVERNO	
acquainted, or proved to me on the basis of that she/he executed the within instrument further acknowledged that she/he has read	coustal Curin, a Notary ne K. Frizgerald, with whom I am personally satisfactory evidence, and who acknowledged for the purposes therein contained and who the foregoing instrument and is familiar with that the matters set forth therein are true and formation, and belief.
	S day of January, 2006.7 Cup tal K. Curry NOTARY PUBLIC
My commission expires: <u>Jan. 21, 20</u>	<u>0</u> 08

MARK FITZGERARLD

Docket No. 11-00020 DSH & Associates, LLC

Attachment #13

Backup for Forecasted Expenses

ACCOUNT NUMBER

WFB-112409

Refer to this number on all correspondence

NOTICE OF INTENT TO CANCEL INSURANCE

Westfield Bank, FSB 4992 Foote Road Medina, OH 44256 Phone: (800) 368-8930

http://www.westfield-bank.com

nttp://www.westrieid-bank.com Check your account online: Your username is "WFB-112409". Your password is "z48463H" unless you have changed it.

5/12/2011

EFFECTIVE DATE

5/12/2011

Borrower (00286	376) Agent or Broker
DSH & Associates, LLC	P & C Risk Services, LLC
4028 Taliluna Ave	110 W. Washington Ave.
Knoxville, TN 37919	Athens, TN 37303

: 115 MAI 12 5 MAI 21 61 61 MAI 12 MAI 12 MAI 12 MAI 12 MAI

TO THE INSURED

) 1975 TIPRO 1187 TO 1881 TO 1881 TO 1881 TO 1887 TO PORT TO AND THE TOP THE TOP 1887 TO 1887

Your payment due 5/2/2011 on your Premium Finance Agreement with the LENDER has not been received. You are hereby notified of LENDER'S intent to cancel your insurance policy(ies) listed below on 5/27/2011 unless payment is received in our office by said date.

If payment is received in our office by 5/12/2011, please pay 750.48.

If payment is received in our office after 5/12/2011, an additional late charge of 50.00 is due.

Policy Number	Effective Date	Insurance Company	Premium	Taxes/Fees
V11253100101	11/2/2010	Beazley Insurance Company	3,319.00	0.00
			d	
			C	

If you have already remitted the amount shown above to our office, then please disregard this notice.

Doug Hodge

From: Doug Hodge <hodge.dsh@gmail.com>
Sent: Tuesday, May 17, 2011 11:27 AM

To: Douglas Hodge Subject: Fwd: Approved!

----- Forwarded message -----

From: McElligott, Julia < JMcElligott@bbandt.com >

Date: Tue, Jan 25, 2011 at 2:39 PM

Subject: Approved!

To: Doug < hodge.dsh@gmail.com >

Both bonds are approved! Here are the basic details:

Annual premium = \$540 for each bond (\$1080 total), payable to BB&T Insurance Services, Inc. Collateral = 25% (\$5000 for each bond) in the form of a Cashier's Check.

\$100 collateral handling fee

Corporate + personal indemnity (no spousal)

I need to send to you an application (with Indemnity agreement) for each of the bonds and will do so today. In this email I'll provide more details of how to get these bonds in your hands.

Please call to discuss further if you like - I'll be working on your apps.

Thanks!

Julie

Julie McElligott, CIC Preferred Bond Unit BB&T Insurance Services PO Box 31128

Raleigh, NC 27622 Mail Code: 175-04-01-15

Direct: (919) 716-9779 / (877) 643-6227 ext 1, 31

Fax (888) 831.8413 imcelligott@BBandT.com

The information in this email is intended for the sole use of the addressees and may be confidential and subject to protection under the law. If you are not the intended recipient, you are hereby notified that any distribution or copying of this email is strictly prohibited. If you have received this message in error, please reply and delete your copy.

*Douglas S. Hodge, Ph.D., PMP*Operations Manager
Cell: 865-755-8066 Fax: 866-480-5953

e-mail: hodge.dsh@gmail.com



October 27, 2010

Jeff Brownfield Specialized Operations Services 4095 Hidden Valley Road Cleveland, TN 37312

SUBJECT: Intent to purchase Orenco Simplex Pump System Equipment

PROJECT: Douglas Lake Resort

Dear Jeff:

Kent Woods Excavating & Evergreene Utility Service, L.L.C. (EUS), intends to purchase the following from Specilized:

- PVU with Simplex Pumps Model PVU57-2419, Pump Model PF100511, Splice Box Model SB4, Float Switch Model A/MF, Discharge Assemblies Model HV100, Access Risers Model RR24XX, Access Lid Model FL24-4B
- Quantity: 128
- Time frame: ASAP till end of March 2011
- Frequency: 6 units per week
- Starting: November 1st first delivery required onsite.
- Price as quoted: \$1,659/unit

We look forward to working with you and the rest of the team in moving this project forward.

Sincerely,

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

Evergreene Utility Services, LLC 4028 Taliluna Avenue Knoxville, TN 37919 Operations Manager 865-755-8066 Hodge.EUS@gmail.com

Douglas S. Hodge

Unit pricing breakdown:

Unit price = \$1659 Shipping = \$121

Tax = \$169

Total = \$1949

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

PAGE 1

CYCLE NO. 40926-032 ACCOUNT NUMBER: ELE-14442257, WTR-34840215 METER NUMBER: TRIMBACH PROPERTIES 123 NORTHBRIDGE LN D D CUSTOMER NAME: SERVICE ADDRESS: METER READING DATE: ELE-03-04-11, WTR-03-03-11 03-29-11 BOOK/SEQUENCE NO.: 141/465 DUE DATE:

to # 1784.2. District - Al-Allica C.

LAFOLLETTE UTILITIES
P.O. BOX 1411
TEUTILITIES LAFOLLETTE, TN 37766 (423)562-3316 (800)352-1340

200.84

Bit.t. Dari 03 - 0' 03 - 0'	7-11 243	37 25333	MULTIPLIER METER DEMAN		109.98
			1	996	109 98
	/-11 4	27 429	1	2	21.33 1.97 54.48
As of May 2011 L	aFollette Charge:	s			
\$.09433 per kWat	thr				
PAYMENTS	ADJUSTARRYS	BALANCE	OTHER DEBITS	CURRENT	AMOUNT DU
		FORWARD	AND CREDITS	CHARCES	
		\$.09433 per kWatthr	T PAYMENTS ADJUSTMENTS BALANCE	\$.09433 per kWatthr The payments adjustments balance other deepts	\$.09433 per kWatthr T PAYMENTS ADJUSTMENTS BALANCE OTHER DEBTTS CURRENT

21339-11 21339-11 CKAR 1615

COMPARE YOUR USAGE					
PERTOD	DAYS	KWH USED	DATLY AVG KWH	WATER GALS USED	DATLY AVG GALS
CURRENT	26	996	38	2	0
LAST MONTH	33	1233	37		
YEAR AGO	27	725	26		

Response to Data Request dated 4/27/11 6/10/11 Page 26 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #14

DSH Bank Statements





640-04-01-00 40504 3 C 001 30 S 66 002 DSH & ASSOCIATES LLC 4028 TALILUNA AVE KNOXVILLE TN 37919-8361

Your account statement

For 11/30/2010

Contact us



BBT.com



(800) BANK-BBT or (800) 226-5228

BB&T Tax Choicesm Provides Two Convenient Options for Initiating Tax Payments

As a part of the Federal government's "Treasury Goes Green" initiative, effective January 1, 2011, clients making Treasury Tax and Loan coupon payments for employee withholding or other Federal taxes will be required to make their payments electronically through the U.S. Treasury Departments Electronic Federal Tax Payment System (EFTPS).

BB&T can help! We offer several options to our business clients to help make Federal and State tax payments. BB&T Tax Choice provides online access as well as touch-tone telephone access to make tax payments. We take the complex and make it simple while allowing you to keep your company information safe, secure and private.

To learn more about BB&T Tax Choice or about other options to make your Federal and State tax payments, visit a BB&T financial center.

■ BUSINESS VALUE 500 CHECKING

Account summary

Your previous balance as of 10/29/2010	\$18,720.47
Checks	- 236.43
Other withdrawals, debits and service charges	- 12,713.08
Deposits, credits and interest	+ 400.00
Your new balance as of 11/30/2010	= \$6 170 96

Checks

DATE	CHECK #	AMOUNT(\$)
11/01	985009	120.14
11/15	985010	116.29
Total chec	ke	- \$ 236 <i>1</i> 3

Other withdrawals, debits and service charges

DATE	DESCRIPTION	AMOUNT(\$)
11/08	BB&T ONLINE BILL PAYMENT BB&T Financial, FSB 11-08-10 4046011191893945	1,657.97 L
11/09	FORCE PAY DEBIT MEMO	11,055.11
Total of	= \$12,713.08	

Deposits, credits and interest

DATE	DESCRIPTION	AMOUNT(\$)
11/19	COUNTER DEPOSIT	400.00 🗸
Total d	= \$400.00	

Questions, comments or errors?

For general questions/comments or to report errors about your statement or account, please call BB&T Phone24 at 1-800-BANK BBT (1-800-226-5228) 24 hours a day, 7 days a week. BB&T Phone24 Client Service Associates are available to assist you from 6 a.m. until midnight ET. You may also contact your local BB&T financial center. To locate a BB&T financial center in your area, please visit BBT.com.

Electronic fund transfers

In case of errors or questions about your electronic fund transfers, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt, contact us as soon as possible. You may write to us at the following address:

BB&T Liability Risk Management

P.O. Box 996

Wilson, NC 27894-0996

You may also call BB&T Phone24 at 1-800-BANK BBT or visit your local BB&T financial center. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the error or problem appeared. Please provide the following information:

- Your name and account number
- Describe the error or transfer you are unsure about, and explain in detail why you believe this is an error or why you need more information
- The dollar amount of the suspected error

We will investigate your complaint/concern and promptly take corrective action. If we take more than ten (10) business days to complete our investigation, your account will be credited for the amount you think is in error, minus a maximum of \$50 if we have a reasonable basis to believe that an unauthorized electronic fund transfer has occurred. This will provide you with access to your funds during the time it takes us to complete our investigation. You may have no liability for unauthorized Check Card purchases, subject to the terms and conditions in the current BB&T Electronic Fund Transfer Agreement and Disclosures. If you have arranged for direct deposit(s) to your account, please call BB&T Phone24 at 1-800-BANK BBT to verify that a deposit has been made.

If your periodic statement shows transfers that you did not make, tell us at once. If you do not inform us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after sixty (60) days. This will occur if we can prove that we could have stopped someone from taking the money if you had informed us in time. If a good reason kept you from informing us, we will extend the time periods.

Important information about your Constant Credit Account

Once advances are made from your Constant Credit Account, an INTEREST CHARGE

will automatically be imposed on the account's outstanding "Average daily balance." The INTEREST CHARGE is calculated by applying the "Daily periodic rate" to the "Average daily balance" of your account (including current transactions) and multiplying this figure by the number of days in the billing cycle. To get the "Average daily balance," we take the beginning account balance each day, add any new advances or debits, and subtract any payments or credits and the last unpaid INTEREST CHARGE. This gives us the daily balance. Then we add all of the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "Average daily balance."

Billing rights summary

In case of errors or questions about your Constant Credit statement

If you think your statement is incorrect, or if you need more information about a Constant Credit transaction on your statement, please call 1-800-BANK BBT or visit your local BB&T financial center. To dispute a payment, please write to us on a separate sheet of paper at the following address:

BankCard Services Division

P.O. Box 200

Wilson, NC 27894-0200

We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the error or problem appeared. You may telephone us, but doing so will not preserve your rights. In your letter, please provide the following information:

- Your name and account number
- Describe the error or transfer you are unsure about, and explain in detail why
 you believe this is an error or why you need more information
- The dollar amount of the suspected error

During our investigation process, you are not responsible for paying any amount in question; you are, however, obligated to pay the items on your statement that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount in question.

Mail-in deposits

If you wish to mail a deposit, please send a deposit ticket and check to your local BB&T financial center. Visit BBT.com to locate the BB&T financial center closest to you. <u>Please do not send cash.</u>

Change of address

If you need to change your address, please visit your local BB&T financial center or call BB&T Phone24 at 1-800-BANK BBT (1-800-226-5228).

Outstan	ding Checks and	d Other Debits (Se	ction A)
Date/Check #	Amount	Date/Check #	Amount
Quitstand	ing Denosits ar	nd Other Credits (S	ection B)
Date/Type	Amount	Date/Type	Amount
	Date/Check #	Date/Check # Amount Outstanding Deposits ar	Outstanding Deposits and Other Credits (S





640-04-01-00 40504 0 C 001 30 S 66 002 DSH & ASSOCIATES LLC 4028 TALILUNA AVE KNOXVILLE TN 37919-8361

Your account statement

For 03/31/2011

Contact us



BBT.com



(800) BANK-BBT or (800) 226-5228

New Year's resolutions are hard to keep - except when they simplify your life.

Every day we make decisions to simplify our busy personal lives. We use online banking with bill payment and use the online statement feature to save time and money as we manage our personal finances. What about your business life? You can make the same decisions to save time, save money and be more effective in the new year! Less paper means easier access, less time filing and more time to do the things that are most important to your business.

- CD-Rom Imaging provides you a CD with images of all of your paid checks for the month convenient access and control are yours without the hassle, inconvenience and storage expense of paper documents.
- Check Safekeeping provides you an image of a paid check when you need it. BB&T ensures full images of your paid checks are available to you for 10 years.
- Full check images may be viewed and/or saved via your favorite BB&T online banking service.

If you would like to learn more about any of these options, contact your BB&T Relationship Manager or visit your nearest financial center.

■ BUSINESS VALUE 500 CHECKING

Account summary

Your previous balance as of 02/28/2011	\$9,005.52
Checks	- 0.00
Other withdrawals, debits and service charges	- 1,323.59
Deposits, credits and interest	+ 42,685.32
Your new balance as of 03/31/2011	= \$50,367.25

Other withdrawals, debits and service charges

DATE	DESCRIPTION	AMOUNT(\$)
03/15	BB&T ONLINE BILL PAYMENT BB&T Financial, FSB 03-15-11 4046011191893945	1,323.59
Total of	ther withdrawals, debits and service charges	= \$1,323.59

Deposits, credits and interest

DATE	DESCRIPTION	AMOUNT(\$)
03/18	COUNTER DEPOSIT	2,275.00
03/21	COUNTER DEPOSIT	40,410.32
Total de	leposits, credits and interest	= \$42,685.32

AMENDMENT TO THE BUSINESS SERVICES PRICING GUIDE Effective May 1, 2011

The following changes are being made to the *Business Services Pricing Guide* that you received when you opened your BB&T account. Continued use of your account after **May 1**, **2011**, constitutes your acceptance of the changes. Also, important changes are being made to BB&T Treasury Management Fees. These fees are referenced in the Treasury Management Agreement you have with BB&T. You may not be impacted by the fee changes listed, depending on your account activity and the services that you use. Except for the information contained in this communication, the remainder of the terms and conditions of your agreement with BB&T remain unchanged. If you do not have a copy of the *Business Services Pricing Guide*, or if you have questions about the Treasury Management fees, contact your local BB&T financial center, your relationship manager, or call **1-800-BANK BBT (1-800-226-5228)**.

Business Services Pricing Guide

Treasury Services Fees

Business Regular Checking, Collateral Reserve		Wholesale Lockbox Services	
Checking, Public Fund Regular Checking,		Maintenance	\$115.00
Not-For-Profit Special Interest Checking,		Payments	\$0.40
and Public Special Money Rate Checking		Monthly Package Prep	\$20.00
Monthly Maintenance Fee	\$18.00	Remitter Data Entry	\$0.015
Deposit or Other Credit	\$0.72	MICR Repair	\$0.015
Deposited Items - BB&T	\$0.12	CD Fee	\$15.00
Earnings ² Checking and		DVD Fee	\$15.00
Earnings ² Checking, Public Funds		Retail Lockbox Services	
Deposit or Other Credit	\$0.82	Monthly Package Prep	\$20.00
Deposited Items - BB&T	\$0.12	MICR Repair	\$0.015
Check Paid or Other Debit	\$0.20	OCR Repair	\$0.015
Coin and Currency, Per \$1,000 Deposited	\$1.90	CD Fee	\$15.00
Depository Services		DVD Fee	\$15.00
Pre-Encoded Deposit Items - BB&T	\$0.12	Stop File Maintenance	\$50.00
Pre-Encoded Deposit Items - Other In-State		Check & List/Check Only	\$0.015
Institution	\$0.12	ACH	
Pre-Encoded Deposit Items - Out-of-State		ACH Received Credits (up to 100)	\$0.65
Institution	\$0.12	ACH Received Debits (up to 100)	\$0.19
Statement Services		Small Business ACH Items	\$1.50
Easy Image Statement	\$2.00	Wire Transfer	
(This fee will be charged for clients who		Incoming Wire - Domestic	\$14.00
receive as part of their deposit statement		Incoming Wire - International	\$18.00
reduced-size front images, 10 per page, of		CashManager OnLine Repetitive Wire	\$10.00
paid checks. You may avoid this fee by		CashManager OnLine Non Repetitive Wire	\$11.00
requesting free BB&T Check Safekeeping.)		Positive Pay (Fax delivery, not yet	
Check/Substitute Check Enclosure, Per Check	\$0.06	converted to CMOL)	
(This fee applies only to clients using this service		Positive Pay Maintenance Fee	
in products Business Regular Checking, Collateral		(Fax delivery)	\$50.00
Reserve Checking, Public Fund Regular Checking,		Positive Pay Items (Fax delivery)	\$0.10
Earnings ² Checking, Public Special Money Rate		CashManager OnLine Maintenance	
Checking, NFP Special Interest Checking, Business		Prior Day Maintenance	\$40.00
Interest Checking with ECR, and Public Fund		Current Day Maintenance	\$40.00
Interest Checking with ECR. You may avoid this		Small Business Maintenance	\$35.00
fee by requesting free BB&T Check Safekeeping.)		Zero Balance Account	
International Services		Master Account Maintenance	\$40.00
Foreign Check Returned Item	\$30.00	Account Maintenance	\$25.00
(This fee will be charged when USD/FX		Controlled Disbursement	
denominated checks drawn on foreign banks		Controlled Disbursement -	
are being returned by the drawee bank for any		Maintenance (InfoFax delivery)	\$150.00
reason. This is in addition to any foreign bank fee.)		Cont Disbursement Items	\$0.20
, ,			

On April 11, 2011, the name of the fees for non-sufficient funds will change as follows:

The "NSF Item Paid Fee" will become "Overdraft Fee."



The "NSF Item Return Fee" will become "Returned Item Fee."

Depending on the type of item presented and your decision for Overdraft Review, overdrawn items that are paid will be charged an "Overdraft Fee" and overdrawn items that are returned will be charged a "Returned Item Fee." There is no change to the fee amount. Please contact your local Financial Center if you have any questions. Thank you.

For general questions/comments or to report errors about your statement or account, please call BB&T Phone24 at 1-800-BANK BBT (1-800-226-5228) 24 hours a day, 7 days a week. BB&T Phone24 Client Service Associates are available to assist you from 6 a.m. until midnight ET. You may also contact your local BB&T financial center. To locate a BB&T financial center in your area, please visit BBT.com.

Electronic fund transfers

In case of errors or questions about your electronic fund transfers, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt, contact us as soon as possible. You may write to us at the following address:

BB&T Liability Risk Management

P.O. Box 996

Wilson, NC 27894-0996

You may also call BB&T Phone24 at 1-800-BANK BBT or visit your local BB&T financial center. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the error or problem appeared. Please provide the following information:

- Your name and account number
- Describe the error or transfer you are unsure about, and explain in detail why
 you believe this is an error or why you need more information
- The dollar amount of the suspected error

We will investigate your complaint/concern and promptly take corrective action. If we take more than ten (10) business days to complete our investigation, your account will be credited for the amount you think is in error, minus a maximum of \$50 if we have a reasonable basis to believe that an unauthorized electronic fund transfer has occurred. This will provide you with access to your funds during the time it takes us to complete our investigation. You may have no liability for unauthorized Check Card purchases, subject to the terms and conditions in the current BB&T Electronic Fund Transfer Agreement and Disclosures. If you have arranged for direct deposit(s) to your account, please call BB&T Phone24 at 1-800-BANK BBT to verify that a deposit has been made.

If your periodic statement shows transfers that you did not make, tell us at once. If you do not inform us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after sixty (60) days. This will occur if we can prove that we could have stopped someone from taking the money if you had informed us in time. If a good reason kept you from informing us, we will extend the time periods.

Important information about your Constant Credit Account

Once advances are made from your Constant Credit Account, an INTEREST CHARGE

will automatically be imposed on the account's outstanding "Average daily balance." The INTEREST CHARGE is calculated by applying the "Daily periodic rate" to the "Average daily balance" of your account (including current transactions) and multiplying this figure by the number of days in the billing cycle. To get the "Average daily balance," we take the beginning account balance each day, add any new advances or debits, and subtract any payments or credits and the last unpaid INTEREST CHARGE. This gives us the daily balance. Then we add all of the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "Average daily balance."

Billing rights summary

In case of errors or questions about your Constant Credit statement

If you think your statement is incorrect, or if you need more information about a Constant Credit transaction on your statement, please call 1-800-BANK BBT or visit your local BB&T financial center. To dispute a payment, please write to us on a separate sheet of paper at the following address:

BankCard Services Division

P.O. Box 200

Wilson, NC 27894-0200

We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the error or problem appeared. You may telephone us, but doing so will not preserve your rights. In your letter, please provide the following information:

- Your name and account number
- Describe the error or transfer you are unsure about, and explain in detail why
 you believe this is an error or why you need more information
- The dollar amount of the suspected error

During our investigation process, you are not responsible for paying any amount in question; you are, however, obligated to pay the items on your statement that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount in question.

Mail-in deposits

If you wish to mail a deposit, please send a deposit ticket and check to your local BB&T financial center. Visit BBT.com to locate the BB&T financial center closest to you. Please do not send cash.

Change of address

If you need to change your address, please visit your local BB&T financial center or call BB&T Phone24 at 1-800-BANK BBT (1-800-226-5228).

How to Reconcile Your Account		Outstan	ding Checks an	d Other Debits (Se	ction A)
List the new balance of your account from your latest statement here:		Date/Check #	Amount	Date/Check #	Amount
,	-				
 Record any outstanding debits (checks, check card purchases, ATM withdrawals, electronic transactions, etc.) in section A. Record the transaction date, the check number or type of debit and the debit amount. Add up all of the debits, and enter the sum here: 					
3. Subtract the amount in line 2 above from the amount in line 1 above and enter the total here:					
Record any outstanding credits in section B. Record the transaction date, credit type and the credit amount. Add up all of the credits					
and enter the sum here:		Outstanding Deposits and Other Credits (Section B)			
5. Add the amount in line 4 to the amount in line 3 to find your		Date/Type	Amount	Date/Type	Amount
balance. Enter the sum here. This amount should match the balance in your register.					
For more information, please contact your local BB&T relationship mana BBT.com, or contact BB&T Phone24 at 1-800-BANK BBT (1-800-226-52					

Attachment #15

Approved Engineering Plans and Specifications

AFOLLETTE UTILITIES BOARD CAMPBELL COUNTY, TENNESSEE

SANITARY SEWER SYSTEM FOR

LAKESIDE ESTATES



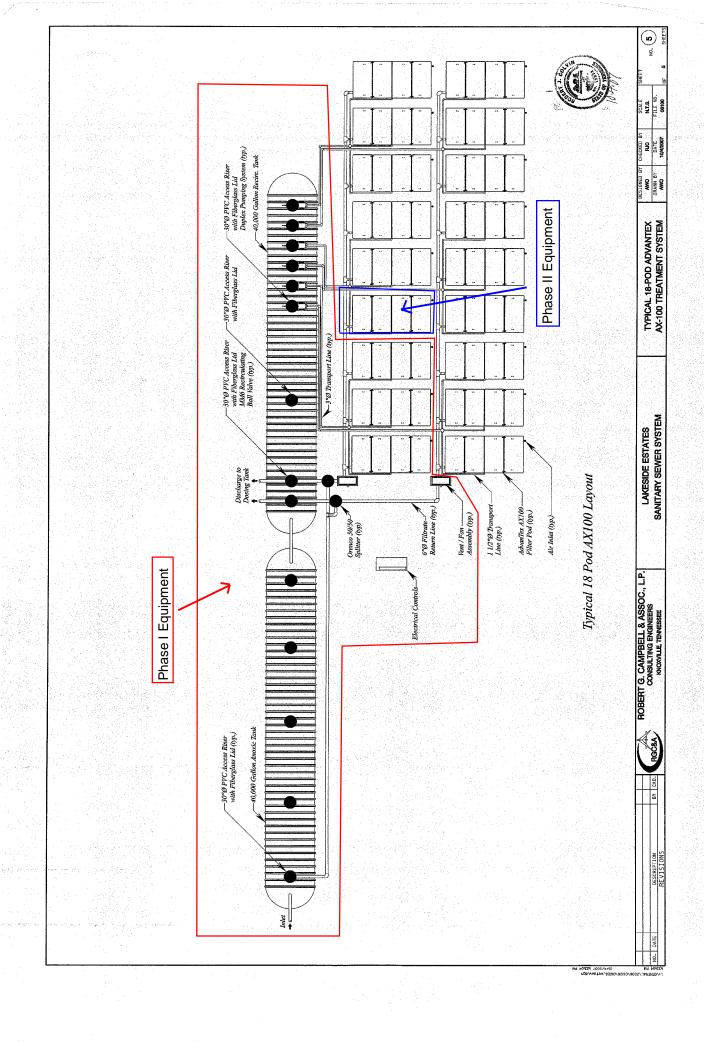
FOUR TROXELL SUPERIORS SUPERINTENDENT OF WATER OPERATIONS LAFOLLETTE UTILITIES BOARD

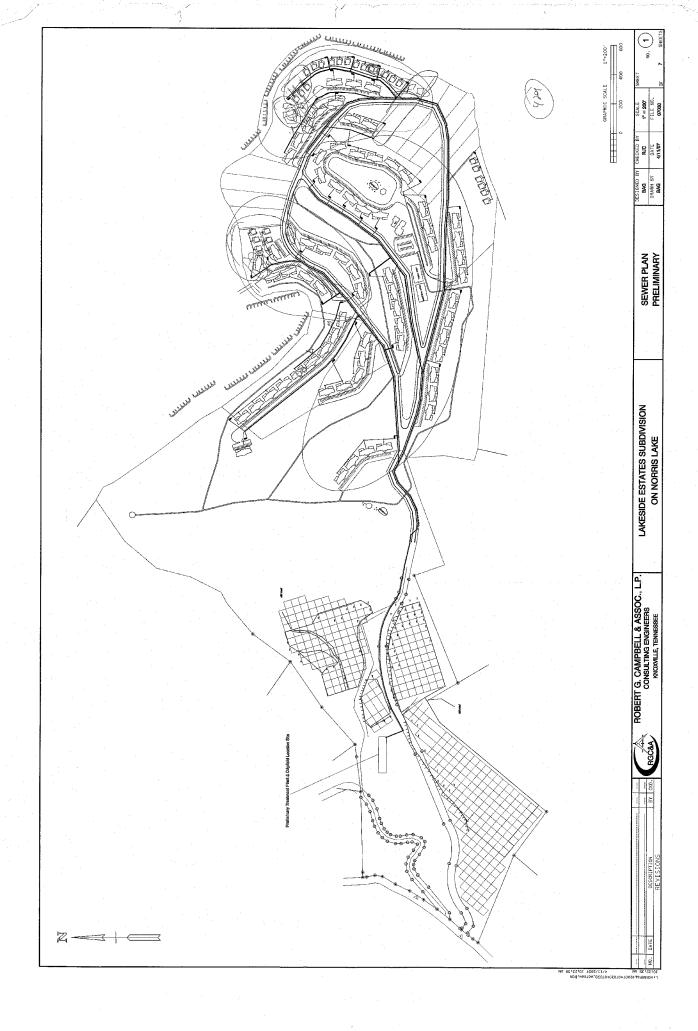
APPROVED BY:

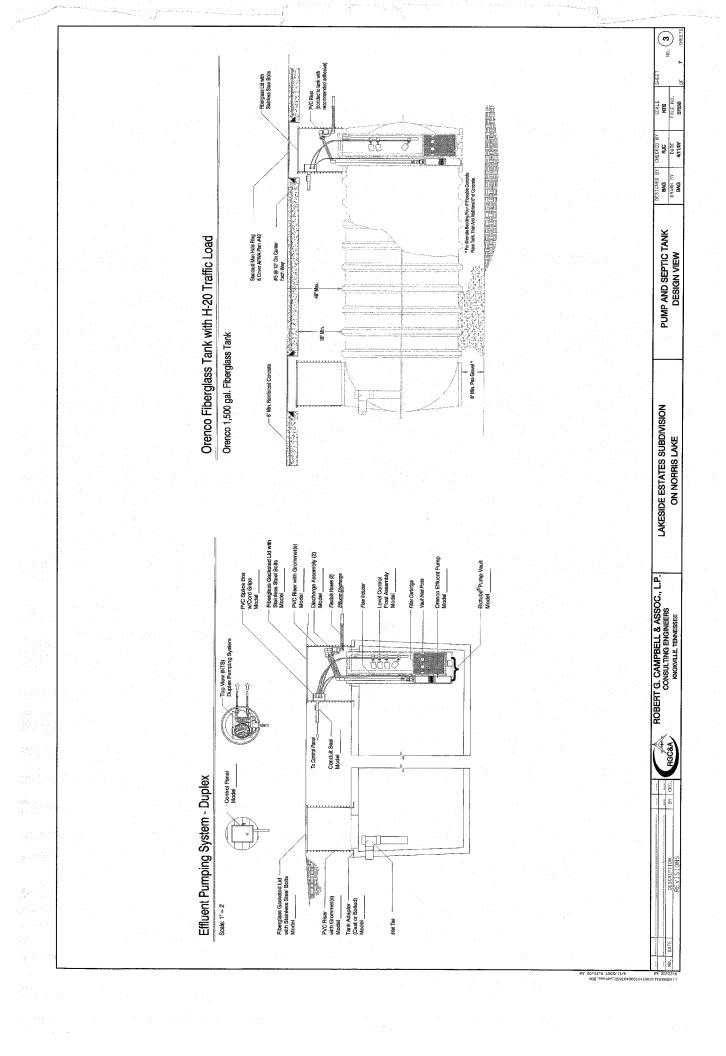


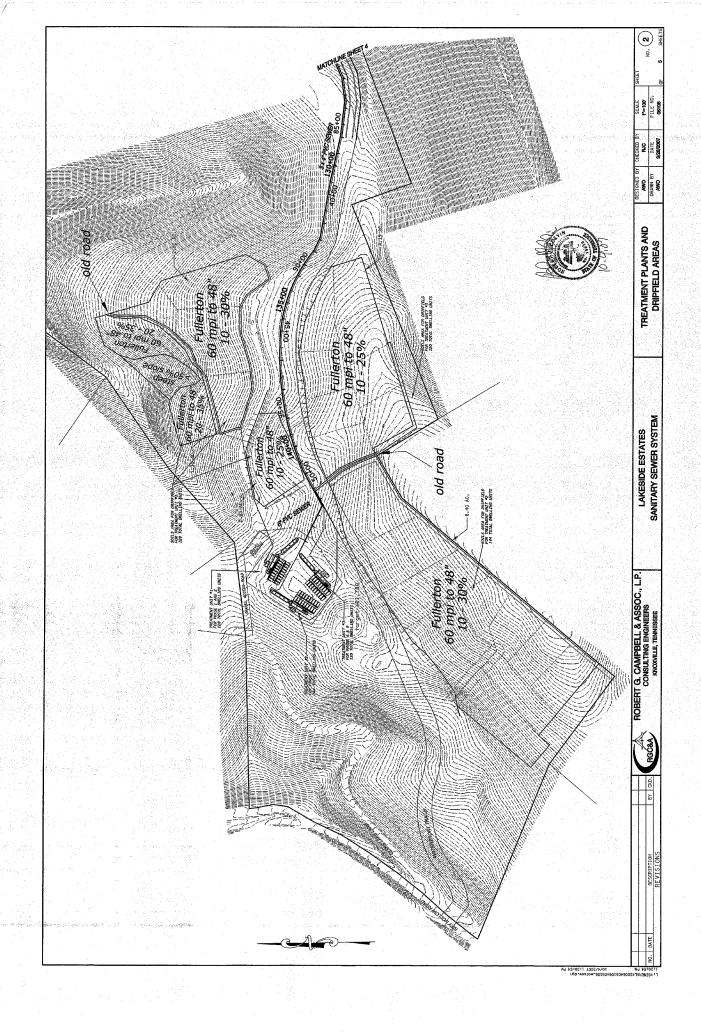
ROBERT G. CAMPBELL & ASSOCIATES, L.P. CONSULTING ENGINEERS KNOXVILLE, TENNESSEE











Response to Data Request dated 4/27/11 6/10/11 Page 28 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #16

Notification Letter

Jon Trimbach

320 Echo Valley Drive Vandalia, OH 45377 877-204-0785

Lakeside Estate HOA

Attn: Lakeside Estate Property Owners

(Address Stamp Here)

Trimbach Development, LLC has engaged DSH & Associates (DSH), LLC (a waste water utility company) to replace LaFollette Utility District for waste water utility services. Their rate sheets and other pertinent information are attached. This transition will be effective July 1st, 2011. You will receive a letter in mid June from DSH outlining more specifics of their services and a contract that will need to be signed.

Please contact me by phone if you have any transitional questions. The DSH point of contact is Doug Hodge who can be reached at 865-622-2452 or hodge.dsh@gmail.com.

Jon Trimbach

President

Trimbach Development, LLC

1/1/11

DSH & Associates, LLC

4028 Taliluna Avenue, Knoxville, TN 37919

Dear DSH Utility Services Customers

I would like to welcome you to DSH & Associates, LLC and Lakeside Estates. We at DSH & Associates, LLC look forward to providing the best and most environmentally friendly wastewater treatment service. First of all I would like to explain our rates for Lakeside Estates.

We have 3basic rates, one if you have not built your home yet and the other as your home is built. First, the rate if you have not built your home yet is referred to as an access fee. The access fee is \$120.00 dollars per year and is due on July 1st. What this fee pays for is the maintenance of the lines in the streets and the treatment plant components. Even if no homes are built in the subdivision, maintenance and test records must be maintained to meet state requirements. We use this fee to offset these costs so that when you are ready to connect, the system will be ready for you.

Our next rate is for when you build your home and tie on, this rate is \$44.53 per month (see attached Residential Rate Sheet). If you rent your home during any period of time, you will pay a minimum rate of \$69.53 per month and your rate will be prorated based on usage (see attached Commercial Rate Sheet). For this payment we will treat the wastewater to the highest standards and dispose of it into a drip emitter field. We use the fixed film system of treating the wastewater because of it's reliability and it can be maintained more cost effectively than other systems. This is a fully automated PLC controlled system for the utmost reliability. You will additionally install a septic and pump tank at your home at your expense. We will pump and maintain the septic tank, pump tank and components at no additional cost to you. It should be noted that we do not maintain any plumbing or unstop any blockages in your home or the outfall line to the septic tank.

Additional charges are as follows:

- Service disconnect \$40.00
- Service reconnect all past due amounts with late fees and \$50.00
- Returned Check Fee \$25.00
- A 5% late fee will be added to the total bill on the lot of any month in which we have not received your payment.

A complete copy of our tariff or billing amounts is available for viewing at our office during normal business hours by appointment.

Now for connecting, we have a set of specifications that must be followed and are included in this packet. You must get a permit from Jefferson County Environmental Health before starting work. Before you can connect to the DSH & Associates, LLC Service Connection you must sign and return your Sewer Service Contract Agreement.

You will need to install a cut off valve between the house and water supply and grant DSH & Associates, LLC exclusive rights to use such valve to cut off water in order to safely stop wastewater flow.

You will have an alarm post next to your pump tank or on your house. If there is a power failure, this alarm might go off after the power comes back on due to residual water needing to be pumped out. Wait at least 2 hours and if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay. If you need additional assistance, please call our Customer Service number: 865-851-8351.

All payments will be sent to:

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919

 $Again\ I\ would\ like\ to\ welcome\ you\ to\ DSH\ \&\ Associates,\ LLC\ and\ Lakeside\ Estates.\ We\ at\ DSH\ \&\ Associates,\ LLC\ will\ do\ our\ best\ to\ handle\ your\ wastewater\ service\ needs\ in\ an\ honest\ and\ professional\ manner.$

Sincerely,

Douglas S. Hodge, Ph.D. PMP Operations Manager DSH & Associates, LLC

Woughs S. Hodge

RESIDENTIAL RATE SHEET/EXPLANATION

<u>EES:</u> <u>TOTAL</u>		
Non-Payment	5%	
STEP System Installation	\$6,000	
Tap Fee	3,750/lot	
Disconnection	\$ 40.00	
Reconnection	\$ 50.00	
Returned Check	\$ 25.00	
Access Fee	\$120/yr	

^{*}Escrow amount is included in total \$17.94

Explanation

	Total	\$ 44.53
<u>B1:</u>	Standard bonding charge of	\$ 3.56
E1:	RSF Escrow Rate	\$ 17.94
FFR.D:	Standard Base RSF/Fixed Film Reactor Treatment Rate	\$ 23.03

Estimate Tap Fees

Tap Fees for each new unit will be derived based on the number of Bedrooms as listed in the table below:

Daily		Estir	nated Tap
Flowrate	Number of Bedrooms		Fee
300	3	\$	3,750
400	4	\$	5,000
500	5	\$	6,250
600	6	\$	7,500
700	7	\$	8,750
800	8	\$	10,000
900	9	\$	11,250
1000	10	\$	12,500

^{**} Tap fee is for homes with 3 bedrooms or less

COMMERICAL RATE SHEET Overnight Rental Units

The monthly sewer charge per customer is based on the monthly average daily flow monitored from the unit being served. A minimum of \$69.53 per month will be charged for up to the first 300 gallons per day of average daily flow. (I) For each additional 100 gallons per day of average daily flow, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For average daily flows over 1,000 gallons per day, an additional monthly charge of \$157.95 per 1,000 gallons of average daily flow will apply.

COMMERCIAL W/O FOOD	FLOW BETWEE	<u>/RATE</u> N (GPD)	TOTAL**	ESC	CROW***
Tier 1	0	300	\$ 69.53	\$	15.95
Tier 2.1	301	400	\$ 84.53	\$	19.49
Tier 2.2	401	500	\$ 99.53	\$	23.02
Tier 2.3	501	600	\$ 114.53	\$	26.56
Tier 2.4	601	700	\$ 129.53	\$	30.10
Tier 2.5	701	800	\$ 144.53	\$	33.63
Tier 2.6	801	900	\$ 159.53	\$	37.17
Tier 2.7	901	1000	\$ 174.53	\$	40.71
Tier 3.1	1001	2000	\$ 332.48	\$	77.95
Tier 3.2	2001	3000	\$ 490.43	\$	115.19
Tier 3.3	3001	4000	\$ 648.38	\$	152.43
Each additional tier			\$ 157.95	\$	37.24

Each customer will be billed the minimum monthly charge unless DSH determines that the customer's measured usage exceeds an average of 300 gallons per day over a thirty day period. Unless otherwise stated in this tariff, measured usage will be based on a customer's actual or estimated usage, averaged over a thirty-day period.

Actual usage may be measured in any of the following ways:

- Effluent flow meter.
- STEP pump. Usage will be measured by multiplying the period of elapsed pumping time shown on the pump times the capacity of the pump.
- In the absence of an effluent flow meter or a STEP pump, usage will be assumed to be equal to the customer's usage of potable water as shown on the customer's potable water meter.

If a customer is charged in excess of the minimum monthly fee, DSH will measure the customer's actual usage at least once every ninety days using one of the methods described above and display on the customer's statement the usage and measurement method used. In any month in which DSH does not measure the company's actual usage, the customer's monthly bill will be based on the customer's estimated monthly usage. No less than once every ninety days DSH will bill (or credit) the customer for any differences between an estimated bill and actual measured usage.

If a customer's usage exceeds the average daily design flow for three consecutive months, the customer may be required to pay any capital costs associated with increasing the capacity of that portion of the system designed and dedicated to serve that customer. For purposes of this section, DSH must measure actual usage for three consecutive months using one of the methods described above.

If DSH determines that a customer's usage meets the criteria described above, DSH will notify the customer in writing of any proposed construction work, the reasons for the work, and the estimated

cost to the customer. The notice will also state that if the customer believes that his usage does not meet the criteria described above or that the charge to the customer is unjust and unreasonable, the customer may file a written complaint with the Tennessee Regulatory Authority, located at 460 James Robertson Parkway, Nashville, TN, 37243. Unless the TRA orders otherwise, the filing of a complaint will not delay the proposed construction work but may initiate a proceeding in which the TRA will determine whether, under the terms of this tariff, the customer is responsible for the cost of the construction work.

- ** Bonding amount of \$3.56 included
- *** Escrow amount is included

STEP System Installation:

• For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for \$6,000. If larger STEP systems are required, they will be quoted on an individual basis. The installation of the STEP systems includes a 15% markup by the utility.

Estimate Tap Fees:

Daily	Number of	Estimate
Flowrate	Bedrooms	Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00

DSH & Associates, LLC

Individual STEP septic tank requirements.

Only configurations and equipment approved by DSH may be used. Not following these configurations shall be cause for disconnect until the specifications are met.

All connections to the septic and dosing will be:

- 4" schedule 40 PVC at not less than 1/8" fall per 1'
- Have an Inspection port relief valve between the septic tank and pump tank. The Inspection port relief valve will be on an elevation of not less than 6" below the elevation where the building outfall line leaves the home. (see approved products)
- Foam core pipe is approved if it meets local code requirements

The line from the pump tank to the main line will be:

- Pressure rated Schedule 40 PVC minimum 1.25 inch
- Have a piece of single strand insulated copper wire included in the ditch turned up in the utility box at the road and alarm post for future locating needs.
- Pumped line from pump tank to service connection should be buried at least 18"deep.

The STEP septic must meet the Utility's design requirements:

- All tanks must be on the Utility's approved list. Other tanks may be added to approved list if they meet all requirements. Contact the Utility for details on adding additional equipment to approved list.
- Shall be of a watertight design and all joints must be sealed to stop ground water intrusion and sewage leaks. Concrete/Fiberglass tanks must be I piece tanks with sealed lid
- The STEP septic tank will be a two chamber design at least 1500 gallon capacity.
- The septic tank will have PVC tees in each end at least 1/3 the water depth.
- The outlet tee will include a septic tank filter.
- The top of the tanks shall not be buried deeper than 24" from the surface.
- The septic tank will include two approved risers to the surface.
- The dosing tank will include one approved riser to the surface.
- The risers will have two forms of entry security. Safety screws in outer lid and a riser pan with cement lid or a safety screen.
- The dosing tank will have a 1.5 inch metal pipe entering at least 46"on center from the bottom of the tank at the riser end. The total length of the installed pump and piping shall be 46" from center of the line entering the tank to the bottom of the pump.

- The pipe in the tank will have a 1/16 hole pointed downward in the tank to relieve air after pump cycle.
- The pump tanks will have an EZ pull adapter for quick pump service.
- A1 pipes in the dosing tank will be galvanized water pipe, aluminum or stainless steel
- Metal pipe must extend at least 3' from tank toward Utility connection before converting to using PVC.
- The metal elbow shall have a 1/16 hole at a 30 degree downward angle drilled into it'
- A non spring check valve shall be connected to the Utility service just inside the Utility service box. This will make a total of two check valves at the service box.

Electrical Connections

- All connections shall meet the national electrical code.
- All connections shall be located outside of the tank.
- An approved alarm post with a high level alarm shall be located at the pump tank riser.
- No electrical connections are allowed inside the pump tank or riser.
- Two 110 volt electrical circuits are required from the house to the alarm post. One 12 gauge dedicated for the pump and one 14 gauge for the alarm, so the alarm will work even if the pump throws a circuit breaker. Wire in PVC conduit or direct burial wire is required.
- The conduit connecting the riser to the alarm post must be sealed so as to keep corrosive gasses from entering the alarm post.

Approved Materials: (contact the Utility in advance to recommend an addition to this list)

Risers: Can use either Orenco System or Polylok System risers as outlined below:

- Orenco: Jeff Brownfield at 423-331-2036
 - o 2.000 FL24G-4BU Fiberglass Lid, 24" W/ Urethane Gasket, Angled Core; 4 bolts, Inlet & outlet
 - o 2.000 RR2436 Pvc Access Riser, 24" Dia.
 - o 2.000 MA320 200 G Epoxy Kit
 - o 1.000 SB4 Pvc Splice Box W/4 Cord Grips
 - 1.000 PV55-1817 Simplex Biotube Pump Vault for 24" Riser, 18" Cartridge
- Polylok: www.polvlok.com 877-POLYLOK
 - o Polylok 3008 HD Heavy Cover or
 - o Polylok 3008 RC Light Duty Cover
 - o Polylok 3008-RP 24" Riser Pan or
 - o Polylok 3008-SS 24" Safety Screen
 - o Polylok 3008 24" Riser 6" tall
 - o Polylok 3008-R12 24" Riser 1,2" tall
 - o Polylok PL-68 Filter Cartridge (septic tank filter)
 - o Polylok 3009-AR (adapter ring for plastic tanks)

Alarm Post:

- SJE Rhombus model PSPL20V6HL7 A www.sierhombus.com 1-888-DIALSJE
- Septic Products Inc. Observer 100 www.septicproducts.com 419-282-5933

EZ pull adapter -EZ-Puller 1.5 inch www.webtrol.com 800-769-7867

Inspection Port Relief Valve 562-304 www.Plum.com 800-462-6991

STEP Septic Tank: 1 piece 2 chamber

- Orenco Step Tank: Jeff Brownfield 423-331-2036
- Norwesco 1050 Septic tanks part number 42250,42248,42283, 42293 www.norwesco.com
- Ashley Cement Tanks: Must be L piece 2 chamber poured tanks with two Polylok 24" risers and sealant between lid and tank.
- Watson Septic, Madisonville, TN
- Dixie Concrete, LaFollette, TN
- Tays Septic, Crossville, TN
- Morrison Tank & Vault, Morrison, TN

Approved Pumps:

- Myers 2NFLs1-8E www.femvers.com 419-289-1144
- Orenco: Jeff Brownfield at 423-331-2036
 - 1.000 PF100511 Effluent Pump; 1/2Hp, 10gpm, 115V, 60Hz, 10' Lead
 - o 1.000 HV100BCFCPRX Hose & Valve Assembly, 1" Pressure, w/B,C,FC,X
 - o 1.000 MF3A-Y,B,R-27V Fl. Assem.;(Y,B,R);27" step pump vault
 - o 1.000 S1ETM Simplex Panel, 115V W/Etm

Some local Installers: (if an installer does poor work, the Utility reserves the right to not allow him/her to do further work) To add your installer, please call the Utility first:

Doug Hodge at 865-622-2452.

For additional technical assistance call DSH & Associates, LLC. 865-755-8066.

OWNERS USER MANUAL

Welcome! You are hooked up to a state of the art fixed film wastewater treatment system. This environmentally friendly system does an excellent job of treating wastewater and returning it to the soil. It will do best if you follow the guidelines listed below:

Proper Use:

Direct all wastewater from the home into the septic tank. Any wastewater can contain disease causing organisms and pollutants.

Practice water conservation to avoid overloading the onsite sewage system. Repair dripping faucets and leaking toilets. Run dishwashers when full. Do not do all your laundry in one day. Space out the washing machine use over the week. Replace old fixtures with water saving fixtures.

Do not direct water from gutter downspouts, sump pumps or subsurface drains into the septic tank. The sewage management system is designed based on an estimated daily water use. Excess water directed into the septic tank will cause a hydraulic failure.

Use commercial bathroom cleaners and anti-bacterial soaps in moderation. Treatment in the wastewater system depends on natural bacteria. The Utility does not recommend the use of septic tank additives. These products are not necessary for proper system operation.

Do not plant trees or bushes on top of the septic or pump tank. Root intrusion may damage and block the line.

Do not dig without knowing the location of your septic and pump tank. Landscape the site to allow surface water to drain off of these tanks. Divert roof drains from these tanks. Standing water over these tanks will cause increased load saturations and potential pump failure.

Do not park or drive over the septic and pump tank. This can damage or compromise the tanks.

Do not pour grease, oil, paint or other chemical products down the drain. Do not put not-biodegradable items such as cigarette butts, feminine hygiene products, condoms, disposable diapers or other similar solid waste into the septic tank. Remember living microbes clean the wastewater.

Do not enter your septic or pump tank. Gases from inside the tank can be fatal. Keep the lids secure and screwed down.

Do not turn off the main circuit breaker to the wastewater pumps when going on vacation. The pumps will need to handle any infiltration into the system.

If there is a power failure, your alarm might go off when the power comes back on. Wait at least 2 hours; if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay.

