



AquaGreen Utility Inc.

3350 Galts Road . Acworth, Georgia . 30102

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T.R.A. DOCKET ROOM

March 22, 2013

Honorable Jim Allison
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

13-00050

RE: Petition to amend Certificate of Convenience and Necessity

Dear Chairman Allison:

Aqua Green Utility Inc. desires to expand its service area to include 28 additional lots to our current 50 lots, located in a portion of Jefferson County in Tennessee, known as Stonebridge on Douglas Lake. The attached Petition is in support of our request.

Sincerely,

Dart Kendall, President
Aqua Green Utility Inc.

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

_____, 2013

IN RE: PETITION OF AQUA GREEN UTILITY INC. TO AMEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY

DOCKET NO: _____

Petition of Aqua Green Utility Inc. to amend its Certificate of Convenience and Necessity

Aqua Green Utility Inc. ("AGUI") petitions the Tennessee Regulatory Authority ("TRA") to amend AGUI's Certificate of Convenience and Necessity to expand its service area to include an additional 28 lots located in a portion of Jefferson County known as Stonebridge on Douglas Lake. The project is located off of Tranquility Trail in Jefferson County. The property is shaded yellow on the enclosed map. This total property encompasses approximately 140 acres.

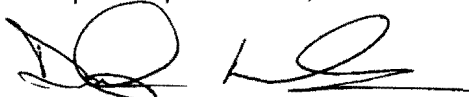
We are proposing to provide wastewater service to 28 additional residential properties at Stonebridge on Douglas Lake subdivision, giving a total of 78 customers. Residential customers, once their homes are built, will be charged according to residential Rate Class 1, currently set at \$44.53. The lot owners with homes not yet constructed will be charged the annual access fee currently set at \$120.00 as of the date of this submittal. The wastewater system will be designed and constructed to serve 78 residential properties and can be expanded if additional treatment capacity is constructed. The TDEC permit allows for up to 108 residential homes once adequate facilities are constructed. AGUI owns the collection, treatment and dispersal system and the property that the system now occupies.

The Stonebridge Home Owners Association and Advanced Septic Inc. have entered into a contract to purchase additional property and construct the necessary facilities to add the 28 new customers. Once the property is in the name of the Utility and the necessary facilities are built to meet adding 28 lots to the current TDEC permit, AGUI proposes to add the 28 new lots to its current 50 lot territory in Stonebridge on Douglas Lake. The estimated value of the contribution in aid of construction is approximately \$144,750.00.

The 28 lots are:

3,10,11,14,18,19,20,32,33,34,39,40,45,59,62,67,70,74,78,82,88,91,92,99,103,104,109,
and 111

Respectfully Submitted,



Dart Kendall
Aqua Green Utility Inc.

1. **BEFORE THE TENNESSE REGULATORY AUTHORITY**
2. **NASHVILLE, TENNESSEE**
3.
4. **March 22, 2013**
5.
6. **IN RE:**)
7.)
8. **PETITION OF AQUA GREEN UTILITY INC. TO AMEND**) **DOCKET NO: _____**
9. **ITS CERTIFICATE OF PUBLIC CONVENIENCE AND**)
10. **NECESSITY FOR THE SERVICE PART OF JEFFERSON**)
11. **COUNTY, TENNESSEE KNOWN AS STONEBRIDGE ON**)
12. **DOUGLAS LAKE.**)

13.

14.

15. **PRE-FILED DIRECT TESTIMONY OF DART KENDALL**

16.

17. **Q. State your name for the record and your position with the Petitioner, Aqua Green**
18. **Utility Inc.**

19. **A. Dart Kendall. I am the president of the Aqua Green Utility Inc.**

20. **Q. What is the business of Aqua Green Utility Inc.?**

21. **A. To provide environmentally friendly and affordable wastewater service to communities**
22. **where wastewater service is not currently available.**

23. **Q. When did the Company receive its first certificate from the Authority to operate a**
24. **sewer system in Tennessee?**

25. **A. July 31, 2009**

26. **Q. How many certificates has the Company received from the Authority to provide sewer**
27. **service in the State of Tennessee?**

28. **A. Two, The Peninsula and Stonebridge on Douglas Lake**

29. **Q. What services will Aqua Green Utility Inc. provide to The Stonebridge community?**

30. **A. Aqua Green Utility will provide wastewater service: Including pumping and**
31. **maintenance of the step systems at individual homes. Maintaining the community**
32. **main lines. Maintaining and operating the treatment plant and drip field. All operation**

33. and maintenance will be done in a manner as to meet all requirements of the state
34. operating permit.

35. **Q. Does Aqua Green Utility Inc. have the technical, managerial, and financial capability**
36. **to provide wastewater service to Stonebridge on Douglas Lake?**

37. A. Yes, Aqua Green Utility Inc. staff and associates have all the necessary technical,
38. managerial, and financial capability to provide wastewater service to Stonebridge on
39. Douglas Lake.

40. I currently own and operate Advanced Septic Inc. located in North Georgia. Advanced
41. Septic will be the company constructing the wastewater system at Stonebridge. This
42. company designs, installs, services and maintains advanced wastewater systems.

43. Advanced Septic Inc. currently services, operates and maintains forty plus advanced
44. wastewater systems in North Georgia. These systems are of various types: single
45. family, strip mall, convenience store, golf resort community and warehouse type
46. commercial systems. Advanced Septic has been in business since August 12, 1985.

