

Sharla Dillon

From: Scott Munn [rsmunnn@aol.com]
Sent: Wednesday, January 18, 2012 12:22 PM
To: Sharla Dillon
Subject: Fwd: DSH Rate increase for Lakeside Estates

Begin forwarded message:

From: Scott Munn <rsmunnn@aol.com>
Date: January 17, 2012 12:48:08 PM EST
To: mary.w.freeman@tn.gov
Subject: DSH Rate increase for Lakeside Estates

To the board members reviewing the request to increase the wastewater rates for homeowners in Lakeside Estates, Campbell County Tennessee,
I would like to convey my concerns regarding DSH's request for a rate change for the homeowners in Lakeside Estates development.

My first concern is in regard to the contract entered into between DSH and Jon Trimbach. There are a few amended contracts online, all of which are signed by Jon Trimbach as the Developer/HOA managing member for the Lakeside Estates Property Owners Association. Please be aware that Jon Trimbach is the developer and owner of several properties in the development. The homeowners have never voted on a single sitting board member. As I understand it, the board consists of Jon, his wife and his brother. There are no other consenting property owners involved in this contract submitted to the State. Is this a valid contract in the state of Tennessee? The homeowners have tried on numerous occasions to get a definitive answer from Jon Trimbach, as to the developer's remaining obligation in the development i.e. roads, common areas and septic. This has gone unanswered. The accountant, Bill Driver, who also manages the books for the HOA and is a homeowner in the development, indicated at the last HOA meeting that Jon can make any decision he wants, he is still in the "developing phase" and the homeowner can voice their opinions but actually have no vote in making any decisions. We are obligated, as homeowners, in this development to pay an annual HOA fee, but have no final input as to how the money is spent. The developer has now made contractual obligations with DSH, without notice given to, or input from us, the homeowners. So again, we are without a voice. In doing some research I have found communications between Jon Trimbach developer, Doug Hodge of DSH and Eddie Troxell of La Follette Utilities dating back as far as Nov. of 2010. The homeowners were only notified by Rick Trimbach of the change in utility service on July 27, 2011. This clearly states that Trimbach Development has engaged DSH.

From: Rick Trimbach <rick.trimbach@gmail.com>
Subject: Lakeside Estate Property Owners
Date: July 27, 2011 9:45:43 PM EDT

Trimbach Development, LLC has engaged DSH & Associates (DSH), LLC (a waste water utility company) to replace La Follette Utility District for waste water utility services. This transition will be effective Aug 1st, 2011. You will receive a letter shortly 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.

With this in mind, can DSH/Trimbach Development obligate the property owners to be financially responsible for the changes/improvements that are required by DSH?

The State requested a system evaluation from DSH. The TRA received a response back on 10/26/11 from Doug Hodge indicating an estimated \$22,000 in repairs/improvements needed (\$6,000 for a control panel replacement and \$16,000 for additional tank capacity). Will the homeowners be financially responsible for this improvement?

FYI, this has never been conveyed to the homeowners, this is of record, submitted to the TRA per their data request. I have requested this information from Doug Hodge/DSH multiple times and have been told it is forthcoming. Once again, I am digging to get information about something I have had zero input on.

Can the State require the Developer to have the wastewater septic system meet regulation standards before passing it off to DSH? Who will in-turn require costly modifications made to conform to their requirements. Once again, on the backs of homeowners.

My second concern is regarding the rate increase that has been submitted by DSH to the TRA for consideration.

Please review the SOP 07073. The application indicates the entity type as a subdivision, other options were available in this category including commercial business. The State Operating Permit was granted with this application and has never been amended. The approved design was for a subdivision with 410 homes averaging 3 bedrooms. Using septic tanks ranging from 6,000, 3,000 to 2,000 gallons. If capacity is now an issue with 30 larger homes, how was this design approved for up to 410 homes with 3 bedrooms? The numbers don't add up or the system has been radically modified with no disclosure. The developer, who sold me the property, always conveyed to me that I could rent my 8 bedroom home. In fact the HOA bylaws approve renting.

Is this a Consumer Protection Act issue? TCA 47-18-104 (b) (42) with the SOP approved for 3 bedroom homes, I now have become very concerned about the entire design.

I would also like to point out that per TDEC Regulations 1200-1-6-.07 (1) our development was designed/built as a residential subdivision, not commercial. There are other regulations that need to be met to be considered anything other than residential 1200-1-6-.07 (2).

How can certain homes, in the same residential subdivision have a different rate ? Any help with this would be appreciated.

The precedent has been set with my wastewater rate by LaFollette Utility. I own a single family home in a subdivision in Campbell County Tennessee. I pay for the water I use and the wastewater is billed based on the water usage. To determine that I now will incur a higher base rate for the privilege of having DSH as my wastewater utility company because I rent my property is totally unacceptable.

The properties we are discussing are homes in a subdivision with a septic system that the developer represents as the latest and greatest of wastewater treatment plants. He continues to guarantee me that he has built everything to regulations and he is confident in the system. This seems to contradict DSH findings, with the \$22,000 in repairs.

I would like to think the TRA is in place for exactly this reason. I should not have to be an expert in wastewater management. I should be able to purchase a home in Campbell County TN, and expect the developer to have followed all of the mandated regulations for the infrastructure of the development and disclose all the required information. I don't think it is unreasonable to expect to have continuity of billing when a public utility changes. I would like to think if I were to receive an increase in my base rate I would be provided with additional services. Rather than paying for oversights of the developer as well as an increase to the base rate.

At this point DSH has the homeowners at Lakeside Estates at a disadvantage. We absolutely need to have the wastewater treatment plant run by someone.

I do not agree with the TRA transferring the SOP without having the details of the residential properties rate increase settled.

Per TCA 1220-0-1.06 I formally request the members please reject the rate increase requested by DSH. As you can see the property owners of Lakeside Estates are going to be dealing with many costly wastewater system issues in the very near future. The increase will only add to the overwhelming burden that already exists in our small development.

Thank you for your attention in this matter.

Respectfully,

Diana Munn

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LaFollette Tn. 37766