Customer Service: 865-622-2452

RULES AND REGULATIONS

Governing the sewage collection and treatment systems of DSH & Associates (DSH)

Statement of Purpose

The general purpose of these rules and regulations is:

- To establish procedures for furnishing sewage collection and treatment services on a uniform basis to customers within the Company's service area.
- 2. To provide standards and procedures for:
- 3. Acceptable sewage characteristics
- 4. Protection of the integrity of the water tight system
- 5. Engineering design standards
- 6. Construction standards and inspection requirements
- 7. Quality of materials

Authorization of Rules and Regulations

DSH & Associates, LLC is a corporation organized and engaged in business as a public utility in the State of Tennessee. The Company is regulated Under a Certificate of Convenience and Necessity issued the Tennessee Public Service Commission (PSC) on July 1, 2011, under Docket No. 11-00020, and subsequent certificates issued by the PSC and the TRA.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of the Company

Utility Facilities on Private Property

The Company shall maintain all septic pump and septic gravity tanks, control systems and service lines required to provide sewer services on the Customer's premises. The Customer must execute an agreement that acknowledges the Company to have a perpetual easement in, over, under and upon the specified land of Customer as shown on the property plat, with the right to operate and repair all components of the sewer system on the Customer's property, including but not limited to the septic tank and septic pump tank systems. The Customer must grant the Company permission to enter upon Customer's property for any reason connected with the provision or removal of sewer service or collection therefore. The Customer must agree to allow the Company to install an approved cut off valve between the house and water supply and grant the Company exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. The Customer understands there will be a charge of \$100.00 for installation of this valve. The Customer's Building and Pluming outfall line shall be maintained by the Customer.

Discontinuance of Service

Service under any application may by dis-continued for the following reason:

- 1. Non-payment of bill as hereinafter set forth below
- 2. For misrepresentation of application
- 3. For adding to the property without notice of the Company
- 4. For tampering any service pipe, tank, control system, filter or any other facilities of the Company in any way whatsoever.
- 5. For violation of any rules of the Company.
- 6. For disconnecting or reconnecting service by any party, other than a duly authorized agent of the Company without the consent of the Company.

Non-Payment Penalties

The Customer agrees to promptly pay for service at the then current schedule or rates and fees and agrees to abide by and be subject to the Company's billing and cutoff procedures. Should the Customer not pay in accordance with the Company's rules, the Customer agrees to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.

A non-payment penalty of five percent (5%) of the total bill amount will be due after the due date shown on the bill. If

payment is not received within fifteen days after the due date, a 2nd notice will be sent to the customer. If payment is not received within 30 days, service will be turned off from the customer's property as per the Sewer Service Contract Agreement (Attachment 14) executed by the customer with no additional notice being sent. No service shall be reconnected if disconnected for non-payment (or any other valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is \$40. The reconnection fee is \$50 plus all back payments.

Returned Checks

A check returned by the bank will incur a fee of \$25.

Changes in Ownership, Tenancy of Service

A new application and contract must be made and approved by the Company on any change in ownership of property, or tenancy, or in the service as described in the application. In the event of a failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made an approved.

Sewer System Access Fee

The owner of each property parcel, which is provided a service connection when the sewer system is built, will be required to pay a sewer access fee of \$120.00 per year. This fee will be payable each July 1st. As each Customer attaches to the Service Connection and signs up for service, they will pay a pro-rated access fee for that year and thereafter the fee will not be charged.

Engineering, Material and Construction Standards

General: This specification covers the type of sewer system required for various design conditions of sewers constructed by developers.

- The requirements called for are a minimum in all cases. Bedding conditions, material specifications, sealing
 requirements and installation methods are the responsibility of the design engineer and must be approved by
 the Company Engineer.
- Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of
 Environment. Any conflicts between company and state requirements shall be resolved so that the more
 restrictive shall govern.
- 3. All sewage collection system components are to be watertight. This includes Building Outfall lines, all tanks, Collector Lines, Service Lines and Main Lines.
- 4. Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
- 5. Septic Pump and Septic Gravity Tanks are to be installed near the customer's building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
- 6. STEP septic tanks must meet the specifications outlined in this document. Size of STEP tanks must be approved by DSH and will be based on the number of bedrooms in the home and the intended use of the home.
- All pipe is to be PVC. Classes and sizes will be per Engineer's design and in all cases Schedule 40 will be the minimum allowable.
- 8. Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

Special Pretreatment Sewage Requirements

For all sewage connections the Company reserves the right to require any non-residential user to provide special pretreatment for any high strength effluent before discharge into its sewage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume and increase surge holding capacity at the Customer's expense. All customers will be required to follow the Owners User Manual for an effluent collection system supplied to them by the Company (Attachment 1). These requirements prohibit the dumping of any toxic chemicals that kill tank bacteria and disposal of an excessive amount of grease, among other things. All requirements (and notification of repair costs associated with the system abuse) are established in the Customer's Sewer Subscription Contract with the Company.

Damages

The Company shall in no event be responsible for maintaining any Building Outfall Line owned by the Customer, nor for damages created by sewage escaping there from, nor for defects in Customer's building lines or fixtures. The customer shall at all times comply with all regulations of the TRA and of the Company.

All leaks in any building pipe or fixture on the premises of the Customer shall be immediately repaired by the Customer. On failure to repair any such leak, the service may be discontinued until repairs are made. Any customer found introducing prohibited substances into the waste water system is liable to pay the full cost of cleanup and the repair of any damage caused.

Inspection

All pipes, valves and fixtures shall be at all reasonable hours, be subject to inspection by the Company or it's duly agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company. In case of emergency, call 865-622-2452.

Service Area

The Company will provide service within its current service area. Additions to the service area must be approved by TRA.

Extension Plan

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing sewer systems. The sewer service charges listed in the sewer billing monthly rates do not include costs for constructing extensions to the sewer system. Any sewer system facilities required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facilities shall become the property of the Company to be credited to the account for Contributions in Aid of Construction. In addition, treatment system facility costs will be paid by the Customer desiring to connect onto the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the developer or property owner is willing the bear the expense of designing and building the sewer system.

Contributions in Aid of Construction

Sewer system facilities furnished by developers and property owners to the Company will be recognized as Contributions in Aid of Construction in the amount of the actual cost of construction. Capital contributions from developers will be treated in like manner.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company, a Sewer Subscription Contract.

Customer Billing Forms

Customer billings will be sent monthly or annually to Customers for payment of a flat fee.

Individual Septic Tank and Pump Tank Requirements

Only the configurations listed on the Individual Septic Tank and Pump Tank requirements list may be used. This list may be added to or taken from as needed.

Public Contact

Doug Hodge 4028 Taliluna Ave Knoxville, TN 37919 865-622-2452

Tennessee Regulatory Authority Regulations

The Company, in its operation, shall conform to all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority. The TRA can be reached by phone at 1-800-342-8359 or 615-741-2904.

SEWER SERVICE CONTRACT

DATE:	
PRINTED NAME:	
ADDRESS OF PROPERTY:	
MAILING ADDRESS:	
TELEPHONE NUMBER:	
EMAIL ADDRESS:	

I hereby make application to DSH & Associates, LLC (DSH) for sewer service at the address of property stated above. In consideration of the undertaking on the part of DSH to furnish sewer service, I understand, covenant and agree as follows:

- I understand that the components of a sewer system have been installed on the property referred to above, which is owned or occupied by me, and which is to be connected with a wastewater disposal system owned and/or maintained by DSH. I warrant that any connection to and/or subsequent use to this system by the components on my property shall be in accordance with the Rules, Regulations and Plans of DSH. Regarding my usage of the system components on my property, which are owned by me, I covenant to follow the guidelines set forth in the Owners User Manual. Should I violate these Rules and/or abuse or damage my components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of DSH.
- I acknowledge DSH, its successors and assigns, have a perpetual easement in, over, under and upon the above specified land as shown on the property plat, with the right to operate and repair all components of the sewer system on my property, including but not limited to the septic tank and septic pump tank systems. I further grant DSH permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
- 3. For all other plumbing and structures on the property, including the outfall line to the septic tank, I agree that I am responsible for all operation and repair thereof.
- 4. I agree to promptly pay for service at the then current schedule or rates and fees and agree to abide by and be subject to DSH's billing and cutoff procedures. Should I not pay in accordance with DSH's rules, I agree to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.
- 5. I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules as approved by the Tennessee Regulatory Authority.
- 6. I agree that this Agreement shall remain in effect for as long as I own, reside upon or rent the above-described property. When such circumstances no longer exist, I agree to provide notice to DSH at least thirty (30) days in advance of my vacating the property.
- 7. I agree to allow DSH to install an approved cut off valve between the house and water supply and grant DSH exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. I understand there will be a charge of \$100.00 for installation of this valve.

SUBSCRIBERS SIGNATURE:	

Response to Data Request dated 4/27/11 6/10/11 Page 29 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #17

Modified Surety Bond

CORPORATE SURETY BOND

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

REFERENCE: DSH & Associates, LLC

Company ID: 129107

Corporate Surety Bond #: 0010226

Effective Date: 1/31/11
Expiration Date: 1/31/12

DSH & Associates, LLC ____, as Principal, and <u>Companion Property and Casualty Insurance Company</u>, a corporation created and existing under the laws of <u>S.C.</u>, as Surety, (Hereinafter called "Surety") are bound to the State of Tennessee in the sum of <u>exactly Forty Thousand and 00/100 Dollars (\$40,000</u>, 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 Forty thousand Dollars (\$40.000) 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.

Bond No. 0010226

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 Junuary 20 11.

(Principal)

Companion Property and Casualty Insurance Co.

(Surety)

David R. Brett, Attorney-in-Fact

June, 2006

ACKNOWLEDGMENT OF PRINCIPAL

STATE OF TENNESSEE
Before me, a Notary Public of the State and County aforesaid, personally appeared
ACKNOWLEDGMENT OF SURETY
Georgia STATE OF XXXXXXXXXX COUNTY OF Fulton
Before me, a Notary Public of the State and County aforesaid, personally appeared David R. Brett with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of"See Below", the within named Surety, a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so, executed the foregoing bond, by signing the name of the corporation by himself and as such individual. WITNESS my hand and seal this 31st
My Commission Expires:
January 23, 2013 Notice Public ludy McDonald NoTage 13
"Companion Property and Casualty Insurance Company" Notary Public Judy McDonald GEORGIA 21, 2013
APPROVAL AND INDORSEMENT
This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Regulatory Authority, State of Tennessee, this day of, 20
Name: Title:

Response to Data Request dated 4/27/11 6/10/11 Page 30 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #18

Historical Flowrates for Lakeside Estates (LaFollette Utility Data)

storical Flowrates for Lakeside	Estates	
orical Flowrates fo	kesid	
orical Flo	vrates fo	
	orical Flo	

	Owners Name	2		ostro		uu/	Andrew Gaydosh	llen	Tom & Ann Becker	Stasia J	George Moorman	Knop			دي	_	nbach	hdlobn	hdlobh	Diana & Scot Munn	chner	John & Julie Bertke	John & Julie Bertke
				Patrick Castro		Dan & Lynn Graham	Andrew	Kelly & Ellen Kooser	Tom & A	Chris & Stasia Shephard	George	Sue Ann Knop	DF.	LFC	Trimbach Properties	Bill Driver	Larry Trimbach	Brent Randolph	Brent Randolph	Diana &	Bob Forschner	John & J	John & J
	Monthly	24.0	40	o.	}	93	196	140	18	26	168	51	81	88	257	221	137	195	201	122	145	238	29
ļ	Annual	26.96	477	464		1115	2355	1684	211	1161	2013	609	970	1066	3082	2651	1641	2339	2411	1461	1740	2859	803
	10/10/10	200	26	0) -	0	158	253	0	148	161	26	92	102	68	92	184	125	0	98	191	951	0
	11/10/10	170	33	_		0	155	66	26	23	72	10	46	33	319	118	20	30	0	30	26	26	0
	12/10/10	900	7	0	2	0	6/	95	0	30	43	16	30	0	803	99	72	88	0	63	23	82	0
	1/10/10	6	0 0	_		0	72	0	10	0	135	23	16	0	26	109	20	ю	0	92	99	10	0
	2/10/10	10.7	7	0	2	0	88	33	10	26	7	13	23	7	49	105	30	23	0	79	39	30	0
	3/10/10	2 4 4 9	ဂ္ဂ	55		0	0	13	0	49	10	36	92	က	49	0	0	105	0	0	0	0	0
	4/10/10	900	10	0	2	0	30	16	0	38	က	49	46	36	0	0	0	125	0	20	43	7	0
	5/10/10	5 2	კ ო	99	3	0	69	99	0	30	56	92	253	0	184	250	46	63	0	88	49	29	0
in GPD	6/10/10	5	39	9	3	0	115	102	33	0	92	69	62	46	88	135	122	88	29	62	16	217	0
Flowrates in GPD	7/10/10	5 6	92	63	3	ო	202	270	43	98	418	29	72	184	388	339	276	295	266	276	135	378	0
	8/10/10		184	69	3	345	651	424	69	260	599	96	118	474	589	938	497	714	1043	405	595	753	424
30.4	9/10/10	01010	242 76	o o	3	992	431	316	20	474	418	118	118	181	467	200	375	378	1043	243	556	316	378
	Number	17224 004	40926-32	45147-002		45666-043	45880-001	46124-001	46412-002	46714-001	46763-001	46979-001	47231-002	47231-006	47231-009	47231-011	47234-001	47399-001	47399-002	47464-001	47748-001	47749-001	47749-002

n.					Ф	
Owners Name	Dan & Lynn Graham	Bill Driver	Mark Fehring	LFC	Bob & Joyanne Smith	
Monthly Avergage	63	80	78	227	88	3348
Total Annual Volume	760	957	938	2724	1066	40181
10/10/10	115	0	0	181	0	3115
11/10/10	23	13	0	161	0	1477
12/10/10	က	0	0	184	0	1977
1/10/10	16	0	0	138	0	855
2/10/10	16	13	0	0	0	740
3/10/10	0	16	0	316	0	1385
4/10/10	0	0	0	161	0	928
5/10/10	0	23	7	158	0	1615
6/10/10	66	46	135	88	0	1859
7/10/10	88	82	155	391	7	5263
8/10/10	273	336	480	589	556	11780
9/10/10	125	428	161	355	503	9188
Number	47780-001	47836-001	48372-001	48377-001	48594-001	TOTALS

Response to Data Request dated 4/27/11 6/10/11 Page 31 of 31

Docket No. 11-00020 DSH & Associates, LLC

Attachment #19

DSH & Associates Cost Allocation Manual

DSH & Associates, LLC

Cost Allocation Manual

June 1, 2011

Background

DSH & Associates, LLC (DSH) is an engineering, consulting, and operation and maintenance (O&M) firm that conducts both regulated and non-regulated work. To ensure that company funds are appropriately allocated between regulated and non-regulated work, the following cost allocations will be applied to all projects.

Bank Accounts

DSH will operate it's regulated and non-regulated work from separate checking accounts. All work within DSH will be provided either a regulated or non-regulated project number/name that all project revenue and costs will be associated with. All material, subcontract, or equipment cost that are billed to DSH will have an assigned project number/name. In addition, all DSH invoices will have a project number/name. Since DSH has no current employees, all costs will be separated in this fashion.

Overhead Costs

Some company costs, as listed below, are overhead costs. These costs will be collected and will be allocated to each active project based on the percentage of revenue that a project represents compared to the total company revenue. This allocation will occur quarterly. Only costs listed below will be considered overhead costs. All other costs will be billed directly to the project. DSH accounting/book keeping system will have these specific overhead categories listed.

- Overhead Costs:
 - Office lease
 - Office phone
 - o Cell phone
 - o Company Liability Insurance
 - o Tax Preparation/Book Keeping
 - Office Supplies
 - o Office Utility Bills

Management Costs

DSH is 100% owned and managed by Douglas Hodge. Dr. Hodge will not take a salary from the company. However, when he provides his direct services to a project, he will bill that project at a rate of \$35/hr. Weekly timesheets will be filled out by Dr. Hodge that identifies project numbers/name, daily hourly billing, total weekly costs, and will be signed weekly. For regulated work, Dr. Hodge will bill the projects for work performed in the following areas:

- Local Management
 - Preparation of subcontracts
 - o Purchase of equipment, materials, and supplies
 - o Coordination of weekly system inspections, alarms, maintenance, and response actions
 - o Collection of monthly client usage rates
 - Coordination with bookkeeper for billing and payment services
 - Bond Coordination
 - Support TRA requests/audits
 - Communications with clients and customers
- Corporate Management
 - Coordination of company insurance
 - Yearly tax preparation
 - Yearly TRA regulated audit support
 - Coordination of overhead cost payments

Approval of Cost Allocation Manual

Cost Allocation Manual Effective Date: <u>June 1, 2011</u>

) ouglas S. Hodg

Approval Signature:

Douglas S. Hodge, Ph.D., PMP

Manager

DSH & Associates, LLC

BEFORE THE TENNESSEE REGULATORY AUTHORITY **NASHVILLE, TENNESSEE**

June 10, 2011

IN RE:

AMENDED PETITION OF DSH & ASSOCIATES, LLC TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE SERVICE OF THE PART OF JEFFERSON COUNTY, TENNESSEE KNOWN AS LAKESIDE ESTATES

DOCKET NO. 11-00020

Respectively Submitted,

Douglas S. Hodge, Ph.D., PMP DSH & Associates, LLC Operations Manager 4028 Taliluna Avenue

Knoxville, TN 37919 865-755-8066

TITLE PAGE

REGULATION AND SCHEDULE OF CHARGES GOVERNING THE PROVISION OF WASTEWATER UTILITY SERVICE TO RESIDENCES AND BUSINESSES WITHIN THE STATE OF TENNESSEE

This tariff contains the descriptions, regulation and rates applicable to the furnishing of wastewater utility service provided by DSH & Associates, LLC within the State of Tennessee. This tariff is on file with the Tennessee Regulatory Authority. Copies may be inspected during normal business hours at the Company's principal place of business at 4028 Taliluna Avenue, Knoxville, TN 37919.

TABLE OF CONTENTS

Section 1:		
	Title Page	2
	Table of Contents	3
	Symbols	4
	Tariff Format	5
	Definitions	6
Section 2:		
	Rules and Regulations	7
Section 3:		
Section 4:	Residential Sewer Service Territories	10
Section 4:	Residential Rates/Explanation	11
	Commercial Rates/Explanation	12
	General Requirements	16
	Administrative Requirements	17
	Managerial Requirements	18
	Technical Requirements	24
	Financial Requirements	25
Attachments:		
1	Owners User Manual	26
2	Trimbach Development Letter Requesting DSH System Takeover	33
3	LaFollette Utility Letter Releasing SOP	35
4	Sworn Pre-filed Testimony	38
5	SOP Lakeside Estates	48
6	DSH Articles of Incorporation/Business License	68
7	Degrees & Certificates of DSH Staff	72
8	Lakeside Estates WWT System Engineering Report & Engineering Drawings	85
9	Build-out Cost Analysis (5-yr)	12
10	Lakeside Estates Subdivision Plans	13
11	Chart of Accounts	14
12	Performance Bond	14
13	Pro Forma Income Statement (2-yr)	15
14	Operation and Maintenance Contract (DSH and Trimbach Development)	15
15	TDEC Letter of Acceptance of Transfer of WWTS	189
16	DSH Subcontracts	19
17	DSH & Associates, LLC Financial Reports (confidential)	21

SYMBOLS

The following symbols are used for the purposes indicated below:

T

C	Changed regulations or rate structure
D	Discontinued material
I	An increased rate
M	A move in the location of text
N	A new rate or regulation
R	A reduced rate
S	Reissued material

Change in text but no change in rate or regulation

TARIFF FORMAT

- **A. Sheet numbering** _Sheet numbers appear in the upper right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 12 and 13 would be 12.1.
- **B.** Sheet Revision Numbers _Revision numbers also appear in the upper right corner of each sheet. These numbers are used to determine the most current sheet version on file with the TRA. For example, the 4th revised Sheet 12 cancels the 3rd revised Sheet 12. Because of various suspension periods, deferrals, etc., that the TRA follows in its tariff approval process, the most current sheet number on file with the TRA is not always the sheet in effect. Consult the Check Sheet for the sheet currently in effect.
- **C. Paragraph Numbering Sequence** There are nine levels of paragraph coding. Each level of coding is subservient to the next higher level:

```
2.

2.1

2.1.1

2.1.1.A

2.1.1.A.1

2.1.1.A.1.(a)

2.1.1.A.1.(a).1

2.1.1.A.1.(a).1.(i)

2.1.1.A.1.(a).1.(i)
```

D. Check Sheets _ When a tariff filing is made with the TRA, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross-reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be now other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some sheets.) The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on file with the TRA.

DEFINITIONS

Certain terms used generally throughout this tariff for the Utility Service of this Company are defined below:

- 1. Company DSH & Associates, LLC
- 2. Engineer—the consulting engineer of DSH & Associates, LLC
- 3. Customer any person, firm, corporation, association or government unit furnished sewage by the Company.
- 4. Residential Property property that is an established residence for a single family that is intended solely for the family's use.
- 5. Commercial Property property that is used for commercial, overnight rental or institutional purposes.
- 6. Facilities all equipment owned and operated by the Company.
- 7. TRA the Tennessee Regulatory Authority.
- 8. Septic Pump Tank the tank located near a customer's building which accepts waste and contains a pump vault.
- 9. Septic Gravity Tank the septic tank located near a customer's building which accepts waste and contains an effluent filter.
- 10. Service Line the line from the Septic Pump/Septic Gravity Tank to a Collector Line.
- 11. Collector Line —the line from the Service Line to the Main Line.
- 12. Main Line —the line from the Collector Line to the treatment facility.
- 13. Building Outfall Line the customer owned line that caries waste from the building to the Septic Pump Tanks/Septic Gravity Tank.
- 14. Pumping Station a tank that contains pumps and receives effluent from Septic Gravity Tanks and/or Collector Lines.
- 15. Premises shall mean customer's private property.
- 16. Service Connection the point at which the service line to the wastewater system components at the customer's building is connected to the main wastewater collection system.

SECTION 2 RULES AND REGULATIONS

Governing the sewage collection and treatment systems of DSH & Associates (DSH)

Statement of Purpose

The general purpose of these rules and regulations is:

- To establish procedures for furnishing sewage collection and treatment services on a uniform basis to customers within the Company's service area.
- 2. To provide standards and procedures for:
- 3. Acceptable sewage characteristics
- 4. Protection of the integrity of the water tight system
- 5. Engineering design standards
- 6. Construction standards and inspection requirements
- 7. Quality of materials

Authorization of Rules and Regulations

DSH & Associates, LLC is a corporation organized and engaged in business as a public utility in the State of Tennessee. The Company is regulated Under a Certificate of Convenience and Necessity issued the Tennessee Public Service Commission (PSC) July 1, 2011, under Docket No. <u>11-00020</u> and subsequent certificates issued by the PSC and the TRA.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of the Company

Utility Facilities on Private Property

The Company shall maintain all septic pump and septic gravity tanks, control systems and service lines required to provide sewer services on the Customer's premises. The Customer must execute an agreement that acknowledges the Company to have a perpetual easement in, over, under and upon the specified land of Customer as shown on the property plat, with the right to operate and repair all components of the sewer system on the Customer's property, including but not limited to the septic tank and septic pump tank systems. The Customer must grant the Company permission to enter upon Customer's property for any reason connected with the provision or removal of sewer service or collection therefore. The Customer must agree to allow the Company to install an approved cut off valve between the house and water supply and grant the Company exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. The Customer understands there will be a charge of \$100.00 for installation of this valve. The Customer's Building and Pluming outfall line shall be maintained by the Customer.

Discontinuance of Service

Service under any application may by dis-continued for the following reason:

- 1. Non-payment of bill as hereinafter set forth below
- 2. For misrepresentation of application
- 3. For adding to the property without notice of the Company
- For tampering any service pipe, tank, control system, filter or any other facilities of the Company in any way whatsoever.
- 5. For violation of any rules of the Company.
- 6. For disconnecting or reconnecting service by any party, other than a duly authorized agent of the Company without the consent of the Company.

Non-Payment Penalties

The Customer agrees to promptly pay for service at the then current schedule or rates and fees and agrees to abide by and be subject to the Company's billing and cutoff procedures. Should the Customer not pay in accordance with the Company's rules, the Customer agrees to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.

A non-payment penalty of five percent (5%) of the total bill amount will be due after the due date shown on the bill. If payment is not received within fifteen days after the due date, a 2nd notice will be sent to the customer. If payment is not received within 30 days, service will be turned off from the customer's property as per the Sewer Service Contract Agreement (Attachment 14) executed by the customer with no additional notice being sent. No service shall be reconnected if disconnected for non-payment (or any other valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is \$40. The reconnection fee is \$50 plus all back payments.

Returned Checks

A check returned by the bank will incur a fee of \$25.

Changes in Ownership, Tenancy of Service

A new application and contract must be made and approved by the Company on any change in ownership of property, or tenancy, or in the service as described in the application. In the event of a failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made an approved.

Sewer System Access Fee

The owner of each property parcel, which is provided a service connection when the sewer system is built, will be required to pay a sewer access fee of \$120.00 per year. This fee will be payable each July 1st. As each Customer attaches to the Service Connection and signs up for service, they will pay a pro-rated access fee for that year and thereafter the fee will not be charged.

Engineering, Material and Construction Standards

General: This specification covers the type of sewer system required for various design conditions of sewers constructed by developers.

- The requirements called for are a minimum in all cases. Bedding conditions, material specifications, sealing
 requirements and installation methods are the responsibility of the design engineer and must be approved by
 the Company Engineer.
- Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of Environment. Any conflicts between company and state requirements shall be resolved so that the more restrictive shall govern.
- 3. All sewage collection system components are to be watertight. This includes Building Outfall lines, all tanks, Collector Lines, Service Lines and Main Lines.
- 4. Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
- 5. Septic Pump and Septic Gravity Tanks are to be installed near the customer's building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
- STEP septic tanks must meet the specifications outlined in this document. Size of STEP tanks must be approved by DSH and will be based on the number of bedrooms in the home and the intended use of the home.
- All pipe is to be PVC. Classes and sizes will be per Engineer's design and in all cases Schedule 40 will be the minimum allowable.
- 8. Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

Special Pretreatment Sewage Requirements

For all sewage connections the Company reserves the right to require any non-residential user to provide special pretreatment for any high strength effluent before discharge into its sewage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume and increase surge holding capacity at the Customer's expense. All customers will be required to follow the Owners User Manual for an effluent collection system supplied to them by the Company (Attachment 1). These requirements prohibit the dumping of any toxic chemicals that kill tank bacteria and disposal of an excessive amount of grease, among other things. All requirements (and notification of repair costs associated with the system abuse) are established in the Customer's Sewer Subscription Contract with the Company.

Damages

The Company shall in no event be responsible for maintaining any Building Outfall Line owned by the Customer, nor for damages created by sewage escaping there from, nor for defects in Customer's building lines or fixtures. The customer

shall at all times comply with all regulations of the TRA and of the Company.

All leaks in any building pipe or fixture on the premises of the Customer shall be immediately repaired by the Customer. On failure to repair any such leak, the service may be discontinued until repairs are made. Any customer found introducing prohibited substances into the waste water system is liable to pay the full cost of cleanup and the repair of any damage caused.

Inspection

All pipes, valves and fixtures shall be at all reasonable hours, be subject to inspection by the Company or it's duly agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company. In case of emergency, call 865-622-2452.

Service Area

The Company will provide service within its current service area. Additions to the service area must be approved by TRA.

Extension Plan

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing sewer systems. The sewer service charges listed in the sewer billing monthly rates do not include costs for constructing extensions to the sewer system. Any sewer system facilities required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facilities shall become the property of the Company to be credited to the account for Contributions in Aid of Construction. In addition, treatment system facility costs will be paid by the Customer desiring to connect onto the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the developer or property owner is willing the bear the expense of designing and building the sewer system.

Contributions in Aid of Construction

Sewer system facilities furnished by developers and property owners to the Company will be recognized as Contributions in Aid of Construction in the amount of the actual cost of construction. Capital contributions from developers will be treated in like manner.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company, a Sewer Subscription Contract.

Customer Billing Forms

Customer billings will be sent monthly or annually to Customers for payment of a flat fee.

Individual Septic Tank and Pump Tank Requirements

Only the configurations listed on the Individual Septic Tank and Pump Tank requirements list may be used. This list may be added to or taken from as needed.

Public Contact

Doug Hodge

4028 Taliluna Ave

Knoxville, TN 37919

865-622-2452

Tennessee Regulatory Authority Regulations

The Company, in its operation, shall conform to all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority. The TRA can be reached by phone at 1-800-342-8359 or 615-741-2904.

SECTION 3 RESIDENTIAL SEWER SERVICE TERRITORIES

Service Territory	County	TRA Docket #	Rate Class
7.1.11.E	G 1 11	11,00020	D . Cl. 1
Lakeside Estates on Norris Lake	Campbell	11-00020	Rate Class 1

SECTION 4

I: RESIDENTIAL RATE SHEET/EXPLANATION

FEES:	<u>TOTAL</u>
Non-Payment	5%
STEP System Installation	\$6,000
Tap Fee	3,750/lot
Disconnection	\$ 40.00
Reconnection	\$ 50.00
Returned Check	\$ 25.00
Access Fee	\$120/yr

^{*}Escrow amount is included in total \$17.94

Explanation

FFR.D:	Standard Base RSF/Fixed Film Reactor Treatment Rate	\$ 23.03
E1:	RSF Escrow Rate	\$ 17.94
<u>B1:</u>	Standard bonding charge of	\$ 3.56
	Total	\$ 44.53

Estimate Tap Fees

Tap Fees for each new unit will be derived based on the number of Bedrooms as listed in the table below:

Daily		Estir	nated Tap
Flowrate	Number of Bedrooms		Fee
300	3	\$	3,750
400	4	\$	5,000
500	5	\$	6,250
600	6	\$	7,500
700	7	\$	8,750
800	8	\$	10,000
900	9	\$	11,250
1000	10	\$	12,500

^{**} Tap fee is for homes with 3 bedrooms or less

II: COMMERICAL RATE SHEET Overnight Rental Units

The monthly sewer charge per customer is based on the monthly average daily flow monitored from the unit being served. A minimum of \$69.53 per month will be charged for up to the first 300 gallons per day of average daily flow. (I) For each additional 100 gallons per day of average daily flow, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For average daily flows over 1,000 gallons per day, an additional monthly charge of \$157.95 per 1,000 gallons of average daily flow will apply.

COMMERCIAL W/O FOOD	FLOW BETWEE	/RATE N (GPD)	TOTAL**	ES	CROW***
	BETWEE	14 (6) 57	TOTAL	_	CROVV
Tier 1	0	300	\$ 69.53	\$	15.95
Tier 2.1	301	400	\$ 84.53	\$	19.49
Tier 2.2	401	500	\$ 99.53	\$	23.02
Tier 2.3	501	600	\$ 114.53	\$	26.56
Tier 2.4	601	700	\$ 129.53	\$	30.10
Tier 2.5	701	800	\$ 144.53	\$	33.63
Tier 2.6	801	900	\$ 159.53	\$	37.17
Tier 2.7	901	1000	\$ 174.53	\$	40.71
Tier 3.1	1001	2000	\$ 332.48	\$	77.95
Tier 3.2	2001	3000	\$ 490.43	\$	115.19
Tier 3.3	3001	4000	\$ 648.38	\$	152.43
Each additional tier			\$ 157.95	\$	37.24

Each customer will be billed the minimum monthly charge unless DSH determines that the customer's measured usage exceeds an average of 300 gallons per day over a thirty day period. Unless otherwise stated in this tariff, measured usage will be based on a customer's actual or estimated usage, averaged over a thirty-day period.

Actual usage may be measured in any of the following ways:

- Effluent flow meter.
- STEP pump. Usage will be measured by multiplying the period of elapsed pumping time shown on the pump times the capacity of the pump.
- In the absence of an effluent flow meter or a STEP pump, usage will be assumed to be equal to the customer's usage of potable water as shown on the customer's potable water meter.

If a customer is charged in excess of the minimum monthly fee, DSH will measure the customer's actual usage at least once every ninety days using one of the methods described above and display on the customer's statement the usage and measurement method used. In any month in which DSH does not measure the company's actual usage, the customer's monthly bill will be based on the customer's estimated monthly usage. No less than once every ninety days DSH will bill (or credit) the customer for any differences between an estimated bill and actual measured usage.

If a customer's usage exceeds the average daily design flow for three consecutive months, the customer may be required to pay any capital costs associated with increasing the capacity of that portion of the system designed and dedicated to serve that customer. For purposes of this section, DSH must measure actual usage for three consecutive months using one of the methods described above.

If DSH determines that a customer's usage meets the criteria described above, DSH will notify the customer in writing of any proposed construction work, the reasons for the work, and the estimated

cost to the customer. The notice will also state that if the customer believes that his usage does not meet the criteria described above or that the charge to the customer is unjust and unreasonable, the customer may file a written complaint with the Tennessee Regulatory Authority, located at 460 James Robertson Parkway, Nashville, TN, 37243. Unless the TRA orders otherwise, the filing of a complaint will not delay the proposed construction work but may initiate a proceeding in which the TRA will determine whether, under the terms of this tariff, the customer is responsible for the cost of the construction work.

- ** Bonding amount of \$3.56 included
- *** Escrow amount is included

STEP System Installation:

• For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for \$6,000. If larger STEP systems are required, they will be quoted on an individual basis. The installation of the STEP systems includes a 15% markup by the utility.

Estimate Tap Fees:

Daily Flowrate	Number of Bedrooms	Estimate Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00

SEWER SERVICE CONTRACT

DATE:	
PRINTED NAME:	
ADDRESS OF PROPERTY:	
MAILING ADDRESS:	
TELEPHONE NUMBER:	
EMAIL ADDRESS:	

I hereby make application to DSH & Associates, LLC (DSH) for sewer service at the address of property stated above. In consideration of the undertaking on the part of DSH to furnish sewer service, I understand, covenant and agree as follows:

- I understand that the components of a sewer system have been installed on the property referred to above, which is owned or occupied by me, and which is to be connected with a wastewater disposal system owned and/or maintained by DSH. I warrant that any connection to and/or subsequent use to this system by the components on my property shall be in accordance with the Rules, Regulations and Plans of DSH. Regarding my usage of the system components on my property, which are owned by me, I covenant to follow the guidelines set forth in the Owners User Manual. Should I violate these Rules and/or abuse or damage my components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of DSH.
- I acknowledge DSH, its successors and assigns, have a perpetual easement in, over, under and upon the above specified land as shown on the property plat, with the right to operate and repair all components of the sewer system on my property, including but not limited to the septic tank and septic pump tank systems. I further grant DSH permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
- 3. For all other plumbing and structures on the property, including the outfall line to the septic tank, I agree that I am responsible for all operation and repair thereof.
- 4. I agree to promptly pay for service at the then current schedule or rates and fees and agree to abide by and be subject to DSH's billing and cutoff procedures. Should I not pay in accordance with DSH's rules, I agree to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.
- 5. I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules as approved by the Tennessee Regulatory Authority.
- 6. I agree that this Agreement shall remain in effect for as long as I own, reside upon or rent the above-described property. When such circumstances no longer exist, I agree to provide notice to DSH at least thirty (30) days in advance of my vacating the property.
- 7. I agree to allow DSH to install an approved cut off valve between the house and water supply and grant DSH exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. I understand there will be a charge of \$100.00 for installation of this valve.

SUBSCRIBERS SIGNATURE:	
5025011122115510111111111111111	

Jon Trimbach

320 Echo Valley Drive Vandalia, OH 45377 877-204-0785

Lakeside Estate HOA

Attn: Lakeside Estate Property Owners

(Address Stamp Here)

Trimbach Development, LLC has engaged DSH & Associates (DSH), LLC (a waste water utility company) to replace LaFollette Utility District for waste water utility services. Their rate sheets and other pertinent information are attached. This transition will be effective July 1st, 2011. You will receive a letter in mid June from DSH outlining more specifics of their services and a contract that will need to be signed.

Please contact me by phone if you have any transitional questions. The DSH point of contact is Doug Hodge who can be reached at 865-622-2452 or hodge.dsh@gmail.com.

Jon Trimbach

President

Trimbach Development, LLC

1/1/11

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

June 10, 2010

IN RE:

AMENDED PETITION OF DSH & ASSOCIATES, LLC TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE SERVICE OF THE PART OF JEFFERSON COUNTY, TENNESSEE KNOWN AS LAKESIDE ESTATES.

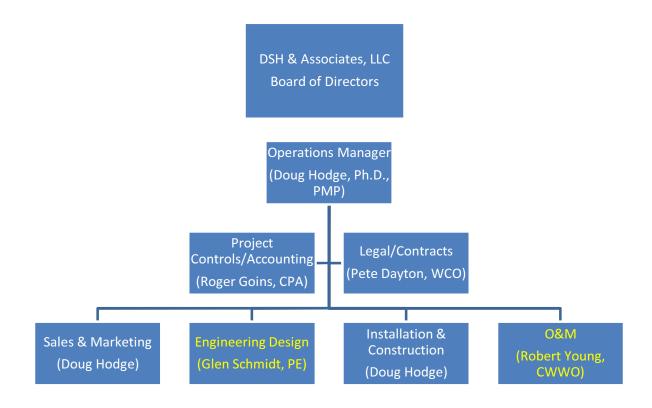
DOCKET NO. <u>11-00020</u>

III. General Requirements:

- A. Application of Issuance of a CCN:
- B. DSH & Associates, LLC has received a letter from Trimbach Development, LLC, developer for Lakeside Estates (attachment 2). The letter requests we provide wastewater service to Lakeside Estates Development in Campbell County, Tennessee. The current decentralized Treatment System has been in operation for approximately 3 years under a State Operating Permit granted to LaFollette Utility (SOP # 07073). LaFollette has agreed to release the Lakeside Estates SOP #07073 to DSH & Associates, LLC (attachment 3). Prior to the original SOP being granted to LaFollette, LaFollette confirmed that there were no municipal sewer lines in the vicinity of Lakeside Estates, no current plans for future extension of lines to service this development, and the soils are not adequate for individual onsite septic systems.
- C. Swom pre-filed written testimony. See attached document (attachment 4)
- D. SOP #07073 Permit & application (attachment 5).

IV: Administrative Requirements:

- A. DSH & Associates, LLC, 4028 Taliluna Avenue, Knoxville, TN 37919, 865-755-8066
- B. Organizational Structure



C. Officers:

- **a.** Officer, Douglas Hodge, 4028 Taliluna Avenue, Knoxville, TN 37919, 865-755-8066, Operations Mgr, 100% owner.
- b. Board of Directors:
 - i. Doug Hodge, 4028 Taliluna Avenue, Knoxville, TN 865-755-8066
 - ii. Pete Dayton, 545 Farragut Commons, Knoxville, TN 865-622-2452
 - iii. Roger Goins, 2927 Essary Drive, Fountain City, TN 865-525-6233
- **D.** Principle officers: Same as noted above in section C.a.

- E. Articles of incorporation (attachment 6).
- F. License to engage in business within State of Tennessee registered with the Secretary of State (attachment 6)
- G. DSH & Associates, LLC has no franchise agreements.
- H. DSH & Associates, LLC is not located in other states, and has no other application pending.
- I. DSH & Associates, LLC is not currently involved with any mergers or acquisitions.

V: Managerial Requirements:

- A. Degrees held by water utility staff (copies of degrees and certificates are attached in attachment 7):
 - a. Dr. Douglas S. Hodge, Ph.D., PMP
 - i. Ph.D. Environmental Engineering, Univ. of Southern Calif, 1993
 - ii. M.S. Environmental Engineering, Univ. of Southern Calif, 1991
 - iii. B.A. Mathematics, Colorado College, 1988
 - iv. Project Management Professional, 2010, Certification #1322650
 - b. Glen Schmidt, PE
 - i. Registered Professional Engineer (TN), Certification #113576
 - ii. BS Chemical Engineering, University of Missouri Columbia, 1989
 - c. Robert Young, CWWO
 - i. Certified Water and Wastewater Operator (TN), Certification #142
 - ii. Wastewater treatment plant operation, East Tennessee State University, 1969
 - d. Roger Goins, CPA
 - i. BS Accounting, University of Tennessee
 - ii. Certified Professional Accountant
 - e. Pete Dayton, WCO
 - i. BS Mathematics, University of Tennessee, 1966
 - ii. Masters of Business Administration (MBA), University of Tennessee, 1968
 - iii. Warranted Contracting Officer, State of Tennessee, 1990
- B. Professional licenses of staff and contractors
 - a. Water and Wastewater Operator Grade II Robert Young
 - b. Professional Engineer Glen Schmidt
 - c. Project Management Professional Doug Hodge
 - d. Certified Professional Accountant Roger Goins
 - e. Warranted Contracting Officer Pete Dayton

C. Experience of water utility staff:

DOUGLAS S. HODGE, PH.D., PMP. Operations Manager

QUALIFICATIONS

With DSH & Associates, LLC, Dr. Hodge's primary role as Operations Manager is to ensure awarded projects are completed on time, within budget, and according to client requirements. Additional duties includes: staffing all projects, developing initial budgets and schedules, aligning client expectations with project goals, monitoring performance of all projects, and ensuring Quality and Health and Safety Management procedures are followed.

Dr. Doug Hodge has over 20 years of experience in waste water treatment system design and construction, research & development, design and construction management. He has managed the design and construction of over \$500M worth of projects. A graduate of the University of Southern California's Civil Engineering Program, Doug's focus has been on development and implementation of innovative, environmentally friendly technologies for treating waste streams. He has extensive experience in writing proposals and has been awarded work from commercial, State and Federal Government entities. Dr. Hodge has strong working relationships with Tennessee's Department of Environmental Conservation (TDEC) and the University of Tennessee Wastewater Treatment Faculty. The American Society of Civil Engineers awarded Dr. Hodge their second highest honor, The James R. Croes Medal, for his role in advancing innovative environmental technologies.

Dr. Hodge has extensive experience with oversight of large scale design and construction projects. He has been responsible for leading large construction programs for some of the leading federal contractors, including being the Manager of Projects for Jacobs Engineering's US Army Corps of Engineers projects and the Remediation Business Unit Manager for CAPE, Inc. Dr. Hodge was responsible for leading an impressive list of projects that includes the New Bedford Harbor Superfund Site, the Massachusetts Military Reservation TERC and AFCEE contracts, a \$50M Army Chemical Demilitarization Program, PRACs at Mobile and Buffalo, a Nashville HTRW design/remediation contract and numerous other DoD programs and projects. In addition, he was responsible for leading DOE projects that included support of the DOE Oak Ridge remediation program and the Nashville A/E Contract which supported the Oak Ridge Y-12 new facility construction program - a \$3 million design and construction oversight program that included complete designs of three new facilities and the oversight of the construction of these facilities. He was the Chairman of the Technology Committee for Jacobs Engineering's Environmental Division and has published more than 20 technical papers. His expertise includes developing and implementing earned value project management systems and cost tracking systems.

EXPERIENCE

Bouldercrest Villas Development, TN

- Bouldercrest Villas, LLC is a 28 home subdivision on Norris Lake.
- The project is a turn-key Design Build estimated at approximately \$18M.
- As engineering manager, Dr. Hodge designed and constructed a new innovative onsite wastewater treatment system that has been fully approved by the State. This system contains the first engineered fill approach to infiltration of final effluent for the State of Tennessee.
- Doug teamed with the University of Tennessee Engineering Department and the local Jefferson County Health Department in design, installation, and operation of the system.
- Doug managed all field efforts to install the developments infrastructure.

• The Flats Resort, TN

- Rezoing a 63 acre property from Agricultural to Commercial use.
- Preparing and gaining City approval for a 145 Unit Lake Development.
- Managing the engineering designs for the developed.
- Managed the field construction effort to install the \$8M of infrastructure.
 This included a 100,000 gallon per day decentralized treatment plant located on the property.

• The Villages at Norris Lake, TN

- Currently engineering a decentralized treatment system for a 450 unit development
- The system is being designed to handle 135K gallons per day

PETE DAYTON Legal/Contracts Manager

QUALIFICATIONS

With DSH & Associates, LLC, Mr. Dayton offers 25 years experience in providing leadership and management oversight of operations, including operations and program management, business development, and contract management. His extensive experience includes negotiating and managing all types of contracts for engineering, construction, environmental services and infrastructure support services. Mr. Dayton was the Director of Procurement and Contracts for the U.S. Department of Energy in Oak Ridge, Tennessee where he was responsible for overseeing the negotiation and administration of contracts and financial assistance instruments totaling over \$2 billion annually. In this position he was also responsible for overseeing the Oak Ridge Small Business Program

that consistently ranked as the best in DOE. Following his retirement from DOE, Mr. Dayton became the Operations Manager for Federal Operations at Jacobs Engineering Group where he led several departments and regional operations with up to 360 line managers, project managers and staff across the U.S. This staff was involved in the execution of up to \$100 million of environmental and engineering projects for the Department of Energy, Air Force, Army Corps of Engineers, and the Army Chemical Demilitarization Program.

ROGER GOINS Project Controls/Accounting

QUALIFICATIONS

With DSH & Associates, LLC, Mr. Goins will be responsible for all project controls, billing supervision, monthly accounting, and annual preparation of taxes and required annual reports. Mr. Goins is a TN CPA and has over 30 years of experience with accounting and specifically the State of TN accounting practices. In addition, Mr. Goins is currently the CPA/project controls lead for Martel Utility District, is registered with the State as providing utility accounting support, and currently is following all professional practices required to meet TRA accounting requirements.

ROBERT YOUNG Operations and Maintenance (O&M)

QUALIFICATIONS

With DSH & Associates, LLC, Mr. Young will be responsible for O&M of the Lakeside Estates De-Centralized treatment system. He will conduct all sampling and analyzes, operate the system, respond to shut downs, and keep the system operational.

Mr. Young has over 25 years of experience in the water and wastewater. He has managed municipal operations for Cities and smaller decentralized community systems. He has a class WW4 wastewater treatment plant and distribution and collection systems license. He has the experience to manage all aspects of the O&M for the Lakeside Estates De-centralized system.

GLEN SCHMIDT, P.E. Engineering/Design Manager

QUALIFICATIONS

With DSH & Associates, LLC, Mr. Schmidt's primary role as Project Manager is to ensure awarded projects are completed on time, within budget, and according to requirements. Additional duties includes: scheduling meetings, presenting meetings,

preparing and distributing meeting minutes, determining resources required, preparing work plans, executing work plans and adjusting the work plans as necessary, assigning tasks to team members, and preparing status reports and presenting to upper management

As a project engineer, responsibilities included site layout design, grading design, stormwater collection/management design, water and sewer utility design, hydrology studies, surveying/mapping, horizontal/vertical road design, traffic control design for street/highway construction, erosion and sediment control design/inspection, feasibility studies, flood analysis studies and reports, bridge/culvert design pertaining to hydrology/hydraulic design, documentation of construction inspections pertaining to pay requests, preparation of permit applications and supporting documents for Federal, State and local regulatory agencies (e.g., TDEC stormwater permitting, stream/wetland alterations and rehabilitations, TDOT permits, FEMA NFIP and Flood Plain Management Procedures, etc.) for residential, commercial, and industrial developments as well as preparation of construction documents. Additionally, tasks include oversight and training of junior staff engineers and designers. Work has required coordination and cooperation with surveyors, architects, regulators, contractors and other consultants as part of the overall design effort and construction support.

EXPERIENCE

Watts Bar TVA Plant Design and Contruction

Mr. Schmidt developed an extensive Raw Cooling Water system hydraulic head loss model for the Watts Bar Unit 2 construction completion project for TVA. The model was initiated by Glenn and involved extraction of design data from several drawing and design documents for an extensive list of water users. The model proved to be a useful tool at identifying bottlenecks and providing a basis to determine the required pump capacity for the dual unit operation.

Mr. Schmidt develop several operating modes for the Essential Raw Cooling Water system that required defining water users and the flow requirements in order to model the system for dual unit operation at Watts Bar Nuclear Power Plant. The model is being used to provide the basis for the pump head and flow requirements compared to the systems existing capacity.

MMR Treatment System Design and Construction

LMr. Schmidt was the Lead process and start up engineer for the design construction and operation of 11 groundwater treatment systems for Otis Air Force Base. The treatment rates ranged from 600 gpm to 4,000 gpm. Unit processes are greensand filtration to remove iron and manganese, activated carbon to remove organic compounds and sodium hypochlorite feed system to control biological growth. Responsibilities included detail process design, start-up procedures, lead start-up

engineer, and operations process engineering support. Plant optimization experience includes rebedding of greensand filter vessels and providing detailed operating procedures in order to effectively operate the filters. Designed a sodium hypochlorite feed system to minimized backwashing due to biofouling on activated carbon filters.

VI: Technical Requirements:

- A. State Operating Permit (SOP) is filed with the Tennessee Department of Environmental and Conservation as SOP #07073.
- B. Construction plans and engineering drawings of the decentralized treatment facility (attachment 8).
- C. Projected 5 year build-out and cost analysis is attached as attachment 9 with explanation pages. The estimates of the number of builds per year are based on information gained from a local real estate company. There are 200 lots and a pool in the subdivision (200 hookups total). We tried to factor in today's economic environment as well.
 - a. According to Trimbach Development, LLC, 34 lots have been sold/closed.
- D. Proposed Tariff showing rates to be charged for wastewater service.
 - Sewage treatment service recommended rates: Rate to customer for residential fixed film treatment is \$44.53
 and for Commercial Rental Units is \$69.53 per month. Then we broke down our cost further in a 5 year spread sheet
 format. (attachment 9)
 - 2. Service Access Fee of \$120.00 annually.
 - 3. Bills are due on the first day of the month and considered late if not received by the 10th day of the month due.
 - 4. A 5% of total bill amount to be added to bills not paid by the 10th of the month.
 - Bills over 30 day past due are subject to being disconnected. A service disconnect fee
 of \$40.00 will be charge if a service must be disconnected. For service reconnect: all back
 payments plus a reconnect fee of \$50.00 will be charged
 - 6. A returned Check fee of \$25.00
 - 7. Any damages to the sewage treatment system caused by anyone will be billed at actual cost of repair and loss of service. These types of damage include but are not limited to:
 - i. Damages caused to the disconnect valve located at main line tap
 - Any damages to pipes or equipment caused during excavation by machine or hand.
 - iii. Hazardous waste; Industrial chemicals and other non household sewage added to the treatment system.
 - Sewage added to the system not generated at the customer's residence, like from a septic pumper truck
 - 8. See attachment 14.
- E. Copy of license of the water system operator of record (attachment 7)
- F. The area to be served will be limited to the subdivision known as Lakeside Estates Subdivision. Lakeside Estates total acreage of lots and sewage disposal field is approximately 70 acres. See attached subdivision plans (attachment 10)
- G. The decentralized treatment system was installed and started treating influent 2008.
- H. Name and contact information for responsible person regarding applicants proposed operation.
 - a. Doug Hodge, 4028 Taliluna Avenue, Knoxville, TN 37919, 865-755-8066.
- I. There are no complaints filed against DSH & Associates, LLC

VI I: Financial Requirements:

- A. The developer, Trimbach Development, LLC, paid approximately \$425K to install the completed system at Lakeside Estates, which started operation in 2008. DSH & Associates, LLC will show \$678,000K as a capital Contribution on its books. This is the cost of the decentralized treatment plant and associated acreage (price of acreage is calculated at \$10,000 per acre and the system sits on approximately 25.3 acres including the drip area). The land cost is an average according to a local real estate company.
- B. The land is currently owned by the developer (Trimbach Development, LLC). As part of the CCN application process, the developer will transfer ownership of the wastewater treatment plant, drip fields, and associated acreage to DSH & Associates, LLC.
- C. Chart of accounts for the water utility (attachment 11).
- D. List of all plant-in-service account numbers with account names and estimated account balances as of the start of operation (attachment 11).
- E. Our CPA will use the Tax Basis Deprecation Rates considered with the MACRS tables. For the main plant we would use the MACRS 39 year table. For the blowers and motors we would use the MACRS 7 year table. For the control system we would use the MACRS 5 year table.
- F. A performance bond in the amount of \$40,000 is being acquired through Athens Insurance for the Lakeside Estates Treatment System (attachment 12).
- G. Provide pro forma income statements for the water utility for the first two years of operation. The first 2 years of projected cost and income estimate is provided with in attachment 13 with explanation sheets.

ATTACHEMENT 1:

Owners User Manual

OWNERS USER MANUAL

Welcome! You are hooked up to a state of the art fixed film wastewater treatment system. This environmentally friendly system

does an excellent job of treating wastewater and returning it to the soil. It will do best if you follow the guidelines listed below:

Proper Use:

Direct all wastewater from the home into the septic tank. Any wastewater can contain disease causing organisms and pollutants.

Practice water conservation to avoid overloading the onsite sewage system. Repair dripping faucets and leaking toilets. Run dishwashers when full. Do not do all your laundry in one day. Space out the washing machine use over the week. Replace old

fixtures with water saving fixtures.

Do not direct water from gutter downspouts, sump pumps or subsurface drains into the septic tank. The sewage management system

is designed based on an estimated daily water use. Excess water directed into the septic tank will cause a hydraulic failure.

Use commercial bathroom cleaners and anti-bacterial soaps in moderation. Treatment in the wastewater system depends on natural bacteria. The Utility does not recommend the use of septic tank additives. These products are not necessary for proper system

operation.

Do not plant trees or bushes on top of the septic or pump tank. Root intrusion may damage and block the line.

Do not dig without knowing the location of your septic and pump tank. Landscape the site to allow surface water to drain off of these tanks. Divert roof drains from these tanks. Standing water over these tanks will cause increased load saturations and

potential pump failure.

Do not park or drive over the septic and pump tank. This can damage or compromise the tanks.

Do not pour grease, oil, paint or other chemical products down the drain. Do not put not-biodegradable items such as cigarette butts, feminine hygiene products, condoms, disposable diapers or other similar solid waste into the septic tank. Remember living microbes

clean the wastewater.

Do not enter your septic or pump tank. Gases from inside the tank can be fatal. Keep the lids secure and screwed down.

Do not turn off the main circuit breaker to the wastewater pumps when going on vacation. The pumps will need to handle any

infiltration into the system.

If there is a power failure, your alarm might go off when the power comes back on. Wait at least 2 hours; if the alarm is still going

off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay.

Customer Service: 865-622-2452

DSH & Associates, LLC

Construction and Utility Services

4028 Taliluna Avenue, Knoxville, TN 37919

Dear DSH Utility Services Customers

I would like to welcome you to DSH Utility Services and Lakeside Estates. We at DSH Utility Services look forward to providing the best and most environmentally friendly wastewater treatment service. First of all I would like to explain our rates for Lakeside Estates.

We have 2 basic rates, one if you have not built your home yet and the other as your home is built. First, the rate if you have not built your home yet is referred to as an access fee. The access fee is \$120.00 dollars per year and is due on July 1st. What this fee pays for is the maintenance of the lines in the streets and the treatment plant components. Even if no homes are built in the subdivision, maintenance and test records must be maintained to meet state requirements. We use this fee to offset these costs so that when you are ready to connect, the system will be ready for you.

Our next rate is for when you build your home and tie on, this rate is \$44.53 and 69.53 per month for residential and commercial rental units, respectively. For this payment we will treat the wastewater to the highest standards and dispose of it into a drip emitter field. We use the fixed film system of treating the wastewater because of it's reliability and it can be maintained more cost effectively than other systems. This is a fully automated PLC controlled system for the utmost reliability. You will additionally install a septic and pump tank at your home at your expense. We will pump and maintain the septic tank, pump tank and components at no additional cost to you. It should be noted that we do not maintain any plumbing or unstop any blockages in your home or the outfall line to the septic tank.

Additional charges are as follows:

- Service disconnect \$40.00
- Service reconnect all past due amounts with late fees and \$50.00
- Returned Check Fee \$25.00
- A 5% late fee will be added to the total bill on the lot of any month in which we have not received your payment.

A complete copy of our tariff or billing amounts is available for viewing at our office during normal business hours by appointment

Now for connecting, we have a set of specifications that must be followed and are included in this packet. You must get a permit from Jefferson County Environmental Health before starting work. Before you can connect to the DSH Utility Services Service Connection you must sign and return your Sewer Service Contract Agreement.

You will need to install a cut off valve between the house and water supply and grant DSH Utility Services, exclusive rights to use such valve to cut off water in order to safely stop wastewater flow.

You will have an alarm post next to your pump tank or on your house. If there is a power failure, this alarm might go off

after the power comes back on due to residual water needing to be pumped out. Wait at least 2 hours and if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay. If you need additional assistance, please call our Customer Service number: 865-851-8351.

All payments will be sent to:

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919

Again I would like to welcome you to DSH Utility Services and Lakeside Estates. We at DSH Utility Services will do our best to handle your wastewater service needs in an honest and professional manner.

Sincerely,

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

Wanglas S. Holy

DSH & Associates, LLC

Construction & Utility Services

DSH Utility Services

Individual septic tank and pump tank requirements.

Only configurations and equipment approved by DSH Utility Services may be used. Not following these configurations shall be cause for disconnect until the specifications are met.

All connections to the septic and dosing will be:

- 4" schedule 40 PVC at not less than 1/8" fall per 1'
- Have an Inspection port relief valve between the septic tank and pump tank. The Inspection port relief valve will be on an elevation of not less than 6" below the elevation where the building outfall line leaves the home. (see approved products)
- Foam core pipe is approved if it meets local code requirements

The line from the pump tank to the main line will be:

- Pressure rated Schedule 40 PVC minimum 1.25 inch
- Have a piece of single strand insulated copper wire included in the ditch turned up in the utility box at the road and alarm post for future locating needs.
- Pumped line from pump tank to service connection should be burred at least 18"deep.

The septic and pump tank must meet the Utility's design requirements:

- All tanks must be on the Utility's approved list. Other tanks may be added to approved list if they meet all requirements. Contact the Utility for details on adding additional equipment to approved list.
- Shall be of a watertight design and all joints must be sealed to stop ground water intrusion and sewage leaks. Concrete/Fiberglass tanks must be l piece tanks with sealed lid.
- The septic tank will be a two chamber design at least 1000 gallon capacity.
- The pump tank will be a one chamber design at least 1000 gallon capacity.
- The septic tank will have PVC tees in each end at least 1/3 the water depth.
- The outlet tee will include a septic tank filter.
- The top of the tanks shall not be buried deeper than 24" from the surface.
- The septic tank will include two approved risers to the surface.
- The dosing tank will include one approved riser to the surface.
- The risers will have two forms of entry security. Safety screws in outer lid and a riser pan with cement lid or a safety screen.
- The dosing tank will have an 1.5 inch metal pipe entering at least 46"on center from the bottom of the tank at the riser end. The total length of the installed pump and piping shall be 46" from center of the line entering the tank to the bottom of the pump.
- The pipe in the tank will have a 1/16 hole pointed downward in the tank to relieve air after pump cycle.
- The pump tanks will have an EZ pull adapter for quick pump service.

- A1 pipes in the dosing tank will be galvanized water pipe, aluminum or stainless steel
- Metal pipe must extend at least 3' from tank toward Utility connection before converting to using PVC.
- The metal elbow shall have a 1/16 hole at a 30 degree downward angle drilled into it'
- A non spring check valve shall be connected to the Utility service just inside the Utility service box. This will make a total of two check valves at the service box.

Electrical Connections

- All connections shall meet the national electrical code.
- All connections shall be located outside of the tank.
- An approved alarm post with a high level alarm shall be located at he pump tank riser.
- No electrical connections are allowed inside the pump tank or riser.
- Two 110 volt electrical circuits are required from the house to the alarm post. One 12 gauge dedicated for the pump and one 14 gauge for the alarm, so the alarm will work even if the pump throws a circuit breaker. Wire in PVC conduit or direct burial wire is required.
- The conduit connecting the riser to the alarm post must be sealed so as to keep corrosive gasses from entering the alarm post.

Approved Materials: (contact the Utility in advance to recommend an addition to this list)

Risers: Can use either Orenco System or Polylok System risers as outlined below:

- Orenco: Jeff Brownfield at 423-331-2036
 - o 2.000 FL24G-4BU Fiberglass Lid, 24" W/ Urethane Gasket, Angled Core; 4 bolts, Inlet & outlet
 - o 2.000 RR2436 Pvc Access Riser, 24" Dia.
 - o 2.000 MA320 200 G Epoxy Kit
 - o 1.000 SB4 Pvc Splice Box W/4 Cord Grips
 - o 1.000 PV55-1817 Simplex Biotube Pump Vault for 24" Riser, 18" Cartridge
- Polylok: www.polvlok.com 877-POLYLOK
 - o Polylok 3008 HD Heavy Cover or
 - o Polylok 3008 RC Light Duty Cover
 - o Polylok 3008-RP 24" Riser Pan or
 - o Polylok 3008-SS 24" Safety Screen
 - o Polylok 3008 24" Riser 6" tall
 - o Polylok 3008-R12 24" Riser 1,2" tall
 - o Polylok PL-68 Filter Cartridge (septic tank filter)
 - o Polylok 3009-AR (adapter ring for plastic tanks)

Alarm Post:

- SJE Rhombus model PSPL20V6HL7 A www.sierhombus.com 1-888-DIALSJE
- Septic Products Inc. Observer 100 www.septicproducts.com 419-282-5933

EZ pull adapter -EZ-Puller 1.5 inch www.webtrol.com 800-769-7867

Inspection Port Relief Valve 562-304 www.Plum.com 800-462-6991

Septic Tank: 1 piece 2 chamber

- Orenco Step Tank: Jeff Brownfield 423-331-2036
- Norwesco 1050 Septic tanks part number 42250,42248,42283, 42293 www.norwesco.com
- Ashley Cement Tanks: Must be L piece 2 chamber poured tanks with two Polylok 24" risers and sealant between lid and tank.
- Watson Septic, Madisonville, TN
- Dixie Concrete, LaFollette, TN
- Tays Septic, Crossville, TN
- Morrison Tank & Vault, Morrison, TN

Approved Pumps:

- Myers 2NFLs1-8E www.femvers.com 419-289-1144
- Orenco: Jeff Brownfield at 423-331-2036
 - 1.000 PF100511 Effluent Pump; 1/2Hp, 10gpm, 115V, 60Hz, 10' Lead
 - o 1.000 HV100BCFCPRX Hose & Valve Assembly, 1" Pressure, w/B,C,FC,X
 - o 1.000 MF3A-Y,B,R-27V Fl. Assem.;(Y,B,R);27" step pump vault
 - o 1.000 S1ETM Simplex Panel, 115V W/Etm

Some local Installers: (if an installer does poor work, the Utility reserves the right to not allow him/her to do further work) To add your installer, please call the Utility first: Doug Hodge at 865-622-2452.

For additional technical assistance call DSH Utility Services: 865-622-2452.

ATTACHEMENT 2:

Trimbach Development, LLC Letter Requesting DSH Take Over Service of Decentralized Treatment System and Facility

Jon Trimbach

Trimbach Development, LLC 320 Echo Valley Drive Vandalia, OH 45377 877-204-0785

Douglas Hodge

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919 865-755-8066 Hodge.dsh@gmail.com

Dr. Hodge,

Per our phone conversation on 11/1//10, Trimbach Development (developer for Lakeside Estates) approves of DSH & Associates, LLC taking ownership of the State Operating Permit #07073 and the installed de-centralized treatment system for Lakeside Estates from LaFollette Utilities In conversations with Eddy Troxell with LaFollette, they will release the SOP. Please proceed with submitting a CCN application for Lakeside Estates through TRA and have TDEC transfer the SOP to DSH.

Please give me a call with any questions.

Jon Trimbach President

Trimbach Development, LLC

11/1/10

ATTACHEMENT 3:

LaFollette Utility Letter Releasing State Operating Permit (SOP)



November 1, 2010

Tennessee Department of Environmental Conservation Attn: Wade Murphy Permit Division Manager 401 Church Street 6th Floor, L&C Annex Nashville, TN 37243-1534

SUBJECT: Transfer of ownership of SOP # 07073

PROJECT: Lakeside Estates WWTP

Dear Mr. Murphy:

DSH and Associates, L.L.C. (EUS) and LaFollette Utilities Board have agreed to transfer ownership of State Operating Permit (SOP) #07073 and associated installed decentralized treatment system located on Lakeside Estates Subdivision, LaFollette, TN.

We request the date of the transfer be effective on January 1, 2011. The treatment system, easements, and other property associated with the system and currently owned by LaFollette, will be transferred to EUS ownership no later than February 28th, 2011.

Please let us know if there is any additional information you require and we appreciate your time and effort.

Sincerely,

Douglas S. Hodge, Ph.D., PMP

Manager

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919 865-755-8066 Hodge.dsh@gmail.com

Walter M. Baird, Jr. General Manager LaFollette Utilites Board

P.O. Box 1411

LaFollette, TN 37766

423-562-3316

Jon Trimbach President

Norris Lake Properties 320 Echo Valley Drive Vandalia, OH 45377 -937-238-6843

ATTACHEMENT 4:

Sworn Pre-filed Testimony

BEFORE THE TENNESSE REGULATORY AUTHORITY NASHVILLE, TENNESSE

January 11, 2011

IN RE:

PETITION OF DSH TO OBTAIN A CERTIFICATION OF PUBLIC CONVENIENCE AND NECESSITY FOR THE SERVICE PART OF CAMPBELL COUNTY, LAKESIDE ESTATES

DOCKET NO: 11-00020

LAKESIDE ESTATES

PRE-FILED DIRECT TESTIMONY OF DOUG HODGE

Question: State your name for the record and your position with the Petitioner, DSH & Associates (DSH), LLC.

Answer: Doug Hodge. I am the operations manager and owner of DSH.

Question: What is the business of DSH?

Answer: To provide environmentally friendly and affordable wastewater service to communities where wastewater

service is not currently available. DSH also has an engineering/construction group within the company that

will support those technical areas of potential projects.

Question: Is there a need for wastewater service in the proposed development?

Answer: Yes, we have been requested to provide wastewater service by Lakeside Estates. I have included a copy of

a letter requesting that the service be provided (attachement 2). Currently, LaFollette Utility is operating the constructed waste water system and has agreed to release the SOP and operation over to DSH (see

attached letter, attachment 3). During the initial SOP submittal approval process, LaFollette confirmed that there were no sewer utility lines in the vicinity of the subdivision and confirmed that there were no current plans for providing service lines. A decentralized treatment system was also required since most of the soils in the development are not suitable for individual septic systems.

Question: What services will DSH provide to Lakeside Estates?

Answer: DSH will provide wastewater service including pumping and maintenance of the step systems at individual

homes, maintaining the community main lines, maintaining and operating the treatment plant and drip field. All operation and maintenance will be done in a manor as to meet all requirements of the state operating

permit.

Question: Does DSH have the technical, managerial, and financial capability to provide wastewater service to Lakeside Estates?

Answer: Yes, DSH staff and associates have all the necessary technical, managerial, and financial capability to

provide wastewater service to Lakeside Estates.

Question: Will DSH abide by all applicable Tennessee statues and TRA rules governing wastewater utilities?

Answer: Yes, DSH will abide by all applicable Tennessee statues and TRA rules governing wastewater utilities

including but not limited to TRA Rule Chapters 1220-1-1, 1220-4-1 and 1220-4-13.

Question: How many customers will be served in this development?

Answer: DSH will service up to 200 residential/commercial wastewater customers once the subdivision is built out.

Question: Identify any complaints filed with any state regulatory agency involving DSH.

Answer: There have never been any complaints filed against DSH.

Question: Testify to DSH's technical, managerial, and financial expertise to operate a wastewater utility.

Answer:

<u>Technical Experience:</u> DSH has a strong technical team with a broad skill set and background adequate to support the technical requirements of a wastewater utility. The technical team and their associated degrees/certifications consist of:

a. Dr. Douglas S. Hodge, Ph.D., PMP

- i. Ph.D. Environmental Engineering, Univ. of Southern Calif, 1993
- ii. M.S. Environmental Engineering, Univ. of Southern Calif, 1991
- iii. B.A. Mathematics, Colorado College, 1988
- iv. Project Management Professional, 2010, Certification #1322650

b. Glen Schmidt, PE

- i. Registered Professional Engineer (TN), Certification #113576
- ii. BS Chemical Engineering, University of Missouri Columbia, 1989

c. Robert Young, CWWO

- i. Certified Water and Wastewater Operator (TN), Certification #142
- ii. Wastewater treatment plant operation, East Tennessee State University, 1969

Along with the degrees and certification the team brings to the Utility, its members cumulatively have approximately 70 years of experience in the environmental/water/waste water profession. Dr. Doug Hodge has over 20 years of experience in environment/water/wastewater treatment system design and construction, research & development, design and construction management. He has managed the design and construction of over \$500M worth of projects since the early 90's. His specific experience includes project management responsibility for the design, construction, and operation of approximately 10 water/waste water treatment facilities with cumulative installed cost of approximately \$70 M with flowrates of approximately 7 million gallons per day. For approximately 3 years, Dr. Hodge was also the Operations Manager for these systems, directly responsible for the O&M team, cost accounting group, contracts group, and other technical discipline support groups.

Mr. Young has over 25 years of experience in the water and wastewater. He has managed municipal operations for Cities and smaller decentralized community systems. He has a class WW4 wastewater treatment plant and distribution and collection systems license. He has the experience to manage all aspects of the O&M for the Lakeside Estates De-centralized system.

Glen Schmidt, PE, DSH's Engineering Lead, is a <u>Professional Engineer</u> with water/waste water design experience. He has worked as a Project Manager and Project Engineer on many large design/construction projects and his specific responsibilities will include site layout design, grading design, stormwater collection/management design, water and sewer utility design, hydrology studies, surveying/mapping, horizontal/vertical road design, traffic control design for street/highway construction, erosion and sediment control design/inspection, feasibility studies, flood analysis studies and reports, bridge/culvert design pertaining to hydrology/hydraulic design, documentation of construction inspections pertaining to pay requests, preparation of permit applications and supporting documents for Federal, State and local regulatory agencies (e.g., TDEC stormwater permitting, stream/wetland alterations and rehabilitations, TDOT permits, FEMA NFIP and Flood Plain Management Procedures, etc.) for all projects.

<u>Managerial Experience:</u> DSH has a strong managerial team consisting of a board of directors, operations manager, project controls (accountant) lead, Legal contracts lead, sales and marketing lead, engineering design lead, construction lead, and O&M lead. The following figure outlines DSH's organizational structure with associated responsible individuals:



Dr. Hodge is a Certified Project Management Professional (PMP) with extensive experience in managing large teams of individuals and groups. Over the last 10 years, he has worked for several large design/construction/O&M companies with direct responsibility for over 600 individuals. The Utility Management structure has been designed based on this experience defining key positions, roles and responsibilities, and assigning the right individuals for the positions. Along with Dr Hodge, Glen Schmidt, Robert Young, Roger Goins and Pete Dayton will support the management team. Their degrees and certifications are listed below:

d. Roger Goins, CPA

- i. BS Accounting, University of Tennessee
- ii. Certified Professional Accountant

e. Pete Dayton, WCO

- i. BS Mathematics, University of Tennessee, 1966
- ii. Masters of Business Administration (MBA), University of Tennessee, 1968
- iii. Warranted Contracting Officer, State of Tennessee, 1990

Mr. Goins will be responsible for all project controls, billing supervision, monthly accounting, and annual preparation of taxes and required annual reports. Mr. Goins is a TN CPA and has over 30 years of experience with accounting and specifically the State of TN accounting practices. In addition, Mr. Goins is currently the CPA/project controls lead for Martel Utility District, is registered with the State as providing utility accounting support, and currently is following all professional practices required to meet TRA accounting requirements.

Mr. Dayton will be responsible for all legal and contractual issues. Mr. Dayton offers 25 years experience in providing leadership and management oversight of operations, including operations and program management, business development, and contract management. His extensive experience includes negotiating and managing all types of contracts for engineering, construction, environmental services and infrastructure support services. Mr. Dayton was the Director of Procurement and Contracts for the U.S. Department of Energy in Oak Ridge, Tennessee where he was responsible for overseeing the negotiation

and administration of contracts and financial assistance instruments totaling over \$2 billion annually. In this position he was also responsible for overseeing the Oak Ridge Small Business Program that consistently ranked as the best in DOE. Following his retirement from DOE, Mr. Dayton became the Operations Manager for Federal Operations at Jacobs Engineering Group where he led several departments and regional operations with up to 360 line managers, project managers and staff across the U.S. This staff was involved in the execution of up to \$100 million of environmental and engineering projects for the Department of Energy, Air Force, Army Corps of Engineers, and the Army Chemical Demilitarization Program.

<u>Financial Experience:</u> As outlined above, DSH's team brings strong financial experience to the Utility. The team members have worked with other organizations performing similar activities that will be required to run the financial side of the utility. Of specific note is Dr. Hodge's PMP certification and Mr. Goins CPA and experience with the Martel Utility District.

Question: Explain the public need for a wastewater treatment system in the requested area.

Answer: Currently there are no municipal waste water utility lines that support the main road to the development and

the <u>lot layout/soils</u> of the development do not meet TDEC's individual home septic system requirements. Based on these restrictions and discussions with LaFollette and TDEC, in 2007 the decision was made by the developer to install a decentralized treatment system to support the 104 homes in the development.

Phase I of this system was installed in 2008 and operations commenced in 2008.

Question: Describe any commercial customers DSH will provide service to.

Answer: 27 Commercial customers are anticipated for 2011.

Question: Describe DSH's financial ability to operate a wastewater utility by providing detailed information of all funding available

and professional accounting expertise.

Answer: In 2011, DSH plans to finance the operation and maintenance of the decentralized system through the

following major revenue streams associated with the Lakeside Estates:

•	3 Non-resident property owners (access fee)	\$360
•	6 lots owned by the developer (access fee)	\$720
•	27 Commercial overnight rental (monthly fee)	\$32,248
•	3 Residential (monthly fee)	\$1,603
•	1 Tap fee	\$3,750
•	Misc Late Fees	\$130
	Total	¢39 911

As part of TRA's CCN application, DSH has prepared a detail 5 year anticipated revenue and expense analysis that can be included in this Testimony as directed. DSH's professional accounting expertise has been described in detail in the answer to the 3rd question included in this testimony. In summary, our account, Roger Goins, is a CPA who has worked directly with TRA and is the responsible accountant for the Martel Utility District. He is familiar with all TRA accounting/reporting requirements and has directed DSH in the preliminary setup of the DSH's accounting system to track and categorize utility costs per TRA's requirements. Dr. Hodge is a certified professional in project management and project controls practices (PMP) and has been the operations manager responsible for annual revenues in excess of \$50M per year. DSH's annual revenue for 2011 is anticipated to be approximately \$160K.

Question: Does this conclude your pre-filed testimony?

Answer: Yes

I swear that the foregoing testimony is true and correct to the best of my knowledge and belief.

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

Operations Manager DSH & Associates, LLC

Subscribed and sworn to me this 34th day of January

3-0/6-2011



CERTIFICATE OF SERVICE

My Commission Expires_

County of

Notary Public

documentation. Regulatory Authority, 460 James Robertson Parkway, Nashville, Tennessee 37243. By the method of incorporation into this submittal The undersigned hereby certifies that the above and foregoing Pre-filed testimony of Doug Hodge has been served upon the Tennessee

On this 24 day of January

Douglas S. Hodge, Ph.D., PMP

ATTACHEMENT 5:

State Operating Permit (SOP) Lakeside Estates



STATE OF TENNESSEE

DEPARTMENT OF ENVIRONMENT AND CONSERVATION 401 CHURCH STREET L & C ANNEX 6TH FLOOR NASHVILLE TN 37243-1534

March 6, 2008

Mr. Eddie W. Troxell, Superintendent of Operations LaFollette Utilities Board P.O. Box 1411 LaFollette, TN 37766

Re: State Operating Permit No. SOP-07073

LaFollette Utilities Board - Lakeview Estates WWTP

LaFollette, Campbell County, Tennessee

Dear Mr. Troxell:

In accordance with the provisions of the "Tennessee Water Quality Control Act" (Tennessee Code Annotated Sections 69-3-101 through 69-3-120) the enclosed State Operating Permit is hereby issued by the Division of Water Pollution Control. The continuance and/or reissuance of this Permit is contingent upon your meeting the conditions and requirements as stated therein.

Please be advised that you have the right to appeal any of the provisions established in this State Permit, in accordance with Tennessee Code Annotated, Section 69-3-110, and the General Regulations of the Tennessee Water Quality Control Board. If you elect to appeal, you should file a petition within thirty (30) days of the receipt of this permit.

If you have questions, please contact the Division of Water Pollution Control at your local Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Hari Akunuri at (615) 532-0650 or by E-mail at *Hari Akunuri@state.tn.us*.

Sincerely

Mr. Vojin Janjić

Manager, Permit Section

Division of Water Pollution Control

SOP-07073 P/WAT/5S

Enclosure

cc: Division of Water Pollution Control, Permit Section

Division of Water Pollution Control, Knoxville Environmental Field Office

TENNESSEEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION DIVISION OF WATER POLLUTION CONTROL

6th Floor, L & C Annex 401 Church Street Nashville, TN 37243-1534

Permit No. SOP-07073

PERMIT For the operation of Wastewater Treatment Facilities

In accordance with the provision of Tennessee Code Annotated section 69-3-108 and Regulations promulgated pursuant thereto:

PERMISSION IS HEREBY GRANTED TO

LaFollette Utilities Board - Lakeview Estates WWTP LaFollette, Campbell County, Tennessee

FOR THE OPERATION OF

Septic tanks, effluent collection system, Advantex AX-100 textile-media recirculating filters, advanced anoxic nitrogen removal system, UV disinfection and 17.2 acre drip irrigation area system located at latitude 36.371500 and longitude -84.054110 in Campbell County, Tennessee to serve 410 homes in the Lakeview Estates. The design capacity of the system is .123 MGD.

This permit is issued as a result of the application filed on October 12, 2007, in the office of the Tennessee Division of Water Pollution Control and in conformity with approved plans, specifications and other data submitted to the Department in support of the above application, all of which are filed with and considered as a part of this permit, together with the following named conditions and requirements.

This permit shall become effective on: April 1, 2008

This permit shall expire on: February 28, 2013

Issuance date: February 29, 2008

Paul E. Davis Director

Division of Water Pollution Control

CN-0759

RDAs 2352 & 2366

PART I

A. GENERAL REQUIREMENTS

The treatment system shall be monitored by the permittee as specified below:

<u>Parameter</u>		Sample Type	Daily <u>Maximum</u>	Sampling Point	Measurement Frequency
Flow		instantaneous		*	1/month
BOD ₅		grab	45 mg/l	*	1/quarter
Nitrate as I	N	grab	20 mg/l	*	1/quarter
Ammonia a	s N	grab	Report	*	1/quarter
E. Coli		grab	941 colonies/1	100 ml *	1/quarter

^{*} Effluent to the drip irrigation plots.

The permittee must disinfect the wastewater in order to meet the above E. Coli limit.

This permit allows the operation of a wastewater drip irrigation system. The operation should be such that there is no contamination of and no wastewater discharge to any surface or subsurface stream because of collected pools of water called "ponding", irrigation into karst features or because of improper irrigation. Any runoff due to improper operation must be reported in writing to the Division of Water Pollution Control, Knoxville Environmental Field Office within 5 days of the incident. In addition, the drip irrigation system must be operated in a manner preventing the creation of a public health hazard or a public/private nuisance.

B. MONITORING PROCEDURES

1. Representative Sampling

Samples and measurements taken in compliance with the monitoring requirements specified above shall be representative of the volume and nature of the monitored discharge, and shall be taken at the following location(s):

Effluent to drip irrigation plots.

C. DEFINITIONS

The "daily maximum concentration" is a limitation on the average concentration, in milligrams per liter, of the discharge during any calendar day.

A "grab sample" is a single influent or effluent sample collected at a particular time.

A "quarter" is defined as any one of the following three-month periods: January 1 through March 31, April 1 through June 30, July 1 through September 30, and/or October 1 through December 31.

D. REPORTING

1. Monitoring Results

Monitoring results shall be recorded monthly and submitted quarterly. Submittals shall be postmarked no later then 15 days after the completion of the reporting period. A copy should be retained for the permittee's files. Operation reports and any communication regarding compliance with the conditions of this permit must be sent to:

Division of Water Pollution Control Knoxville Environmental Field Office 3711 Middlebrook Pike Knoxville, TN 37921

The first operation report is due on the 15th of the month following permit effectiveness

2. Additional Monitoring by Permittee

If the permittee monitors any pollutant at the location(s) designated herein more frequently than required by this permit, using approved analytical methods as specified in 1200-4-5-.07(4)(h)2, the results of such monitoring shall be included in the calculation and reporting of the values required in the Quarterly Operation Report. Such increased frequency shall also be indicated.

3. Falsifying Reports

Knowingly making any false statement on any report required by this permit may result in the imposition of criminal penalties as provided for in Section 69-3-115 of the Tennessee Water Quality Control Act.

E. SCHEDULE OF COMPLIANCE

Full operational level shall be attained from the effective date of this permit.

PART II

A. GENERAL PROVISIONS

1. Duty to Reapply

The permittee is not authorized to discharge after the expiration date of this permit. In order to receive authorization to discharge beyond the expiration date, the permittee shall submit such information and forms as are required to the Director of Water Pollution Control (the "Director") no later than 180 days prior to the expiration date.

2. Right of Entry

The permittee shall allow the Director, or authorized representatives, upon the presentation of credentials:

- a. To enter upon the permittee's premises where an effluent source is located or where records are required to be kept under the terms and conditions of this permit, and at reasonable times to copy these records;
- b. To inspect at reasonable times any monitoring equipment or method or any collection, treatment, pollution management, or discharge facilities required under this permit; and
 - c. To sample at reasonable times any discharge of pollutants.

3. Availability of Reports

All reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Division of Water Pollution Control.

4. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems (and related appurtenances) for collection and treatment which are installed or used by the permittee to achieve compliance with the terms and conditions of this permit. Proper operation and maintenance also includes adequate laboratory and process controls and appropriate quality assurance procedures. This provision requires the operation of backup or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. Backup continuous pH and flow monitoring equipment are not required.

The monitoring frequency stated in this permit shall not be construed as specifying a minimum level of operator attention to the facility. It is anticipated that visits to the treatment

facility by the operator will occur at intervals frequent enough to assure proper operation and maintenance, but in no case less than one visit per month. If discharge monitoring reports, WPC inspection reports, or other information indicates a problem with the facility, the permittee may be subject to enforcement action and/or the permit may be modified to include increased parameter monitoring, increased monitoring frequency or other requirements as deemed necessary by the division to correct the problem. The permittee shall ensure that the certified operator is in responsible charge of the facility and observes the operation of the system frequently enough to ensure its proper operation and maintenance regardless of the effluent monitoring frequency stated in the permit."

b. Dilution water shall not be added to comply with effluent requirements

5. Property Rights

The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of Federal, State, or local laws or regulations.

6. Severability

The provisions of this permit are severable. If any provision of this permit due to any circumstance, is held invalid, then the application of such provision to other circumstances and to the remainder of this permit shall not be affected thereby.

7. Other Information

If the permittee becomes aware that he failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, then he shall promptly submit such facts or information.

B. CHANGES AFFECTING THE PERMIT

1. Planned Changes

The permittee shall give notice to the Director as soon as possible of any planned physical alterations or additions to the permitted facility.

2. Permit Modification, Revocation, or Termination

- a. This permit may be modified, revoked and reissued, or terminated for cause as described in section 69-108-(F) The Tennessee Water Quality Control Act as amended.
- b. The permittee shall furnish to the Director, within a reasonable time, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit.

The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

3. Change of Ownership

This permit may be transferred to another person by the permittee if:

- a. The permittee notifies the Director of the proposed transfer at least 30 days in advance of the proposed transfer date;
- b. The notice includes a written agreement between the existing and new permittees containing a specified date for transfer of permit responsibility, coverage, and liability between them; and
- c. The Director, within 30 days, does not notify the current permittee and the new permittee of his intent to modify, revoke or reissue, or terminate the permit and to require that a new application be filed rather than agreeing to the transfer of the permit.

4. Change of Mailing Address

The permittee shall promptly provide to the Director written notice of any change of mailing address. In the absence of such notice the original address of the permittee will be assumed to be correct.

C. NONCOMPLIANCE

1. Effect of Noncompliance

Any permit noncompliance constitutes a violation of applicable State laws and is grounds for enforcement action, permit termination, permit modification, or denial of permit reissuance.

2. Reporting of Noncompliance

a. 24-Hour Reporting

In the case of any noncompliance which could cause a threat to public drinking supplies, or any other discharge which could constitute a threat to human health or the environment, the required notice of non-compliance shall be provided to the appropriate Division environmental assistance center within 24 hours from the time the permittee becomes aware of the circumstances. (The environmental field office should be contacted for names and phone numbers of emergency response personnel.)

A written submission must be provided within five days of the time the permittee becomes aware of the circumstances unless this requirement is waived by the Director on a case-by-case basis. The permittee shall provide the Director with the following information:

- i. A description of the discharge and cause of noncompliance;
- ii. The period of noncompliance, including exact dates and times or, if not corrected, the anticipated time the noncompliance is expected to continue; and
- iii. The steps being taken to reduce, eliminate, and prevent recurrence of the non complying discharge.

b. Scheduled Reporting

For instances of noncompliance which are not reported under subparagraph 2.a. above, the permittee shall report the noncompliance on the Quarterly Operation Report. The report shall contain all information concerning the steps taken, or planned, to reduce, eliminate, and prevent recurrence of the violation and the anticipated time the violation is expected to continue.

3. Overflow

- a. "Overflow" means the discharge to land or water of wastes from any portion of the collection, transmission, or treatment system other than through permitted outfalls.
 - b. Overflows are prohibited.
- c. The permittee shall operate the collection system so as to avoid overflows. No new or additional flows shall be added upstream of any point in the collection system, which experiences chronic overflows (greater than 5 events per year) or would otherwise overload any portion of the system.
- d. Unless there is specific enforcement action to the contrary, the permittee is relieved of this requirement after: 1) an authorized representative of the Commissioner of the Department of Environment and Conservation has approved an engineering report and construction plans and specifications prepared in accordance with accepted engineering practices for correction of the problem; 2) the correction work is underway; and 3) the cumulative, peak-design, flows potentially added from new connections and line extensions upstream of any chronic overflow point are less than or proportional to the amount of inflow and infiltration removal documented upstream of that point. The inflow and infiltration reduction must be measured by the permittee using practices that are customary in the environmental engineering field and reported in an attachment to a Monthly Operating Report submitted to the local TDEC Environmental Field Office. The data measurement period shall be sufficient to account for seasonal rainfall patterns and seasonal groundwater table elevations.
- e. In the event that more than 5 overflows have occurred from a single point in the collection system for reasons that may not warrant the self-imposed moratorium or completion of the actions identified in this paragraph, the permittee may request a meeting with the Division of Water Pollution Control EFC staff to petition for a waiver based on mitigating evidence.

4. Upset

- a. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation.
- b. An upset shall constitute an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitations if the permittee demonstrates, through properly signed, contemporaneous operating logs, or other relevant evidence that:
- i. An upset occurred and that the permittee can identify the cause(s) of the upset;
- ii. The permitted facility was at the time being operated in a prudent and workman-like manner and in compliance with proper operation and maintenance procedures;
- iii. The permittee submitted information required under "Reporting of Noncompliance" within 24-hours of becoming aware of the upset (if this information is provided orally, a written submission must be provided within five days); and
- iv. The permittee complied with any remedial measures required under "Adverse Impact."

5. Adverse Impact

The permittee shall take all reasonable steps to minimize any adverse impact to the waters of Tennessee resulting from noncompliance with this permit, including such accelerated or additional monitoring as necessary to determine the nature and impact of the noncomplying discharge. It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

6. Bypass

- a. "Bypass" is the intentional diversion of wastewater away from any portion of a treatment facility. "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which would cause them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.
- b. Bypasses are prohibited unless all of the following 3 conditions are met:
- i. The bypass is unavoidable to prevent loss of life, personal injury, or severe property damage;

- ii. There are no feasible alternatives to bypass, such as the construction and use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass, which occurred during normal periods of equipment downtime or preventative maintenance;
- iii. The permittee submits notice of an unanticipated bypass to the Division of Water Pollution Control in the appropriate Environmental Field Office within 24 hours of becoming aware of the bypass (if this information is provided orally, a written submission must be provided within five days). When the need for the bypass is foreseeable, prior notification shall be submitted to the director, if possible, at least 10 days before the date of the bypass.
- c. Bypasses not exceeding permit limitations are allowed **only** if the bypass is necessary for essential maintenance to assure efficient operation. All other bypasses are prohibited. Allowable bypasses not exceeding limitations are not subject to the reporting requirements of 6.b.iii, above.

7. Washout

- a. For domestic wastewater plants only, a "washout" shall be defined as loss of Mixed Liquor Suspended Solids (MLSS) of 30.00% or more. This refers to the MLSS in the aeration basin(s) only. This does not include MLSS decrease due to solids wasting to the sludge disposal system. A washout can be caused by improper operation or from peak flows due to infiltration and inflow.
- b. A washout is prohibited. If a washout occurs the permittee must report the incident to the Division of Water Pollution Control in the appropriate Environmental Field Office within 24 hours by telephone. A written submission must be provided within five days. The washout must be noted on the discharge monitoring report. Each day of a washout is a separate violation.

D. LIABILITIES

1. Civil and Criminal Liability

Nothing in this permit shall be construed to relieve the permittee from civil or criminal penalties for noncompliance. Notwithstanding this permit, the permittee shall remain liable for any damages sustained by the State of Tennessee, including but not limited to fish kills and losses of aquatic life and/or wildlife, as a result of the discharge of wastewater to any surface or subsurface waters. Additionally, notwithstanding this Permit, it shall be the responsibility of the permittee to conduct its wastewater treatment and/or discharge activities in a manner such that public or private nuisances or health hazards will not be created.

2. Liability Under State Law

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable State law.

PART III OTHER REQUIREMENTS

A. CERTIFIED OPERATOR

The waste treatment facilities shall be operated under the supervision of a Biological Natural System operator and the collection system operated under the supervision of a Grade I Collection System certified operator in accordance with the Water Environmental Health Act of 1984.

B. PLACEMENT OF SIGNS

The permittee shall place a sign at all approaches to the drip irrigation lot. The sign should be clearly visible to the public. The minimum sign size should be two feet by two feet (2' x 2') with one inch (1") letters. The sign should be made of durable material and have a white background with black letters.

TREATED DOMESTIC WASTEWATER
DRIP IRRIGATED PLOTS
(PERMITTEE'S NAME)
(PERMITTEE'S PHONE NUMBER)
TENNESSEE DIVISION OF WATER
POLLUTION CONTROL
Knoxville Environmental Field Office
PHONE NUMBER: 1-888-891-8332

No later than sixty (60) days from the effective date of the permit, the permittee shall have the above sign(s) on display in the location specified.

C. ADDITION OF WASTE LOADS

The permittee may not add wasteloads to the existing treatment system without the knowledge and approval of the division.

D. SEPTIC TANK OPERATION

The proper operation of this treatment system depends, largely, on the efficient use of the septic tank. The solids that accumulate in the tank shall be removed at a frequency that is sufficient to insure that the treatment plant will comply with the discharge requirements of this permit.

E. SEPTAGE MANAGEMENT PRACTICES

The permittee must comply with the provisions of 40 CFR Part 503. If the septage is transported to another POTW for disposal, the permittee shall note the amount of septage wasted in gallons, % solids of septage wasted and the name of the facility to which the septage was taken on the monthly operation report. Sludge or any other material removed by any treatment works must be disposed of in a manner which prevents its entrance into or pollution of any surface or subsurface waters. Additionally, the disposal of such sludge or other material must be in compliance with the Tennessee Solid Waste Disposal Act, TCA 68-31-101 et seq. and Tennessee Hazardous Waste Management Act, TCA 68-46-101 et seq.

F. DRIP SITE MANAGEMENT

The drip irrigation system must have appropriate site management practices to ensure that the nitrogen design assumptions will be achieved. The cover crop must be able to uptake the prescribed amount of nitrogen (50 lbs/acre/year). This requirement shall not be construed to warrant any use of the harvested product and the permittee shall assume full responsibility for its proper use or disposal.

G. OWNERSHIP OF THE TREATMENT FACILITIES

- a. The permittee shall own the treatment facilities (and the land upon which they are constructed) including the land to be utilized for drip or spray irrigation. A perpetual easement (properly recorded) may be accepted in lieu of ownership. If the permittee elects to make the treated wastewater available for reuse (irrigation of a golf course for example) a backup dedicated land application site must be provided or a perpetual easement must be obtained for the property where reuse is to take place. The perpetual easement must allow year-round application of the wastewater except where the permittee has provided (and the division has approved) storage facilities for periods when reuse is not available. Evidence of ownership of the treatment facility land application site(s) and/or a copy of the perpetual easement(s) must be furnished to the division for approval prior to construction of the wastewater collection and treatment system.
- b. Where the treatment facility serves private homes, condominiums, apartments, retirement homes, nursing homes, trailer parks, or any other place where the individuals being served have property ownership, rental agreements, or other agreements that would prevent their being displaced in the even of abandonment or noncompliance of the sewerage system, ownership of the treatment facilities must be by a municipality, a public utility, a wastewater authority, or a privately owned public utility (having a Certificate of Convenience and Necessity from the Tennessee Regulatory Authority), or another public agency.

LaFollette Utilities Board/ Trimbach Development Operational Agreement Lakeside Estates Onsite Wastewater Treatment Facility

This operational agreement and contract is made and entered into on this day of, 20 of, by and between LAFOLLETTE UTILITIES BOARD, a utility incorporated under the laws of the State of Tennessee, with its office and principal place of business in Campbell County, Tennessee (hereinafter called "LUB"), and
Corporation/Partnership/Sole Proprietorship whose office and principal place of business
is in County, John SS (State) (hereinafter called
"Developer").

Whereas the Developer proposes to construct an onsite wastewater treatment facility within the boundary of LUB located in a development known as Lakeside Estates, on Ivey Hollow Road in Campbell County, Tennessee for the purpose of providing domestic wastewater treatment to the residents within the development and to transfer ownership to LUB. The following statements apply to this agreement:

- I. Construction, ownership, and applicable operating permits
 - A. Developer is responsible for all construction costs of the treatment facility, including future additions required by expansion of Lakeside Estates Development.
 - B. The Tennessee Department of Environment and Conservation has issued LUB a Standard Operating Permit naming LUB as the permitee. LUB is therefore responsible for all aspects of operation and maintenance of the wastewater treatment facility.
 - C. Trimbach Development agrees to transfer ownership of the wastewater treatment facility in its entirety to LUB by means of a perpetual easement, to include all portions of the facility including drip field property.
 - D. Construction plans and actual construction shall be according to applicable Federal, State, LUB, and local rules and regulations. Upon completion of construction, facility will be tested and approved before being placed into service.
 - II. Fees for providing wastewater service.
 - A. Houses, cabins, condos, or other dwellings shall be billed on a flat rate year round. The rate is equivalent to LUB's outside the city rate based on an average of 5,000 gallons per month usage. The sewer use rate shall consist of the outside the city minimum based on 0-2000 gallons, plus the charge for the next 3,000 gallons.

The rates will be adjusted to reflect any changes in LUB's sewer use rates. Each unit shall receive a separate bill. For example, a six unit condo will receive six individual bills.

- B. Empty lots or unoccupied properties within the active phases of the development shall be billed an empty lot fee based on the projected number of houses, condos, cabins, etc. to be constructed on the vacant properties. The developer/lot/property owner shall be billed a monthly bill for each of the vacant properties within active phases of the development. The developer shall provide LUB with a detailed site plan for the property clearly identifying plans for construction on each lot or tract.
- C. Empty lot fees will be the LUB minimum outside the city sewer use rate. The empty lot fees will be assessed on each planned individual unit to be constructed, whether it be houses, cabins, condos (EACH UNIT IN THE CONDO WILL COUNT AS AN INDIVIDUAL UNIT), or other dwelling for human occupation or use.
- D. Sewer use fees for empty lots will be adjusted to reflect any changes in LUB's sewer use rates.

In witness thereof, the parties hereto have caused this instrument to be executed in multiple originals by persons authorized so to do on or as of the day and year first given above.

LUB:

LAFOLLETTE UTILITIES BOA	RD of Campbell County, Tennessee
	By: With M Bid 1.
	General Manager
DEVELÔPER:	

Mailing Address:

370 Ech Wallay



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 Modific	ation
		town, industry, corporation, indi see Water Quality Control Board		ing to the provisions of	Tennessee Code Annotated
Permittee Name (applicant):	LaFollette Utilities				
Permittee Address:	302 North Tennesse LaFollette, TN 377	ee Avenue, P.O. Box 1411 66			
Official Contact: Eddie Troxell			Title or Position: Superintendent of W	Vater Operations	
Mailing Address: P.O. Box 1411			City: LaFollette	State: TN	Zip: 37766
Phone number(s): (423) 562-3316			E-mail: eddie.troxell@lub.or	g	
Optional Contact: Kenny Baird			Title or Position: General Manager		
Address: P.O. Box 1411			City: LaFollette	State: TN	Zip: 37766
Phone number(s): (423) 562-3316			E-mail: kenbaird@ccdi.net	A 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Application Certi	fication (must be signed	in accordance with the requi	rements of Rule 1200-4-5-	.05)	kadiba da jali 1991.
•	* -	nat this document and a system designed to			<u> </u>
		tted. Based on my inc			
		sible for gathering the			
		e, accurate, and comp			
submitting fals	se information, inc	cluding the possibility			ing violations.
Name and title; print or t			Signature		Date
Eddie Troxell			Selli 1.	Turkell	9/11/27

50P01013

RECEIVED

OCT 12 2007

Permit Section

SOP APPLICATION – page 2

Permit Number: SOP-____

Facility Identification:			Existing Permit No.	
Facility Name: Lakev	view Estates WWTP		County:	Campbell
Facility Address Waterfront Trails			Latitude:	36d22'17.4"
	llette, TN 37766		Longitude:	84d03'14.8''
		ake is the nearest water body. Discharge is to		ırface dripfield
If any other State or Federa	al Water/Wastewater Permits ha	ve been obtained for this site, list their permit number	rs:	
Name of company or gove	rnmental entity that will operate	the permitted system: LaFollette Utilites Board		
Operator address: 302 N	orth Tennessee Avenue, P.	O. Box 1411, LaFollette, TN 37766		
Authority (TRA) (may be	required for collection systems a	nce & Necessity (CCN), or an amended CCN, with thand land application treatment systems)?	No 🗌 N/A	
will be transferred or descr Upon construction collection system, to	ribe the contractual arrangement approval of plant by TDEC	ite or if the applicant will not be the operator, explain and renewal terms of the contract for operations. C and upon operational initiation of the system will be transferred to the LaFollette Utilities.	n, ownership	of the
		ty type, number of design units, and daily design v	wastewater flow	v:
Entity Type	Num	ber of Design Units		Flow (gpd)
☐ City, town or county	No. of connections:			
Subdivision	No. of homes: 410	Avg. No. bedrooms per home: 3		
School	No. of students:	Size of cafeteria(s):		
_		No. of showers:		
Apartment	No. of units:	No. units with Washer/Dryer hookups:		
_ <i>.</i>		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	uency of activities that result in	wastewater generation.		
• • •	activities generating domes	tic wastewater, including the use of baths, di	shwashers, fa	ucets, showers,

8659477556

SOP APPLICATION - page 3

Permit Number: SOP-Engineering Report (required for rolliection systems and/or land application treatment systems): 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 Approved? Tyes. Date: □ No ☐ Previously submitted and entitled: Wastewater Collection System: System type (i.e., gravity, low pressure, vacuum, combination, etc.): low pressure System Description: STEP system Describe methods to prevent and respond to any bypass of treatment or discharges (i.e., power failures, equipment failures, heavy rains, etc.): Pumping system will be monitored by real-time telemetry back to LaFollette Utilities, where operators are present to respond immediately to any incidences In the event of a system failure describe means of operator notification: real-time telemetry to LaFollette Utilities List the emergency contact(s) (name/phone): Eddie Troxell (423) 562-3316 For low-pressure systems, who is responsible for maintenance of grinder pumps and septic tanks (list all contact information)? LaFollette Utilities Board, 302 North Tennessee Avenue, P.O. Box 1411, LaFollette, TN 37766 Eddie Troxell, Superintendent of Water Operations, (423) 562-3316 Approximate length of sewer (excluding private service lateral): 5,400 feet / Number/hp of grinder pumps 1 / 7.5 hp Number/hp of pump stations: / 6K, 3K, 2K Number/volume septic tanks 78 Number/volume of low pressure pump tanks 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): Longitude (xx.xxxx°) Latitude (xx.xxxx^o) Tic-in Point Land Application Treatment System: Other, explain: Type of Land Application Treatment System:

Drip Spray Type of treatment facility preceding land application (recirculating media filters, lagoons, other, etc.): Advantex AX-100 textile-media recirculating filters, advanced anoxic nitrogen removal system, and UV filter Attach a treatment schematic. X Attached Describe methods to prevent and respond to any bypass of treatment or discharges (i.e., power failures, equipment failures, heavy rains, etc.): System will be monitored by real-time telemetry back to LaFollette Utilities Board, where operators are present to respond immediately to any incidences ☑ Inches/week to be applied: 2.25 For land application, list: Proposed acreage involved: 17.2 Describe how access to the treatment area will be restricted if wastewater disinfection is not proposed: Attach required additional Engineering Report Information (see website for more information) I 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

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

of six inches by six inches.

SOP APPLICATION – page 4

Permit Number:	SOP-

Pump and Haul:
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):
Pond use: Recirculation Sedimentation 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?
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.)?
Describe the liner material (if soil liner is used give the compaction specifications):
Is there an emergency overflow structure? Yes No
If so, provide a design drawing of structure.
Are monitoring wells or lysimeters installed near or around the pond(s)? Yes No
If so, provide location information and describe monitoring protocols (attach additional sheets as necessary):

RECEIVED

OCT 12 2007

Permit Section

SOP APPLICATION – page 5

Permit Number: SOP-____

Mobile West Overeties	⊠ N/A		
Mobile Wash Operations:			
☐ Individual Operator	☐ Fleet Operation Operator		
Indicate the type of equipment, vehicle, or structure to be was			
Cars	Parking Lot(s): sq. ft.		
Trucks	Windows: sq. ft.		
Trailers (Interior washing of dump-trailers, or tanks, is prohibi	ted.) Structures (describe):		
Other (describe):			
Wash operations take place at (check all that apply):			
Car sales lot(s)	Public parking lot(s)		
☐ Private industry lot(s)	☐ Private property(ies)		
County(ies), list:	Statewide		
Wash equipment description:			
☐ Truck mounted	Trailer mounted		
☐ Rinse tank size(s) (gal.):	☐ Mixed tanks size(s) (gal.):		
Collection tank size(s) (gal.):	Number of tanks per vehicle:		
ressure washer: psi (rated) gpm (rated) Pressure washer: gas powered electric			
Vacuum system manufacturer/model: Vacuum system capacity: inches Hg			
Describe any other method or system used to contain and collect v	vastewater:		
Light the public causer cyclem where you are permitted or have write	ten permission to discharge waste wash water (include a copy of the permit or		
permission letter):	ton permission to discharge waste wash water (metade a copy of the permit of		
	7		
Are chemicals pre-mixed, prior to arriving at wash location?			
Describe all soaps, detergents, or other chemicals used in the w			
Chemical name:	Manufacturer: Primary CAS No. or Product No.		
	,		

OFF1	ICIAL S	TATE	USE	ONLY

Official State Col Chair			
Received Date	Permit Number	Field Office	Reviewer
6/13	SOP		67

ATTACHEMENT 6:

DSH & Associates Articles of Incorporation/Business License

6/13

For Office Use Only



ARTICLES OF ORGANIZATION (LIMITED LIABILITY COMPANY)

(For use on or after 7/1/2006)

Department of StateCorporate Filings 312 Eighth Avenue North 6th Floor, William R. Snodgrass Tower Nashville, TN 37243

The the	Articles of Organization presented herein Tennessee Revised Limited Liability Comp	n are adopted in accordanc pany Act.	e with the provisions of
1.	The name of the Limited Liability Company is	DSH & Associates, LLC	
		•	
2.	Knox		37922 (State/Zip Code)
	(County)		
3.	The Limited Liability Company will be: <i>(NO</i> ☐ <u>M</u> ember Managed	TE: PLEASE MARK APPLICABLE aged <u>D</u> irector Manage	•
4.	Number of Members at the date of filing, if m	nore than six (6): 1	·
5.	If the document is not to be effective upon fine effective date and time is: (Not to excee Date:,,	d 90 days)	•
6.	The complete address of the Limited Liability 12828 Stahl Drive Knoxville	y Company's principal executiv	ve office is: TN 37922 tate/County/Zip Code)
7.	Period of Duration if not perpetual:		
8.	Other Provisions:		
9.	THIS COMPANY IS A NONPROFIT LIMITED LIABII	LITY COMPANY (Check if applic	able) 🔲
	10/2007 gnature Date	Signature	S. Holy
N	lanaging Member	Douglas S. H	odge
Sig	gner's Capacity (if other than individual capaci	ty) Name (printed or ty	ped)
	SS-4270 (Rev. 05/06) Filing Fee: \$50 per member (minir	num fee = \$300, maximum fee = \$3,000	RDA 2458

Secretary of State
Division of Business Services
312 Rosa L. Parks Avenue
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 03/05/09
REQUEST NUMBER: 6463-2019
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 03/04/09 0933
EFFECTIVE DATE/TIME: 03/04/09 0933
CONTROL NUMBER: 0560182

TO: DSH & ASSOCIATES LLC 704 WATERS EDGE DANDRIDGE, TN 37725

RE:
DSH & ASSOCIATES, LLC
APPLICATION FOR REINSTATEMENT - DOMESTIC
LIMITED LIABILITY COMPANY

IT HAS BEEN DETERMINED THAT THE ATTACHED APPLICATION FOR REINSTATEMENT CONTAINS THE INFORMATION REQUIRED BY STATUTE, THEREFORE THE ABOVE LIMITED LIABILITY COMPANY IS HEREBY REINSTATED, OR IF A FOREIGN LIMITED LIABILITY COMPANY, ITS CERTIFICATE OF AUTHORITY IS REINSTATED.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE LIMITED LIABILITY COMPANY CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR REINSTATEMENT - DOMESTIC LIMITED LIABILITY COMPANY

ON DATE: 03/04/09

FROM: DSH & ASSOCIATES LLC 12828 STAHL DR

TOTAL PAYMENT RECEIVED:

RECEIVED:

\$0.00 \$70.00

KNOXVILLE, TN 37934-0000

FEES

\$70.00

RECEIPT NUMBER: 00004543995 ACCOUNT NUMBER: 00621665



TRE HARGETT
SECRETARY OF STATE

(23) j--h

m



Bepartment of State

Corporate Filings 312 Eighth Avenue North 6th Floor, William R. Snodgrass Tower Nashville, TN 37243

APPLICATION FOR REINSTATEMENT FOLLOWING ADMINISTRATIVE DISSOLUTION/REVOCATION (LLC)

STATE OF TENNESSE For Office Use Only

2009 FEB 20 AM 8: 23

TRE HARGETT SECRETARY OF STATE

OI SU	Pursuant to the provisions of §48-245-303 or §48-246-503 of the Tennessee Limited Ciability Company Act r §48-259-606 or §48-249-910 of the Tennessee Revised Limited Liability Company Act, this application is abmitted to the Tennessee Secretary of State for reinstatement.
1.	The name of the Limited Liability Company is DSH & Associates, LLC
	(Name change if applicable)
2.	The effective date of its administrative dissolution/revocation is $8-22-69$ (must be month, day and year)
3.	The ground(s) for the administrative dissolution/revocation
	did not exist.
	has/have been eliminated.
	[NOTE: Please mark the applicable box]
4.	The Limited Liability Company name as listed in number one (1) satisfies the name requirements of Tennessee Limited Liability Company Act or Tennessee Revised Limited Liability Company Act, as applicable.
5.	The Limited Liability Company control number assigned by the Secretary of State, if known is 0560 182.
_	DSH & Associates, LLC Name of Limited Liability Company Managing Member Signature Name (typed or printed)
	SS-4240 (Rev. 01/06) Filing Fee: \$70 RDA 2458

ATTACHEMENT 7:

Degrees & Certificates of DSH Staff

UNIVERSITY OF SOUTHERN CALIFORNIA

OFFICIAL ACADEMIC TRANSCRIPT

OFFICE OF THE REGISTRAR LOS ANGELES, CA 90089-0912 (213) 740-7445

RELEASE OF THIS RECORD OR DISCLOSURE OF ITS CONTENTS TO ANY THIRD PARTY WITHOUT WRITTEN

CONSENT OF THE STUDENT IS PROHIBITED STUDENT NAME STUDENT NUMBER DATE

Hodge, Douglas, Stuart

01-02-96

NOTE: THE NAME OF THE UNIVERSITY IS PRINTED ACROSS THE FACE OF THE 8 1/2 X 11 TRANSCRIPT. PHOTOCOPIES ARE NOT TO BE CONSIDERED OFFICIAL TRANSCRIPTS. THE REGISTRAR'S SEAL AND SIGNATURE APPEAR ON THE FIRST PAGE.

> ISSUE TO: DOUGLAS S. HODGE 315 17TH STREET SEAL BEACH, CA 90740

CONTROL #: 000000153485

RAISED SEAL NOT REQUIRED

This official document, issued by the Registrar's Office, is printed on tamper-proof security paper and does not require a raised seal.

Kenneth L. Servis

Dean of Academic Records and Registrar

USC Degrees Awarded 05/08/92 Master of Science

Environmental Engineering 12/17/93 Doctor of Philosophy

Civil Engineering(Environmental Engineering)

Transfer Summary Information Undergraduate Units Attempted: 105.00

Earned: 80.00 Available: 80.00

----- USC Cumulative Totals

Undergraduate Units Attempted: 3.0 Earned: 3.0 Available: 3.0 GPA Units: 3.0 Grade Points: Graduate Units Attempted: 70.0 Earned: 70.0 Available: 70.0 GPA Units: 63.0 Grade Points: 217.6 SPA-Other Units Attempted: 2.0 Earned: 2.0 Available: 0.0 GPA Units: 2.0 Grade Points: GPA:

Fall Semester 1988 (09-06-88 to 12-22-88)

Fluid Mechanics Environmental Chemistry

Water Quality Control

CE-463L Environmental Engineering Laboratory

Term Units Term Units Term GPA Term Grade Term Units Attempted Earned Points GPA

Course included in graduate GPA Course included in graduate GPA Course included in graduate GPA

Class Level:

Grade Points: 308.00

73

11.1

Junior

CE-309

CE-443

CE-453

NIVERSITY OF SOUTHERN CALIFORNIA • UNIVERSITY OF SOUTHERN CALIFO



14 Campus Blvd | Newtown Square, PA 19073-3299 USA Tel: +1 610 356 4600 Fax: +1 610 356 4647

www.pmi.org

PMI Identification Number PMP® number: 1322650 PMI ID number: 1704925

PMP Original Grant Date: 16 March 2010 PMP Expiration Date: 15 March 2013

22 March 2010

DOUGLAS HODGE 704 WATERS EDGE DANDRIDGE TN 37725 UNITED STATES

Dear Dr. Douglas Hodge,

On behalf of the PMI's Certification Department, congratulations on the successful demonstration of your project management knowledge by passing the Project Management Professional (PMP)[®] examination. As one of a select group of project management practitioners to earn the PMP designation, you can justifiably take pride in your accomplishment. Welcome to the global community of PMP credential holders.

The enclosed material is provided to you as a new PMP credential holder. Review this material carefully and create a PMP certification file to maintain these and additional materials you will receive pertaining to the maintenance of your credential. Included in this packet are a personalized certificate and a pin that attest to the fact that you are a certified Project Management Professional. On your PMP certificate you will find:

- PMP number: This is the unique identification number used by PMI to maintain your PMP record. This
 number, along with the PMI identification number (issued when you applied), is needed to access the
 online system used for reporting professional development units (PDUs) and to register your PDU
 activities in compliance with Continuing Certification Requirements (CCR) program.
- PMP Original Grant Date: This is the date that you earned the PMP credential. As you renew your credential every three years, this date will remain the same. If you allow your credential to expire and successfully earn the PMP again, then you will be issued a new PMP since date.
- PMP Expiration Date: This is the date that your active credential expires. You must renew your credential before this date to remain an active PMP. You will receive a new certificate with the current date each time you renew your PMP credential, but you will retain your original PMP number.

We understand that you may have questions and we are happy to provide the support you need. For more detailed information about your credential and its maintenance, please view the Frequently Asked Questions on the Credential & Certification pages of PMI.org. If you have questions, please e-mail customercare@pmi.org.

Sincerely,

Brian Weiss

Vice President, Product Management





THIS IS TO CERTIFY THAT

Douglas S. Hodge

KNOWLEDGE AND SKILLS TO LEAD AND DIRECT PROJECT TEAMS AND IS HEREBY HAS BEEN FORMALLY EVALUATED FOR DEMONSTRATED EXPERIENCE,

Project Management Professional

BESTOWED THE GLOBAL CREDENTIAL

IN TESTIMONY WHEREOF, WE HAVE SUBSCRIBED OUR SIGNATURES UNDER THE SEAL OF THE INSTITUTE.

Eugene Bounds · Chair, Board of Directors

Gregory Balestron Chieff Executive Officer and President

PMP® Number 1322650

PMP® Original Grant Date 16 March 2010

PMP® Expiration Date 15 March 2013



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

RENEWAL NO.

1842

THIS IS TO CERTIFY THAT

Robert C Young, Jr.

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

WW4 SW5

CS1

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



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



GLENN SCHMIDT, P.E. PRINCIPAL ENGINEER

QUALIFICATIONS

MR. SCHMIDT HAS MORE THAN 21 YEARS OF EXPERIENCE AS A PROCESS ENGINEER AND PROJECT ENGINEER PROVIDING ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL. AREAS OF EXPERTISE INCLUDE PROCESS DESIGN, CONSTRUCTION SUPPORT, O&M, INDUSTRIAL/COMMERCIAL/RESIDENTIAL WASTE WATER TREATMENT SYSTEM DESIGN, SPECIALTY CHEMICAL SYSTEMS, CHEMICAL STORAGE, MIXING AND METERING SYSTEM DESIGNS, DEWATERING FOR CONSTRUCTION SUPPORT, WASTE SLURRY RETRIEVAL DEWATERING AND STABILIZATION FOR DISPOSAL, CHEM DEMIL PROCESS DESIGN EXPERIENCE AND PROCESS UTILITIES SYSTEMS.

EXPERIENCE

DSH & Associates, Knoxville, TN PRINCIPLE ENGINEER

2011 - PRESENT

MR. SCHMIDT SERVES AS A SENIOR PRINCIPLE ENGINEER FOR DSH. HE PROVIDES ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL.

JACOBS ENGINEERING GROUP INC., OAK RIDGE, TN SENIOR PROCESS ENGINEER

2008 - 2011

MR. SCHMIDT SERVES AS A SENIOR PROCESS ENGINEER FOR JACOBS, OAK RIDGE, TN OFFICE. HE PROVIDES PROCESS ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL. HIS PROJECT EXPERIENCE INCLUDES THE FOLLOWING:

DOE'S UPF:

MR. SCHMIDT IS CURRENTLY ASSIGNED TO Y-12'S URANIUM PROCESSING FACILITY WITHIN THE UTILITIES GROUP. HE IS THE PIPING GROUP LEAD AND THE DESIGN LEAD FOR SEVERAL UTILITY SYSTEM INCLUDING THE CHILLED WATER SYSTEM, DEMINERALIZED WATER SYSTEM, PROCESS WATER SYSTEM AND POTABLE WATER SYSTEM. HIS RESPONSIBILITIES INCLUDE CONCEPTUAL DESIGN THROUGH DETAILED DESIGN. HE HAS PREPARED THE PFDS, P&IDS, ASSOCIATED DESIGN CALCULATIONS AND SYSTEM DESCRIPTIONS. IN SUPPORT OF HIS WORK FOR UPF MR. SCHMIDT HAS BECOME PROFICIENT AT USING AFT FATHOM HYDRAULIC MODELING SOFTWARE.

BECHTEL POWER GROUP SENIOR MECHANICAL ENGINEER

2007 - 2008

MR. SCHMIDT DEVELOPED AN EXTENSIVE RAW COOLING WATER SYSTEM HYDRAULIC HEAD LOSS MODEL FOR THE WATTS BAR UNIT 2 CONSTRUCTION COMPLETION PROJECT FOR TVA. THE MODEL WAS INITIATED BY GLENN AND



INVOLVED EXTRACTION OF DESIGN DATA FROM SEVERAL DRAWING AND DESIGN DOCUMENTS FOR AN EXTENSIVE LIST OF WATER USERS. THE MODEL PROVED TO BE A USEFUL TOOL AT IDENTIFYING BOTTLENECKS AND PROVIDING A BASIS TO DETERMINE THE REQUIRED PUMP CAPACITY FOR THE DUAL UNIT OPERATION.

MR. SCHMIDT DEVELOP SEVERAL OPERATING MODES FOR THE ESSENTIAL RAW COOLING WATER SYSTEM THAT REQUIRED DEFINING WATER USERS AND THE FLOW REQUIREMENTS IN ORDER TO MODEL THE SYSTEM FOR DUAL UNIT OPERATION AT WATTS BAR NUCLEAR POWER PLANT. THE MODEL IS BEING USED TO PROVIDE THE BASIS FOR THE PUMP HEAD AND FLOW REQUIREMENTS COMPARED TO THE SYSTEMS EXISTING CAPACITY.

CAPE ENVIRONMENTAL, KNOXVILLE, TN LEAD TECHNICAL ENGINEER

2005 - 2007

MR SCHMIDT PREPARED OR OVERSAW THE PREPARATION OF PLANS, SPECIFICATIONS AND DRAWINGS FOR CONSTRUCTION AND OPERATIONS. HE PROVIDED TECHNICAL SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION PERSONNEL AND OPERATIONS PERSONNEL. HIS PROJECT EXPERIENCE INCLUDES THE FOLLOWING:

ROCKAWAY BOROUGH GROUNDWATER REMEDIATION:

MR. SCHMIDT WAS THE LEAD ENGINEER FOR THE PROJECT THAT INCLUDES THREE EXTRACTIONS WELLS SUPPLYING GROUND WATER CONTAMINATED WITH PCE TO AN AIR STRIPPER TREATMENT PROCESS. MR. SCHMIDT CONDUCTED A DESIGN AND CONSTRUCTABILITY REVIEW FOR THE TASK AND PARTICIPATED IN PARTNERING MEETINGS WITH THE PROJECT STAKEHOLDERS. HIS GROUNDWATER PUMP AND TREAT PROCESS DESIGN EXPERIENCE HELPED HIM IDENTIFY A MAJOR COST SAVINGS BY RECOMMENDING A COMMON HEADER PIPE FORCE MAIN FOR THE EXTRACTION WELLS TO FEED THE WATER TREATMENT PLANT IN LIEU OF INDIVIDUAL FORCE MAINS FROM EACH WELL. THE DESIGN CHANGE AVOIDED MULTIPLE INTERFACE PROBLEMS WITH UNDERGROUND UTILITIES AND RESULTED IN A \$500,000 COST REDUCTION. HE OBTAINED QUOTES FOR MECHANICAL, ELECTRICAL, CONTROLS, AND PROCESS EQUIPMENT AND PLAYED A LEAD ROLE IN PREPARING A FIRM FIXED PRICE BID FOR THE PROJECT. MR SCHMIDT WAS THE SITE SUPERINTENDENT FOR THE WELL INSTALLATION.

GRUBER'S GROVE BAY SEDIMENT DREDGING:

MR. SCHMIDT WAS THE LEAD ENGINEER FOR THE PROJECT. THE PROJECT SCOPE REQUIRED REMOVAL OF 60,000 CY OF SEDIMENT FROM A 17 ACRE BAY WITH A HYDRAULIC DREDGE. THE DREDGE MATERIAL WAS DEWATERED AND STORED ONSITE. THE SEDIMENT SLURRY WAS TREATED FOR MERCURY, LEAD AND COPPER TO BIND THE METALS TO THE SEDIMENT TO ENSURE THE FILTRATE MEET THE SPRAY IRRIGATION REQUIREMENTS. MR. SCHMIDT PROVIDED PROCESS DESIGN SUPPORT UPON AWARD. HE DEVELOPED THE POLYMER FEED SYSTEM DESIGN THAT WAS PROVEN TO BE SIMPLE AND RELIABLE TO OPERATE AND EFFECTIVE AT REMOVING THE MERCURY, LEAD AND COPPER FOR THE SPRAY IRRIGATION PROCESS. MR. SCHMIDT PERFORMED SLURRY LINE HYDRAULIC CALCULATION UTILIZING PIPE FLO SOFTWARE. THE CALCULATIONS SUPPORTED A DESIGN DECISION TO ELIMINATE AN IN LINE BOOSTER PUMP THAT RESULTED IN A \$200,000 SAVING FOR THE BOTTOM LINE. MR. SCHMIDT PROVIDED CONSTRUCTION SUPPORT, O&M SUPPORT TO



OPTIMIZE THE SYSTEM AND STAND IN COVERAGE FOR THE SITE SUPERINTENDENT AS NEEDED.

ROCKY HILL GROUNDWATER TREATMENT FACILITY:

MR. SCHMIDT WAS THE LEAD ENGINEER FOR THE PROJECT. THE PROJECT CONSISTED OF A GROUND WATER PUMP AND TREAT SYSTEM. THE WATER CONTAINS TCE AS THE PRIMARY CONTAMINATE OF CONCERN AND IS PROCESSED THROUGH A LIQUID PHASE GRANULAR ACTIVATED CARBON PROCESS. MR. SCHMIDT PROVIDED ENGINEERING SUPPORT FOR THE FACILITY. HE CLOSED OUT PUNCH LIST ITEMS INCLUDING VESSEL REPLACEMENT, UNDER DRAIN REPLACEMENT, SUMP MODIFICATIONS, AND O&M MANUAL COMMENT CLOSEOUT. MR. SCHMIDT PREPARED THE WORK PLANS AND DRAWINGS AND PROVIDED PROCUREMENT SUPPORT ALONG WITH DIRECT HANDS ON CONSTRUCTION SUPPORT. ALL TASKS WERE COMPLETED AS PLANNED AND ON SCHEDULE.

ROBINS AIR FORCE BASE:

MR. SCHMIDT PROVIDED PROCESS / MECHANICAL DESIGN SUPPORT FOR VARIOUS PROJECT ASSOCIATED THE BASES' INDUSTRIAL WASTEWATER TREATMENT OPERATIONS AND REMEDIATION SYSTEMS. MR. SCHMIDT PREPARED THE BASIS OF DESIGN DOCUMENTS, PROCESS FLOW DIAGRAMS, P&IDS, GENERAL ARRANGEMENTS DRAWINGS, MATERIAL TAKE OFFS, EQUIPMENT SPECIFICATIONS, PROCUREMENT SUPPORT AND CONSTRUCTION DRAWINGS FOR VARIOUS BASE PROJECTS.

MR. SCHMIDT PREPARED THE PIPING DRAWING AND ASSOCIATED HYDRAULIC CALCULATIONS FOR A 2,400 GPM OIL WATER SEPARATOR. HE IDENTIFIED A COST SAVING OF USING PVC PIPING IN LIEU OF CAST IRON FOR THE ABOVE GROUND COMPONENTS AND RECOMMENDED BUTTERFLY VALVE IN LIEU OF 14 INCH PINCH VALVE RECOMMENDED BY PREVIOUS DESIGNERS. THE LARGE PINCH VALVES COST 12 TIMES AS MUCH AND ARE DIFFICULT TO OPERATE. THE EQUIPMENT WAS INSTALLED AND HAS PROVEN TO BE RELIABLE AND EFFECTIVE.

MR. SCHMIDT PREPARED THE CONSTRUCTION DRAWING FOR A 1,000 SCFM VAPOR PHASE GAC SYSTEM FOR VOC REMOVAL. HE PREPARED THE MATERIAL TAKE OFF AND PROVIDED PROCUREMENT SUPPORT. MR. SCHMIDT OVERSAW CONSTRUCTION IN THE FIELD THAT WAS STREAMLINED IN ORDER TO COMPLETE THE EQUIPMENT, PIPING AND ELECTRICAL WORK IN 4 DAYS FOLLOWED BY A SUCCESSFUL STARTUP THAT REQUIRED NO TROUBLE SHOOTING.

JACOBS ENGINEERING GROUP INC., OAK RIDGE, TN 1998 – 2005 PROCESS DEPARTMENT MANAGER

MR. SCHMIDT SERVED AS THE PROCESS DEPARTMENT MANAGER FOR JACOBS, OAK RIDGE, TN OFFICE AND HAS MANAGED UP TO 35 PROCESS ENGINEERS. HE PROVIDED PROCESS ENGINEERING SUPPORT TO PROJECT MANAGEMENT, CONSTRUCTION AND OPERATIONS PERSONNEL. HIS PROJECT EXPERIENCE INCLUDES THE FOLLOWING:

SODIUM METAL STORAGE AND HANDLING:

MR. SCHMIDT SERVED AS THE SODIUM METAL SUBJECT MATTER EXPERT FOR BECHTEL JACOBS CORPORATION TO RECONFIGURE BULK SODIUM METAL STORAGE IN A SAFE CONFIGURATION IN ACCORDANCE WITH INDUSTRY STANDARDS. STORAGE AND REPACKAGING RECOMMENDATIONS AND OVERSIGHT



OF SEVERAL LARGE SODIUM AND LITHIUM METAL SHIELDING CONTAINERS WAS PERFORMED SAFELY WITHOUT INCIDENCE.

ROCKY FLATS AMERICIUM WATER TREATMENT SYSTEM:

ENGINEERING MANAGER AND LEAD PROCESS ENGINEER FOR A 1,400 GPM WATER TREATMENT PLANT TO REMOVE AMERICIUM FROM 30 MILLION GALLONS OF CONTAMINATED WATER. THE TREATMENT FACILITY WAS A FAST TRACK DESIGN EFFORT TO PREVENT THE RELEASE OF CONTAMINATED WATER THAT WOULD DRAIN TO A MAJOR CITY WATER STORAGE RESERVOIR. RESPONSIBILITIES INCLUDED CONCEPTUAL DESIGN DEVELOPMENT, DEVELOPING AND EVALUATING JAR TESTS DATA, DESIGN CALCULATIONS FOR EQUIPMENT SIZING, COMMISSIONING PLAN, LEAD STARTUP ENGINEER, AND OPERATOR ROUND SHEETS.

MMR PERCHLORATE AND RDX WATER TREATMENT SYSTEM:

DESIGN PROJECT MANAGER FOR A 250 GPM GROUNDWATER TREATMENT SYSTEM TO REMOVE PERCHLORATE AND RDX. RESPONSIBLE FOR TECHNOLOGY SELECTION, BENCH SCALE TEST EVALUATIONS, COST ESTIMATE DEVELOPMENT AND ALL DESIGN ACTIVITIES. THE SYSTEM WAS INSTALLED AS DESIGNED AND HAS PROVEN TO BE RELIABLE.

NEW BEDFORD HARBOR DREDGING PROJECT:

ENGINEERING MANAGER FOR THE ARMY CORP OF ENGINEERS NEW BEDFORD HARBOR REMEDIATION PROJECT. RESPONSIBLE FOR ENGINEERING. COMMISSIONING, AND START-UP. THE PROJECT REQUIRED DREDGING OF 750,000 CY OF PCB LADEN SEDIMENTS. THE PROCESS INCLUDES THREE 2,000 GPM DREDGES, COURSE SCREENING, DESANDING, POLYMER TREATMENT TO FACILITATE FILTER PRESS DEWATERING AND A 2,000-GPM WATER TREATMENT FACILITY TO SUPPORT THE DREDGING OPERATION. WATER TREATMENT INCLUDES COPRECIPITATION PROCESS FOR LEAD, COPPER, AND CADMIUM FOLLOWED BY FILTRATION AND CARBON ADSORPTION TO REMOVE PCBs. MR SCHMIDT WAS THE LEAD START-UP ENGINEER FOR THE PROJECT AND DEVELOPED A FAST TRACK HYDROGEN SULFIDE PROCESS CONTROL SYSTEM CONCEPTUAL PLAN, BENCH SCALE TEST. AND FULL SCALE SYSTEM START-UP. THE HYDROGEN SULFIDE PROCESS CONTROL DEVELOPMENT ALLOWED THE PROJECT TO RESTART FROM A SYSTEM DOWN, STANDBY COST STATUS.

WHITE PHOSPHORUS RAIL CAR FACILITY:

LEAD PROCESS ENGINEER FOR THE DEPARTMENT OF ARMY WHITE PHOSPHORUS RAILCAR UNLOADING, STORAGE TANK AND FEED SYSTEM DESIGN. RESPONSIBILITIES INCLUDED EQUIPMENT SELECTION AND LAYOUT, PROCESS DESCRIPTION, ENGINEERING CALCULATIONS, EQUIPMENT DATA SHEETS AND P&ID'S.

DOE FERNALD K-65 WASTE TREATMENT:

LEAD PROCESS ENGINEER FOR TREATMENT OF RESIDUAL RADIOACTIVE ORE FOR DOE'S FERNALD SITE. MR SCHMIDT LED THE INITIAL PROPOSAL EFFORTS ALONG WITH THE ENGINEERING MANAGER. HE DEVELOPED THE BASIS OF DESIGN FOR THE PROPOSAL AND SOLD JACOBS DESIGN CAPABILITIES TO THE CLIENT. THE SYSTEM DESIGN INCLUDED WASTE SLURRY RETRIEVAL, STORAGE TANKS, THICKENER, GROUT MIXERS AND CHEMICAL FEED SYSTEMS ALONG WITH STORAGE AND TRANSPORTATION CONTAINERS FOR THE TREATED WASTE MATERIAL. THE OVERALL PROJECT COST WAS \$300M AND INCLUDE \$30M IN DESIGN, CONSTRUCTION AND OPERATIONS SUPPORT FOR THE OFFICE.



MR SCHMIDT DEVELOPED A WATER TREATMENT OPTIMIZATION STUDY TO IMPROVE URANIUM REMOVAL FOR DOE'S FERNALD SITE. THE STUDY REQUIRED A DETAILED SURVEY OF THE CURRENT PLANT OPERATION. DEVELOPED THE JAR TESTING PLAN AND RECOMMENDED PREFERRED ALTERNATIVES FOR IMPLEMENTATION.

ROHM AND HAAS CHEMICAL STORAGE FEED SYSTEMS:

LEAD PROCESS ENGINEER AND START-UP ENGINEER FOR ROHM AND HAAS CAPITAL PROJECTS FOR POLYMERS EXPANSION. SYSTEM DESIGN EXPERIENCE INCLUDES TRIETHANOLAMINE, SODIUM HYPOPHOSPHATE AND GLACIAL ACRYLIC ACID UNLOADING, STORAGE AND FEED SYSTEM DESIGN. MR. SCHMIDT DESIGNED AND STARTED UP THE RAILCAR UNLOADING AND STORAGE FACILITY FOR GLACIAL ACRYLIC ACID FEED SYSTEM.

DOE'S SAINT LOUIS AIRPORT PROJECT (SLAPS):

LEAD PROCESS ENGINEER TO DEVELOP AND OPTIMIZE SELENIUM REMOVAL FOR USACE ST. LOUIS AIRPORT SITE TO REMOVE SELENIUM FROM IMPOUNDED SURFACE WATERS COLLECTED DURING REMEDIATION OF RADIOACTIVE WASTE DRUMS. HE WAS THE TEAM LEADER FOR VALUE ENGINEERING PROCESS DEVELOPMENT, DEVELOPED TREATABILITY TEST PLAN AND FULL SCALE DESIGN AND OPERATING PROCEDURES. THE DESIGN WAS IMPLEMENTED AND MET THE REQUIRED DISCHARGE STANDARDS.

DOE'S WELDON SPRING SITE REMEDIAL ACTION PROJECT:

LEAD PROCESS ENGINEER FOR GROUNDWATER EXTRACTION SYSTEM DESIGN FOR TCE, URANIUM AND NITRATE REMOVAL. THE DESIGN REQUIRED GRANULAR ACTIVATED CARBON FOR TCE REMOVAL, ION EXCHANGE FOR URANIUM REMOVAL, BIOLOGICAL TREATMENT FOR NITRATE DESTRUCTION, FOLLOWED BY HYDROGEN PEROXIDE FEED SYSTEM DESIGN FOR RESIDUAL ORGANIC DESTRUCTION AND BIOLOGICAL ACTIVITY.

LEAD PROCESS ENGINEER AND PROJECT ENGINEER FOR AN INDUSTRIAL LANDFILL LEACHATE WATER TREATMENT SYSTEM. THE SYSTEM DESIGN INCLUDED COLLECTION AND FEED SYSTEMS, OXIDATION FOR MANGANESE PRECIPITATION AND FILTRATION FOLLOWED BY ION EXCHANGE FOR URANIUM REMOVAL.

PUEBLO CHEMICAL DEPOT, CHEMICAL DEMILITARIZATION FACILITY:

LEAD PROCESS ENGINEER FOR THE DESIGN OF THE PUEBLO CHEMICAL DEPOT, CHEMICAL DEMILITARIZATION FACILITY DESIGN TO DESTROY 790,000 MUSTARD AGENT FILLED MUNITIONS. RESPONSIBLE FOR ALL PFD'S, GA'S AND P&ID'S. SYSTEM ENGINEER FOR SPENT DECON DISPOSAL SYSTEM AND FURNACE SYSTEMS POLLUTION ABATEMENT SYSTEMS

MASSACHUSETTS MILITARY RESERVATION:

LEAD PROCESS AND START UP ENGINEER FOR THE DESIGN CONSTRUCTION AND OPERATION OF 11 GROUNDWATER TREATMENT SYSTEMS FOR OTIS AIR FORCE BASE. THE TREATMENT RATES RANGED FROM 600 GPM TO 4,000 GPM. UNIT PROCESSES ARE GREENSAND FILTRATION TO REMOVE IRON AND MANGANESE, ACTIVATED CARBON TO REMOVE ORGANIC COMPOUNDS AND SODIUM HYPOCHLORITE FEED SYSTEM TO CONTROL BIOLOGICAL GROWTH. RESPONSIBILITIES INCLUDED DETAIL PROCESS DESIGN, START-UP PROCEDURES, LEAD START-UP ENGINEER, AND OPERATIONS PROCESS ENGINEERING SUPPORT. PLANT OPTIMIZATION EXPERIENCE INCLUDES REBEDDING OF GREENSAND FILTER



VESSELS AND PROVIDING DETAILED OPERATING PROCEDURES IN ORDER TO EFFECTIVELY OPERATE THE FILTERS. DESIGNED A SODIUM HYPOCHLORITE FEED SYSTEM TO MINIMIZED BACKWASHING DUE TO BIOFOULING ON ACTIVATED CARBON FILTERS.

WELDON SPRING SITE REMEDIAL ACTION PROJECT MORRISON KNUDSEN CO, ST CHARLES, MO 1998

1991

LEAD PROCESS ENGINEER

LEAD PROCESS ENGINEER RESPONSIBLE FOR OVERALL SYSTEM PERFORMANCE, MAINTENANCE RECOMMENDATIONS, AND DESIGN LEAD FOR ALL WASTE TREATMENT. MR SCHMIDT DEVELOPED PLANT MODIFICATIONS ALONG WITH PROCEDURES FOR MAINTENANCE AND OPERATIONS.

DREDGING AND DEWATERING OPERATIONS:

MR. SCHMIDT DEVELOPED SEVERAL DEWATERING SYSTEMS TO SUPPORT OPERATIONS AND MAJOR CONSTRUCTIONS PROJECTS. SEVERAL VACUUM TRUCK AND SLURRY OPERATIONS WERE DEVELOPED TO REMOVE WATER AND SEDIMENTS FROM SEVERAL CONTAINMENT SYSTEMS. UNIT PROCESSES INCLUDED DREDGING OPERATIONS, SLUICING OPERATIONS, SETTLING PONDS, THICKENERS, CLARIFIERS, FILTER PRESS SYSTEMS AND SLUDGE INTERIM STORAGE AND DISPOSAL OPERATIONS. HE WAS THE PROCESS ENGINEER OVER DREDGING OF 180,000 CY OF WASTE SLURRY FOR TREATMENT.

INDUSTRIAL WASTEWATER TREATMENT:

MR. SCHMIDT WAS RESPONSIBLE FOR PROCESS DESIGN, OPERATION, AND MONITORING OF FOUR WATER TREATMENT PLANTS. THE TREATMENT PLANTS INCLUDED A 50 GPM VAPOR RECOMPRESSION SEEDED SLURRY FALLING FILM EVAPORATOR, TWO 100 GPM PHYSICAL CHEMICAL PROCESSES UTILIZING THE FOLLOWING UNIT PROCESSES: CHEMICAL PRECIPITATION, MULTIMEDIA FILTRATION, ACTIVATED ALUMINA ADSORPTION, ACTIVATED CARBON ADSORPTION, ION EXCHANGE RESINS, AND ASSOCIATED SLUDGE DEWATERING. THE FOURTH PLANT WAS A 25-GPM MOBILE COAGULATION FILTRATION PROCESS. PRIMARY CONTAMINANTS WERE URANIUM, THORIUM, RADIUM, HEAVY METALS, SELENIUM, 2,4-DNT, TNT, PCBS, FLUORIDE, SULFATE, NITRATE, CYANIDE, AND OTHERS. RESPONSIBLE FOR IDENTIFYING AND DEVELOPING BENCH TESTS NECESSARY TO SUPPORT PROCESS DESIGN IMPROVEMENTS AND MODIFICATIONS.

PROJECT EXPERIENCE INCLUDES IMPROVING PLANT REMOVAL EFFICIENCY FOR URANIUM FROM 80% TO 98% BY DEVELOPING AND IMPLEMENTING A COPRECIPITANT PROCESS. SECONDARY BENEFITS WERE IMPROVED SLUDGE SETTLING AND DEWATERING. HE DEVELOPED INNOVATIVE METHOD FOR PRECIPITATING FLUORIDE FROM THE ACTIVATED ALUMINA REGENERATION FLUID TO IMPROVE PLANT PRODUCTION. HE DEVELOPED BARIUM CHLORIDE COPRECIPITATION PROCESS TO REDUCE SULFATE CONCENTRATION AT THE PLANT EFFLUENT. THE SULFATE AND FLUORIDE PRECIPITATION PROCESSES WERE DEVELOPED UNDER TIME-CRITICAL SITUATIONS TO PROVIDE CONTINUOUS PLANT PRODUCTION. HE WAS RESPONSIBLE FOR LEACHATE CHARACTERIZATION FOR INDUSTRIAL DISPOSAL CELL TO DETERMINE CHEMICAL CHARACTERISTICS AND PROJECT FLOW RATE. HE DEVELOPED THE CONCEPTUAL ENGINEERING REPORTS TO EVALUATED TREATMENT OPTIONS.

MR. SCHMIDT DEVELOPED AN EVAPORATOR WASTE BRINE TREATMENT AND DISPOSAL PROCESS. BRINE CONTAINED SEVERAL HEAVY METALS INCLUDING



SELENATE AND SELENITE. WASTE STABILIZATION WASTE SELECTED AS THE BEST OPTION AND IMPLEMENTED FULL SCALE.

BIODENITRIFICATION:

MR. SCHMIDT WAS RESPONSIBLE FOR THE BIODENITRIFICATION PROCESS DEVELOPMENT, REGULATORY AGENCY APPROVAL, PROCESS DESIGN, PROCESS OPERATION, PROCESS MONITORING, AND PROCESS IMPROVEMENTS. THE TREATMENT PROCESS IS CONSIDERED AN INNOVATIVE TREATMENT TECHNOLOGY. INITIAL TREATMENT WAS IN SITU BIODENTRIFICATION OF CONTAMINATED WATER IN 1 MILLION GALLON BATCHES. THE DEVELOPMENT WAS FAST-TRACKED, WHICH ELIMINATED THE LIKELY POTENTIAL OF EXCEEDING AVAILABLE HOLDING CAPACITY AND FURTHER CONTAMINATING AN ADDITIONAL 45 MILLION GALLONS OF WATER WITH NITRATES. THE WORK PROVIDED THE FOUNDATION TO DEVELOP A BIODENTRIFICATION PROCESS TO DESTROY 610 TONS OF NITRATES AND PRECIPITATE METALS FROM 25 MILLION GALLONS OF SLUDGE AND WATER. THE BIOPROCESS INCLUDED DEVELOPMENT OF A BIOLOGICAL SELENIUM COTREATMENT. PUBLISHED AND PRESENTED PROJECT SUMMARIES.

RCRA WASTE TREATMENT:

RESPONSIBLE FOR TREATMENT OF 50-PLUS RCRA WASTE STREAMS. ACTIVITIES INCLUDED CONCEPTUAL TREATMENT PLANS, DEVELOPING A BENCH TEST, DESIGNING FULL-SCALE TREATMENT PROCESSES, AND PROVIDING INTEGRAL OPERATIONS SUPPORT FOR TREATMENT.

THE TREATMENT PROCESSES UTILIZED INCLUDED: CHEMICAL PRECIPITATION OF RCRA METALS; ACTIVATED CARBON ADSORPTION OF ORGANIC COMPOUNDS; CHEMICAL SOLIDIFICATION OF INORGANIC SLUDGE INCLUDING SELENIUM STABILIZATION AND CONTAMINATED DEBRIS WITH HEAVY METALS; CHROMIUM REDUCTION FOLLOWED BY PRECIPITATION AND SOLIDIFICATION; CYANIDE DESTRUCTION; MERCURY AMALGAMATION; MAGNESIUM AND SODIUM METAL DEACTIVATION; POTASSIUM PERMANGANATE DEACTIVATION AND PRECIPITATION; PARAFORMALDEHYDE DEACTIVATION; SODIUM DICHROMATE REDUCTION AND PRECIPITATION; AND CUTTING-EDGE TECHNOLOGY RESEARCH AND DEVELOPMENT ON SELENIUM TREATMENT TECHNOLOGIES.

DESIGN ENGINEER:

DEVELOPED TREATABILITY STUDIES FOR RADIOACTIVE SLUDGE AND NITROAROMATIC CONTAMINATED SOIL TREATMENT OPTIONS. PEER-REVIEWED DESIGN DOCUMENTS AND COORDINATED TECHNOLOGY EXCHANGE WITH FERNALD AND OTHER DOE FACILITIES.

PROJECT EXPERIENCE INCLUDES DEVELOPING AND PERFORMING A BENCH SCALE TEST TO QUANTIFY RADON RELEASED DURING DREDGING AND PROCESSING OF RAFFINATE SLUDGE. HE AUTHORED A FORMAL REPORT THAT PROJECTED RADON GAS EMISSION RATES DURING SLUDGE PROCESSING AND PROVIDED ESTIMATES OF AMBIENT RADON LEVELS DURING PLACEMENT WITHIN AN ENGINEERED DISPOSAL CELL. DESIGNED AND WROTE THE TREATABILITY STUDY WORK PLANS TO BIOREMEDIATE NITROAROMATIC-CONTAMINATED SOIL. PARTICIPATED IN A SETTLING TEST ON RAFFINATE SLUDGE AND PERFORMED DESIGN CALCULATION TO SIZE THE CSS THICKENER. KEY MEMBER DURING THE DESIGN OF A CHEMICAL STABILIZATION/SOLIDIFICATION (CSS) PILOT-SCALE FACILITY FOR PROCESSING RAFFINATE SLUDGE AND SOILS. THE CSS FACILITY DESIGN



INCLUDED DREDGING, DEWATERING, MIXING, AND EXTENSIVE RADON RELEASE AND CONTROL ANALYSIS.

ECOLOGY & ENVIRONMENT, INC., ST. LOUIS MO 1990 – 1991 1.1 ASSOCIATE CHEMICAL ENGINEER

MR. SCHMIDT PROVIDED ENGINEERING SUPPORT FOR REMEDIAL INVESTIGATIONS/FEASIBILITY STUDIES AND REMEDIAL DESIGN/REMEDIAL ACTION PROGRAMS FOR SITES CONTAINING HAZARDOUS WASTE. MR. SCHMIDT DEVELOPED WORK PLANS FOR CONDUCTING SOIL, WATER, AND BIOTA SAMPLING. SET THE STANDARD FOR FIELD CREWS' TRIP REPORTS.

PROJECT EXPERIENCE AT ECOLOGY & ENVIRONMENT, INC. INCLUDED EXTENSIVE SITE ASSESSMENTS OF MAJOR NATURAL GAS PIPELINE FACILITIES. RESPONSIBLE FOR WORK PERFORMED AT SEVEN FACILITIES THROUGHOUT KENTUCKY. HE WORKED TO INVESTIGATE THE SOURCE OF EXTENSIVE GROUNDWATER CONTAMINATION BY UTILIZING A GEOPROBE VAN. HE DEVELOPED OF A CORRECTIVE ACTION PLAN TO ADDRESS AN ESTIMATED 50 MILLION GALLONS OF FREE PRODUCT FLOATING ON A SHALLOW WATER TABLE AND DISCHARGING INTO LAKE MICHIGAN. INITIAL CORRECTIVE ACTION MEASURES INCLUDED AN INTERCEPTOR TRENCH COMBINED WITH PRODUCT RECOVERY WELLS.

EDUCATION

B.S., 1989, CHEMICAL ENGINEERING, UNIVERSITY OF MISSOURI — COLUMBIA

CERTIFICATIONS

- REGISTERED PROFESSIONAL ENGINEER (PE), MISSOURI, 1997, #E-27526
- REGISTERED PROFESSIONAL ENGINEER (PE), NEW JERSEY, 2006, 24GE04636500
- REGISTERED PROFESSIONAL ENGINEER (PE), TENNESSEE, 2009, 113576

TRAINING

- ENERGY EFFICIENT CHILLED WATER SYSTEMS. 2009
- CONSTRUCTION QUALITY MANAGEMENT FOR CONTRACTORS, 2007
- 8-HOUR OSHA HAZWOPER REFRESHER TRAINING, ANNUALLY THROUGH 2011
- PIPE-FLO SEMINAR, 2005
- INDUSTRIAL FLUID MIXING FOR ENGINEERS BY AICHE, 2002
- Waste Management International Symposium. March 1997
- IN SITU AND ON-SITE BIORECLAMATION SYMPOSIUM, APRIL 1995
- ADVANCED INDUSTRIAL WASTEWATER TREATMENT COURSE, OCT 1994
- Ion Exchange Theory and Practice Course, Oct 1994
- DOE TREATMENT TECHNOLOGY WORKSHOP. JUNE 1993
- IMPROVED METHODS OF SOLIDIFICATION/STABILIZATION COURSE, FEB 1992

ATTACHEMENT 8:

Lakeside Estates WWT System Engineering Report & Engineering Drawings

6/13

Engineering Report

for

Lakeside Estates Wastewater Collection and Treatment System

LaFollette, Tennessee

October, 2007

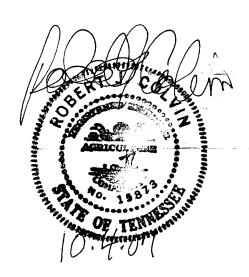


Table of Contents

General	3
Alternative system Analyses	3
System Design	4
Drip Effluent Dispersal System Design	18
State Operating Permit	21
Class 5 Underground Injection Well Permit	22
Soils Information	22

General

Lakeside Estates is a proposed condominium development in Cambbell County, adjacent to Norris Lake where Cedar Creek discharges into the Norris Reservoir. The development area is near LaFollette, Tennessee, off of Ivey Hollow Road. The entrance to the project is next to Goins Lake Lane, and the coordinates at the entrance are approximately N 36°22'18.33", W 84°03'25.13". The developer proposes to construct a combination of single-family residences and multi-family condominium units. A small number of single-family residences will be built near the lakefront, while the majority of the development will be lakeview condominium buildings of three floors, with two, three-bedroom units per floor.

The development is being constructed in multiple phases as indicated on the plan sheets that accompany this report. The breakdown of units is as follows:

Phase	# of single units	# of 6-unit bldgs	Total Units
1	20	3	38
2	6	14	90
3	0	26	156
4	0	9	54
5	6	11	72

Total Units=410

A topographic map is included with this report. The map shows the location of the project and the approximate boundary of the property to be developed. The approximate GPS coordinates of the entrance to the property are N 36°22'14.9", W84°03'27.8".

Alternative system Analyses

Four sewerage system options were considered for providing sewerage service to the project area: (1) conventional, onsite septic tank seepage fields at each lot, (2) STEP collection, Advantex AX-100 treatment units, with discharges to area water courses, (3) STEP collection, Advantex AX-100 treatment units with disposal by subsurface drip dispersal, and (4) connection of a conventional sewage collection system to the nearest municipal sewer system.

Option 1: Conventional, On-site Systems. Due to the topology of the site, the land area available for conventional drain fields is not sufficient to support septic tank/drain field systems on each lot. The resulting reduction in lot

density would have made the project economically unviable. The use of conventional septic systems was, therefore, rejected.

Option 2: STEP, Advantex units, Surface Discharge. The Advantex AX-100 units are capable of producing an effluent quality suitable to discharge to flowing streams. A system of this type could also be eligible for ownership and operation by a public utility such as the LaFollette Utilities Board. Operations and monitoring costs would be quite high, however, as a result of the daily and weekly monitoring requirements that would be imposed by the NPDES permit. The required onsite operator time requirements would also be quite expensive compared to the requirements of Option 3 (below). Finally, Tennessee Department of Environment and Conservation staff have made it clear that they will strongly resist any request for NPDES discharge permits. Therefore, this option was rejected.

Option 3: STEP, Advantex units, Drip Dispeersal. This is the selected option. It would produce no effluent for discharge to waters of the state and, therefore, would be regulated by a Tennessee State Operating Permit. The monitoring requirements would be simple and relatively infrequent in comparison to the monitoring requirements under an NPDES permit. Minimal onsite operator time would be required. Capital costs for construction would be higher than for the first two options, but lower than for the fourth option. The increased capital costs would be offset by the reduced monitoring and operating costs.

Option 4: Connection to a Local Municipal Sewer System. In addition to being considerably higher in capital costs than any other option, this option was not available. The nearest municipal sewer was 3.8 miles away, and the LaFollette Utilities Board has no plans or desire to expand the system in the direction of the proposed development. This option, therefore, was also rejected.

System Design

Design Loading

The collection, treatment, and reuse system is designed for a total of 410 units of three bedrooms each, with a design flow of 100 gallons per day per bedroom, for a total design flow of 123,000 gpd. Since the project is being constructed in multiple phases, it is not clear at this time what the actual breakdown of multifamily and single-family units will be for future phases. However, the 123,000 gpd design rate is a maximum expected daily flow.

Septic Tank Design

Each multi-family building is to be served by one double-compartment septic tank of 6000 gallon capacity. This size was chosen based on the following criteria:

6 three-bedroom units / building * 100 gallons per day / bedroom

= total flow per building per day of 1800 gallons

With a recommended retention time of 3 days, this equals a recommended tank size of 5400 gallons. Therefore, a 6000 gallon tank was chosen from the available common tank sizes of fiberglass tanks, to accommodate the expected flow.

Septic tanks for the single-family residences will be selected and located in a manner to allow several residences to share a common tank. The locations of these tanks will be based on the topography of the site. Tanks will be sized based on the same criteria and calculations as for the multi-family units, with an expected flow of 100 gallons per day per bedroom, and a minimum residence time of 3 days,

Collection System Design

The collection system design was done using the actual building locations for Phase 1, and the layout from the concept plan, since the actual design of the subsequent phases has not yet been done. Collection system piping needs to be sized for the total flow of the expected system, while avoiding any situation that may cause prolonged retention of the sewage in the collection system. With this in mind, the initial design of the collection system calls for sewage from septic tanks in Phases 1 & 2 to be collected using a low-presure sewer main with a maximum size of 4". Sewage from septic tanks in Phase 3 will use a separate low-presure sewer main with a maximum size of 4". Sewage from septic tanks in Phases 4 and 5 will share a low-pressure sewer main with a maximum size of 4". This will result in the placement of three separate low-pressure sewer mains in parallel along the entrance road to the development, ending at the treatment plant site. Each of these force mains will feed a separate treatment system consisting of an anoxic tank, a recirculation tank, 18 Advantex AX-100 treatment units, a dosing tank, and separate dripfields for each treatment plant.

Treatment System Design

The treatment system to be used consists of a 40,000 gallon recirculation tank for the wastewater effluent, a cluster of Advantex AX-100 treatment units, a 40,000 gallon advanced nitrogen removal system, and a 10,000 gallon dosing tank.

Commercial AdvanTex® Treatment System Process Description

TREATMENT PROCESS

The AdvanTex® Treatment System is configured in a typical recirculating treatment fashion such that a mix of septic tank effluent and pre-filtered effluent is blended and then applied in small, frequent doses to the media surface.

Primary treatment of raw sewage is accomplished through appropriately sized primary septic tanks. After primary treatment, the effluent enters the recirc-blend tank, where it blends with the contents of the tank. ProSTEP™ pump packages in the recirc-blend tank transport blended effluent to a distribution manifold in the AdvanTex filter pod. Effluent percolates down through the textile media, where it is treated by naturally-occurring microorganisms that populate the filter.

After passing through the filter media, the treated effluent flows out of the filter pod through the filtrate return line that returns the effluent to the recirculating splitter valve (RSV). The valve automatically splits or diverts the flow between the recirc-blend tank and the final discharge and controls the liquid level within the tank.

PRIMARY TREATMENT

Raw sewage from the facility will first be treated in a primary tank. Typical strength of raw sewage can be characterized as the following:

Biochemical Oxygen Demand (BOD5): 400 mg/L

Total Suspended Solids (TSS): 500 mg/L Total Keldhal Nitrogen (TKN): 70 mg/L

Source: Crites and Tchobanoglous 1998, pp. 180 and 183. Based on 50 gpcd.

In the primary tank Heavy solids (known as sludge) settle to the bottom while the lighter material (known as scum) floats to the top of the liquid contents. Facultative and anaerobic digestion converts the organic matter to gases. Facultative microbes solubilize the complex organic material to volatile organic acids while strict anaerobes ferment the volatile organic acids to gases (methane, carbon dioxide, etc.). For the system to operate properly and be in compliance with State and County regulations, it is essential that all tanks be appropriately sized and watertight.

Following treatment of raw sewage in the primary tank the typical wastewater strength can be characterized as the following:

Table 1. Typical Commercial AdvanTex Influent Wastewater Strength¹

Characteristic	Average ² mg/L	Weekly Peak mg/L	Rarely Exceed mg/L
BODs	150	250	500
TSS	40	75	150

TKN	65	75	150
G&O	20	25	30

¹Maximum allowable wastewater strength entering the Recirc-blend Tank of an AdvanTex Treatment System is "Typical Commercial AdvanTex Influent Wastewater Strength."
²Commercial systems will occasionally elevate in strength based upon changes in flow characteristics or ownership. As the average influent strength approaches 80% of the weekly peak levels, consideration must be given to providing supplemental pre-treatment or additional treatment units

RECIRCULATION-BLEND TANK

Wastewater from the primary tank (septic tank effluent) flows into a recirculatingblend tank where it blends with the contents of the tank.

The recirculation-blend tank is sized to equal at least 80% of the peak flow (Qp). A larger tank may be recommended based on the expected organic or peak design hydraulic loads, or to accommodate special surge capacities or operator response capabilities.

For nitrogen sensitive areas requiring greater than 60% nitrogen reduction, the recirc-blend tankage is sized to equal at least 100% of the peak flow and greater primary tankage is recommended. Where access to a primary waste source is unavailable, this may be provided as two separate tanks, typically an 80% recirc-blend, preceded by a 20% denitrification tank. This is discussed further later in the document.

TEXTILE TREATMENT PROCESS - ORGANIC REMOVAL

The recirc-blend tank is set up so that incoming effluent from the primary septic tanks and filtrate from the AdvanTex system pods enter opposite the pump discharge to the pods so that mixing, blending, and dilution of the effluent occurs before being dosed onto the AdvanTex filter pods.

As the blended wastewater filters (percolates) slowly down through the media, it comes in contact with organisms. The frequent dosing and percolating of effluent through the media in stages ensures an unsaturated state through the media. With each dose, the physical action of the effluent percolating down through the media and over the biological surfaces, draws fresh air into the media's unsaturated pores. Oxygen (from the air) is then transferred by diffusion into the thin film of water that spreads over the media surfaces. In the organic film attached to surfaces, residing organisms consume the free oxygen. Therefore, the dominant biological activity is that of aerobic digestion of both organic and inorganic constituents, thus reducing the contaminates and changing the form of the wastewater characteristics.

Both heterotrophic and autotrophic bacteria are found in these biofilms. There are many types of heterotrophs and autotrophs and they will vary in populations respective of each other and of their respective needs for the available free oxygen. At the surface and top 6 inches (more or less) of the textile media, matter is trapped and the biofilm on the textile grows. In this nutrient rich upper zone, most of the organic material is trapped, decomposed, and digested. The water holding capacity of the media and of the biofilm are important in ensuring sufficient moisture for maintaining healthy microbial environments.

The critical factors in controlling the environment for the biota are the recirculation ratio and time-controlled dosing. Typical multiple-pass recirculating filter design criteria Recirculation (recirc-blend) Ratio (Rb) is defined as the ratio of the daily flow returned (Qr) to the recirc-tank to blend with the daily inflow (influent or forward) wastewater flow (Qi) as shown in the following expression:

Rb = Qr/QiQr = Rb Qi

Where Rb is the recirculation (recirc-blend) ratio Qr is the daily flow returned to the recir tank, gpd, Qi is the actual daily inflow (or forward flow), gpd.

Typically, the Rb control range is between 2:1 to 6:1. It's important to understand that there are both high and low Rb limits to watch for. Higher ratios may be preferred to prevent odor problems, but generally should not exceed 6 or 7; ratios of 2 or 3 – with normal strength influent – are typically sufficient for controlling odors and providing treatment.

The function of the Rb is as critical to process management for multiple-pass attached-growth packed bed filter systems as return sludge, waste sludge, and air management are to suspended-growth processes. Proper management of the Rb assures aeration and wetting needs, but most importantly it establishes equilibrium with respect to the desired endogenous respiration rate by maintaining food-to-microorganism (F/M) ratios relative to influent hydraulic and biological loads. The recirculation ratio is well documented in textbooks and design manuals.

The dosing frequency is related to the Rb as well as particular features of the media, such as its texture, void ratio, water holding capacity etc. Considerable academic work has been done to establish relative dosing frequencies for various media. It's well established that small frequent doses improve filter

performance. Increasing the dosing frequency (number of occurrences over a given time period) reduces the volume of wastewater applied per dose and increases coliform removal.

By adjusting the Rb, the dilution and blend concentrations within the recirc-chamber can be balanced. By varying the recirc-blend ratio (Rb) within the limits of the applications wastewater characteristics, optimization of the HRT and substrate concentrations within the recirc chamber can be accomplished. Biological respiration rates tend to adjust according to the available food and oxygen. Therefore, to ensure the best performance and sustain the most efficient and effective working environment, the recirc-blend ratio needs to be kept between 2:1 to 6:1.

TEXTILE FILTER SIZING

AdvanTex® effluent waste strengths are dependent on hydraulic and organic loading rates. Orenco Systems, Inc.'s AX100 AdvanTex Treatment Systems packed bed media is configured in the same manner as their ANSI/NSF Standard 40 Class I treatment units. Typically, the daily mass loading is based on the expected daily flows and parameter strength. Figures 4a and 4b show average loading capacity at 95% confidence level.

Effluent Quality vs. Hydraulic Loading Rates Third Party ANSI and NSF 40 Testing Results

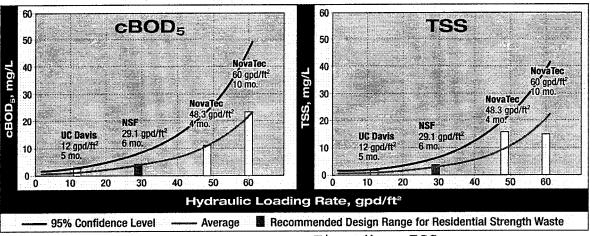


Fig. $4a - cBOD_5$

Fig. 4b - TSS

Orenco's suggested design loading rates are based on typical per capita flow rates and average strength characteristics expected as listed in Table 1. Discharge effluent quality may be projected at a 95% confidence level relative to the hydraulic loading rate. The base AdvanTex actual daily hydraulic load is 25 gpd/ft2 and the base actual daily organic loading rate is 0.04 lbpd BOD/ft2.

This design methodology is supported by performance testing that has been performed on the AdvanTex Treatment System as represented in Table 1.

Table 2: Average BOD ₅ & TSS Performance Results						
Project	Testing Period (months)	# of Samples Per Site	Average Hydraulic Loading Rate (gpd/ft²)	Average Organic Loading Rate (lbpd BOD/ft²)	Average Effluent BOD ₅ (mg/L)	Average Effluent TSS (mg/L)
Hebo	23	23	25	.04	4	5
Pines Nursing Home	5	8	24	.03	13	9
Blue Jay Café	18	18	9	.04	13	10
ANSI/NSF Standard 40	6	109	29.1	.04	5	4
Average:	12	40	21.7	.04	8	7

The average testing period is 12 months with an average of 40 samples. All systems, except one, were close to the average design hydraulic loading rate of 25 gpd/ft² used for the AdvanTex Treatment System. The average effluent quality from all systems is 8 mg/L BOD_5 and 7 mg/L TSS.

The Blue Jay Café was loaded at a lower hydraulic loading rate but it is important to note that it is being loaded at the average design organic loading rate of .04 lbpd BOD/ft^2 . This is consistent with the AdvanTex Commercial Design Guidelines as detailed above.

Each AX100 pod, peak hydraulic loads of 5000 gpd and peak organic stress loads of over 8 lbs of BOD per day can be handled for short periods of time with little effect on performance. Higher loading rates may be applicable relative to higher discharge limits or sufficient operating documentation, but would not be allowed to exceed 50 gpd/ft2 at the typical average influent characteristics outlined in the AdvanTex Design Criteria for Commercial and Multi-Family Applications. Performance results from systems loaded at these higher loading rates are represented in Table 2.

Table 3: Average BOD ₅ & TSS Performance Results Under Increased Loading						
Project	Testing Period (months)	# of Samples Per Site	Average Hydraulic Loading Rate (gpd/ft²)	Average Organic Loading Rate (lbpd BOD/ft²)	Average Effluent BOD ₅ (mg/L)	Average Effluent TSS (mg/L)
Imboden	12	11	23	.086	3	3
Novatec TVP	14	101	54	.076	21	17
Snow Road	6	61	60	.19	26	19
Average:	10	57	45	.12	17	13

The average hydraulic and organic load for all systems was 44 gpd/ft² and .12 lbpd BOD/ft^2 . This is close to two times the recommended design hydraulic loading rate and three times the recommended design organic loading. Even under these increased hydraulic and organic load conditions the AdvanTex System effluent quality averaged 17 mg/L BOD_5 and 13 mg/L TSS.

It is important to note that while the Imboden system was loaded lower than the average design hydraulic loading rate it was loaded at more than 2 times the average design organic loading rate.

Permit Section

NITROGEN REMOVAL

Nitrogen reduction occurs in the AdvanTex Treatment System through a biochemical process in which ammonia is converted to nitrate (Nitrification) and then reduced through bacterial action to nitrogen gas, which can be released harmlessly to the atmosphere (Denitrification). The reduction in total nitrogen occurs under the same hydraulic and organic loading design parameters detailed above. Total nitrogen reduction in the standard mode configuration will typically exceed 60 percent. Using an enhanced denitrification mode, nitrogen reduction will typically exceed 70 percent.

Nitrification

Nitrification occurs in the lower region of the textile media where conditions (highly aerobic, low organic concentration) favor this process. Nitrification is a two-step biochemical process where ammonia (NH4-N) is converted to nitrate.

The ammonia is converted to nitrite (NO2-N) by autotrophic bacteria. Nitrite demands oxygen and where oxygen is available, it will rapidly convert (oxidize) to nitrate (NO3-N).

During the process about 9 parts oxygen are consumed in converting 2 parts ammonia to nitrate. Therefore, depending on the concentration of ammonia, a considerable amount of air may be needed. Sufficient air is provided either through passive or active (ventilation fan) venting. The decision of whether to passively or actively vent the AdvanTex pods is dependent upon a number of factors and is decided on a case by case basis; application, influent waste strength, # of pods etc.

In an abundance of air, all the aerobic or facultative microbes compete for their share. When the organic concentration is high, the microbes that oxidize organic matter, *primarily the heterotrophic bacteria*, typically thrive first because of their aggressive growth rate. The oxidation of ammonia is accomplished by *autotrophic bacteria*, *which do not have as aggressive a growth rate*.

Consequently, the nitrification process usually lags until the organic concentration is depleted, or until sufficient oxygen is present. At a 2.5:1 BOD/TKN ratio the nitrifiers may only make up about 10 percent of the microbial population ... at 0.5:1 BOD/TKN the nitrifiers make up about 35 percent of the population. Under normal operating conditions it will take 30 to 60 days.

On average, after normal operating conditions have established, the nitrification within the AdvanTex Treatment System will reduce ammonia more than 90%.

Project	Testing Period (months)	# of Samples Per Site	Average Hydraulic Loading Rate (gpd/ft²)	Average Organic Loading Rate (lbpd BOD/ft²)	Average Influent Ammonia (mg/L)	Average Effluent Ammonia (mg/L)	Average Percent Ammonia Reduction
Snow Road	33	61	34	.19	80	18	78%
Pines Nursing Home	5	8	24	.03	13	3	77%
Imboden	12	11	23	.086	27	1.4	95%
Novatec Nitrogen Testing	5	16	29.1	.039	22	.87	96%
Average:	13	24	27	.08	35	6	87%

The average testing period is 13 months with an average of 24 samples. All systems were loaded at or above the average design hydraulic and/or organic loading rate. The average effluent Ammonia concentration is 6 mg/L.

The Snow Road system has a higher than expected ammonia concentration in the effluent which is expected because the system is being loaded at more than 4 times the average design organic loading rate. Excluding this system, the average Ammonia concentration is 1.7 mg/L and the average percent removal for ammonia is 90%.

Although the table addresses Ammonia concentrations it should be noted that there is an organic faction of nitrogen which when added to ammonia equals TKN.

Denitrification

Denitrification occurs within anoxic conditions that exist primarily in the recirculation tank. Denitrification is a process where nitrate (NO3-N) is reduced to nitrite (NO2-) and nitrite is further reduced to nitrogen gas typically by heterotrophic bacteria.

The "nitrified" filtrate from the AdvanTex Pod is returned into the recirc-blend tank or denitrification tank. As the dissolved oxygen is depleted within the tank the heterotrophic bacteria reduce the nitrates to nitrites. Further reduction leaves nitrogen gas, which is released into the atmosphere. A carbon source is needed for this process to be carried out. Approximately 4 g BOD is needed per g NO3-N consumed. This carbon source is available in the recirculation tank or in the denitrification tank depending on the configuration.

	Table 5: Average Total Nitrogen and Nitrate Performance Results							
Project	Testing Period (months)	# of Samples Per Site	Hydraulic Loading Rate (gpd/ft²)	Organic Loading Rate (lbpd BOD/ft ²)	Influent Total Nitrogen (mg/L)	Effluent Total Nitrogen (mg/L)	Percent Total Nitrogen Reduction	Effluent Nitrate (mg/L)
Novatec Nitrogen Testing ¹	6	27	29.1	-	34	12	65%	9
Canyon Creek School ¹	21	10	17	.05	109	42	61%	21
Imboden ¹	12	11	23	.086	32	3	91%	0.34
Novatec Nitrogen Testing ²	11	17	15	-	32.9	9.0	72%	5
Pines Nursing Home - Partially Enhanced Denitrification Mode	5	8	24	.03	34	15	56%	4
Average:	11	15	22	.05	48	16	69%	8

Standard Mode

The average testing period was 11 months with an average of 15 samples taken per site. The first two systems represent the standard mode configuration which reduced total nitrogen by 65% and 61% respectively. The Imboden system reduced total nitrogen by 91% on average. This is a higher reduction than typically expected when operating in this configuration.

The ANSI/NSF system represents performance of an enhanced denitrification configuration and achieved a 72% reduction in total nitrogen.

The Pines system is configured so that 20% of the AdvanTex filtrate is returned to the denitrification tank and based on the results it appears that a greater percentage needs to be returned in order to increase denitrification. The percentage of split can vary from site to site depending on wastewater characteristics and permit requirements.

The total nitrogen on all sites, except Canyon Creek, is lower than the 65 mg/L TN utilized in the calculations later on in this document. We have chosen 65 mg/L TN to be conservative and knowing that it is realistic for some homes to produce this. It is also

²Enhanced Denitrification Mode

understood that in reality the influent concentration of TN from multiple homes will be lower than 65 mg/L, probably in the 45 to 65 mg/L range. The Canyon Creek system was included here to show the capability of the AdvanTex System to reduce higher than normal total nitrogen concentrations.

Factors Affecting Nitrification/Denitrification Process

Alkalinity is a characteristic that, more often than suspected, limits nitrification. Alkalinity is not a specific polluting substance, but a combination of factors. It is the ability of water to neutralize an acid, and is due primarily to the presence of carbonate.

Alkalinity is essential for nitrification; for each part ammonia that is nitrified, 7.14 parts alkalinity are consumed (buffering the acidity). Therefore, about 428 mg/L of alkalinity would be consumed in nitrifying a concentration of 60 mg/L of ammonia.

It is also important to note that during the denitrification process 3.5 parts of alkalinity are formed for every part of nitrate that is converted. In a properly functioning nitrifying/denitrifying system, approximately 214 mg/L of alkalinity would be consumed.

Many wastewater streams may not have sufficient alkalinity to support complete nitrification. And, if the alkalinity drops too much (<50 mg/L±), the pH can correspondingly drop to levels that will cause the microbial activity to degrade (<6). This is typical in all wastewater processes. In applications where the alkalinity may be limited, a chemical feed system can be incorporated into the design to increase and/or control the concentration.

Temperature is also a critical factor that can limit the process. Wastewater temperatures that fall below 40° F will inhibit the process. In applications where this may be a limiting factor, heated ventilation can be incorporated into the design.

Dissolved Oxygen should be between 2.5 - 6 mg/L for the nitrification process to be carried out. The concentration of dissolved oxygen in the denitrification tank needs to be between 1-2 mg/L to allow for denitrification to start.

Carbon is necessary for the denitrification process to be completed. Approximately 4g BOD is needed to per g NO3-N consumed. In applications where the carbon may be limited, a chemical feed system can be incorporated into the design to increase and/or control the concentration.

Toxic chemicals introduced into the wastewater stream in can kill the bacteria that are carrying out this process thus reducing the treatment systems performance.

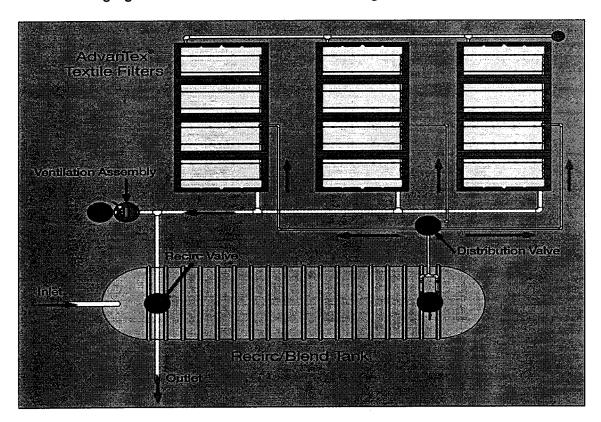
SYSTEM CONFIGURATION

Relative only to the amount of denitrification needed there are two different AdvanTex configurations utilized; Standard Mode and Enhanced Denitrification Mode. Nitrification performance of the AdvanTex Treatment System as detailed above is equal no matter what configuration is used.

Standard Mode

The standard mode is the most common configuration utilized. The recirculation tank is sized between 80 to 100 percent of design flow. Return filtrate from the AdvanTex filter pods is returned to the recirculation tank through a recirculating ball valve. The recirculating ball valve splits the flow to either return into the recirculation tank or be discharged from the system.

The following figure shows a standard mode configuration:



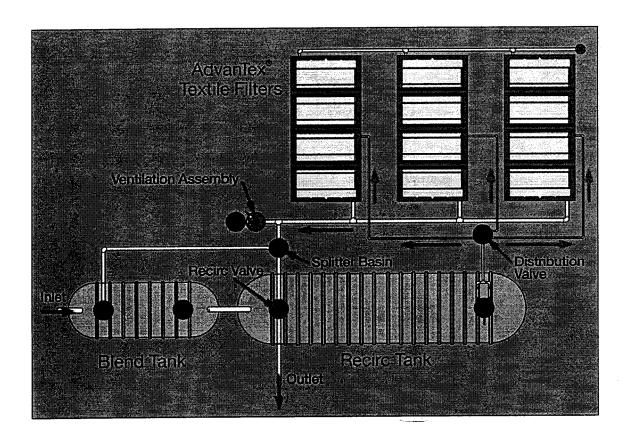
The AdvanTex System, in the standard mode configuration, will typically yield over 60% total nitrogen reduction.

Denitrification occurring in the secondary recirc-chamber (mode 1 configuration) is limited because, after dilution, the carbon source is weak (typically 25 to 35 mg/L BOD5), and at a 4 or 5:1 recirc-ratio, the hydraulic retention time (HRT) through the recirc-chamber is too short for the microbial oxygen uptake rate

(OUR) to adequately deplete the filtrate DO level to establish anoxic conditions sufficient for denitrification.

Enhanced Denitrification Mode

The enhanced denitrification mode is utilized in areas that require denitrification rates of greater than 60%. In this configuration, a portion of the filtrate effluent (Typically 20%) is split (or designed to follow the recirc process) and returned to a denitrification tank (labeled as a blend tank in the below diagram). The following figure shows the enhanced denitrification mode configuration:



The denitrification tank has a more favorable environment (anoxic, high carbon source, increased retention time) over the recirc-blend tank for the process of denitrification to take place. As a result, the denitrification is enhanced. Typical denitrification in this configuration is 65 to greater than 75% removal.

Drip Effluent Dispersal System Design

Drip dispersal will be used to distribute the effluent from the Advantex AX-100 treatment units into the shallow soil horizon on the slopes near the entrance to the development. Several areas of suitable soils have been identified and mapped, with a total area of 17.64 acres. Dripfields will be constructed in phases coinciding with the construction of the housing units.

Hydraulic Loading

The rate at which effluent can be applied to a soil column without surface flooding is dependant on the hydraulic conductivity of the soil, the amount of rainfall, and the amount of water lost through evapotranspiration. The most critical aspect affecting drip field performance in Tennessee projects is the hydraulic conductivity of the soils being dosed with secondary/advanced quality effluent. While a complete water balance equation exists and can be used to approximate acceptable loading rates, experience has shown that better indicators of performance are the observable characteristics of the soil columns, the hydraulic conductivity data measured on those soils by the natural Resources Conservation Service (NRCS), and the performance over time of drip fields placed in those soils.

Soils

Soil Solutions, Inc. mapped soils in the drip dispersal fields. Copies of his extra high intensity soils map are attached to this report. The soils are located on the slopes along the western portion of the site, away from the lakefront, which forms the eastern border of the site. All of the soils mapped are Fullerton soils.

The soils areas mapped in the proposed drip field areas range from 10% to 35% slopes. Fullerton soils are gravelly silt loam, very deep, well-drained, moderately permeable soils suitable for drip. Drip lines will be installed below the surface. Depth to rock is typically greater than 60 inches for Fullerton soils. The structure of the soils in the 6" to 26" depth, where the drip lines will be located, is described as moderate medium and fine subangular blocky structure. NRCS rates the permeability of the soils as moderate. (0.6 to 2.0 inches/hour). The most restrictive rate of 0.6 inches/hour is approximately 30 times the design rate of 0.30 gallons/day/sq.ft. (0.02inches/hour), before reduction of the design application rate for any slope factors.

The drip dispersal system areas will be located on the slopes of the ridge overlooking Cedar Creek and the confluence of Cedar Creek and the Norris Reservoir.

Nutrient Loading Rate

Information provided by Orenco, Inc., manufacturer of the Advantex AX-100 treatment unit, indicates that the expected nitrogen level in the effluent from a typical treatment facility of this type is expected to be \leq 20 mg/liter. Based on several factors, the anticipated nitrogen level from the filters in this projected are expected to be less than \leq 20 mg/liter. The design criteria used for this project are higher than those frequently used for projects of this type. Our design flow was 300 gpd per dwelling unit; a typical design of this type might use only 150-200 gpd per dwelling unit. Also, the developer for the project is marketing the project as vacation or summer homes, so it is expected that the development will not be fully populated except in rare instances. However, using the value of 20 mg/liter of nitrogen to calculate the allowable hydraulic loading rate based on nitrogen limits (Lwn), the limiting application month is August, with the limiting allowable hydraulic loading rate based on nitrogen is 0.204 gpd/sf of area (see Figure 1).

Drip Dispersal

Using an application rate of 0.2 gpd/sf, calculations were made to determine if the land areas mapped by the soil scientist were sufficient for the expected design flow (See Figure 2). The amount of effluent which could be applied to each of the land application areas (as indicated on sheet 2 of the accompanying plan sheets) was compared to the calculated flow which was expected to be applied to each area. For all three areas, sufficient acreage is available to accommodate the calculated demand, with sufficient "excess acreage" to accommodate an additional 36,000 gallons per day.

Lakeside Estates Dripfield Application Design Calculations RGCA#: 06106						
Phase 1 Phase 2 Phase 3						
Parcel Size (Ac.)	2.82	8	4.185308			
• '	1.3					
	0.93					
Total (Ac.)	5.05	8	4.185308			
Total (Ft ²)	219,978	348,480	182,312			
Application Rate (gpd/sf)	0.2	0.2				
GPD available based on area	43,996	69,696	36,462			
Dwelling Units in Phase	128	144	120			
Design Rate (Gal/DU/Day)	300	300	300			
Design flow from plant (GPD to dose_	38,400	43,200	36,000			
115	F F06	26.406	462			

"Excess capacity"	5,596	26,496	462
Total			32,554

"Excess capacity" is the difference between the maximum flow that can be applied to the available land area and the expected design flow coming from the treatment works

Drip Area	219,978	348,480	182,312
@5' O.C., L.F. required	43995.6	69696	36462.403
L.F. tubing req'd * 0.62 (GPH) emitter rate divided by emitter spacing divided by 60 min for pump rating=GPM required to meet hydraulic demands of the system	227.3	360.1	188.4
From experience, number of zones required	10	16	8
Pump Sizing (GPM/zones)	22.7	22.5	23.5
Zone sizes (ft²)	21,998	21,780	22,789

Figure 2 – Dripfield Design

Drip Pumps

Drip pumps will be sized based on Total Dynamic Head for each individual pump, based on the elevation of the dosing pump and the high points and line lengths of the individual drip fields. Pumps will be selected to provide at least 30 psi at the inlet of each drip zone. Figure 2 shows calculations for number of drip zones and size of drip zones for each treatment plant/dosing tank. Each pump will have a two-outlet valve (Orenco 6402A) or a four-outlet valve (Orenco 6404A) off the pump discharge, with additional two or four outlet valves off each of those lines to provide flow to the actual number of fields required. Since the development is being constructed in phases, each phase will require submission of actual

construction drawings specifying pump selection, piping and valving applicable to that particular phase.

Natafim Filter

The UV system is preceded by a Natafim 2" Arkal Filter providing 120 mesh (130 micron) filtration. This is an automatic self-cleaning filter designed for flow volumes of 0 to 80 gpm. It contains a built-in backflush controller, which is operated by pressure differential or time. The filter elements are plastic filter rings stacked together to form a cylindrical filter element. During filtration, the rings are compressed together, and grooves in the rings criss-cross, forming a filter network that traps contaminants. During backwash, these rings separate, and a nozzle system inside the filter spine sprays pressurized water against the loosened discs, spinning them clean. The backflush time is 20 seconds; during this interval there is no water flow to the drip field.

UV system

The discharge from the Netafim Disc-Kleen Filter will pass through a Sanitron S5000C UV filter with a maximum capacity of 80 gpm. It and the pipe manifold will be custom assembled by SOS, Inc. in an FRP enclosure measuring $90^{\circ}L \times 42^{\circ}W \times 32^{\circ}D$. The enclosure will house two units, which are positioned in the enclosure canted at 30 degrees, to allow for simple replacement of the UV bulbs as required.

Control Panel

The system will utilize a custom control system from Orenco. The panel is a 304 Stainless Steel enclosure controlling ultimately 6 duplex recirc dose systems and one duplex dripfield dose system with current sensors, redundant off, programmable time base dose for both sides, surge arrestor, pump run lights, UV alternation, all wrapped up with a landline based telemetry board for remote control/information.

Telemetry

The telemetry system is a Mission M-800 system comprising a field RTU, Nextel wireless communications, web-based HMI software, alarm notifications, and a website. Items to be monitored include all pumps, levels in all tanks, operational conditions of the back-flush solenoid and UV system, and the Hydroflow HF2200 fixed insertion vortex flow meter.

State Operating Permit

Upon completion and acceptance, the sewage collection, treatment, and disposal system will be owned and operated by the LaFollette Utilities Board, and Tennessee public utility. A State Operating Permit application accompanies this report.

Class 5 Underground Injection Well Permit

An Application for Authorization to Operate a Class 5 Underground Injection Well is also being submitted with a copy of this report. Additional information requested in Part C of that application is addressed on Sheet 4 of the accompanying plans sheets, Titled "Area of Interest".

Soils Information

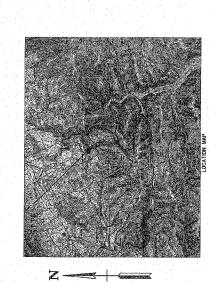
An extra high intensity soils map is also included with this report, which shows the soils area to be used for the proposed dripfields. It was prepared by Soils Solutions, Inc. in Harriman Tennessee, and shows a mapped area of 17.64 acres. This area is also indicated on the accompanying plan sheets with existing ground contour lines indicating the 2-foot and 10-foot contours.



CAMPBEL COUNTY, TENNESSEE

SANITARY SEWER SYSTEM

FOR AKESIDE ESTATES



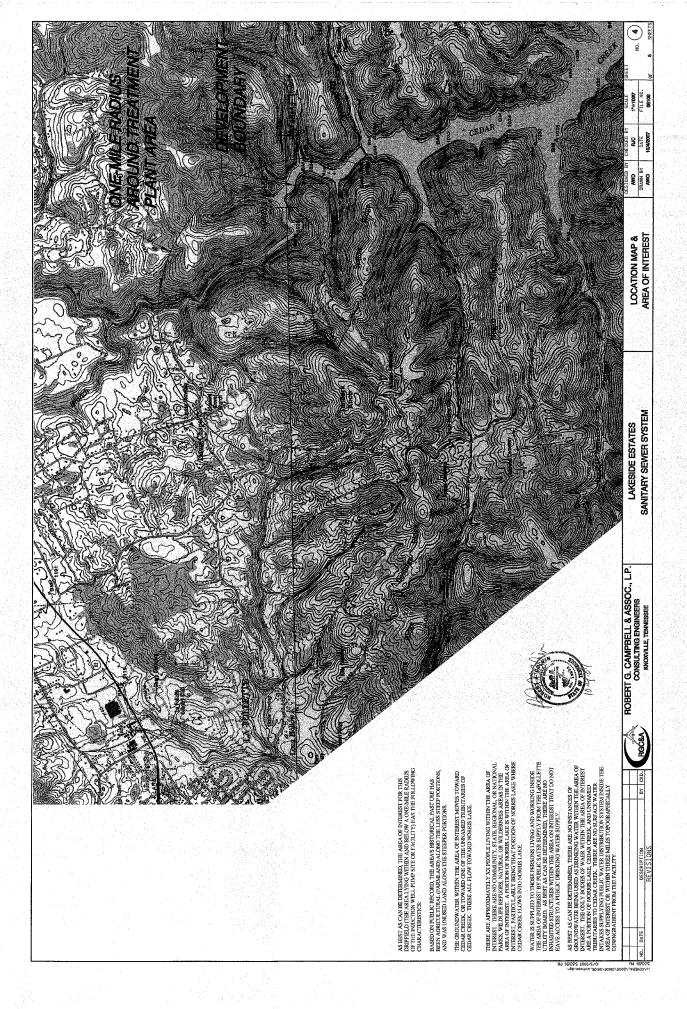
I ME. U. TITALINE EDDIE TROXELL SUPERINTENDENT OF WATER OPERATIONS LAFOLLETTE UTILITIES BOARD

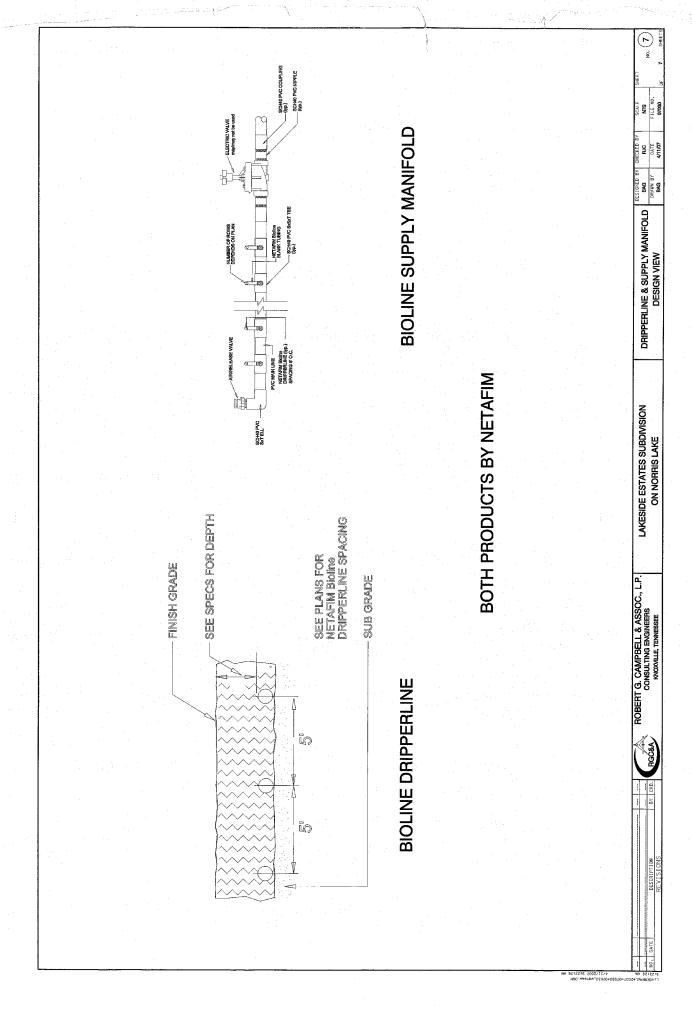
APPROVED BY:

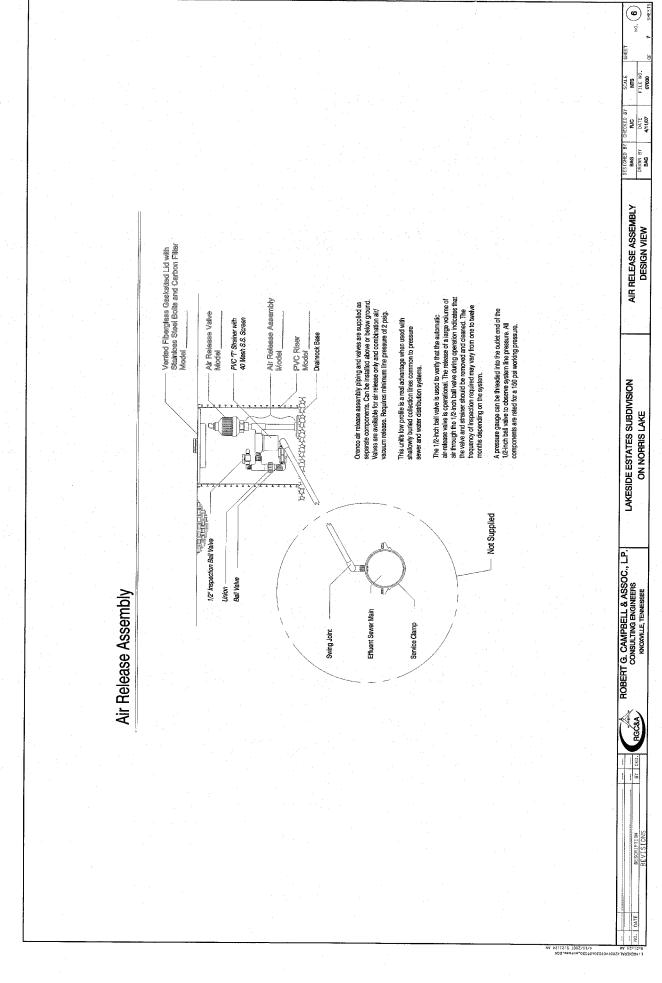


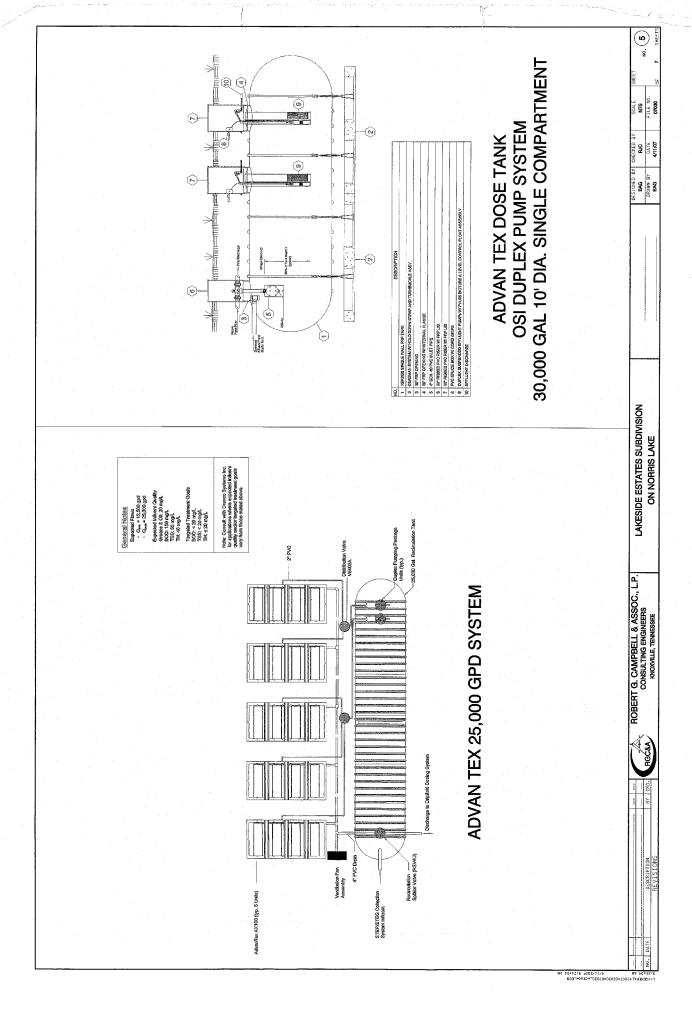
ROBERT G. CAMPBELL & ASSOCIATES, LP. CONSULTING ENGINEERS KNOXVILLE, TENNESSEE

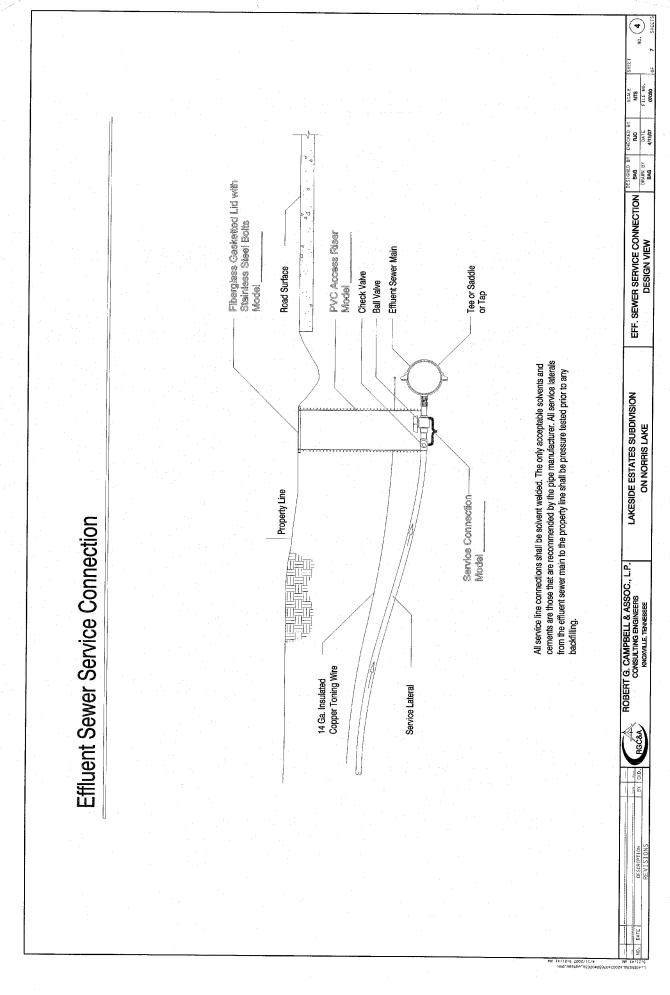


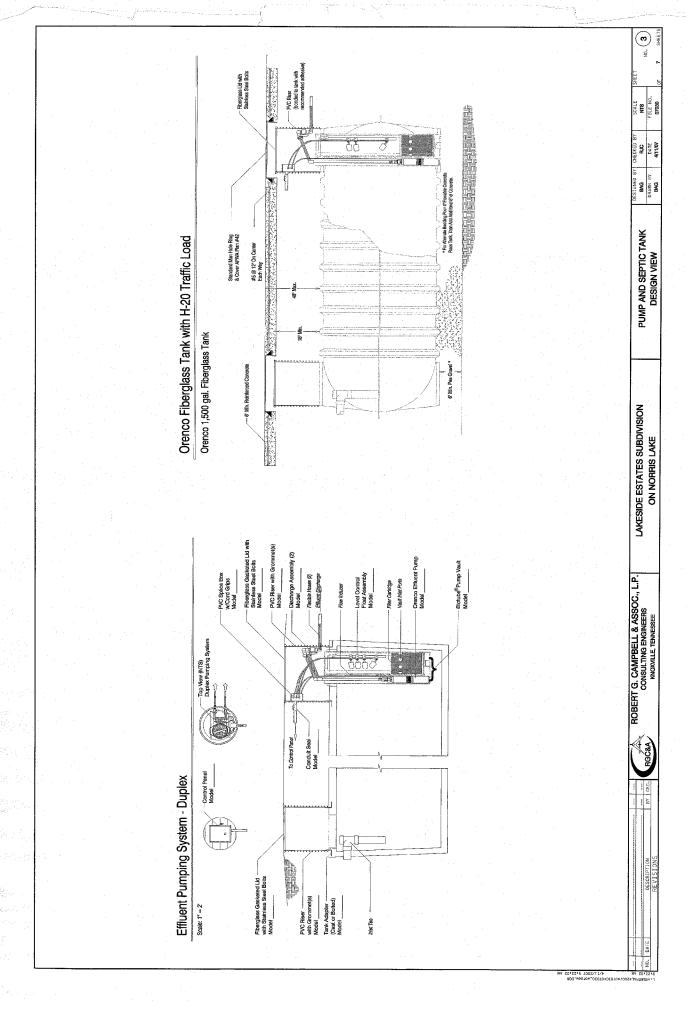


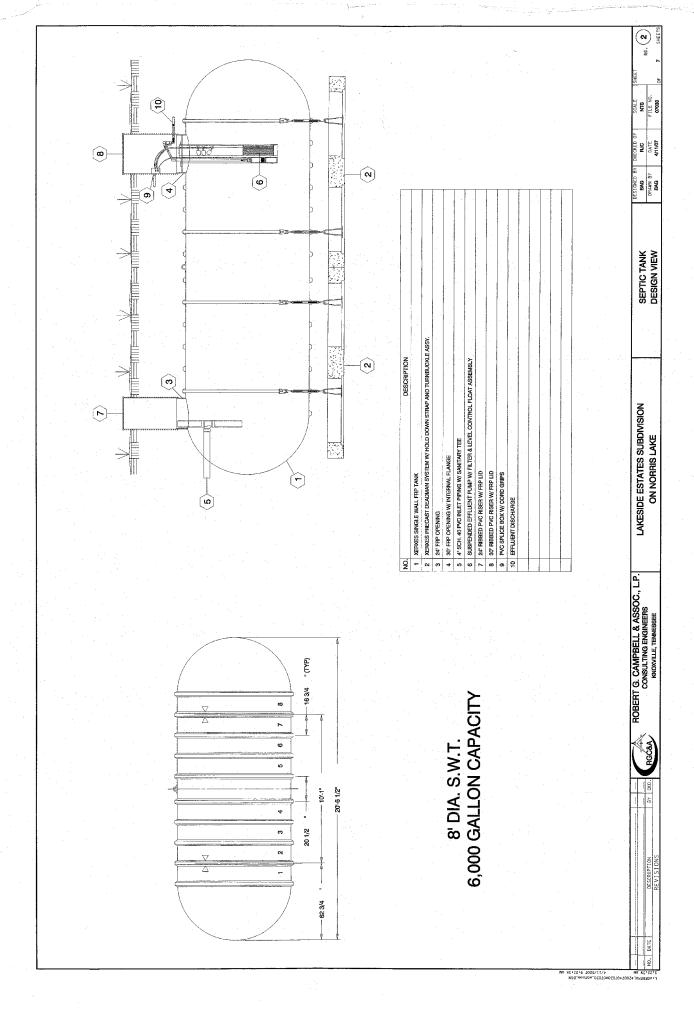


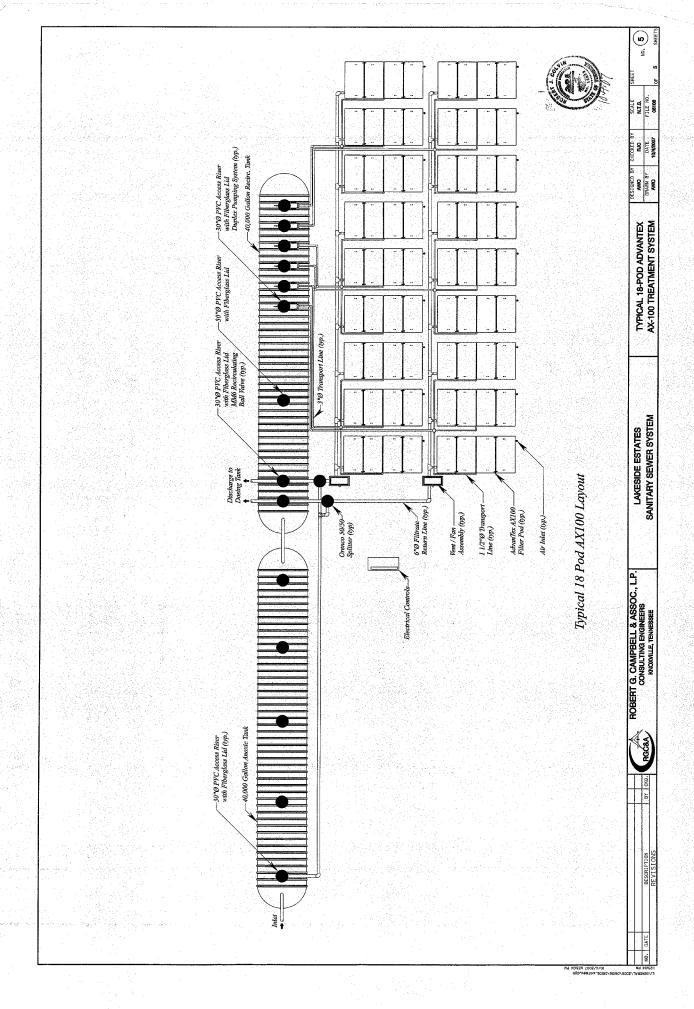


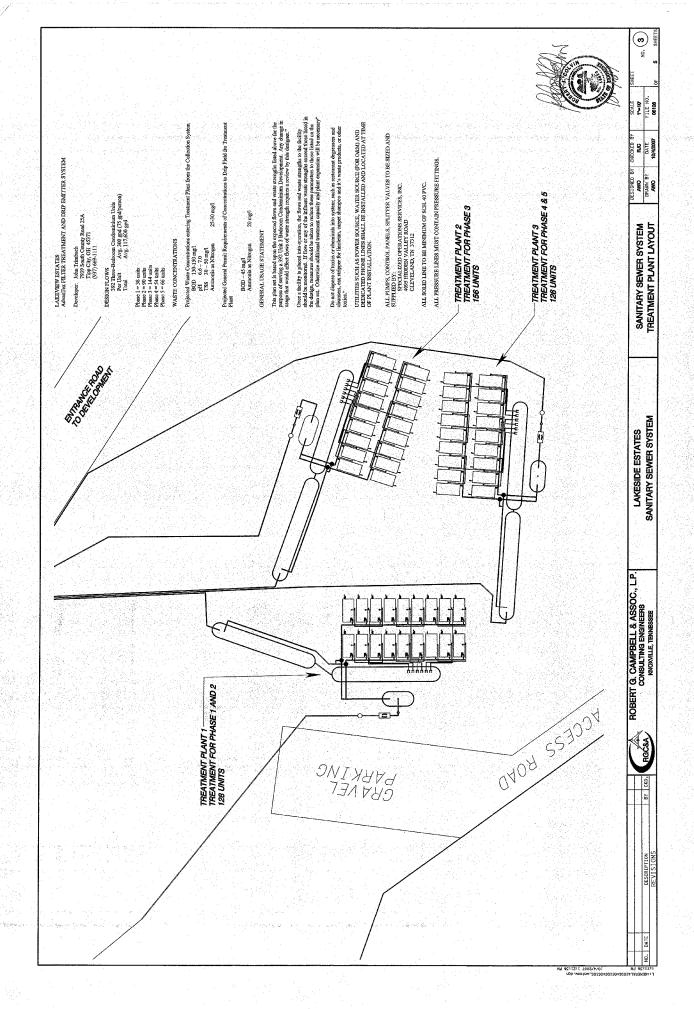


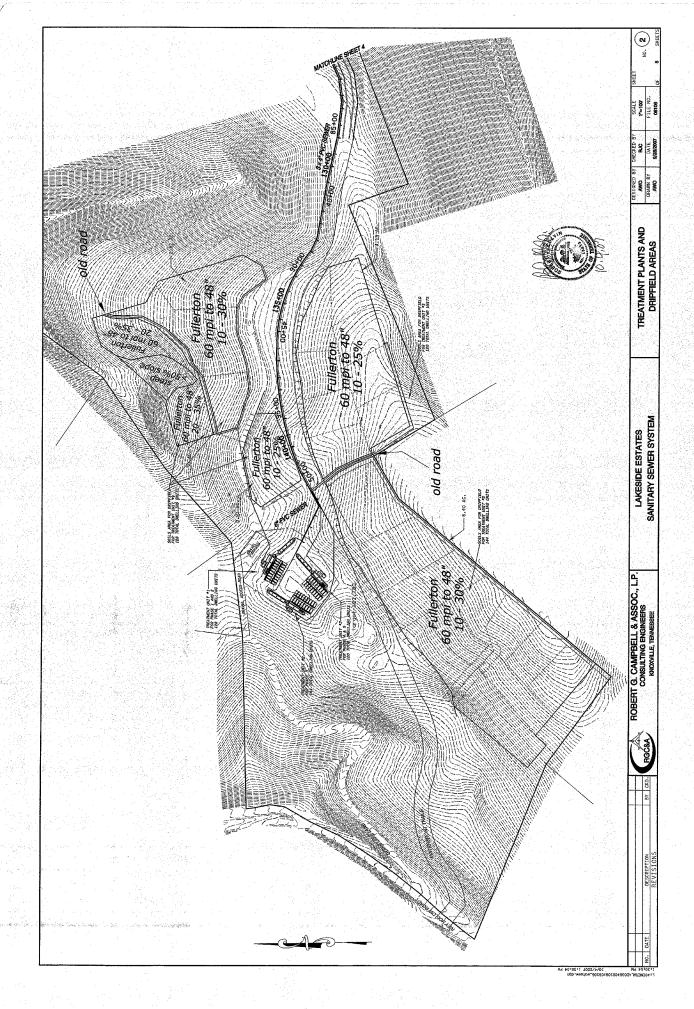


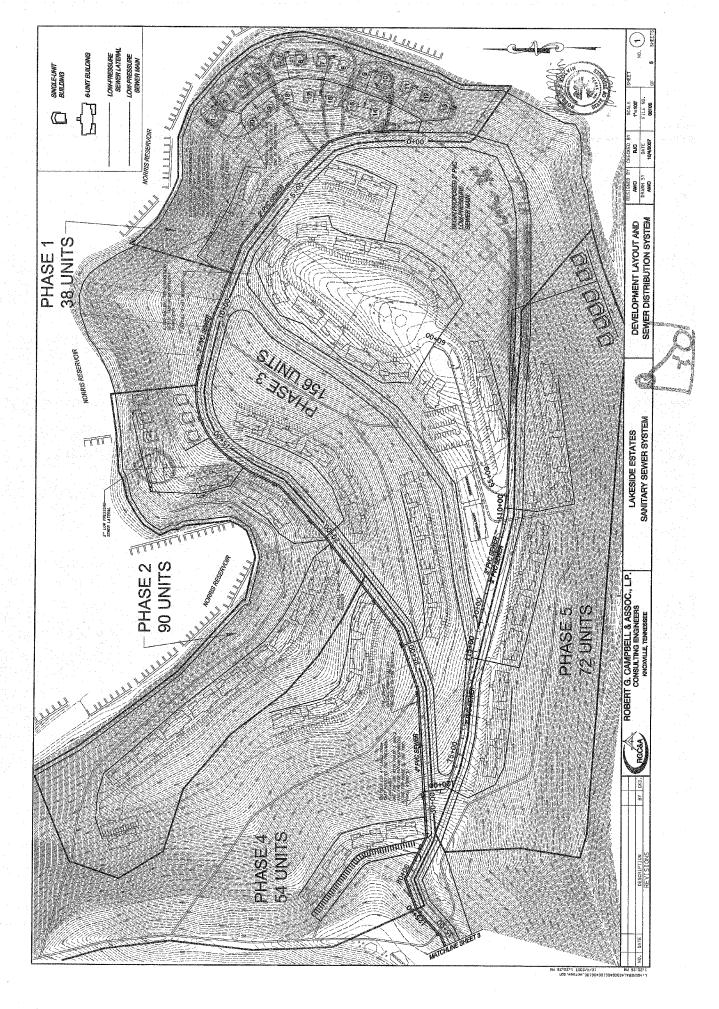












CAMPBELL CO., TENNESSEE SOIL SOLUTIONS, Inc. Harriman, TN 37748 -9387 (423) 569-1752 EXTRA HIGH INTENSITY SOIL MAP **TAFOLLETTE** 2415 Old Harriman Hwy. SHEET NO.: 1 OF 1 SCALE: 1" = 100' FOR DRIP EMITTER DISPOSAL FIELD 03/20/07 SRW EXTRA HIGH INTENSITY SOIL MAPPING (865) 882-9387 **CAKESIDE ESTATES** DATE old road LOCATION MAP 9/09E 90 184 03/041/09 Fullerton 60 mpl to 48" 10 - 25% old road 60 mpi ta 48" 10 - 30% Average Loading Rate - 0.30 gallons/sq.ft./day + slope factor ANY CUTTING, FILLING AND/OR COMPACTION WILL VOID THIS SOIL MAP ECOMMENDED SETBACKS. 1-DOT DRAINS - 15" 2-DOT DRAWS - 25 CUTBANKS-25" OLD ROADS - 15"

ATTACHEMENT 9:

Build Out Cost Analysis (5-yr)

Estimated Costs and Revenues For	Year	2011						
Assumptions:	2011	2012		2013		2014	2015	<u>Total</u>
Total number of lots in subdivision	200	200		200		200	200	
Number of non-resident/devloper property owners	9	4		4		4	4	
Number of resident property owners	3	4		6		8	10	
Commercial Overnight Rental property owners	27	29		32		34	30	
Unsold lots	155	157		152		148	150	
Annual residents providing tap fee	1	2		2		2	2	
Stimated Expenses								
·	Units	# of Units	Unit	Rate		nthly Cost	Yearly Cost	Comments
outine Maintenance								
Maintenance Operator Cost (Non-resident)	Lots	9	\$	5	\$	45	\$ 540	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for non-resident services.
Maintenance Operator Cost (resident & rental)	Homes	30	\$ 1	16.71	\$	501	\$ 6,016	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for residence service. This is based on conversations with Jeff Brownfield (Braeburn) and Eddy Troxell (LaFollette) and their experience with the system todate.
Accounting, tax preparation books setup	Hours	2	\$	50	\$	100	\$ 1,200	Amount furnished by DSH's CPA - Roger Goins and book keeper.
Tax Cost (Franchise - Excise and Federal)	Homes	30	\$	1.92	\$	58	\$ 691	Cost projection includes property tax and income tax. Based on project income, property value, and operating costs
Plant operator salary and testing	Sampling and Testing	12	\$	433	\$	433	\$ 5,196	Based on pricing provided by our operator for monthly and quarter sampling and testing requirements per our SOP. Based on subcontractor quote for services.
Performance Bond	Event	1	\$ 1	1,280	\$	107	\$ 1,280	Based on actual incurred costs from BB&T Insurance Services, In
Insurance	Coverage	12	\$	277	\$	277	\$ 3,319	Based actual insurance costs from P&C Risk Services, LLC
Office telephone Line	Line	12	\$	55	\$	55	\$ 660	Office phone line based on experience.
Plant Control System phone line	Line	12	\$	55	\$	55	\$ 660	The telephone line is necessary for the computer (PLC) automatic to call in and report any problem. Based on estimate by local phor company.
Local Managaement Fee	Month	30	\$	2.00	\$	60	\$ 720	Based on experience hours and hourly rates on similar projects.
Corporate Management Fee	Month	30	\$	2.80	\$	84	\$ 1,008	Based on experience hours and hourly rates on similar projects.
TRA Inspection Fee	Inspection	1	\$	250	\$	21	\$ 250	Based on TRA published rates.
Subtotal					\$ 1	1.795	\$ 21,540	

	Units	# of Units	l	nit Rate		Monthly Cost	v	oarly Cost	Comments
	Offics	# OI OIIIG	OI	III nate		Cost	16	carry Cost	Comments
Non Routine Maintenance									
									Pumping of holding tanks associated with centralized treatment
Outline to the comment of	D		١,	0.40	_	0.0			system. Based on \$240 per pumping event. Verbal quote from Jef
Septic tank pumping	Pumping Events	4	\$	240	\$	80	\$	960	Brownfield (Braeburn) Replacement cost for pumps and alarms associated with
									centralized treatment system. Assume 1 pump and alarm system
									will have to be replace once a year for a total event cost of \$1949.
			١.						Based on Orenco experience with similar installed systems - pump
Replacing pump & alarm systems	Replacement	2	\$	1,949	\$	325	\$	3,898	and alarm qoute were obtained.
Normal wear/tear items, hoses, float switches, lights	Replacement	10	\$	20	\$	17	\$	200	Based on experience hours and hourly rates on similar projects.
									Replacement cost for UV lamps associated with the system. The system utilizes 4 lamps. Assume each lamp required replacement
									once every year. Lamp and labor is approx. \$350 based on verbal
UV lamps	Lamp	4	\$	350	\$	117	\$		quote from Jeff Brownfield (Braeburn)
Subtotal	·	14					\$	6,458	· · · · · · · · · · · · · · · · · · ·
Anticipated Electrical Usage & Costs									
Anticipated Electrical Osage & Costs									Based on 18 hours/day of operation, 365 days per year, \$0.09433
									per kWatthr. Based on actual bill and phone conversation with
Treatment Pumps						37	\$		Lafollette electrical utility.
									Based on 4 hours/day of operation, 365 days per year, \$0.09433
Effluent Pumps						4	\$	42	per kWatthr.
									Based on 2 hours/day of operation, 365 days per year, \$0.09433
UV Lamps & Solenoids						3	\$	32	per kWatthr.
v								00	Based on 6 hours/day of operation, 365 days per year, \$0.09433
Misc.			_			3	\$	32	per kWatthr.
Subtotal						46	\$	554	
Anticipated Annual Billing Cost									
Postage	postage	39	_	0.64		24.96		300	
Printing	page	156		0.10	_	15.60	\$	187	
Paper	page	156	_	0.05	i	7.80	\$	94	Decades a superior to the supe
Labor	page	156	\$	0.50	\$	78.00	\$	936	Based on experience hours and hourly rates on similar projects.
Misc.	page	156	\$	0.05	\$	7.80	\$	94	
Subtotal							\$	1,610	
TOTAL ESTIMATED EXPENSES							\$	30,162	

	Units	# of Units	Unit Rate	Monthl Cos		early Cost	Comments
Estimated Revenue							
					_		
Fees Charged to Customers							
Non Resident Customer Access Fee	Access Fee	9	\$ 10.00	\$ 90	5 \$		These are billings for non-resident customers billed yearly. Based on \$120 per year per non-resident property owner.
Resident Customer Monthly Fee	Monthly Fee	3	\$ 44.53	\$ 134	4 \$	1,603	These are billings for resident customers billed monthly. Based on \$45 per month per resident customer.
Commercial Overnight Rental property owners	Monthly Fee	27	\$ 99.53	\$ 2,687	7 \$	32,248	These are billings for commercial customers billed monthly. Based on \$102.53 per month per resident customer. A one time tap ree required at purchase or property. This ree is
Tap Fees Collected and escrowed	Tap Fee	1	\$ 3,750.00	\$ 313	3 \$	3,750	transferable to subsequent property owners. \$ are in an Escrow
Tap fees that will be collected from unpaid lot owners	Tap Fee	0	\$ 3,750.00		\$	-	A one time tap fee required at purchase of property. This fee is transferable to subsequent property owners.
Return Check Fee	Returned check	2	\$ 25.00		3 \$	38	Estimate based on experience
Late Fees and Back Payment	Late fee	2	\$ 2.00		\$	3	Estimate based on experience
Disconnect Fees	Disconnect	1	\$ 40.00		3 \$		Estimate based on experience
Reconnect Fees	Reconnect	1	\$ 50.00	\$ 4	4 \$	50	Estimate based on experience
Subtotal				\$ 3,23	4 \$	38,811	
Estimated Escrow Requirements							
-							
Escrow Calculations							
Number of years included in calculation						1	
Number of customers						30	
Estimated Annual Non Routine Maintenance					\$	6,458	
Annual Escrow \$ per customer					\$	215	
Montly Escrow \$ per customer					\$	17.94	
Estimated Yearly Income	2011				\$	8,649	

Estimated Costs and Revenues For	Year	2012						
Assumptions:	2012	2013		2014	20	15		1
Total number of lots in subdivision	200	200		200	20	00		1
Number of non-resident/devloper property owners	4	4		4		4		1
Number of resident property owners	4	6		8	:	10		
Commercial Overnight Rental property owners	29	32		34	3	30		
Unsold lots	157	152		148	15	50		
Annual residents providing tap fee	2	2		2		2		
Estimated Expenses								
·	Units	# of Units	Un	nit Rate	Month Co	nly ost	Yearly Cos	Comments
Routine Maintenance								
Maintenance Operator Cost (Non-resident)	Lots	4	\$	5.00	\$	20	\$ 240	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for non-resident services.
Maintenance Operator Cost (resident & rental)	Homes	33	\$	16.71	\$ 5	51	\$ 6,617	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for residence service.
Accounting, tax preparation books setup	Hours	2	\$	50.00	\$ 1	00	\$ 1,200	Amount furnished by DSH's CPA - Roger Goins and book keeper.
Tax Cost (Franchise - Excise and Federal)	Homes	33	\$	1.92	\$	63	\$ 760	Cost projection includes property tax and income tax. Based on project income, property value, and operating costs
Plant operator salary and testing	Sampling and Testing	12	\$	433.00	\$ 4	33	\$ 5,196	Based on pricing provided by our operator, Herb Norton, for monthly and quarterly sampling and testing requirements per our SOP.
Performance Bond	Event	1	\$ 1,	,280.00	\$ 1	07	\$ 1,280	Set at 2% of the amount from Athens Insurance.
Insurance	Coverage	12	\$	276.58	\$ 2	77	\$ 3,319	Based on verbal quote from Athens Insurance.
Office telephone Line	Line	12	\$	55.00	\$	55	\$ 660	Office phone line based on experience.
Plant Control System phone line	Line	12	\$	55.00	\$	55		The telephone line is necessary for the computer (PLC) automation to call in and report any problem. Based on estimate by local phone company.
· ·						7		
Local Managaement Fee	Month	33	\$	2.00	\$	66	\$ 792	Based on experience hours and hourly rates on similar projects.
Corporate Management Fee	Month	33	\$	2.80	\$	92	\$ 1,109	Based on experience hours and hourly rates on similar projects.
TRA Inspection Fee	Inspection	1	\$	250	\$	21	\$ 250	Based on TRA published rates.
Subtotal					\$ 1,8	40	\$ 22,083	

	Units	# of Units	Lu	Init Rate		Monthly Cost	l۷	Yearly Cost	Comments
	· · · · ·	# 01 011110	Ť	ant mate		000.	_		
Non Routine Maintenance									
									Pumping of holding tanks associated with centralized treatment
Septic tank pumping	Pumping Events	4	\$	240	\$	80	\$		system. Based on \$240 per pumping event. Verbal quote from Jeff Brownfield (Braeburn)
Septic tank pumping	Pumping Events	4	Þ	240	Þ	80	Þ	960	Browniieid (Braeburn)
									Replacement cost for pumps and alarms associated with
									centralized treatment system. Assume 1 pump and alarm system will have to be replace once a year for a total event cost of \$1949.
									Based on Orenco experience with similar installed systems - pump
Replacing pump & alarm systems	Replacement	2	\$	1,949	\$	325	\$		and alarm qoute were obtained.
Normal wear/tear items, hoses, float switches, lights	Replacement	10	\$	20	\$	17	\$	200	Based on experience hours and hourly rates on similar projects.
	.,		Ė		Ė		Ė		Replacement cost for UV lamps associated with the system. The
									system utilizes 4 lamps. Assume each lamp required replacement
UV lamps	Lamp	4	\$	350	\$	117	\$		once every year. Lamp and labor is approx. \$350 based on verbal quote from Jeff Brownfield (Braeburn)
Subtotal	Lamp	14	·	330	φ	117	\$		quote non sen biowilleid (biaebuin)
			-				Ť	-,	
Anticipated Electrical Usage & Costs									
									per kWatthr. Based on actual bill and phone conversation with
Treatment Pumps			_		<u> </u>	39	\$		Lafollette electrical utility.
Effluent Pumps						4	\$		Based on 4 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
Emuent i umps							Ψ		Based on 2 hours/day of operation, 365 days per year, \$0.09433
UV Lamps & Solenoids						3	\$		per kWatthr.
			\vdash		\vdash		Ť		Based on 6 hours/day of operation, 365 days per year, \$0.09433
Misc.						3	\$		per kWatthr.
			\vdash		\vdash				
Subtotal			_			48	\$	580	
Anticipated Annual Billing Cost Postage	postage	37	\$	0.64	\$	23.68	\$	284	
Printing	postage	148		0.10		14.80			
Paper	page	148	<u> </u>	0.05	_	7.40	_		
Labor	page	148	_	0.50		74.00	_		Based on experience hours and hourly rates on similar projects.
			Ļ		L		Ļ		, , , , , , , , , , , , , , , , , , , ,
Misc.	page	148	\$	0.05	\$	7.40	•		
Subtotal			_				\$	1,527	
TOTAL ESTIMATED EXPENSES			⊢		\vdash		\$	30.649	
TOTAL COTINIATED EXPENSES			\vdash		\vdash		٣	30,043	
			_				_		

	Units	# of Units	Unit Rate		Monthly Cost	arly Cost	Comments
Estimated Revenue							
LStimuted Revenue							
Fees Charged to Customers							
Non Resident Customer Access Fee	Access Fee	4	\$ 10.00	\$	40	\$ 480	These are billings for non-resident customers billed yearly. Based on \$120 per year per non-resident property owner.
Resident Customer Monthly Fee	Monthly Fee	4	\$ 44.53	\$	178	\$ 2,137	These are billings for resident customers billed monthly. Based on \$45 per month per resident customer.
Commercial Overnight Rental property owners	Monthly Fee	29	\$ 99.53	\$	2,886	\$ 34,636	These are billings for commercial customers billed monthly. Based on \$102.53 per month per resident customer.
Tap Fees Collected and escrowed	Tap Fee	2	\$ 3,750.00	\$	625	\$	A one time tap fee required at purchase of property. This fee is transferable to subsequent property owners.
Tap fees that will be collected from unpaid lot owners	Tap Fee		\$ 3,750.00		-	\$ 	Estimate based on experience
Return Check Fee	Returned check		\$ 25.00		4		Estimate based on experience
Late Fees and Back Payment	Late fee	2	\$ 2.00	\$	0	\$ 4	Estimate based on experience
Disconnect Fees	Disconnect	1					·
Reconnect Fees	Reconnect	1	\$ 40.00	\$	3	\$ 40	Estimate based on experience
Subtotal				\$	3,737	\$ 44,848	
Estimated Escrow Requirements							
				_			
Escrow Calculations							
Number of years included in calculation						1	
Number of customers						33	
Estimated Annual Non Routine Maintenance						\$ 6,458	
Annual Escrow \$ per customer						\$ 196	
•						•	
Montly Escrow \$ per customer						\$ 16.31	
Estimated Yearly Income	2012					\$ 14,199	

Estimated Costs and Revenues For	Year	2013							
Assumptions:	2013	2014		2015			Г		
Total number of lots in subdivision	200	200	Т	200			Т		
Number of non-resident/devloper property owners	4	4	П	4			П		
Number of resident property owners	6	8		10					
Commercial Overnight Rental property owners	32	34		30			Г		
Unsold lots	152	148		150			П		
Annual residents providing tap fee	2	2		2					
			_				_		
Estimated Expenses									
	Units	# of Units	U	Init Rate		Monthly Cost		Yearly Cost	Comments
Routine Maintenance									
Maintenance Operator Cost (Non-resident)	Lots	4	\$	5.00	\$	20	\$	i 240	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for non-resident services.
Maintenance Operator Cost (resident & rental)	Homes	38	\$	16.71	\$	635	\$	7,620	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for residence service.
Accounting, tax preparation books setup	Hours	2	\$	50.00	\$	100	\$	1,200	Amount furnished by DSH's CPA - Roger Goins and book keeper.
Tax Cost (Franchise - Excise and Federal)	Homes	38	\$	1.92	\$	73	\$	876	Cost projection includes property tax and income tax. Based on project income, property value, and operating costs
Plant operator salary and testing	Sampling and Testing	12	\$	433.00	\$	433	\$	5,196	Based on pricing provided by our operator, Herb Norton, for monthly and quarterly sampling and testing requirements per our SOP.
Performance Bond	Event	1	\$	1,280.00	\$	107	\$	1,280	Set at 2% of the amount from Athens Insurance.
Insurance	Coverage	12	\$	276.58	\$	277	\$	3,319	Based on verbal quote from Athens Insurance.
Office telephone Line	Line	12	\$	55.00	\$	55	\$	660	Office phone line based on experience.
Plant Control System phone line	Line	12	\$	55.00	\$	55	\$		The telephone line is necessary for the computer (PLC) automation to call in and report any problem. Based on estimate by local phone company.
Local Managaement Fee	Month	38	\$	2.00	\$	76	\$	912	Based on experience hours and hourly rates on similar projects.
Corporate Management Fee	Month	38	\$	2.80	\$	106	\$	1,277	Based on experience hours and hourly rates on similar projects.
TRA Inspection Fee	Inspection	1	\$	250	Ė	21	\$,	Based on TRA published rates.
Subtotal					\$	1,957	\$	23,489	

Replacing pump & alarm systems Re Normal wear/tear items, hoses, float switches, lights Re UV lamps	Units ping Events eplacement eplacement		\$	-		Monthly Cost	Ye.	960	Comments Pumping of holding tanks associated with centralized treatment system. Based on \$240 per pumping event. Verbal quote from Jeff Brownfield (Braeburn)
Septic tank pumping Pump Replacing pump & alarm systems Re Normal wear/tear items, hoses, float switches, lights Re	ping Events eplacement eplacement	4	\$ \$	240	\$			960	Pumping of holding tanks associated with centralized treatment system. Based on \$240 per pumping event. Verbal quote from Jeff Brownfield (Braeburn)
Septic tank pumping Pump Replacing pump & alarm systems Re Normal wear/tear items, hoses, float switches, lights Re	eplacement eplacement	2	\$	-	\$	80	\$	960	system. Based on \$240 per pumping event. Verbal quote from Jeff Brownfield (Braeburn)
Replacing pump & alarm systems Re Normal wear/tear items, hoses, float switches, lights Re UV lamps	eplacement eplacement	2	\$	-	\$	80	\$	960	system. Based on \$240 per pumping event. Verbal quote from Jeff Brownfield (Braeburn)
Replacing pump & alarm systems Re Normal wear/tear items, hoses, float switches, lights Re UV lamps	eplacement eplacement	2	\$	-	\$	80	\$	960	Brownfield (Braeburn)
Replacing pump & alarm systems Re Normal wear/tear items, hoses, float switches, lights Re UV lamps	eplacement eplacement	2	\$	-	\$	80	\$		
Normal wear/tear items, hoses, float switches, lights Re	eplacement		÷	1,949					
Normal wear/tear items, hoses, float switches, lights Re	eplacement		÷	1,949					Replacement cost for pumps and alarms associated with
Normal wear/tear items, hoses, float switches, lights Re	eplacement		÷	1,949					centralized treatment system. Assume 1 pump and alarm system
Normal wear/tear items, hoses, float switches, lights Re	eplacement		÷	1,949					will have to be replace once a year for a total event cost of \$1949. Based on Orenco experience with similar installed systems - pump
Normal wear/tear items, hoses, float switches, lights Re	eplacement		÷	.,	\$	325	\$		and alarm goute were obtained.
UV lamps		10	Ψ	20		17	\$		Based on experience hours and hourly rates on similar projects.
	Lamp		1	20	Φ	17	Ф		Replacement cost for UV lamps associated with the system. The
	Lamp								system utilizes 4 lamps. Assume each lamp required replacement
	Lamp								once every year. Lamp and labor is approx. \$350 based on verbal
		4	\$	350	\$	117	_	,	quote from Jeff Brownfield (Braeburn)
Subtotal		14	1				\$	6,458	
Anticipated Electrical Usage & Costs									
-			t						Based on 18 hours/day of operation, 365 days per year, \$0.09433
									per kWatthr. Based on actual bill and phone conversation with
Treatment Pumps						42	\$	503	Lafollette electrical utility.
									Based on 4 hours/day of operation, 365 days per year, \$0.09433
Effluent Pumps			L			4	\$		per kWatthr.
									Based on 2 hours/day of operation, 365 days per year, \$0.09433
UV Lamps & Solenoids			┖			3	\$		per kWatthr.
									Based on 6 hours/day of operation, 365 days per year, \$0.09433
Misc.			┺			3	\$	36	per kWatthr.
Subtotal						52	\$	622	
Anticipated Annual Billing Cost									
Postage	postage	42	2 \$			26.88	\$	323	
Printing	page	168	\$	0.10	\$	16.80	\$	202	
Paper	page		3 \$		\$	8.40	\$	101	
Labor	page	168	\$	0.50	\$	84.00	\$	1,008	Based on experience hours and hourly rates on similar projects.
Misc.	page	168	3 \$	0.05	\$	8.40	\$	101	
Subtotal			Ť				\$	1,734	
			T						
TOTAL ESTIMATED EXPENSES							\$		
							φ	32,303	

	Units	# of Units	Unit Rate		lonthly Cost	Yearly Cost	Comments
Estimated Revenue						,	
LStimuteu Revenue							
Fees Charged to Customers							
-							These are billings for non-resident customers billed yearly. Based
Non Resident Customer Access Fee	Access Fee	4	\$ 10.00	\$	40	\$ 480	on \$120 per year per non-resident property owner.
Resident Customer Monthly Fee	Monthly Fee	6	\$ 44.53	ę.	267	\$ 3,206	These are billings for resident customers billed monthly. Based on \$45 per month per resident customer.
Hesident Odstonier Worldhy Fee	Monthly 1 66	O	Ψ ++.55	Ψ	201	ψ 5,200	These are billings for commercial customers billed monthly. Based
Commercial Overnight Rental property owners	Monthly Fee	32	\$ 99.53	\$	3,185	\$ 38,220	on \$102.53 per month per resident customer.
							A one time tap fee required at purchase of property. This fee is
Tap Fees Collected and escrowed	Tap Fee		\$ 3,750.00		625	\$ 7,500	transferable to subsequent property owners.
Tap fees that will be collected from unpaid lot owners	Tap Fee		\$ 3,750.00		-	\$ -	Estimate based on experience
Return Check Fee	Returned check	3	\$ 25.00		6	\$ 75	Estimate based on experience
Late Fees and Back Payment	Late fee	3	\$ 2.00	\$	1	\$ 6	Estimate based on experience
Disconnect Fees	Disconnect	1					
Reconnect Fees	Reconnect	1	\$ 40.00	\$	3	\$ 40	Estimate based on experience
							,
Subtotal				\$	4,127	\$ 49,527	
Estimated Escrow Requirements							
							T
Escrow Calculations							
Number of years included in calculation						1	
rtainsoi oi youlo moladad in adiadialion							
Number of customers						38	
Estimated Annual Non Routine Maintenance						\$ 6,458	
Estilliated Allinda Nort Houtille Mainterlance						φ 0,450	
Annual Escrow \$ per customer						\$ 170	
Montly Escrow \$ per customer						\$ 14.16	
Estimated Yearly Income	2013					\$ 17,223	

Estimated Costs and Revenues For	Year	2014						
Assumptions:	2014	2015	Г					
Total number of lots in subdivision	200	200	Т			Т		
Number of non-resident/devloper property owners	4	4	Т			Т		
Number of resident property owners	8	10						
Commercial Overnight Rental property owners	34	30						
Unsold lots	148	150	Г			Г		
Annual residents providing tap fee	2	2	Г					
n In								
Estimated Expenses						L		
	Units	# of Units	ι	Jnit Rate	Monthly Cost		Yearly Cost	Comments
Routine Maintenance								
Maintenance Operator Cost (Non-resident)	Lots	4	\$	5.00	\$ 20	\$	240	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for non-resident services.
Maintenance Operator Cost (resident & rental)	Homes	42	\$	16.71	702	\$		Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for residence service.
Accounting, tax preparation books setup	Hours	2	\$	50.00	\$ 100	\$	1,200	Amount furnished by DSH's CPA - Roger Goins and book keeper.
Tax Cost (Franchise - Excise and Federal)	Homes	42	\$	1.92	\$ 81	\$	968	Cost projection includes property tax and income tax. Based on project income, property value, and operating costs
Plant operator salary and testing	Sampling and Testing	12	\$	433.00	\$ 433	\$	5,196	Based on pricing provided by our operator, Herb Norton, for monthly and quarterly sampling and testing requirements per our SOP.
Performance Bond	Event	1	\$	1,280.00	\$ 107	\$	1,280	Set at 2% of the amount from Athens Insurance.
Insurance	Coverage	12	\$	276.58	\$ 277	\$	3,319	Based on verbal quote from Athens Insurance.
Office telephone Line	Line	12	\$	55.00	\$ 55	\$	660	Office phone line based on experience.
Plant Control System phone line	Line	12	\$	55.00	\$ 55	\$		The telephone line is necessary for the computer (PLC) automation to call in and report any problem. Based on estimate by local phone company.
Local Managaement Fee	Month	42	\$	2.00	\$ 84	\$	1,008	Based on experience hours and hourly rates on similar projects.
Corporate Management Fee	Month	42	\$	2.80	\$ 118	\$	1,411	Based on experience hours and hourly rates on similar projects.
TRA Inspection Fee	Inspection	1	\$	250	\$ 21	\$		Based on TRA published rates.
Subtotal					\$ 2,051	\$	24,614	

	Units	# of Units	Ι.	Jnit Rate		Monthly Cost	١,	/II. O4	0
	Units	# Of Units	-	Jnit Rate		Cost	ľ	early Cost	Comments
Non Routine Maintenance									
									Pumping of holding tanks associated with centralized treatment system. Based on \$240 per pumping event. Verbal quote from Jeff
Septic tank pumping	Pumping Events	4	\$	240	\$	80	\$	960	Brownfield (Braeburn)
Replacing pump & alarm systems	Replacement	2	\$	1,949	\$	325	\$		Replacement cost for pumps and alarms associated with centralized treatment system. Assume 1 pump and alarm system will have to be replace once a year for a total event cost of \$1949. Based on Orenco experience with similar installed systems - pump and alarm qoute were obtained.
Normal wear/tear items, hoses, float switches, lights	Replacement	10	\$	20	\$	17	\$	200	Based on experience hours and hourly rates on similar projects.
	·	-							Replacement cost for UV lamps associated with the system. The system utilizes 4 lamps. Assume each lamp required replacement once every year. Lamp and labor is approx. \$350 based on verbal
UV lamps Subtotal	Lamp	4 14	Ψ	350	\$	117	\$ \$	1,400 6.458	quote from Jeff Brownfield (Braeburn)
Subiolai		14	⊬		┝		۳	0,436	
Anticipated Electrical Usage & Costs									
Treatment Pumps						44	\$		Based on 18 hours/day of operation, 365 days per year, \$0.09433 per kWatthr. Based on actual bill and phone conversation with Lafollette electrical utility.
Effluent Pumps						4	\$		Based on 4 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
UV Lamps & Solenoids						3	\$		Based on 2 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
Misc.						3	\$		Based on 6 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
Subtotal						55	s	656	
Anticipated Annual Billing Cost			T		Т		Ė		
Postage	postage	46	\$	0.64	\$	29.44	\$	353	
Printing	page	184	\$	0.10	\$	18.40	\$	221	
Paper	page	184	\$	0.05	\$	9.20	\$	110	
Labor	page	184	Ľ	0.50	Ľ	92.00	\$, -	Based on experience hours and hourly rates on similar projects.
Misc.	page	184	\$	0.05	\$	9.20	\$	-	
Subtotal			L		<u> </u>		\$	1,899	
TOTAL ESTIMATED EXPENSES			⊢		\vdash		s	33,627	
TOTAL COMMATED EXITENSES			\vdash		\vdash		Ť	55,527	
		1	_		_		_		

	Units	# of Units	Unit Rate		Monthly Cost		Cost	Comments
Estimated Revenue						,		
Estimated Revenue								
Fees Charged to Customers								
Non Resident Customer Access Fee	Access Fee	4	\$ 10.00	\$	40	\$	480	These are billings for non-resident customers billed yearly. Based on \$120 per year per non-resident property owner.
Resident Customer Monthly Fee	Monthly Fee	8	\$ 44.53	\$	356	\$ 4,	275	These are billings for resident customers billed monthly. Based on \$45 per month per resident customer.
Commercial Overnight Rental property owners	Monthly Fee	34	\$ 99.53	\$	3,384	\$ 40,	608	These are billings for commercial customers billed monthly. Based on \$102.53 per month per resident customer.
Tap Fees Collected and escrowed	Tap Fee	2	\$ 3,750.00	\$	625	\$ 7.	500	A one time tap fee required at purchase of property. This fee is transferable to subsequent property owners.
Tap fees that will be collected from unpaid lot owners	Tap Fee	0	\$ 3,750.00	\$	-	\$		Estimate based on experience
Return Check Fee	Returned check	4	\$ 25.00	\$	8	\$	100	Estimate based on experience
Late Fees and Back Payment	Late fee	4	\$ 2.00	\$	1	\$	8	Estimate based on experience
Disconnect Fees	Disconnect	1						·
Reconnect Fees	Reconnect	1	\$ 40.00	\$	3	\$	40	Estimate based on experience
Subtotal				\$	4,418	\$ 5	3,011	
Estimated Escrow Requirements								
				_				
Escrow Calculations								
Number of years included in calculation							1	
Number of customers							42	
Estimated Annual Non Routine Maintenance						\$ 6	6,458	
Annual Escrow\$ per customer						\$	154	
Montly Escrow \$ per customer						\$ 1	12.81	
Estimated Yearly Income	2014					\$ 19	,384	

				_					
Estimated Costs and Revenues For	Year	2015							
Assumptions:	2015		I						
Total number of lots in subdivision	200								
Number of non-resident/devloper property owners	4								
Number of resident property owners	10								
Commercial Overnight Rental property owners	30								
Unsold lots	150								
Annual residents providing tap fee	2								
Estimated European									
Estimated Expenses			_						
	Units	# of Units	ı	Jnit Rate		Monthly Cost	Υe	early Cost	Comments
Routine Maintenance									
									Cost based on the amount DSH & Associates will charge to
			l						maintain the wastewater system wastewater components for non-
Maintenance Operator Cost (Non-resident)	Lots	4	\$	5.00	\$	20	\$	240	resident services.
									Cost based on the amount DSH & Associates will charge to
									maintain the wastewater system wastewater components for
Maintenance Operator Cost (resident & rental)	Homes	40	\$	16.71	\$	668	\$	8,021	residence service.
Accounting, tax preparation books setup	Hours	2	\$	50.00	\$	100	\$	1,200	Amount furnished by DSH's CPA - Roger Goins and book keeper.
									Cost projection includes property tax and income tax. Based on
Tax Cost (Franchise - Excise and Federal)	Homes	40	\$	1.92	\$	77	\$	922	project income, property value, and operating costs
									Based on pricing provided by our operator, Herb Norton, for
	Sampling and		١.						monthly and quarterly sampling and testing requirements per our
Plant operator salary and testing	Testing	12	\$	433.00	\$	433	\$	5,196	SOP.
Performance Bond	Event	1	\$	1,280.00	\$	107	\$	1.280	Set at 2% of the amount from Athens Insurance.
. Shormando Bond	Zvoni		Ť	.,_00.00	Ť	.57	Ť	.,_50	20. 20. 20. 20. 20. 20. 20. 20. 20. 20.
Insurance	Coverage	12	\$	276.58	\$	277	\$	3,319	Based on verbal quote from Athens Insurance.
	-		Ė				<u> </u>		
Office telephone Line	Line	12	\$	55.00	\$	55	\$	660	Office phone line based on experience.
			l						The telephone line is necessary for the computer (PLC) automation to call in and report any problem. Based on estimate by least phone
Plant Control System phone line	Line	12	\$	55.00	\$	55	\$		to call in and report any problem. Based on estimate by local phone company.
. i.a.k oo ka o o o o o o o o o o o o o o o o	Line	12	Ť	55.50	Ť	- 50	Ť		py-
			l						
Local Managaement Fee	Month	40	\$	2.00	\$	80	\$	960	Based on experience hours and hourly rates on similar projects.
Corporate Management Fee	Month	40	\$	2.80	\$	112	\$	1,344	Based on experience hours and hourly rates on similar projects.
TRA Inspection Fee	Inspection	1	\$	250	\$	21	\$	250	Based on TRA published rates.
Subtotal			Ť		\$	2,004	·	24,051	P. 2010-100-100-100-100-100-100-100-100-100
Subtotal					Ą	2,004	_ 3	24,001	

	11.34.		l			Monthly	٠,		0
	Units	# of Units	U	nit Rate		Cost	Y	early Cost	Comments
Non Routine Maintenance									
									Pumping of holding tanks associated with centralized treatment
									system. Based on \$240 per pumping event. Verbal quote from Jeff
Septic tank pumping	Pumping Events	4	\$	240	\$	80	\$		Brownfield (Braeburn)
									Replacement cost for pumps and alarms associated with
									centralized treatment system. Assume 1 pump and alarm system will have to be replace once a year for a total event cost of \$1949.
									Based on Orenco experience with similar installed systems - pump
Replacing pump & alarm systems	Replacement	2	\$	1,949	\$	325	\$		and alarm quute were obtained.
Normal wear/tear items, hoses, float switches, lights	Replacement	10	\$	20	\$	17	\$		Based on experience hours and hourly rates on similar projects.
Normal weal/teal items, hoses, hoat switches, lights	періасеттетт	10	Ψ	20	φ	17	φ	200	Replacement cost for UV lamps associated with the system. The
									system utilizes 4 lamps. Assume each lamp required replacement
									once every year. Lamp and labor is approx. \$350 based on verbal
UV lamps	Lamp	4	-	350	\$	117			quote from Jeff Brownfield (Braeburn)
Subtotal		14					\$	6,458	
Anticipated Electrical Usage & Costs									
									Based on 18 hours/day of operation, 365 days per year, \$0.09433
									per kWatthr. Based on actual bill and phone conversation with
Treatment Pumps						43	\$	517	Lafollette electrical utility.
									Based on 4 hours/day of operation, 365 days per year, \$0.09433
Effluent Pumps						4	\$	49	per kWatthr.
									Based on 2 hours/day of operation, 365 days per year, \$0.09433
UV Lamps & Solenoids						3	\$	37	per kWatthr.
									Based on 6 hours/day of operation, 365 days per year, \$0.09433
Misc.						3	\$	37	per kWatthr.
Subtotal						53	\$	639	
Anticipated Annual Billing Cost									
Postage	postage	44	\$	0.64	\$	28.16	\$	338	
Printing	page	176	\$	0.10	\$	17.60	\$	211	
Paper	page	176	\$	0.05		8.80	\$	106	
Labor	page	176	\$	0.50	\$	88.00	\$	1,056	Based on experience hours and hourly rates on similar projects.
Misc.	page	176	\$	0.05	\$	8.80	\$	106	
Subtotal	1.8				Ė		\$	1,816	
TOTAL ESTIMATED EXPENSES							\$	32,965	

	Units	# of Units	Unit Rate		Monthly Cost		t Comments
Estimated Revenue	C c	# C1 C1C				Tourny coo	
Estimatea Revenue							
Fees Charged to Customers				 			
- 000 011a1 gou to 0401011010				\vdash			These are billings for non-resident customers billed yearly. Based
Non Resident Customer Access Fee	Access Fee	4	\$ 10.00	\$	40	\$ 480	on \$120 per year per non-resident property owner.
Resident Customer Monthly Fee	Monthly Fee	10	\$ 44.53	\$	445	\$ 5,344	These are billings for resident customers billed monthly. Based on \$45 per month per resident customer.
Commercial Overnight Rental property owners	Monthly Fee	30	\$ 99.53	\$	2,986	\$ 35,831	These are billings for commercial customers billed monthly. Based on \$102.53 per month per resident customer.
Tap Fees Collected and escrowed	Tap Fee	2	\$ 3,750.00	l _e	625	\$ 7,500	A one time tap fee required at purchase of property. This fee is transferable to subsequent property owners.
Tap fees that will be collected from unpaid lot owners	Tap Fee		\$ 3,750.00	\$	-	\$ 7,500	Estimate based on experience
Return Check Fee	Returned check		\$ 25.00	\$	10	\$ 125	Estimate based on experience
Late Fees and Back Payment	Late fee	_	\$ 2.00	\$	1	\$ 10	Estimate based on experience
Disconnect Fees	Disconnect	-	Ψ 2.00	۳	•	Ψ 10	Estimate based on expension
Reconnect Fees	Reconnect		\$ 40.00	\$	3	\$ 40	Estimate based on experience
		- -		Ţ			
Subtotal				\$	4,111	\$ 49,329	5
-				•		•	•
Estimated Escrow Requirements							
				_		,	
Escrow Calculations							
Number of years included in calculation						1	
Number of customers						40	
Estimated Annual Non Routine Maintenance						\$ 6,458	
Annual Escrow \$ per customer						\$ 161	
				•			•
Montly Escrow \$ per customer						\$ 13.45	
Estimated Yearly Income	2015					\$ 16,364	

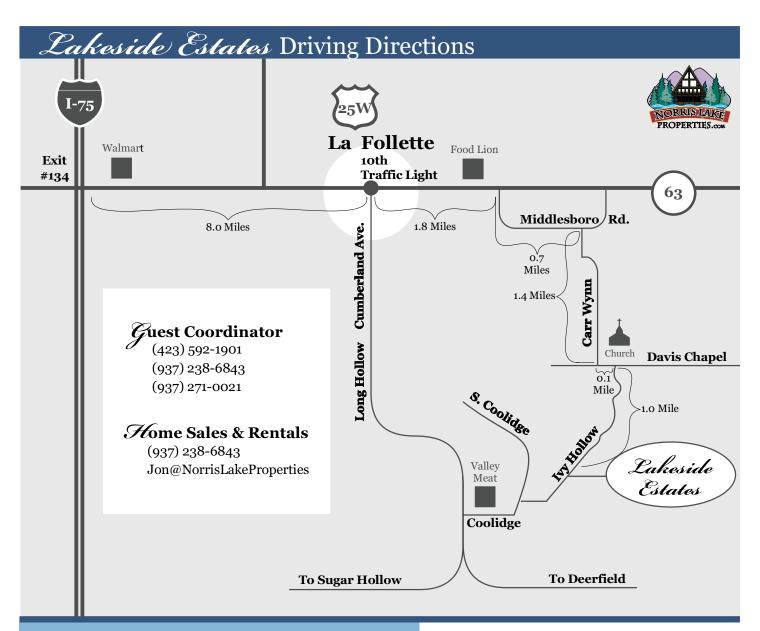
Estimated Costs and Revenues For 5 Years

	<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>2014</u>		<u>2015</u>		<u>Total</u>
Revenue: Monthly Fees	\$	35,061	\$ 37,348	\$	42,027	\$	45,511	\$	41,829	\$	201,776
Revenue: Placed in Escrow for											
Future Treatment System											
Expansion	\$	3,750	\$ 7,500	\$	7,500	\$	7,500	\$	7,500	\$	33,750
Estimated Expenses	\$	30,162	\$ 30,649	\$	32,303	\$	33,627	\$	32,965	\$	159,706

Estimate Profit	\$ 4,899	\$ 6,699	\$ 9,723	\$ 11,884	\$ 8,864	\$ 42,071

ATTACHEMENT 10:

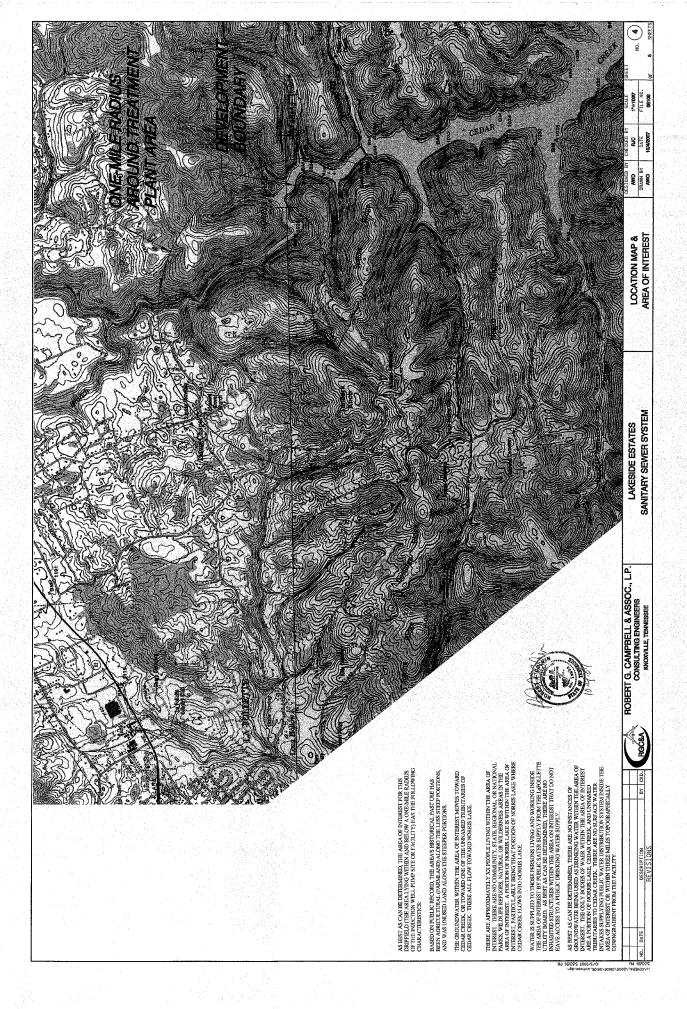
Lakeside Estates Subdivision Plans





DIRECTIONS FROM I-75, EXIT 134:

- 1. Take SR-63 East for 8 miles to the 10th traffic light in LaFollette.
- 2. Continue East, through the light for 1.8 miles to Middlesboro Rd.
- 3. Turn Right on Middlesboro for 7/10 of a mile to Carr Wynn.
- 4. Turn Right on Carr Wynn for 1.4 miles to Davis Chapel.
- Turn Left on Davis Chapel for 1/10th of a mile to Ivy Hollow.
- 6. Turn Right on Ivy Hollow for 1 mile to Lakeside Estates.





CAMPBEL COUNTY, TENNESSEE

SANITARY SEWER SYSTEM

E E AKESIDE ESTATES





ROBERT G. CAMPBELL & ASSOCIATES, L.P. CONSULTING ENGINEERS KNOXVILLE, TENNESSEE

APPROVED BY:

1986. HONEL THOME SUPERIORS SUPERINTENDENT OF WATER OPERATIONS LAFOLLETTE UTILITIES BOARD



ATTACHEMENT 11:

Chart of Accounts

DSH & Associates, LLC		9:03 AM
Account Listing		1/1/2011
January 1, 2011		
Account		Balance
131.10 BB&T CHECKING	\$	100.00
131.50 PETTY CASH		
132.00 SPECIAL DEPOSITS		
141.00 - CUSTOMER ACCOUNTS RECEIVABLE		
143.00 • ACC PROVIS UNCOLLECTIBLE ACCTS		
151.00 PLANT MATERIAL & SUPPLIES		
174.00 - MISC CURRENT & ACCRUED ASSETS		
186.00 • MISC DEFERRED DEBITS		
190.00 • ACC DEFERRED INCOME TAXES		
101.00 • UTILITY PLANT IN SERVICE		
101.00 UTILITY PLANT IN SERVICE:351.00 ORGANIZATION (DUES & FEES)		
101.00 UTILITY PLANT IN SERVICE:353.00 LAND & LAND RIGHTS		
101 00 UTILITY PLANT IN SERVICE:354.00 STRUCTURES & IMPROVEMENTS		
101.00 UTILITY PLANT IN SERVICE:355.00 - POWER GENERATION EQUIPMENT		
101 00 UTILITY PLANT IN SERVICE:360.00 • COLLECTING SEWERS - FORCE		
101.00 UTILITY PLANT IN SERVICE!361_00 COLLECTING SEWERS • GRAVITY		
101.00 - UTILITY PLANT IN SERVICE:361.00 • COLLECTING SEWERS - GRAVITY:361.10 MANHOLES		
101.00 • UTILITY PLANT IN SERVICE:362.00 • SPECIAL COLLECTING SERVICES		
101.00 UTILITY PLANT fN SERVICE:362 00 SPECIAL COLLECTING SERVICES:362.10 UNDERGROUND TA	NKS	
101.00 • UTILITY PLANT IN SERVICE:363.00 SERVICES TO CUSTOMERS		
101.00 UTILITY PLANT IN SERVICE:364.00 FLOW MEASURING DEVICES		
101.00 • UTILITY PLANT IN SERVICE:365.00 • FLOW MEASURING INSTALLATIONS		
101 00 • UTILITY PLANT IN SERVICE:370.00 RECEIVING WELLS		
101 00 • UTILITY PLANT IN SERVICE:380.00 • TREATMENT & DISPOSAL EQUIP		
101.00 • UTILITY PLANT IN SERVICE:381.00 • PLANT SEWERS		
101.00 UTILITY PLANT IN SERVICE:382.00 • OUTFALL SEWER LINES		
101.00 UTILITY PLANT IN SERVICE:389.00 • OTHER PLANT & MISC EQUIP		
101.00 • UTILITY PLANT IN SERVICE:390.00 - OFFICE FURNITURE & EQUIPMENT		
101.00 UTILITY PLANT IN SERV10E:391 00 TRANSPORTATION EQUIPMENT		
101.00 - UTILITY PLANT IN SERVICE:393.00 TOOLS, SHOP & GARAGE EQUIP		
101.00 • UTILITY PLANT IN SERVICE:395.00 • POWER OPERATED EQUIPMENT		
101.00 - UTILITY PLANT IN SERVICE:398.00 OTHER TANGIBLE PLANT		
105.00 CONSTRUCTION WORK IN PROGRESS		
108.00 • ACC DEPREG(PLANT IN SERVICE)		
114 00 UTILITY PLANT ACQUISITION ADJ	Page 1 of	(;

DSH & Associates, LLC	9:03 AM
Account Listing	1/1/2011
January 1, 2011	
Account	Balance
115.00 ACC AMORT UTILITY PLANT ACQ ADJ	
121.00 NONUTILITY PROPERTY	
122.00 • ACC DEP & AMORT NONUTILITY PROP	
103.00 PROPERTY HELD FOR FUTURE USE	
124.00 . UTILITY INVESTMENTS	
231.00 - ACCOUNTS PAYABLE	
232.00 • NOTES PAYABLE	
232.10 - BB&T CREDIT CARD 1 (Doug Hodge)	
232.20 - BB&T CREDIT CARD 2 (Bert Ballowe)	
232 00 - NOTES PAYABLE:232.50 LOAN FROM Doug Hodge	
235.00 - CUSTOMER DEPOSITS	
236.00 • ACCRUED TAXES	
236.00 - ACCRUED TAXES:236.10 • PAYROLL LIABILITIES	
236.00 • ACCRUED TAXES:236.20 PROPERTY TAXES	
236.00 - ACCRUED TA.XES:236.50 - STATE TAXES	
235.00 - ACCRUED TAXES:236.60 - FEDERAL TAXES	
237.00 ACCRUED INTERST	
241.00 , MISC CURRENT & ACCRUED LIABIL	
252 00 • ADVANCES FOR CONSTRUCTION	
253 00 OTHER DEFERRED CREDITS	
255.00 - ACC DEFERRED INVESTMENT TAX CR	
271.00 • CONTRIB IN AID OF CONSTRUCTION	
272.00 - ACC AMORT OF 271.00	
412.00 - INVESTMENT TAX CREDITS	
412.00 - INVESTMENT TAX CREDITS:412.10 DEFERRED TO FUTURE, UTILITY CPS	
412.00 - INVESTMENT TAX CREDITS:412.11 RESTORED TO OPERATING INCOME	
412.00 - INVESTMENT TAX CREDITS:412 20 NET. NONUTILITY OPERATIONS	
412.00 • INVESTMENT TAX CREDITS:412.30 RESTORED TO NONOPERATING INCOME	
224.00 OTHER LONG-TERM DEBT	
265.00 MISC OPERATING RESERVES	
201.00 COMMON STOCK ISSUED	
204.00 • PREFERRED STOCK ISSUED	
211.00 OTHER PAID-IN CAPITAL	
215.00 . RETAINED EARNINGS	
400.00 - OPERATING REVENUES	Page 1 of (;

DSH & Associates, LLC	9:03 AM
Account Listing January 1, 2011	1/1/2011
Account	Balance
400.00 • OPERATING REVENUES: 521.00 FLAT RATE REVENUES	
400.00 - OPERATING REVENUES 521.00 FLAT RATE REVENUES:521 10 RESIDENTIAL REVENUES	
400.00 - OPERATING REVENUES:521.00 • FLAT RATE REVENUES:521.20 • COMMERCIAL REVENUES	
400.00 • OPERATING REVENUES:521.00 • FLAT RATE REVENUES:521.30 - INDUSTRIAL REVENUES	
400.00 • OPERATING REVENUES:521.00 - FLAT RATE REVENUES:521.40 PUBLIC AUTHORITIES	
400.00 • OPERATING REVENUES:521.00 FLAT RATE REVENUES:521.50 MULTIPLE FAMILY DWELLING	
400.00 - OPERATING REVENUES:521.00 FLAT RATE REVENUES:521.60 OTHER REVENUES	
400.00 - OPERATING REVENUES:522.00 • MEASURED REVENUES	
400,00 • OPERATING REVENUES:522.00 - MEASURED REVENUES522.10 • RESIDENTIAL REVENUES	
400.00 • OPERATING REVENUES:522.00 - MEASURED REVENUES:522.20 • COMMERCIAL REVENUES	
400.00 OPERATING REVENUES:522.00 - MEASURED REVENUES:522.30 • INDUSTRIAL REVENUES	
400.00 • OPERATING REVENUES:522.00 • MEASURED REVENUES:522.40 • PUBLIC AUTHORITIES	
400.00 OPERATING REVENUES:522.00 • MEASURED REVENUES:522.50 MULTIPLE FAMILY DWELLING	
419.00 INTEREST & DIVIDEND INCOME	
421.00 • NON UTILITY INCOME	
524.00 REVENUES FROM OTHER SYSTEMS	
530.00 • GUARANTEED REVENUES	
536 00 • OTHER WASTEWATER REVENUES	
401.00 - OPERATING EXPENSES	
401.00 - OPERATING EXPENSES:701.00 SALARIES & WAGES - EMPLOYEES	
401.00 - OPERATING EXPENSES:703.00 - SALARIES & WAGES - OFFICERS	
401.00 • OPERATING EXPENSES:704.00 EMPLOYEE PENSIONS & BENEFITS	
401.00 OPERATING EXPENSES:710.00 - PURCHASED WASTEWATER TREATMENT	
401.00 • OPERATING EXPENSES:711.00 • SLUDGE REMOVAL EXPENSE	
401.00 - OPERATING EXPENSES-715.00 POWER PURCHASED(Electric)	
401.00 OPERATING EXPENSES:716.00 FUEL FOR POWER PRODUCTION	
401.00 - OPERATING EXPENSES:718.00 CHEMICALS	
401.00 • OPERATING EXPENSES:720.00 MATERIALS & SUPPLIES	
401.00 - OPERATING EXPENSES:730.00 • CONTRACT SERVICES - BILLING	
401.00 • OPERATING EXPENSES:731.00 • CONTRACT SERVICES-PROFESSIONAL	
401.00 OPERATING EXPENSES:735.00 • CONTRACT SERVICES-TESTING	
401.00 • OPERATING EXPENSES:736.00 • CONTRACT SERVICES-OTHER	
401.00 OPERATING EXPENSES:740.00 RENTS	
401.00 - OPERATING EXPENSES:750.00 TRANSPORTATION EXPENSES	
401.00- OPERATING EXPENSES:755.00 INSURANCE EXPENSE	Page 1 of (;

DSH & Associates, LLC	9:03 AM
Account Listing	1/1/2011
January 1, 2011	
Account	Balance
401.00 • OPERATING EXRENSES:755.00 - INSURANCE EXPENSE:755.10 INSURANCE BOND	
401.00 - OPERATING EXPENSES.755.00 - INSURANCE EXPENSE 755.20 LIABILITY INSURANCE	
401.00 - OPERATING EXPENSES:755.00 • INSURANCE EXPENSE:755.40 TRANSPORATION INSURANCE	
401.00 - OPERATING EXPENSES:755.00 • INSURANCE EXPENSE:755.80 - WORKER'S COMPENSATION	
401.00 OPERATING EXPENSES:765.00 • REGULATORY COMMISSION EXPENSES	
401.00 OPERATING EXPENSES:770.00 • BAD DEBT EXPENSE	
401.00 • OPERATING EXPENSES:775.00 • MISCELLANEOUS EXPENSES	
403.00 - DEPRECIATION EXPENSES	
406.00 • AMORT OF UTILITY PLANT ACQ ADJ	
407.00 AMORTIZATION EXPENSE - OTHER	
408.00 • TAXES (NOT INCOME)	
408.00 • TAXES (NOT INCOME):408.10 • LOCAL TAXES	
408.00 TAXES (NOT INCOME):408.10 LOCAL TAXES:408.101 JEFFERSON CO BUSINESS TAX	
408.00 - TAXES (NOT INCOME):408.10 - LOCAL TAXES:408.102 PROPERTY TAX	
408.00 • TAXES (NOT INCOME):408 20 STATE TAXES	
408.00 TAXES (NOT INCOME):408.20 STATE TAXES:408.201 - CORPORATE ANNUAL REPORT	
408.00 - TAXES (NOT INCOME):408.20 • STATE TAXES:408.202 • FRANCISE & EXCISE	
408.00 TAXES (NOT INCOME):408.20 STATE TAXES:408.203 • STATE UNEMPLOYMENT (SUTA)	
408.00 • TAXES (NOT INCOME):408.20 - STATE TAXES:408.204 - TENN SALES TAX	
408.00 • TAXES (NOT INCOME)-408.30 FEDERAL TAXES	
408.00 • TAXES (NOT INCOME):408.30 - FEDERAL TAXES:408.301 FEDERAL UNEMPLOYMENT (FUTA)	
408.00 - TAXES (NOT INCOME).408.30 FEDERAL TAXES-408.302 • PAYROLL TAXES	
409.00 • INCOME TAXES	
409.00 • INCOME TAXES:409.10 - UTILITY OPERATING INCOME	
409.00 • INCOME TAXES 409.20 OTHER INCOME & DEDUCTIONS	
410.00 PROVISION DEFERRED INCOME TAX	
410.00 PROVISION DEFERRED INCOME TAX:410.10 • DEFERRED INCOME TAXES	
410 00 . PROVISION DEFERRED INCOME TAX:410.20 • OTHER INCOME & DEDUCTIONS	
411.00 • PROV DEFERRED INCOME TAXES-CR	
411.00 • PROV DEFERRED INCOME TAXES-CR:411.10 UTILITY, OPERATING INCOME	
411.00 • PROV DEFERRED INCOME TAXES-CR:411 20 OTHER INCOME & DEDUCTIONS	
426.00 MISC NON UTILITY EXPENSES	
427 00 - INTEREST EXPENSE	

Page 1 of (;

ATTACHEMENT 12:

Performance Bond

CORPORATE SURETY BOND

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

REFERENCE: DSH & Associates, LLC

Company ID: 129107

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 S.C., as Surety, (Hereinafter called "Surety") are bound to the State of Tennessee in the sum of exactly Forty Thousand and 00/100 Dollars (\$40,000, 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 Forty thousan Dollars (\$40,000) 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.

Bond No. 0010226

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 1 I

(Principal)

Companion Property and Casualty Insurance Co.

(Surety)

David R. Brett, Attorney-in-Fact

June, 2006

ACKNOWLEDGMENT OF PRINCIPAL

COUNTY OF
Before me, a Notary Public of the State and County aforesaid, personally appeared
My Commission Expires: OG-OG- Notary Public Notary Public
ACKNOWLEDGMENT OF SURETY
Georgia STATE OF XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
Before me, a Notary Public of the State and County aforesaid, personally appeared David R. Brett with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of "See Below", the within named Surety, a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so, executed the foregoing bond, by signing the name of the corporation by himself and as such individual. WITNESS my hand and seal this 31st day of January, 2011.
My Commission Expires:
January 23, 2013 Notary Public Judy McDonald Stopped S
WITNESS my hand and seal this 31st day of January , 20 11. My Commission Expires: January 23, 2013 "Companion Property and Casualty Insurance Company" Notary Public Judy McDonald September 19 19 19 19 19 19 19 19 19 19 19 19 19
APPROVAL AND INDORSEMENT
This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Regulatory Authority, State of Tennessee, this day of, 20
Name: Title:

ATTACHEMENT 13:

Pro Forma Income Statement (2-yr)

Lakeside Estates Waste Water Treatment System

Estimated Costs and Revenues For	Year	2011						
Assumptions:	2011	2012		2013		2014	2015	<u>Total</u>
Total number of lots in subdivision	200	200		200		200	200	
Number of non-resident/devloper property owners	9	4		4		4	4	
Number of resident property owners	3	4		6		8	10	
Commercial Overnight Rental property owners	27	29		32		34	30	
Unsold lots	155	157		152		148	150	
Annual residents providing tap fee	1	2		2		2	2	
Stimated Expenses								
·	Units	# of Units	Unit	Rate		nthly Cost	Yearly Cost	Comments
outine Maintenance								
Maintenance Operator Cost (Non-resident)	Lots	9	\$	5	\$	45	\$ 540	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for non-resident services.
Maintenance Operator Cost (resident & rental)	Homes	30	\$ 1	16.71	\$	501	\$ 6,016	Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for residence service. This is based on conversations with Jeff Brownfield (Braeburn) and Eddy Troxell (LaFollette) and their experience with the system todate.
Accounting, tax preparation books setup	Hours	2	\$	50	\$	100	\$ 1,200	Amount furnished by DSH's CPA - Roger Goins and book keeper.
Tax Cost (Franchise - Excise and Federal)	Homes	30	\$	1.92	\$	58	\$ 691	Cost projection includes property tax and income tax. Based on project income, property value, and operating costs
Plant operator salary and testing	Sampling and Testing	12	\$	433	\$	433	\$ 5,196	Based on pricing provided by our operator for monthly and quarter sampling and testing requirements per our SOP. Based on subcontractor quote for services.
Performance Bond	Event	1	\$ 1	1,280	\$	107	\$ 1,280	Based on actual incurred costs from BB&T Insurance Services, In
Insurance	Coverage	12	\$	277	\$	277	\$ 3,319	Based actual insurance costs from P&C Risk Services, LLC
Office telephone Line	Line	12	\$	55	\$	55	\$ 660	Office phone line based on experience.
Plant Control System phone line	Line	12	\$	55	\$	55	\$ 660	The telephone line is necessary for the computer (PLC) automatic to call in and report any problem. Based on estimate by local phor company.
Local Managaement Fee	Month	30	\$	2.00	\$	60	\$ 720	Based on experience hours and hourly rates on similar projects.
Corporate Management Fee	Month	30	\$	2.80	\$	84	\$ 1,008	Based on experience hours and hourly rates on similar projects.
TRA Inspection Fee	Inspection	1	\$	250	\$	21	\$ 250	Based on TRA published rates.
Subtotal					\$ 1	1.795	\$ 21,540	

	Units	# of Units	۱ ,,	nit Rate	Monthly Cost	v	early Cost	Comments
	Office	# OI OIIII	J	iiit riate	OUSI		earry Cost	Comments
Non Routine Maintenance								
Septic tank pumping	Pumping Events	4	\$	240	\$ 80	\$	960	Pumping of holding tanks associated with centralized treatment system. Based on \$240 per pumping event. Verbal quote from Jeff Brownfield (Braeburn)
Replacing pump & alarm systems	Replacement	2	\$	1,949	\$ 325	\$		Replacement cost for pumps and alarms associated with centralized treatment system. Assume 1 pump and alarm system will have to be replace once a year for a total event cost of \$1949. Based on Orenco experience with similar installed systems - pump and alarm qoute were obtained.
Normal wear/tear items, hoses, float switches, lights	Replacement	10	\$	20	\$ 17	\$	200	Based on experience hours and hourly rates on similar projects.
UV lamps	Lamp	4		350	117			Heplacement cost for UV lamps associated with the system. The system utilizes 4 lamps. Assume each lamp required replacement once every year. Lamp and labor is approx. \$350 based on verbal quote from Jeff Brownfield (Braeburn)
Subtotal	·	14				\$	6,458	
Anticipated Electrical Usage & Costs								
Treatment Pumps					37	\$		Based on 18 hours/day of operation, 365 days per year, \$0.09433 per kWatthr. Based on actual bill and phone conversation with Lafollette electrical utility.
Effluent Pumps					4	\$		Based on 4 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
UV Lamps & Solenoids					3	\$		Based on 2 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
Misc.					3	\$		Based on 6 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
Subtotal					46	\$	554	
Anticipated Annual Billing Cost								
Postage	postage	39	\$	0.64	\$ 24.96	\$	300	
Printing	page	156	\$	0.10	\$ 15.60	\$	187	
Paper	page	156	\$	0.05	\$ 7.80	\$	94	
Labor	page	156	\$	0.50	\$ 78.00	\$	936	Based on experience hours and hourly rates on similar projects.
Misc.	page	156	\$	0.05	\$ 7.80	\$	94	
Subtotal						\$	1,610	
TOTAL ESTIMATED EXPENSES						\$	30,162	

	Units	# of Units	Unit Rate	Monthl Cos		early Cost	Comments
Estimated Revenue							
					_		
Fees Charged to Customers							
Non Resident Customer Access Fee	Access Fee	9	\$ 10.00	\$ 90	5 \$		These are billings for non-resident customers billed yearly. Based on \$120 per year per non-resident property owner.
Resident Customer Monthly Fee	Monthly Fee	3	\$ 44.53	\$ 134	4 \$	1,603	These are billings for resident customers billed monthly. Based on \$45 per month per resident customer.
Commercial Overnight Rental property owners	Monthly Fee	27	\$ 99.53	\$ 2,687	7 \$	32,248	These are billings for commercial customers billed monthly. Based on \$102.53 per month per resident customer. A one time tap ree required at purchase or property. This ree is
Tap Fees Collected and escrowed	Tap Fee	1	\$ 3,750.00	\$ 313	3 \$	3,750	transferable to subsequent property owners. \$ are in an Escrow
Tap fees that will be collected from unpaid lot owners	Tap Fee	0	\$ 3,750.00		\$	-	A one time tap fee required at purchase of property. This fee is transferable to subsequent property owners.
Return Check Fee	Returned check	2	\$ 25.00		3 \$	38	Estimate based on experience
Late Fees and Back Payment	Late fee	2	\$ 2.00		\$	3	Estimate based on experience
Disconnect Fees	Disconnect	1	\$ 40.00		3 \$		Estimate based on experience
Reconnect Fees	Reconnect	1	\$ 50.00	\$ 4	4 \$	50	Estimate based on experience
Subtotal				\$ 3,23	4 \$	38,811	
Estimated Escrow Requirements							
-							
Escrow Calculations							
Number of years included in calculation						1	
Number of customers						30	
Estimated Annual Non Routine Maintenance					\$	6,458	
Annual Escrow \$ per customer					\$	215	
Montly Escrow \$ per customer					\$	17.94	
Estimated Yearly Income	2011				\$	8,649	

Lakeside Estates Waste Water Treatment System

Estimated Costs and Revenues For	Voor	2012							
Estimated Costs and Revenues For	I Cai	2012							
Assumptions:	2012	2013	_	2014		2015			
Total number of lots in subdivision	200	200		200		200			
Number of non-resident/devloper property owners	4	4		4		4			
Number of resident property owners	4	6		8		10			
Commercial Overnight Rental property owners	29	32		34		30			
Unsold lots	157	152		148		150			
Annual residents providing tap fee	2	2		2		2			
Estimated Expenses									
ZOOM ZALPO LOCO	Units	# of Units	ι	Jnit Rate	M	Monthly Cost	Y	early Cost	Comments
Routine Maintenance									
Maintenance Operator Cost (Non-resident)	Lots	4	\$	5.00	\$	20	\$		Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for non- resident services.
Maintenance Operator Cost (resident & rental)	Homes	33	\$	16.71	\$	551	\$		Cost based on the amount DSH & Associates will charge to maintain the wastewater system wastewater components for residence service.
Accounting, tax preparation books setup	Hours	2	\$	50.00	\$	100	\$	1,200	Amount furnished by DSH's CPA - Roger Goins and book keeper.
Tax Cost (Franchise - Excise and Federal)	Homes	33	\$	1.92	\$	63	\$	760	Cost projection includes property tax and income tax. Based on project income, property value, and operating costs
Plant operator salary and testing	Sampling and Testing	12	\$	433.00	\$	433	\$		Based on pricing provided by our operator, Herb Norton, for monthly and quarterly sampling and testing requirements per our SOP.
Performance Bond	Event	1	\$	1,280.00	\$	107	\$	1,280	Set at 2% of the amount from Athens Insurance.
Insurance	Coverage	12	\$	276.58	\$	277	\$	3,319	Based on verbal quote from Athens Insurance.
Office telephone Line	Line	12	\$	55.00	\$	55	\$	660	Office phone line based on experience.
Plant Control System phone line	Line	12	\$	55.00	\$	55	\$		The telephone line is necessary for the computer (PLC) automation to call in and report any problem. Based on estimate by local phone company.
Local Managaement Fee	Month	33	\$	2.00	\$	66	\$	792	Based on experience hours and hourly rates on similar projects.
Corporate Management Fee	Month	33	_	2.80		92	\$		Based on experience hours and hourly rates on similar projects.
TRA Inspection Fee	Inspection	1	\$	250	\$	21	\$	250	Based on TRA published rates.
Subtotal					\$	1,840	\$	22,083	

	Units	# of Units	Lu	Init Rate		Monthly Cost	l۷	Yearly Cost	Comments
	· · · · ·	# 01 011110	Ť	ant mate		000.	_		
Non Routine Maintenance									
									Pumping of holding tanks associated with centralized treatment
Septic tank pumping	Pumping Events	4	\$	240	\$	80	\$		system. Based on \$240 per pumping event. Verbal quote from Jeff Brownfield (Braeburn)
Septic tank pumping	Pumping Events	4	Þ	240	Þ	80	Þ	960	Browniieid (Braeburn)
									Replacement cost for pumps and alarms associated with
									centralized treatment system. Assume 1 pump and alarm system will have to be replace once a year for a total event cost of \$1949.
									Based on Orenco experience with similar installed systems - pump
Replacing pump & alarm systems	Replacement	2	\$	1,949	\$	325	\$		and alarm qoute were obtained.
Normal wear/tear items, hoses, float switches, lights	Replacement	10	\$	20	\$	17	\$	200	Based on experience hours and hourly rates on similar projects.
	.,		Ė		Ė		Ė		Replacement cost for UV lamps associated with the system. The
									system utilizes 4 lamps. Assume each lamp required replacement
UV lamps	Lamp	4	\$	350	\$	117	\$		once every year. Lamp and labor is approx. \$350 based on verbal quote from Jeff Brownfield (Braeburn)
Subtotal	Lamp	14	·	330	φ	117	\$		quote non sen biowilleid (biaebuin)
			-				Ť	-,	
Anticipated Electrical Usage & Costs									
									per kWatthr. Based on actual bill and phone conversation with
Treatment Pumps			_		<u> </u>	39	\$		Lafollette electrical utility.
Effluent Pumps						4	\$		Based on 4 hours/day of operation, 365 days per year, \$0.09433 per kWatthr.
Emuent i umps							Ψ		Based on 2 hours/day of operation, 365 days per year, \$0.09433
UV Lamps & Solenoids						3	\$		per kWatthr.
			\vdash		\vdash		Ť		Based on 6 hours/day of operation, 365 days per year, \$0.09433
Misc.						3	\$		per kWatthr.
			\vdash		\vdash				
Subtotal			_			48	\$	580	
Anticipated Annual Billing Cost Postage	postage	37	\$	0.64	\$	23.68	\$	284	
Printing	postage	148		0.10		14.80			
Paper	page	148	<u> </u>	0.05	_	7.40	_		
Labor	page	148	_	0.50		74.00	_		Based on experience hours and hourly rates on similar projects.
			Ļ		L		Ļ		, , , , , , , , , , , , , , , , , , , ,
Misc.	page	148	\$	0.05	\$	7.40	•		
Subtotal			_				\$	1,527	
TOTAL ESTIMATED EXPENSES			⊢		\vdash		\$	30.649	
TOTAL COTINIATED EXPENSES			\vdash		\vdash		٣	30,043	
			_				_		

	Units	# of Units	Unit Rate		lonthly Cost	Yearly Cost	Comments
Estimated Revenue							
Fees Charged to Customers							
Non Resident Customer Access Fee	Access Fee	4	\$ 10.00	\$	40	\$ 480	These are billings for non-resident customers billed yearly. Based on \$120 per year per non-resident property owner.
Resident Customer Monthly Fee	Monthly Fee	4	\$ 44.53	\$	178	\$ 2,137	These are billings for resident customers billed monthly. Based on \$45 per month per resident customer.
Commercial Overnight Rental property owners	Monthly Fee	29	\$ 99.53	\$	2,886	\$ 34,636	These are billings for commercial customers billed monthly. Based on \$102.53 per month per resident customer.
Tap Fees Collected and escrowed	Tap Fee	2	\$ 3,750.00	\$	625	\$ 7,500	A one time tap fee required at purchase of property. This fee is transferable to subsequent property owners.
Tap fees that will be collected from unpaid lot owners	Tap Fee		\$ 3,750.00	_	-	\$ -	Estimate based on experience
Return Check Fee	Returned check		\$ 25.00		4	\$ 50	Estimate based on experience
Late Fees and Back Payment	Late fee	2	\$ 2.00		0	\$ 4	Estimate based on experience
Disconnect Fees	Disconnect	1					·
Reconnect Fees	Reconnect	1	\$ 40.00	\$	3	\$ 40	Estimate based on experience
				•	'		
Subtotal				\$	3,737	\$ 44,848	
Estimated Escrow Requirements							
						1	
Escrow Calculations							
Number of years included in calculation						1	
Number of customers						33	3
Estimated Annual Non Routine Maintenance						\$ 6,458	3
Annual Escrow \$ per customer						\$ 196	
Montly Escrow \$ per customer						\$ 16.31	
Estimated Yearly Income	2012					\$ 14,199	

Lakeside Estates Waste Water Treatment System

Estimated Costs and Revenues For 2 Years

	<u>2011</u>	<u>2012</u>	<u>Total</u>
Estimated Revenue	\$ 38,811	\$ 44,848	\$ 83,659
Estimated Expenses	\$ 30,162	\$ 30,649	\$ 60,811
Estimated Income	\$ 8,649	\$ 14,199	\$ 22,849
Estimated Escrow Requirements	\$ 6,458	\$ 6,458	\$ -

ATTACHEMENT 14:

Operation and Maintenance Contract (DSH and Trimbach Development, LLC & Lakeside Estates HOA

WASTEWATER SERVICE AGREEMENT

This Agreement is entered into this 2nd day of May, 2011, by and between DSH & Associates, LLC ("DSH") and Trimbach Development, LLC & Lakeside Estates HOA ("Developer/HOA"). Services outlined in this agreement will commence on the 1st of July, 2011.

WITNESSETH:

Whereas, DSH is a utility company that provide wastewater services. Whereas, the Developer/HOA has requested DSH to make a commitment to provide wastewater services to Lakeside Estates (at Lakeside Estates Subdivision); and Whereas, the DSH is willing and able to provide wastewater services to Lakeside Estates upon the terms, provisions and conditions hereinafter set out, all of which are acceptable to the Developer/HOA.

NOW, THEREFORE, for and in consideration of the mutual covenants of the parties, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

- Developer/HOA has a subdivision in Campbell County, Tennessee, which development will
 be known as Lakeside Estates ("Development"). The Development consists of two hundred
 (200) residential units. DSH hereby agrees to and will provide wastewater services to the
 Development.
- 2. DSH will provide wastewater services to the Development using a wastewater disposal system ("System") commonly referred to as an "onsite wastewater treatment system." The System consists of two fundamental sections: (a) the collection lines, and (b) the treatment plant. The treatment plant as defined for this Agreement includes the drip fields. Each of the 200 separate commercial and residential units will have a Septic Tank Efficient Pumping

- ("STEP") unit and pump. From the STEP units, the wastewater will be pumped to the treatment plant.
- 3. Developer/HOA agrees to engage the services of a DSH & Associates, LLC to design any future modifications to the System for the Development. DSH & Associated, LLC costs will be limited to 10% of estimated total cost of installation (equipment, labor, material) of the modified system for the <u>detailed engineering</u> component of services. The design modifications shall be approved by DSH and its consulting engineers. The System will be designed in accordance with sound engineering practices and will be licensed, permitted and approved by all necessary and prudent governmental authorities. The Developer/HOA will further engage the services of DSH to build the System in accordance with the plans and specifications created by Developer/HOA's licensed engineer as approved by DSH and its consulting engineers. Developer/HOA will place in the HOA for Lakeside Estates that all Septic Tank Efficient Pumping ("STEP") unit and pumps shall be installed by DSH. DSH will provide a lump sum price for these systems based on volume of required STEP tank.
- 4. Developer/HOA will cause to be provided to DSH a 6 month warranty on the design and construction of the current system in such that any failure or defect in design, material, workmanship, functionality, or operation which occurs within 6 months of the Commencement Date (as defined in section 8) will be rectified, repaired or replaced at no charge to DSH. Developer/HOA warrants to DSH that the materials, equipment, functionality, and workmanship of the System will be good quality, that the work will be free from defects and that the work will conform to the requirements of the design plans and specifications. Work not conforming to these requirements, including substitutions not properly approved and authorized by DSH, may at DSH's option be considered defective.

- 5. On or before the execution of this Agreement, Developer/HOA will provide the following to DSH for DSH to obtain the necessary permit and approvals to construct the modifications and operate the System for the Development:
 - a. Developer/HOA shall submit three (3) sets of complete Tennessee Department of
 Environment and Conservation (TDEC) approved, stamped plans and specifications,
 together with all calculations, engineering reports, approval letters, and discharge
 permits; and
 - b. Developer/HOA shall submit two complete sets of all other surveying and engineering documents for the Development including, without limitation, road profiles, storm water drainage and utility drawings, and survey plats.
 - c. Developer/HOA will provide all legal support required to transfer existing CCN and State Operating Permit (SOP-07073) currently held by LaFollette Utility Board to DSH.
- 6. Upon the completion of the construction modifications of the System and its acceptance for use by DSH, DSH will own, operate and maintain the System beginning on the Commencement Date as set forth in section 7.
- 7. The Commencement Date shall be the date when DSH assumes formal responsibility for the operation of the System. DSH will execute a Memorandum of Commencement establishing the Commencement Date for purposes of this Agreement. This memo will be directed to both Trimbach Development and Lakeside Estates HOA. Effective with the Commencement Date, ownership of any and all components, parts and equipment of the System will immediately become the property of DSH.
- 8. Developer/HOA shall support the transfer of documents which are a current representation of the utility easement areas which are to be DSH easements. Such easements shall also

reflect all current as-built conditions and any possible future areas. These as-built easements shall be indicated on the final subdivision plat with metes and bounds before DSH will approve the final plat. Developer/HOA will support the transfer of a ten (10) foot easement for all collection lines, and these easements shall be shown on the final plat. The easements may be included in the easements dedicated for other utility easements as specified in the County Zoning and Subdivision Regulations. Developer/HOA will support the transfer of property and easements from owned currently by LaFollette Utility and Trimbach Development to DSH within 2 months of commencement of this agreement. Currently, Trimbach Development owns the land that the waste water treatment system is installed on and LaFollette owns a permenant easement for the force mains. DSH will be provided an additional easement for the force main and the deed to the waste water treatment land. This will require legal transfer and recording of PLAT information with the County. The area transferred will be adequate for the final extent of the treatment system required to treat effluent from 200 home units (treatment system, pipelines, drip field areas).

- Developer/HOA shall provide as-built drawings of all components of the System. As-built drawings shall be presented in AutoCAD format or similarly compatible format.
- 10. Developer/HOA shall provide all finalized construction documents including approved shop drawings, operation and maintenance manuals, vendor information, warranty information, instructional manuals, and other relevant materials regarding the design, construction, and operation of the System.
- 11. Developer/HOA's design engineer of record shall certify the inspection and construction of the System based upon the design engineer's observation of the construction. The engineer shall also certify that the System has been designed in accordance with sound engineering practices and in compliance with all laws, regulations, rules, ordinances, and engineering

practices applicable to such systems, that the System is fully operational and that the System is ready to be used as designed and intended. Developer/HOA shall provide documents stating that all components of the treatment plant and drip field area shall have a permanent ingress/egress easement. Said ingress/egress shall be, at a minimum, a roadbed which is drivable during wet weather conditions in order to provide access for repair and maintenance purposes. Developer/HOA's engineer shall provide a document stating that all federal, state, and local permits have been obtained.

12. Developer/HOA agrees that DSH may require additional equipment and appurtenances to be constructed and to be paid for by HOA tap fees listed in this contract, although such additional equipment and appurtenances may not be included on the plans. The Developer/HOA certifies that the phase I system has been installed and is currently operating. The design flowrate of the Phase I system is 12,000 gallons per day. The phase II System is currently being designed and will increase the design flowrate to 16,000 gallons per day and improve the overall performance. The Phase I and II systems should support 35 homes at an average flowrate of 450 gallons per day (current average flowrate per unit at Lakeside Estates, based on historical information provide by LaFollette Untility). Prior to the 36th home being tied into the system and or the total system measured flowrate exceeding the design flowrate into the sewer force main and treatment facility, additional capacity will be required, such equipment and appurtenances may include, but are not limited to, treatment Pods, tanks, maintenance/equipment building for the plant, fencing with lockable gates around the plant and maintenance building, signage, and gravel surface within the boundaries of the plant fencing. All future design and construction costs will be the responsibility of the Developer/HOA. To support future expansion costs of the system DSH has agreed to establish an escrow fund. Funds derived from tap fees from future

homes that tie into the system will be placed into the escrow fund and will be used to support expansion of the system. If escrowed funds are not sufficient to support required treatment system expansion, it is the Developer/HOA responsibility to support the additional cost. Tap fees for each new unit will be derived based on the number of bedrooms as listed in the table below:

Daily	Number of	Estimate
Flowrate	Bedrooms	Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00

- b. The tap fees may change base on inflation, cost of goods/materials, etc., and do not include the cost to expand the existing sewer force main. Force main extensions will have to be cover by the Developer/HOA.
- 13. DSH will operate and maintain the System and provide wastewater service ("service") to the Development in accordance with the following:
 - a. All applicable building structures in the Development will be required to install the wastewater service line and connectors as specified by DSH.
 - b. Each residential unit will be charged the published wastewater rates and charges of DSH. The furnishing of service will be governed by DSH rules, regulations and policies. As of the date of this Agreement, DSH's monthly service rate for wastewater service is \$44.53.
 - c. If a home is rented out at anytime or daily flowrate exceed 300 gallons per day at anytime during a 12 month period, DSH's monthly rate for wastewater service will

- be a minimum of \$69.53 (see attachment 1 for estimated service rates based on monthly usage Commercial Rate Overnight Rental Units).
- d. Each residential unit (lot) that does not contain a structure will be charged and annual service rate of \$120. Access fees will only be charged for lots based on the total existing capacity of the treatment system which after Phase II expansion will be 35 homes (based on 450 gallons per day usage). As outlined in section 16, there are 26 lots with homes which leaves 9 lots that will be charged access fees (3 non-resident property owners and 6 lots owned by the developer).
- e. The maintenance, repair or replacement of the wastewater service lines from each of the STEP units and the maintenance, repair or replacement of the STEP unit and pump for each unit to the sewer main shall be the responsibility of the owner of the residential/commercial unit. DSH will install the STEP system for owners for a fix price of \$6,000 per unit (based on a 3 bedroom unit) if system is not pre-existing. This price includes a 15% markup of equipment and services.
- f. The maintenance, repair or replacement of the wastewater service lines from the future community STEP units shall be the responsibility of the Developer/HOA.
- 14. Upon the execution of this Agreement, Developer/HOA agrees to pay DSH \$8,000 to cover DSH's legal, permitting, engineering and administrative expenses related to this submittal of the CCN package to Tennessee Regulatory Authority. This application package will require substantial information from the Developer/HOA and includes but is not limited to:
 - Owners User Manual
 - Lakeside Letter Requesting DSH System Takeover
 - LaFollette Utility Board Letter Releasing SOP
 - Sworn Pre-filed Testimony
 - SOP Lakeside Estates
 - DSH Articles of Incorporation
 - DSH State of TN Business License
 - Degrees & Certificates of DSH Staff
 - Lakeside Estates Decentralized System Engineering Drawings

- Build-out Cost Analysis (5-yr)
- Lakeside Estates Subdivision Plans
- Chart of Accounts
- Performance Bond
- Pro Forma Income Statement (2-yr)
- Operation and Maintenance Contract (DSH and Trimbach Development, LLC)
- TDEC Letter of Acceptance of Transfer of WWTS
- LaFollette Letter stating no service line in area of subdivision
- 15. When Developer/HOA closes on a residential unit in the development, Developer/HOA will collect at the closing the required tap fees and access fees. These fees will be promptly tendered to DSH by the agent conducting the closing. Developer/HOA will include DSH's Wastewater Service Agreement with the closing documents for each residential unit and will be responsible for causing the residential unit owner to execute such Agreement at or prior to closing. Developer/HOA shall deliver the fully executed Wastewater Service Agreement and fees to DSH within ten (10) business days of the residential unit closing. Developer/HOA agrees that failure on the part of Developer/HOA or the closing agent to collect such fees from residential unit purchasers shall not absolve Developer/HOA of the responsibility of tendering such fees to DSH within the ten (10) business day time period specified herein.
- 16. No connection will be provided to the force main sewer collection system until tap fees are provided. Developer/HOA certifies that as of the date of this contract, 34 units have been sold. Units 23 and 24 have been sold and tap fees collected prior to this agreement will be used by the Developer/HOA to fund the construction of the Phase II system expansion. Units 23 and 24 cannot be connected to force main/treatment system until Phase II construction is complete.
 - a. Lot Summary:
 - i. Non-resident property owners (requires access fee) = 3
 - ii. Developer owned lots requiring access fee = 6
 - iii. Resident property owners = 3
 - iv. Commercial overnight rental property owners = 23

- v. Number of property owners not attached to system = 5
- 17. Developer/HOA agrees to provide to each Residential/Commercial Unit Purchaser DSH's STEP System Policy as shown in Attachment 1.
- 18. Developer/HOA will cause to be installed in the water supply line serving each residential unit or units, on the owner's side of the water meter, prior to any branch in the water supply line, a lockable valve to which DSH will have access. DSH will provide in its Wastewater Service Agreement (referred to in section 13) that DSH shall have the authority to turn off the water supply to the home in the event the monthly wastewater bill is not paid for a period of sixty (60) days. Additionally, Developer/HOA will incorporate into the disposal line, prior to the STEP unit, a locked valve box which valve will be closed and locked as of completion of the construction. The valve will be opened by DSH personnel upon receipt by DSH of the account balance plus all late fees and reconnection fees.
- 19. Performance pursuant to the terms and conditions of this Agreement is contingent on the receipt of a letter or other written acknowledgement from each necessary governmental authority, utility district, or other public utility to the effect that no such entity plans or intends to extend sewer service to the Development within the next twelve (12) months. The letters should be in substantially the form attached hereto as collective Exhibit 3.
 Developer/HOA shall bear the responsibility for procuring these letters which shall be addressed directly to DSH.
- 20. Developer/HOA will further cause the following language, or similar language as agreed in advance between DSH and Developer/HOA, to be incorporated into all restrictions and protective covenants for Lakeside Estates and, to the extent restrictions or protective covenants are already of record, Developer/HOA will cause such recorded restrictions or protective covenants to be amended, in order to include such language as a lien on all real

property within the Development:

a. Developer/HOA has contracted with a utility ("Utility") to operate and maintain the wastewater system ("System") serving the Development. There is hereby created and shall be a lien in favor of the Utility against any individual residential/commericial units or building structures for default in the payment of any fee or charge imposed by the Utility in the operation of the System which lien shall also secure fees and costs (including attorney fees) incurred by the Utility incident to the collection of such fees or charges or enforcement of such lien, regardless of whether legal action is commenced. Each such fee or charge, together with interest, costs, and attorney fees, shall also be the personal obligation of the person or persons who were the Owner or Owners of the residential unit or building structure at the time when the fees or charges were incurred. In the event of the occurrence of a catastrophic event, an act of God, or any other event beyond the control of the Utility that renders the System inoperable or substantially impairs the operation of the System, the Utility shall have the authority to impose a special assessment on the owners of all building structures or residential units in order to repair and remediate the System. There shall also be a lien in favor of the Utility against each individual residential unit or building structure to secure the payment of such special assessment, including collection costs and fees (including attorney fees) incurred by the utility. Notwithstanding any other provision of these covenants this lien shall be subordinate to only a first priority purchase money mortgage or first priority purchase money deed of trust.

- b. The maintenance, repair or replacement of the Septic Tank Efficient Pumping ("STEP") units shall be the obligation of the homeowners for individual STEP systems and the HOA association for community owned STEP systems.
- 21. Developer/HOA may terminate the Agreement prior to the Commencement Date at Developer/HOA's discretion following written notice to DSH of its intent to so terminate subject to the conditions set forth in this section. This Agreement shall not terminate unless and until such time as DSH has received, in a form satisfactory to DSH, its engineers and its counsel, written authorization from the Tennessee Department of Environment and Conservation and the Campbell County Planning Commission acknowledging that DSH has no obligation to provide wastewater service to the Development and releasing DSH from any liability arising as a result of the termination. Developer/HOA shall execute a written release releasing DSH from any liability arising as a result of the termination of this Agreement. Developer/HOA will forfeit all monies paid to DSH if the Agreement is terminated.
- 22. Notwithstanding any other provision of this Agreement and notwithstanding the payment by Developer/HOA of the amounts set forth in this Agreement, DSH shall not be obligated to accept the System or commence operations unless and until all of the obligations of Developer/HOA and the criteria set forth in this Agreement have met to the sole satisfaction of DSH, DSH's engineers and DSH's consultants. In the event DSH, for whatever reason, fails or refuses to accept the System and commence operations, DSH shall refund the tap fees and wastewater disposal deposits tendered by the Developer/HOA, but shall have no other or further liability to Developer/HOA or to the owners or units within the Development.

23. Failure to perform any obligation of this Agreement after fourteen (14) calendar

days' notice of the failure to perform or within any time period set forth in this

Agreement shall constitute an Event of Default by Developer/HOA, and DSH may at

that time, terminate the Agreement. Such termination will release DSH from any

liability to Developer/HOA and from any obligation to provide wastewater service to

the Development.

24. Any notice or communication required or permitted hereunder shall be in writing

and be sent either by: (i) personal delivery service with charges therefore billed to

shipper: (ii) overnight delivery service with charges therefore billed to shipper; or

(iii) United States Mail, postage prepaid, registered or certified mail, return receipt

requested, addressed to Utility or Developer/HOA at the respective addresses set

forth below:

Utility: DSH & Associates, LLC

Douglas S. Hodge, Ph.D., PMP

Operations Manager 4028 Taliluna Ave Knoxville, TN 37725 865-755-8066

Developer/HOA

Jon Trimbach

President

Trimbach Development, LLC/Lakeside Estate HOA

320 Echo Valley Drive Vandalia, OH 45377 937-238-6843

Any notice or communication sent as provided herein shall be deemed given or

delivered: (i) upon receipt if personally delivered; (ii) upon delivery by an overnight

delivery service; or (iii) if sent by the U.S. Postal Service Registered or Certified Mail,

on the date appearing on the return receipt, or if there is no date on such return receipt,

the receipt date shall be presumed to be the postmark date appearing on such return

receipt. If delivery is refused or cannot be made, the notice date shall be the date of attempted delivery as evidenced by the appropriate notations made by the Postal Service. Either party may change its address by notice to the other party in the manner set forth above at least ten (10) days prior to such change.

This Agreement contains the entire agreement of the parties, and any and all other prior agreements, discussions, or understandings are merged herein. This Agreement may not be modified except in writing signed by all parties hereto. This provision may not be orally waived.

IN WITNESS THEREOF, the parties have hereunto set their hands, effective the year and date first above written.

Trimbach Development, LLC

By:

Title: Managing Member

Date: <u>6/10/11</u>

Lakeside Estates HOA, LLC

By:

Title: Managing Member

Date: <u>6/10/11</u>

DSH & ASSOCIATES, LLC

By:

Title: Managing Member

Date: <u>5/2/11</u>

Attachment #1

Governing the sewage collection

and treatment systems of DSH & Associates (DSH)

Statement of Purpose

The general purpose of these rules and regulations is:

- To establish procedures for furnishing sewage collection and treatment services on a uniform basis to customers
 within the Company's service area.
- To provide standards and procedures for:
- Acceptable sewage characteristics
- 4. Protection of the integrity of the water tight system
- 5. Engineering design standards
- 6. Construction standards and inspection requirements
- Quality of materials

Authorization of Rules and Regulations

DSH & Associates, LLC is a corporation organized and engaged in business as a public utility in the State of Tennessee. The Company is regulated Under a Certificate of Convenience and Necessity issued the Tennessee Public Service Commission (PSC) under Docket No. 11-00020 and subsequent certificates issued by the PSC and the TRA.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of the Company

Utility Facilities on Private Property

The Company shall maintain all septic pump and septic gravity tanks, control systems and service lines required to provide sewer services on the Customer's premises. The Customer must execute an agreement that acknowledges the Company to have a perpetual easement in, over, under and upon the specified land of Customer as shown on the property plat, with the right to operate and repair all components of the sewer system on the Customer's property, including but not limited to the septic tank and septic pump tank systems. The Customer must grant the Company permission to enter upon Customer's property for any reason connected with the provision or removal of sewer service or collection therefore. The Customer must agree to allow the Company to install an approved cut off valve between the house and water supply and grant the Company exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. The Customer understands there will be a charge of \$100.00 for installation of this valve. The Customer's Building and Pluming outfall line shall be maintained by the Customer.

Discontinuance of Service

Service under any application may by dis-continued for the following reason:

- 1. Non-payment of bill as hereinafter set forth below
- 2. For misrepresentation of application
- 3. For adding to the property without notice of the Company
- For tampering any service pipe, tank, control system, filter or any other facilities of the Company in any way whatsoever.
- 5. For violation of any rules of the Company.
- For disconnecting or reconnecting service by any party, other than a duly authorized agent of the Company without the consent of the Company.

Non-Payment Penalties

The Customer agrees to promptly pay for service at the then current schedule or rates and fees and agrees to abide by and be subject to the Company's billing and cutoff procedures. Should the Customer not pay in accordance with the Company's rules, the Customer agrees to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.

A non-payment penalty of five percent (5%) of the total bill amount will be due after the due date shown on the bill. If payment is not received within fifteen days after the due date, a 2nd notice will be sent to the customer. If payment is not received within 30 days, service will be turned off from the customer's property as per the Sewer Service Contract Agreement (Attachment 1) executed by the customer with no additional notice being sent. No service shall be reconnected if disconnected for non-payment (or any other valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection fee is \$40. The reconnection fee is \$50 plus all back payments.

Returned Checks

A check returned by the bank will incur a fee of \$25.

Changes in Ownership, Tenancy of Service

A new application and contract must be made and approved by the Company on any change in ownership of property, or tenancy, or in the service as described in the application. In the event of a failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made an approved.

Sewer System Access Fee

The owner of each property parcel, which is provided a service connection when the sewer system is built, will be required to pay a sewer access fee of \$120.00 per year. This fee will be payable each July 1st. As each Customer attaches to the Service Connection and signs up for service, they will pay a pro-rated access fee for that year and thereafter the fee will not be charged.

Engineering, Material and Construction Standards

General: This specification covers the type of sewer system required for various design conditions of sewers constructed by Developer/HOAs.

- The requirements called for are a minimum in all cases. Bedding conditions, material specifications, sealing
 requirements and installation methods are the responsibility of the design engineer and must be approved by the
 Company Engineer.
- Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of
 Environment. Any conflicts between company and state requirements shall be resolved so that the more restrictive
 shall govern.
- All sewage collection system components are to be watertight. This includes Building Outfall lines, all tanks, Collector Lines, Service Lines and Main Lines.
- Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
- Septic Pump and Septic Gravity Tanks are to be installed near the customer's building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
- STEP septic tanks must meet the specifications outlined in this document. Size of STEP tanks must be approved
 by DSH and will be based on the number of bedrooms in the home and the intended use of the home.
- All pipe is to be PVC. Classes and sizes will be per Engineer's design and in all cases Schedule 40 will be the minimum allowable.
- Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

Special Pretreatment Sewage Requirements

For all sewage connections the Company reserves the right to require any non-residential user to provide special pretreatment for any high strength effluent before discharge into its sewage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume and increase surge holding capacity at the Customer's expense. All customers will be required to follow the Owners User Manual for an effluent collection system supplied to them by the Company (Attachment 1). These requirements prohibit the dumping of any toxic chemicals that kill tank bacteria and disposal of an excessive amount of grease, among other things. All requirements (and notification of repair costs associated with the system abuse) are established in the Customer's Sewer Subscription Contract with the Company.

Damage:

The Company shall in no event be responsible for maintaining any Building Outfall Line owned by the Customer, nor for damages created by sewage escaping there from, nor for defects in Customer's building lines or fixtures. The customer shall at all times comply with all regulations of the TRA and of the Company.

All leaks in any building pipe or fixture on the premises of the Customer shall be immediately repaired by the Customer. On failure to repair any such leak, the service may be discontinued until repairs are made. Any customer found introducing prohibited substances into the waste water system is liable to pay the full cost of cleanup and the repair of any damage caused.

Inspection

All pipes, valves and fixtures shall be at all reasonable hours, be subject to inspection by the Company or it's duly agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company. In case of emergency, call 865-851-

8351

Service Area

The Company will provide service within its current service area. Additions to the service area must be approved by TRA.

Extension Plan

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing sewer systems. The sewer service charges listed in the sewer billing monthly rates do not include costs for constructing extensions to the sewer system. Any sewer system facilities required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facilities shall become the property of the Company to be credited to the account for Contributions in Aid of Construction. In addition, treatment system facility costs will be paid by the Customer desiring to connect onto the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the Developer/HOA or property owner is willing the bear the expense of designing and building the sewer system.

Contributions in Aid of Construction

Sewer system facilities furnished by Developer/HOAs and property owners to the Company will be recognized as Contributions in Aid of Construction in the amount of the actual cost of construction. Capital contributions from Developer/HOAs will be treated in like manner.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company, a Sewer Subscription Contract.

Customer Billing Forms

Customer billings will be sent monthly or annually to Customers for payment of a flat fee.

Individual Septic Tank and Pump Tank Requirements

Only the configurations listed on the Individual Septic Tank and Pump Tank requirements list may be used. This list may be added to or taken from as needed.

Public Contact

Doug Hodge 4028 Taliluna Ave Knoxville, TN 37919 865-851-8351

Tennessee Regulatory Authority Regulations

The Company, in its operation, shall conform to all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority. The TRA can be reached by phone at 1-800-342-8359 or 615-741-2904.

RESIDENTIAL RATE SHEET/EXPLANATION

FEES:	<u>TOTAL</u>
Non-Payment	5%
Tap Fee	See section 12a
Disconnection	\$ 40.00
Reconnection	\$ 50.00
Returned Check	\$ 25.00
Access Fee	\$120/yr
Monthly residential sewer rate	\$ 44.53

COMMERICAL RATE SHEET Overnight Rental Units

The monthly sewer charge per customer is based on the monthly average daily flow monitored from the unit being served. A minimum of \$69.53 per month will be charged for up to the first 300 gallons per day of average daily flow. (I) For each additional 100 gallons per day of average daily flow, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For average daily flows over 1,000 gallons per day, an additional monthly charge of \$157.95 per 1,000 gallons of average daily flow will apply.

COMMERCIAL W/O FOOD	FLOWRATE BETWEEN (GPD)		TOTAL**	
Tier 1	0	300	\$ 69.53	
Tier 2.1	301	400	\$ 84.53	
Tier 2.2	401	500	\$ 99.53	
Tier 2.3	501	600	\$ 114.53	
Tier 2.4	601	700	\$ 129.53	
Tier 2.5	701	800	\$ 144.53	
Tier 2.6	801	900	\$ 159.53	
Tier 2.7	901	1000	\$ 174.53	
Tier 3.1	1001	2000	\$ 332.48	
Tier 3.2	2001	3000	\$ 490.43	
Tier 3.3	3001	4000	\$ 648.38	
Each additional tier			\$ 157.95	

Each customer will be billed the minimum monthly charge unless DSH determines that the customer's measured usage exceeds an average of 300 gallons per day over a thirty day period. Unless otherwise stated in this tariff, measured usage will be based on a customer's actual or estimated usage, averaged over a thirty-day period.

Actual usage may be measured in any of the following ways:

- Effluent flow meter.
- STEP pump. Usage will be measured by multiplying the period of elapsed pumping time shown on the pump times the capacity of the pump.
- In the absence of an effluent flow meter or a STEP pump, usage will be assumed to be equal to the customer's usage of potable water as shown on the customer's potable water meter.

If a customer is charged in excess of the minimum monthly fee, DSH will measure the customer's actual usage at least once every ninety days using one of the methods described above and display on the customer's statement the usage and measurement method used. In any month in which DSH does not measure the company's actual usage, the customer's monthly bill will be based on the customer's estimated monthly usage. No less than once every ninety days DSH will bill (or credit) the customer for any differences between an estimated bill and actual measured usage.

If a customer's usage exceeds the average daily design flow for three consecutive months, the customer may be required to pay any capital costs associated with increasing the capacity of that portion of the system designed and dedicated to serve that customer. For purposes of this section, DSH must measure actual usage for three consecutive months using one of the methods described above.

If DSH determines that a customer's usage meets the criteria described above, DSH will notify the customer in writing of any proposed construction work, the reasons for the work, and the estimated cost to the customer. The notice will also state that if the customer believes that his usage does not meet the criteria described above or that the charge to the customer is unjust and unreasonable, the customer

may file a written complaint with the Tennessee Regulatory Authority, located at 460 James Robertson Parkway, Nashville, TN, 37243. Unless the TRA orders otherwise, the filing of a complaint will not delay the proposed construction work but may initiate a proceeding in which the TRA will determine whether, under the terms of this tariff, the customer is responsible for the cost of the construction work.

SEWER SERVICE CONTRACT

DATE:
PRINTED NAME:
ADDRESS OF PROPERTY:
MAILING ADDRESS:
TELEPHONE NUMBER:
FMAIL ADDRESS:

I hereby make application to DSH & Associates, LLC (DSH) for sewer service at the address of property stated above. In consideration of the undertaking on the part of DSH to furnish sewer service, I understand, covenant and agree as follows:

- I understand that the components of a sewer system have been installed on the property referred to above, which is owned or occupied by me, and which is to be connected with a wastewater disposal system owned and/or maintained by DSH. I warrant that any connection to and/or subsequent use to this system by the components on my property shall be in accordance with the Rules, Regulations and Plans of DSH. Regarding my usage of the system components on my property, which are owned by me, I covenant to follow the guidelines set forth in the Owners User Manual. Should I violate these Rules and/or abuse or damage my components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of DSH.
- I acknowledge DSH, its successors and assigns, have a perpetual easement in, over, under and upon the above specified land as shown on the property plat, with the right to operate and repair all components of the sewer system on my property, including but not limited to the septic tank and septic pump tank systems. I further grant DSH permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
- For all other plumbing and structures on the property, including the outfall line to the septic tank, I agree that
 I am responsible for all operation and repair thereof.
- 4. I agree to promptly pay for service at the then current schedule or rates and fees and agree to abide by and be subject to DSH's billing and cutoff procedures. Should I not pay in accordance with DSH's rules, I agree to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.
- I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules as approved by the Tennessee Regulatory Authority.
- 6. I agree that this Agreement shall remain in effect for as long as I own, reside upon or rent the above-described property. When such circumstances no longer exist, I agree to provide notice to DSH at least thirty (30) days in advance of my vacating the property.
- 7. I agree to allow DSH to install an approved cut off valve between the house and water supply and grant DSH exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. I understand there will be a charge of \$100.00 for installation of this valve.

SUBSCRIBERS SIGNATURE:		

OWNERS USER MANUAL

Welcome! You are hooked up to a state of the art fixed film wastewater treatment system. This environmentally friendly system does an excellent job of treating wastewater and returning it to the soil. It will do best if you follow the guidelines listed below:

Proper Use:

Direct all wastewater from the home into the septic tank. Any wastewater can contain disease causing organisms and pollutants.

Practice water conservation to avoid overloading the onsite sewage system. Repair dripping faucets and leaking toilets. Run dishwashers when full. Do not do all your laundry in one day. Space out the washing machine use over the week. Replace old fixtures with water saving fixtures.

Do not direct water from gutter downspouts, sump pumps or subsurface drains into the septic tank. The sewage management system is designed based on an estimated daily water use. Excess water directed into the septic tank will cause a hydraulic failure.

Use commercial bathroom cleaners and anti-bacterial soaps in moderation. Treatment in the wastewater system depends on natural bacteria. The Utility does not recommend the use of septic tank additives. These products are not necessary for proper system operation.

Do not plant trees or bushes on top of the septic or pump tank. Root intrusion may damage and block the line.

Do not dig without knowing the location of your septic and pump tank. Landscape the site to allow surface water to drain off of these tanks. Divert roof drains from these tanks. Standing water over these tanks will cause increased load saturations and potential pump failure.

Do not park or drive over the septic and pump tank. This can damage or compromise the tanks.

Do not pour grease, oil, paint or other chemical products down the drain. Do not put not-biodegradable items such as cigarette butts, feminine hygiene products, condoms, disposable diapers or other similar solid waste into the septic tank. Remember living microbes clean the wastewater.

Do not enter your septic or pump tank. Gases from inside the tank can be fatal. Keep the lids secure and screwed down.

Do not turn off the main circuit breaker to the wastewater pumps when going on vacation. The pumps will need to handle any infiltration into the system.

If there is a power failure, your alarm might go off when the power comes back on. Wait at least 2 hours; if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay.

Customer Service: 865-622-2452

Jon Trimbach

320 Echo Valley Drive Vandalia, OH 45377 877-204-0785

Lakeside Estate HOA

Attn: Lakeside Estate Property Owners

(Address Stamp Here)

Trimbach Development LLC has engaged DSH & Associates (DSH), LLC (a waste water utility

Trimbach Development, LLC has engaged DSH & Associates (DSH), LLC (a waste water utility company) to replace LaFollette Utility District for waste water utility services. Their rate sheets and other pertinent information are attached. This transition will be effective July 1st, 2011.

Please contact me by phone if you have any transitional questions. The DSH point of contact is Doug Hodge who can be reached at 865-622-2452 or hodge.dsh@gmail.com.

Jon Trimbach

Managing Member Trimbach Development, LLC

11/1/10

DSH & Associates, LLC

4028 Taliluna Avenue, Knoxville, TN 37919

Dear DSH Utility Services Customers

I would like to welcome you to DSH & Associates, LLC and Lakeside Estates. We at DSH & Associates, LLC look forward to providing the best and most environmentally friendly wastewater treatment service. First of all I would like to explain our rates for Lakeside Estates.

We have 3basic rates, one if you have not built your home yet and the other as your home is built. First, the rate if you have not built your home yet is referred to as an access fee. The access fee is \$120.00 dollars per year and is due on July 1st. What this fee pays for is the maintenance of the lines in the streets and the treatment plant components. Even if no homes are built in the subdivision, maintenance and test records must be maintained to meet state requirements. We use this fee to offset these costs so that when you are ready to connect, the system will be ready for you.

Our next rate is for when you build your home and tie on, this rate is \$44.53 per month. If you rent your home during any period of time, you will pay a minimum rate of \$69.53 per month and your rate will be prorated based on usage. For this payment we will treat the wastewater to the highest standards and dispose of it into a drip emitter field. We use the fixed film system of treating the wastewater because of it's reliability and it can be maintained more cost effectively than other systems. This is a fully automated PLC controlled system for the utmost reliability. You will additionally install a septic and pump tank at your home at your expense. We will pump and maintain the septic tank, pump tank and components at no additional cost to you. It should be noted that we do not maintain any plumbing or unstop any blockages in your home or the outfall line to the septic tank.

Additional charges are as follows:

- Service disconnect \$40.00
- Service reconnect all past due amounts with late fees and \$50.00 Returned Check Fee \$25.00
- A 5% late fee will be added to the total bill on the lot of any month in which we have not received your

A complete copy of our tariff or billing amounts is available for viewing at our office during normal business hours by

Now for connecting, we have a set of specifications that must be followed and are included in this packet. You must get a permit from Jefferson County Environmental Health before starting work. Before you can connect to the DSH & Associates, LLC Service Connection you must sign and return your Sewer Service Contract Agreement.

You will need to install a cut off valve between the house and water supply and grant DSH & Associates, LLC exclusive rights to use such valve to cut off water in order to safely stop wastewater flow.

You will have an alarm post next to your pump tank or on your house. If there is a power failure, this alarm might go off after the power comes back on due to residual water needing to be pumped out. Wait at least 2 hours and if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay. If you need additional assistance, please call our Customer Service number: 865-851-8351.

All payments will be sent to:

DSH & Associates, LLC 4028 Taliluna Avenue Knoxville, TN 37919

Again I would like to welcome you to DSH & Associates, LLC and Lakeside Estates. We at DSH & Associates, LLC will do our best to handle your wastewater service needs in an honest and professional manner.

Sincerely,

Douglas S. Hodge, Ph.D. PMP Operations Manager DSH & Associates, LLC

Douglas S. Hodge

DSH & Associates, LLC

Individual STEP septic tank requirements.

Only configurations and equipment approved by DSH may be used. Not following these configurations shall be cause for disconnect until the specifications are met.

All connections to the septic and dosing will be:

- 4" schedule 40 PVC at not less than 1/8" fall per 1'
- Have an Inspection port relief valve between the septic tank and pump tank. The Inspection port relief valve will be on an elevation of not less than 6" below the elevation where the building outfall line leaves the home. (see approved products)
- Foam core pipe is approved if it meets local code requirements

The line from the pump tank to the main line will be:

- Pressure rated Schedule 40 PVC minimum 1.25 inch
- Have a piece of single strand insulated copper wire included in the ditch turned up in the utility box at the road and alarm post for future locating needs.
- Pumped line from pump tank to service connection should be buried at least 18"deep.

The STEP septic must meet the Utility's design requirements:

- All tanks must be on the Utility's approved list. Other tanks may be added to approved list if
 they meet all requirements. Contact the Utility for details on adding additional equipment to
 approved list.
- Shall be of a watertight design and all joints must be sealed to stop ground water intrusion and sewage leaks. Concrete/Fiberglass tanks must be I piece tanks with sealed lid.
- The STEP septic tank will be a two chamber design at least 1500 gallon capacity.
- The septic tank will have PVC tees in each end at least 1/3 the water depth.
- The outlet tee will include a septic tank filter.
- The top of the tanks shall not be buried deeper than 24" from the surface.
- The septic tank will include two approved risers to the surface.
- The dosing tank will include one approved riser to the surface.
- The risers will have two forms of entry security. Safety screws in outer lid and a riser pan with cement lid or a safety screen.
- The dosing tank will have a 1.5 inch metal pipe entering at least 46"on center from the bottom of the tank at the riser end. The total length of the installed pump and piping shall be 46" from center of the line entering the tank to the bottom of the pump.
- The pipe in the tank will have a 1/16 hole pointed downward in the tank to relieve air after pump cycle.
- The pump tanks will have an EZ pull adapter for quick pump service.
- A1 pipes in the dosing tank will be galvanized water pipe, aluminum or stainless steel
- Metal pipe must extend at least 3' from tank toward Utility connection before converting to using PVC.

- The metal elbow shall have a 1/16 hole at a 30 degree downward angle drilled into it'
- A non spring check valve shall be connected to the Utility service just inside the Utility service box. This will make a total of two check valves at the service box.

Electrical Connections

- All connections shall meet the national electrical code.
- All connections shall be located outside of the tank.
- An approved alarm post with a high level alarm shall be located at the pump tank riser.
- No electrical connections are allowed inside the pump tank or riser.
- Two 110 volt electrical circuits are required from the house to the alarm post. One 12 gauge dedicated for the pump and one 14 gauge for the alarm, so the alarm will work even if the pump throws a circuit breaker. Wire in PVC conduit or direct burial wire is required.
- The conduit connecting the riser to the alarm post must be sealed so as to keep corrosive gasses from entering the alarm post.

Approved Materials: (contact the Utility in advance to recommend an addition to this list)

Risers: Can use either Orenco System or Polylok System risers as outlined below:

- Orenco: Jeff Brownfield at 423-331-2036
 - 2.000 FL24G-4BU Fiberglass Lid, 24" W/ Urethane Gasket, Angled Core; 4 bolts, Inlet & outlet
 - o 2.000 RR2436 Pvc Access Riser, 24" Dia.
 - o 2.000 MA320 200 G Epoxy Kit
 - o 1.000 SB4 Pvc Splice Box W/4 Cord Grips
 - 1.000 PV55-1817 Simplex Biotube Pump Vault for 24" Riser, 18" Cartridge
- Polylok: www.polvlok.com 877-POLYLOK
 - o Polylok 3008 HD Heavy Cover or
 - o Polylok 3008 RC Light Duty Cover
 - o Polylok 3008-RP 24" Riser Pan or
 - o Polylok 3008-SS 24" Safety Screen
 - o Polylok 3008 24" Riser 6" tall
 - o Polylok 3008-R12 24" Riser 1,2" tall
 - o Polylok PL-68 Filter Cartridge (septic tank filter)
 - o Polylok 3009-AR (adapter ring for plastic tanks)

Alarm Post:

- SJE Rhombus model PSPL20V6HL7 A www.sierhombus.com 1-888-DIALSJE
- Septic Products Inc. Observer 100 www.septicproducts.com 419-282-5933

EZ pull adapter -EZ-Puller 1.5 inch www.webtrol.com 800-769-7867

Inspection Port Relief Valve 562-304 www.Plum.com 800-462-6991

STEP Septic Tank: 1 piece 2 chamber

- Orenco Step Tank: Jeff Brownfield 423-331-2036
- Norwesco 1050 Septic tanks part number 42250,42248,42283, 42293 www.norwesco.com
- Ashley Cement Tanks: Must be L piece 2 chamber poured tanks with two Polylok 24" risers and sealant between lid and tank.
- Watson Septic, Madisonville, TN
- Dixie Concrete, LaFollette, TN
- Tays Septic, Crossville, TN
- Morrison Tank & Vault, Morrison, TN

Approved Pumps:

- Myers 2NFLs1-8E www.femvers.com 419-289-1144
- Orenco: Jeff Brownfield at 423-331-2036
 - 1.000 PF100511 Effluent Pump; 1/2Hp, 10gpm, 115V, 60Hz, 10' Lead
 - 1.000 HV100BCFCPRX Hose & Valve Assembly, 1" Pressure, w/B,C,FC,X
 - o 1.000 MF3A-Y,B,R-27V Fl. Assem.;(Y,B,R);27" step pump vault
 - o 1.000 S1ETM Simplex Panel, 115V W/Etm

Some local Installers: (if an installer does poor work, the Utility reserves the right to not allow him/her to do further work) To add your installer, please call the Utility first: Doug Hodge at 865-851-8351.

For additional technical assistance call DSH & Associates, LLC. 865-622-2452.

ATTACHEMENT 15:

TDEC Letter of Acceptance of Transfer of WWTS



STATE OF TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION 401 CHURCH STREET L & C ANNEX 6TH FLOOR NASHVILLE TN 37243

FEB 0 9 2011

Mr. Douglas S. Hodge, Ph.D., PMP Manager DSH & Associates, LLC 4028 Taliluna Ave. Knoxville, TN 37919

Subject:

SOP Permit No. SOP-07073

LaFollette Utilities Board - Lakeside Estates WWTP

LaFollette, Campbell County, Tennessee

Dear Mr. Hodge:

This responds to your letter of November 1, 2010. We have discussed your request with Tennessee Regulatory Authority. Per our working arrangement with TRA, you must comply with TRA's certifying requirements prior to us modifying this permit to reflect the transfer to DSH & Associates, LLC. DSH & Associates, LLC must obtain a Certificate of Public Need and Necessity (CCN) and fulfill TRA's bonding requirements.

If you have questions, please contact the division at the Knoxville Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Wade Murphy at (615) 532-0666 or by E-mail at <u>Wade.Murphy@tn.gov</u>. To reach TRA, please call (615)741-2904.

Sincerely:

Vojin Janjić

Manager, Permit Section

CC.

DWPC, Permit Section & Knoxville Environmental Field Office

Mr. Eddie Troxell, LaFollette Utilities Board, waterdep@ccdi.net

Mr. Jon Trimbach, Developer-Lakeview Estates, jon@norrislakeproperties.com

Mr. Walter M. Baird, Jr., LaFollette Utilities Board, kenbaird@ccdi.net

VMJ/WDM/eyr

ATTACHEMENT 16:

DSH Subcontracts

SUBCONSULTANT AGREEMENT No. 001_ FOR PROFESSIONAL SERVICES

THIS AGREEMENT, ente	ered into this 20th	_ day of <u>January</u> , <u>2011</u> , by and between DSH &
Associates, LLC with offi	ces at 4028 Taliluna Avenue,	, Knoxville, TN 37919 865-755-8066 hereinafter
referred to as "DSH" and _	Pete Dayton	_located at _545 Farragut Commons Drive,
Farragut, TN 37934	, hereinafter referred to	as SUBCONSULTANT.

WHEREAS, **DSH** may enter into future contracts with <u>Subdivisions that require</u> <u>Wastewater Utility Service</u> (CLIENT) for the purposes of furnishing certain professional services in connection with <u>Wastewater Utility</u>; and

WHEREAS, **DSH** desires **SUBCONSULTANT** to perform certain professional services in connection with **CLIENT** requirements and **SUBCONSULTANT** desires to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

I. SCOPE OF WORK

SUBCONSULTANT shall perform in a proper manner, satisfactory to **DSH**, the technical services as more fully described in Attachment A. "Scope of Work" which is attached hereto and incorporated herein by reference.

II. <u>TIME OF PERFORMANCE</u>

The services to be performed hereunder shall commence upon receipt by **SUBCONSULTANT** of a written "Notice to Proceed" and shall be completed in accordance with the schedule set forth in Attachment A. This Agreement will remain in effect for one year from the date of the Notice To Proceed. The Agreement can be renewed for an additional year upon written notification signed by both parties, prior to the expiration of the period of performance, that the Agreement will be extended for an additional year. This option to extend the contract for an additional one year period will continue indefinitely at the mutual approval of both parties.

III. <u>COMPENSATION AND PAYMENT</u>

For satisfactory performance of the services described above, **DSH** shall pay to **SUBCONSULTANT** the compensation provided for in Attachment B. "Payment" which is attached hereto and incorporated herein by reference. After receipt and approval by **DSH** of **SUBCONSULTANT's** invoice prepared in such form and supported by such documents as **DSH** may reasonably require, **DSH** will include **SUBCONSULTANT's** invoice with **DSH's** regular billings to the **CLIENT**. **DSH** will make payment to the **SUBCONSULTANT** within ten (10) days after receipt of payment from the **CLIENT** for work performed by **SUBCONSULTANT**.

IT IS UNDERSTOOD AND AGREED TO BY THE SUBCONSULTANT THAT PAYMENT FROM CLIENT TO DSH FOR WORK PERFORMED BY SUBCONSULTANT IS A CONDITION PRECEDENT FOR PAYMENT TO SUBCONSULTANT FROM DSH.

IV. <u>COMPLIANCE WITH LAWS</u>

SUBCONSULTANT shall observe and abide by all applicable laws, ordinances and regulations of federal, state and local governments, in connection with the work performed hereunder.

V. <u>SUBCONTRACT AND ASSIGNMENT</u>

This Agreement may not be assigned or subcontracted, in whole or part, without the prior written consent of **DSH**. Approval by **DSH** of any subcontractor shall not relieve the **SUBCONSULTANT** of any liability or responsibility for the proper performance of the work under this Agreement.

VI. INSPECTIONS

All work performed by **SUBCONSULTANT** shall be subject to the quality inspection and approval by **DSH** at all times, but such approval shall not relieve **SUBCONSULTANT** of responsibility for the proper performance of the work. **SUBCONSULTANT** shall provide sufficient, safe and proper facilities at all times for such inspection of the work, and shall furnish all information concerning the

work, and grant **DSH's** duly authorized representatives free access at all reasonable times to **SUBCONSULTANT's** facilities where the work under this Agreement is to be performed.

VII. <u>CHANGES</u>

DSH shall have the right, at any time prior to completion of the work to direct changes in this Agreement, including but not limited to, change in the Scope of Work. If the change causes an increase or decrease in the cost of, or the time required for the **SUBCONSULTANT's** performance under this Agreement; the **SUBCONSULTANT** must submit to **DSH** within ten (10) days after receipt of the change notice any request for adjustment. **DSH** will issue an addendum to this Agreement for equitable adjustments.

VIII. <u>TERMINATION FOR CONVENIENCE</u>

- a) **DSH** shall have the right at any time to terminate this Agreement in whole, or in part, by written notice to **SUBCONSULTANT**. Upon receipt of this notice the **SUBCONSULTANT** shall immediately discontinue performance, will not place any further orders and will promptly cancel all orders to subcontractors.
- b) In the event of termination for convenience **DSH** shall pay, in accordance with Article III above, the **SUBCONSULTANT** for all work performed and accepted by **DSH** prior to termination, plus the profit due for the work performed. However, in no event shall **DSH** be obligated to pay more than the Agreement value less any previously paid funds.

SUBCONSULTANT shall have the right at any time to terminate this Agreement in whole, or in part, by written notice to **DSH**. Prior to termination and cessation of work **SUBCONSULTANT** will complete all work and reports that comprise the approved **PROJECT**, and submit same to **DSH** and **CLIENT** prior to cessation of work.

IX. <u>DEFAULT</u>

a) Should the **SUBCONSULTANT** breach any provisions of this Agreement **DSH** shall have the rights and remedies provided by law or under these terms and conditions.

- b) **DSH** shall have the right at any time to terminate this Agreement in whole, or in part, if the **SUBCONSULTANT** fails to perform any of its obligations or if the **SUBCONSULTANT** fails to give **DSH** assurance of adequate performance within ten (10) working days after written request by **DSH** for such assurances.
- c) In the event of a breach of the Agreement **DSH** may:
 - 1) Declare the **SUBCONSULTANT** to be in default.
 - 2) Cancel this Agreement in whole or in part.
 - 3) Withhold payment of any further funds which may be due the **SUBCONSULTANT** until the default is corrected.
 - 4) Pursue any and all other remedies afforded by law.

X. <u>INDEMNIFICATION AND INSURANCE</u>

- a) **SUBCONSULTANT** shall indemnify, defend and hold harmless **DSH** and **CLIENT**, and their respective officers, agents, servants and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the **SUBCONSULTANT's** negligent acts, errors or omissions in the performance of the services under this Agreement.
- b) With respect to its indemnification obligation hereunder, **SUBCONSULTANT** hereby assumes the entire responsibility and liability for any and all damages or injury (including death resulting therefrom) to employees of the **SUBCONSULTANT** caused by, resulting from, arising out of or occurring in connection with the performance of the services under this Agreement, and if any claims for such damage or injury (including death resulting therefrom) be made or asserted, whether or not such claims are based upon **DSH's** or **CLIENT's** alleged or actual negligent acts, errors or omissions, **SUBCONSULTANT** agrees to indemnify, defend and hold harmless **DSH** and **CLIENT**, and their respective officers, agents, servants and employees from and against all such claims, damages, losses and expenses, including but not limited to attorneys' fees, that they may directly or indirectly sustain, suffer or incur as a result thereof.

XI. <u>INDEPENDENT CONTRACTOR</u>

The **SUBCONTRACTOR** is an independent contractor and shall not be regarded as an employee or agent of **DSH**. At times, DSH may provide **SUBCONSULTANT** business tools, such as email accounts, marketing materials, etc., for use in accomplishing work. However, use of these business tools must always include a disclaimer to identify that **SUBCONSULTANT** is not an DSH employee or agent.

XII. <u>CONFIDENTIALITY</u>

No publicity releases (including news releases and advertising) relating to this Agreement or the Work hereunder shall be issued by the **SUBCONSULTANT** without the prior written approval of **DSH**. The **SUBCONSULTANT** will comply at all times with the confidentiality terms established in the Mutual Non-Disclosure Agreement included as Attachment D to this Agreement.

XIII. CONFLICT OF INTEREST

Conflicts can occur from the standpoint of the organization or from personnel. Such conflicts could potentially jeopardize the quality of work due to inadvertent or intentional bias placed on Task Order performance. To avoid such conflicts the SUBCONTRACTOR represents, warrants and confirms, for the duration of the Project, that neither SUBCONTRACTOR nor any of SUBCONTRACTOR's subcontractors has or has had any commitment to perform services for others or any other obligations or circumstances which conflict with the interest of DSH's or SUBCONTRACTOR's obligations hereunder as specified in the Agreement.

Further, SUBCONTRACTOR warrants that, for the duration of the Project, SUBCONTRACTOR will not propose to or enter into any agreement or engage in any conduct that would conflict with the interest of DSH's or SUBCONTRACTOR's obligations under this Agreement.

XIV. EXAMINATION OF RECORDS

The **SUBCONSULTANT** agrees that **DSH** will have access to and the right to examine any books, documents, papers and records of any and all the transactions relating to this Agreement. The **SUBCONSULTANT** shall maintain all records for a period of three (3) years after completion of the Work.

XV. <u>OWNERSHIP OF DOCUMENTS</u>

Upon completion and payment in full of all monies due to **SUBCONSULTANT**, all drawings, specifications, reports, information or data prepared by or furnished to **SUBCONSULTANT** in connection with any or all work to be performed under this Agreement shall be the property of **the Client and are considered Works Made for Hire.** The **SUBCONSULTANT** shall have no liability for any claim, liability or cost arising out of any unauthorized DSH or modification by the **SUBCONSULTANT** of any work products without the written authorization of **CLIENT**.

XVI. PARTIAL INVALIDITY

If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired or invalidated thereby.

XVII. <u>HEADINGS</u>

Headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

XVIII. GOVERNING LAWS

The validity or construction of this Agreement, as well as the rights and duties of the parties hereinunder, shall be governed by the laws of the State specified in the Choice of Law or other applicable clause in the Prime Agreement or, if no such State is specified, then the State of Tennessee.

XIX. <u>COMPLIANCE WITH PRIME AGREEMENT</u>

SUBCONSULTANT hereby agrees to abide and be bound by the terms of Prime Agreement between **DSH** and its client, which is incorporated herein by reference and included as Attachment C to this Agreement. In the event of any conflict between this Agreement and any other document(s), the stricter terms and conditions shall control.

XX. SUPPLEMENTS TO AGREEMENT

The following exhibits, supplements or addendums form an integral part of this Agreement.

- Attachment "A" Scope of Work
- Attachment "B" Compensation and Payment
- Attachment "C" Prime Agreement Terms and Conditions
- Attachment "D" Mutual Non-Disclosure Agreement

XXI. ENTIRE AGREEMENT

This Agreement constitutes the whole agreement between the parties with respect to the subject matter contained herein and there are no terms other than those contained herein. No modification or amendment of this Agreement shall be valid unless in writing and signed by the parties hereto.

DSH & Associates, LLC

Douglas S. Hodg

Signature

Name: <u>Douglas S. Hodge, Ph.D., PMP</u>

Title: Operations Manager

SUBCONSULTANT

Signature

Name: Pete Dayton

Pelexanton

Title: Consultant

Date: 1/20/11

Attachment A Scope of Work

For the purposes of this Contract, the Scope of Work includes:

• Providing a contracting and legal support and be a member of the board of directors.

Attachment B Compensation and Payment

- A. For the performance of services as set forth by this agreement, the SUBCONSULTANT shall be paid **\$75 per hour.**
- C. All services should be invoiced within 30 days of final performance. DSH will provide a Subconsultant Invoice Transmittal form to be included with each invoice. *The completed form may be attached, if so desired.* Please send the invoice along with the completed Subconsultant Invoice Transmittal form to:

4028 Taliluna Avenue Knoxville, TN 37919 865-755-8066

Or submit via e-mail to:

hodge.dsh@gmail.com

Boring & Goins, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

2927 ESSARY DRIVE KNOXVILLE, TN 37918 PHONE (865) 525-6233 FAX (865) 251-1492

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
TENNESSEE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

To the Members
DSH & Associates, LLC
Knoxville, TN 37919

Dear Members:

As we discussed, I would be happy to serve your accounting, tax, and management advisory services needs.

In accordance with standards established by the American Institute of Certified Public Accountants, an engagement letter is necessary to set forth our understanding of the terms and objetives of our relationship, and the nature and limitations of the services to be provided.

I will provide the following services:

I will perform general accounting services and tax preparation for the company each year end. And if found necessary, perform an audit.

Our fees range from \$60 - \$175 per hour based upon the complexity of the service. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

I look forward to working with you and will be happy to discuss this letter and our arrangements with you at any time.

If the foregoing is agreeable to you, please sign this letter in the space provided and return it to me in the enclosed envelope. The second copy is for your files.

Sincerely,

Roger L. Goins, CPA Boring & Goins, PC

Page 2 DSH & Associates, LLC

-Acknowledged:-

President

1/21/11

Date

SUBCONSULTANT AGREEMENT No. 001_ FOR PROFESSIONAL SERVICES

THIS AGREEMENT, entered	into this <u>1st</u> (day of <u>April, 2011</u>	, by and between DSH &
Associates, LLC with offices a	nt 4028 Taliluna Avenue	, Knoxville, TN 3791	9 865-755-8066 hereinafter
referred to as " DSH " and	Glen Schmidt	located at _4028	Taliluna Avenue, Knoxville,
TN, 37919 , hereinafter	referred to as SUBCO	ONSULTANT.	

WHEREAS, **DSH** may enter into future contracts with <u>Subdivisions that require</u> <u>Wastewater Utility Service</u> (CLIENT) for the purposes of furnishing certain professional services in connection with <u>Wastewater Utility</u>; and

WHEREAS, **DSH** desires **SUBCONSULTANT** to perform certain professional and technical services in connection with **CLIENT** requirements and **SUBCONSULTANT** desires to perform such services.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

I. SCOPE OF WORK

SUBCONSULTANT shall perform in a proper manner, satisfactory to **DSH**, the technical services as more fully described in Attachment A. "Scope of Work" which is attached hereto and incorporated herein by reference.

II. <u>TIME OF PERFORMANCE</u>

The services to be performed hereunder shall commence upon receipt by **SUBCONSULTANT** of a written "Notice to Proceed" and shall be completed in accordance with the schedule set forth in Attachment A. This Agreement will remain in effect for one year from the date of the Notice To Proceed. The Agreement can be renewed for an additional year upon written notification signed by both parties, prior to the expiration of the period of performance, that the Agreement will be extended for an

additional year. This option to extend the contract for an additional one year period will continue indefinitely at the mutual approval of both parties.

III. COMPENSATION AND PAYMENT

For satisfactory performance of the services described above, **DSH** shall pay to **SUBCONSULTANT** the compensation provided for in Attachment B. "Payment" which is attached hereto and incorporated herein by reference. After receipt and approval by **DSH** of **SUBCONSULTANT's** invoice prepared in such form and supported by such documents as **DSH** may reasonably require, **DSH** will include **SUBCONSULTANT's** invoice with **DSH's** regular billings to the **CLIENT**. **DSH** will make payment to the **SUBCONSULTANT** within ten (10) days after receipt of payment from the **CLIENT** for work performed by **SUBCONSULTANT**.

IT IS UNDERSTOOD AND AGREED TO BY THE SUBCONSULTANT THAT PAYMENT FROM CLIENT TO DSH FOR WORK PERFORMED BY SUBCONSULTANT IS A CONDITION PRECEDENT FOR PAYMENT TO SUBCONSULTANT FROM DSH.

IV. COMPLIANCE WITH LAWS

SUBCONSULTANT shall observe and abide by all applicable laws, ordinances and regulations of federal, state and local governments, in connection with the work performed hereunder.

V. SUBCONTRACT AND ASSIGNMENT

This Agreement may not be assigned or subcontracted, in whole or part, without the prior written consent of **DSH**. Approval by **DSH** of any subcontractor shall not relieve the **SUBCONSULTANT** of any liability or responsibility for the proper performance of the work under this Agreement.

VI. <u>INSPECTIONS</u>

All work performed by **SUBCONSULTANT** shall be subject to the quality inspection and approval by **DSH** at all times, but such approval shall not relieve **SUBCONSULTANT** of responsibility for the proper performance of the work. **SUBCONSULTANT** shall provide sufficient, safe and proper

facilities at all times for such inspection of the work, and shall furnish all information concerning the work, and grant **DSH's** duly authorized representatives free access at all reasonable times to **SUBCONSULTANT's** facilities where the work under this Agreement is to be performed.

VII. CHANGES

DSH shall have the right, at any time prior to completion of the work to direct changes in this Agreement, including but not limited to, change in the Scope of Work. If the change causes an increase or decrease in the cost of, or the time required for the **SUBCONSULTANT's** performance under this Agreement; the **SUBCONSULTANT** must submit to **DSH** within ten (10) days after receipt of the change notice any request for adjustment. **DSH** will issue an addendum to this Agreement for equitable adjustments.

VIII. TERMINATION FOR CONVENIENCE

- a) **DSH** shall have the right at any time to terminate this Agreement in whole, or in part, by written notice to **SUBCONSULTANT**. Upon receipt of this notice the **SUBCONSULTANT** shall immediately discontinue performance, will not place any further orders and will promptly cancel all orders to subcontractors.
- b) In the event of termination for convenience **DSH** shall pay, in accordance with Article III above, the **SUBCONSULTANT** for all work performed and accepted by **DSH** prior to termination, plus the profit due for the work performed. However, in no event shall **DSH** be obligated to pay more than the Agreement value less any previously paid funds.

SUBCONSULTANT shall have the right at any time to terminate this Agreement in whole, or in part, by written notice to **DSH**. <u>Prior to termination and cessation of work **SUBCONSULTANT** will complete all work and reports that comprise the approved **PROJECT**, and submit same to **DSH** and **CLIENT** prior to cessation of work.</u>

IX. <u>DEFAULT</u>

a) Should the **SUBCONSULTANT** breach any provisions of this Agreement **DSH** shall have the rights and remedies provided by law or under these terms and conditions.

- b) **DSH** shall have the right at any time to terminate this Agreement in whole, or in part, if the **SUBCONSULTANT** fails to perform any of its obligations or if the **SUBCONSULTANT** fails to give **DSH** assurance of adequate performance within ten (10) working days after written request by **DSH** for such assurances.
- c) In the event of a breach of the Agreement **DSH** may:
 - 1) Declare the **SUBCONSULTANT** to be in default.
 - 2) Cancel this Agreement in whole or in part.
 - 3) Withhold payment of any further funds which may be due the **SUBCONSULTANT** until the default is corrected.
 - 4) Pursue any and all other remedies afforded by law.

X. INDEMNIFICATION AND INSURANCE

- a) **SUBCONSULTANT** shall indemnify, defend and hold harmless **DSH** and **CLIENT**, and their respective officers, agents, servants and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the **SUBCONSULTANT's** negligent acts, errors or omissions in the performance of the services under this Agreement.
- b) With respect to its indemnification obligation hereunder, **SUBCONSULTANT** hereby assumes the entire responsibility and liability for any and all damages or injury (including death resulting therefrom) to employees of the **SUBCONSULTANT** caused by, resulting from, arising out of or occurring in connection with the performance of the services under this Agreement, and if any claims for such damage or injury (including death resulting therefrom) be made or asserted, whether or not such claims are based upon **DSH's** or **CLIENT's** alleged or actual negligent acts, errors or omissions, **SUBCONSULTANT** agrees to indemnify, defend and hold harmless **DSH** and **CLIENT**, and their respective officers, agents, servants and employees from and against all such claims, damages, losses and expenses, including but not limited to attorneys' fees, that they may directly or indirectly sustain, suffer or incur as a result thereof.

XI. <u>INDEPENDENT CONTRACTOR</u>

The **SUBCONTRACTOR** is an independent contractor and shall not be regarded as an employee or agent of **DSH**. At times, DSH may provide **SUBCONSULTANT** business tools, such as email accounts, marketing materials, etc., for use in accomplishing work. However, use of these business tools must always include a disclaimer to identify that **SUBCONSULTANT** is not an DSH employee or agent.

XII. CONFIDENTIALITY

No publicity releases (including news releases and advertising) relating to this Agreement or the Work hereunder shall be issued by the **SUBCONSULTANT** without the prior written approval of **DSH**. The **SUBCONSULTANT** will comply at all times with the confidentiality terms established in the Mutual Non-Disclosure Agreement included as Attachment D to this Agreement.

XIII. CONFLICT OF INTEREST

Conflicts can occur from the standpoint of the organization or from personnel. Such conflicts could potentially jeopardize the quality of work due to inadvertent or intentional bias placed on Task Order performance. To avoid such conflicts the SUBCONTRACTOR represents, warrants and confirms, for the duration of the Project, that neither SUBCONTRACTOR nor any of SUBCONTRACTOR's subcontractors has or has had any commitment to perform services for others or any other obligations or circumstances which conflict with the interest of DSH's or SUBCONTRACTOR's obligations hereunder as specified in the Agreement.

Further, SUBCONTRACTOR warrants that, for the duration of the Project, SUBCONTRACTOR will not propose to or enter into any agreement or engage in any conduct that would conflict with the interest of DSH's or SUBCONTRACTOR's obligations under this Agreement.

XIV. EXAMINATION OF RECORDS

The **SUBCONSULTANT** agrees that **DSH** will have access to and the right to examine any books, documents, papers and records of any and all the transactions relating to this Agreement. The **SUBCONSULTANT** shall maintain all records for a period of three (3) years after completion of the Work.

XV. OWNERSHIP OF DOCUMENTS

Upon completion and payment in full of all monies due to **SUBCONSULTANT**, all drawings, specifications, reports, information or data prepared by or furnished to **SUBCONSULTANT** in connection with any or all work to be performed under this Agreement shall be the property of **the Client and are considered Works Made for Hire.** The **SUBCONSULTANT** shall have no liability for any claim, liability or cost arising out of any unauthorized DSH or modification by the **SUBCONSULTANT** of any work products without the written authorization of **CLIENT**.

XVI. PARTIAL INVALIDITY

If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired or invalidated thereby.

XVII. <u>HEADINGS</u>

Headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

XVIII. GOVERNING LAWS

The validity or construction of this Agreement, as well as the rights and duties of the parties hereinunder, shall be governed by the laws of the State specified in the Choice of Law or other applicable clause in the Prime Agreement or, if no such State is specified, then the State of Tennessee.

XIX. <u>COMPLIANCE WITH PRIME AGREEMENT</u>

SUBCONSULTANT hereby agrees to abide and be bound by the terms of Prime Agreement between **DSH** and its client, which is incorporated herein by reference and included as Attachment C to this Agreement. In the event of any conflict between this Agreement and any other document(s), the stricter terms and conditions shall control.

XX. SUPPLEMENTS TO AGREEMENT

The following exhibits, supplements or addendums form an integral part of this Agreement.

- Attachment "A" Scope of Work
- Attachment "B" Compensation and Payment
- Attachment "C" Prime Agreement Terms and Conditions
- Attachment "D" Mutual Non-Disclosure Agreement

XXI. ENTIRE AGREEMENT

This Agreement constitutes the whole agreement between the parties with respect to the subject matter contained herein and there are no terms other than those contained herein. No modification or amendment of this Agreement shall be valid unless in writing and signed by the parties hereto.

DSH & Associates, LLC		
Wougha S. Holy		
Signature		
Name: _Douglas S. Hodge, Ph.D., PMP		
Title: Operations Manager		
Date: 4/1/11		

SUBCONSULTANT

Glu 5 chuth

Signature

Name: Glen Schmidt

Title: <u>DSH Principle Engineer</u>

Date: 4/1/11_____

Attachment A Scope of Work

For the purposes of this Contract, the Scope of Work includes:

• Providing engineering, construction and consulting services as requested by DSH.

Attachment B Compensation and Payment

- A. For the performance of services as set forth by this agreement, the SUBCONSULTANT shall be paid **\$50 per hour.**
- C. All services should be invoiced within 30 days of final performance. DSH will provide a Subconsultant Invoice Transmittal form to be included with each invoice. *The completed form may be attached, if so desired.* Please send the invoice along with the completed Subconsultant Invoice Transmittal form to:

Evergreene Utility Services, LLC 4028 Taliluna Avenue Knoxville, TN 37919 865-755-8066

Or submit via e-mail to:

hodge.dsh@gmail.com

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, #133 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.

ENVIRONMENTAL MANAGEMENT GROUP

DSH + Associates, LLC, Manyer

P.O. Box 10621

Knoxville, TN 37939

ATTACHEMENT 17:

DSH Financial Reports

2:50 PM 03/24/11 Accrual Basis

DSH & Associates, LLC Balance Sheet As of March 24, 2011

	Mar 24, 11
ASSETS	
Current Assets	
Checking/Savings	74 457 70
BB&T DSH Checking DSH & Associates	71,457.78 1,057.28
Hodge Personnal	-26.23
Money Market	328.38
Total Checking/Savings	72,817.21
Accounts Receivable	
11000 · Accounts Receivable	16,610.40
Total Accounts Receivable	16,610.40
Total Current Assets	89,427.61
Fixed Assets	7 405 00
15000 · Furniture and Equipment	7,485.68
Total Fixed Assets	7,485.68
TOTAL ASSETS	96,913.29
LIABILITIES & EQUITY	96,913.29
LIABILITIES & EQUITY Liabilities	96,913.29
LIABILITIES & EQUITY Liabilities Current Liabilities	96,913.29
LIABILITIES & EQUITY Liabilities	96,913.29
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities	<u> </u>
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities	9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities	9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities	9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity	9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity 30300 · Doug's Draws	9.69 9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity	9.69 9.69 9.69
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity 30300 · Doug's Draws 32000 · Retained Earnings	9.69 9.69 9.69 9.69 -103,820.75 152,636.36
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 24000 · Payroll Liabilities Total Other Current Liabilities Total Current Liabilities Total Liabilities Equity 30300 · Doug's Draws 32000 · Retained Earnings Net Income	9.69 9.69 9.69 9.69 -103,820.75 152,636.36 48,087.99

2:49 PM 03/24/11 Accrual Basis

DSH & Associates, LLC Profit & Loss

January 1 through March 24, 2011

	Jan 1 - Mar 24, 11
Ordinary Income/Expense Income	
42600 · Construction Income	6,902.67
42700 · Consulting Income	41,185.32
Total Income	48,087.99
Gross Profit	48,087.99
Net Ordinary Income	48,087.99
Net Income	48,087.99