47. I additionally hold a BNS sewage treatment plant operators license and a sewage
48. collection system operators license issued by the State of Tennessee

49. **Q Is there a stated public need for wastewater service in this area?**

50. A. We are currently providing wastewater service for 50 of the 108 lots
51. in the Stonebridge on Douglas Lake. Additionally most of the soils in this development
52. are not suitable for septic systems.

53. **Q. Will Aqua Green Utility Inc. abide by all applicable Tennessee statutes and TRA**
54. **rules governing wastewater utilities?**

55. A. Yes, Aqua Green Utility Inc. will abide by all applicable Tennessee statutes and TRA
56. rules governing wastewater utilities.

57. **Q. How many customers will be served in this development?**

58. A. Aqua Green Utility Inc. will service up to 78 residential wastewater customers.

59. Once the wastewater treatment system is complete. Aqua Green Utility Inc. will bill
60. customer with homes our Class 1 residential rate. The lot owners with homes not yet
61. constructed will be charged the annual access fee currently set at \$120.00

62. Aqua Green Utility Inc. will only allow 78 customers to hook onto the treatment system.

63. The Home Owners association has been informed that additional facilities are needed
64. to add additional lots to the system.

65. Q. **Identify any complaints filed with any state regulatory agency involving Aqua**
66. **Green Utility Inc.**

67. A. There have never been any complaints filed against Aqua Green Utility Inc.

68. Q. **Discuss in detail the type of wastewater system Aqua Green Utility Inc. proposes for**
69. **construction, which will support the 78 homes anticipated for service, in Jefferson**
70. **County, Tennessee, at Stonebridge on Douglas Lake.**

71. A. A fully automated trickle filter plant capable of supporting all potential homes in
72. Stonebridge on Douglas Lake. The plant features autonomous redundancy of major
73. components, as well as leak detection and isolation technology. This is a STEP type
74. system where septic tanks are installed at each home and wastewater is pumped to the
75. plant for treatment. After treatment, the water is disposed of through drip emitter
76. tubing installed in the soil.

77. **Does this conclude your pre-filed testimony?**

78. Yes.

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

99. 
100.

101. Dart Kendall

102. President

103. Aqua Green Utility Inc.

104.

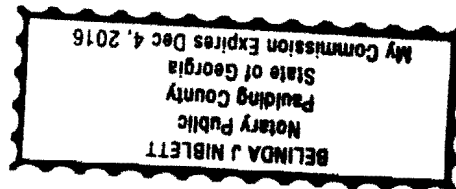
105. Subscribed and sworn to me this 21 day of March, 2013

106. 
107. Notary Public

108. 
109. County of

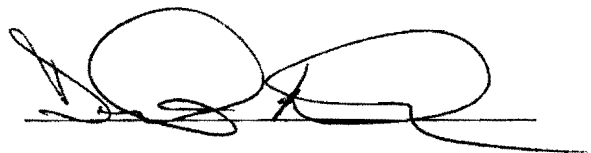
110.
111. My Commission Expires Dec 4 2016

CERTIFICATE OF SERVICE



The undersigned hereby certifies that the above and foregoing Pre-Filed Direct Testimony of Dart Kendall has been served upon the Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, Tennessee 37243. By the method of Fed Ex.

On this Thur day of March 13



Dart Kendall

CONTRACT AGREEMENT

THIS AGREEMENT made as of the fourteenth day of March in the year of 2013.

Between Parties:

Stonebridge on Douglas Lake Homeowner Association, Inc. ("Owner")
PO Box 747
Smithville, TN 37166

and

Advanced Septic, Inc. ("Contractor")
3350 Galts Road
Acworth, Georgia 30102

and

Aqua Green Utility Inc. ("Utility")
3350 Galts Road
Acworth Georgia 30102

For the following Project:

Stonebridge Project ("Project")

1. Scope of Work ("Work")

This Scope of Work ("Work") the Contractor will add all required facilities necessary to meet requirements of TDEC SOP permit for addition of 28 lots(1 home per lot) to the existing sewer plant at the Stonebridge subdivision. This plant and system will not provide sewage service for commercial or condominium type facilities. All equipment, software and connections to the sewer facilities equipment are included. All plant operational manuals will be included. The grading necessary for the construction will be included. All plant automation is included. All pumps, piping or other items necessary for the operation of the septic fields will be included. The Contractor will purchase Lot 95 for a sum of \$95,000.00 and deed the property to the Utility.

The Utility will apply for and acquire a necessity and convenience permit for 28 additional lots to be added to the Stonebridge Subdivision. Aqua Green Utility Inc. will be a permanent Utility and provide maintenance to this system. The Utility will bill the homeowners for this service at a rate set and approved by the TRA. The Utility will be responsible for all future costs including electricity, phone line, sludge removal, water, part replacements and certified operator visits. The Utility will place a public notice sign at the subdivision entrance showing which lots have sewer service and which do not.

3. Time

Purchase of the land needed for sewer treatment plant capacity increase shall be initiated within one week of TRA approval. The plant facilities additional work shall start within three weeks of land title being transferred to Aqua Green Utility Inc. The Utility agrees to accept lots listed as customers when approved by TRA, Lot 95 is deeded to Aqua Green Utility Inc. and contractor has completed facilities work needed to meet requirement of the SOP permit. Contractor agrees to diligently and continuously prosecute such Work. To the extent the Owner causes the project to be delayed, Contractor shall be entitled to collect from the Owner all damages caused by said delays. Contractor shall not be liable for any delays due to circumstances beyond its control, including strikes, weather or other causes, and shall be entitled to time extensions for said causes.

4. Warranty

All equipment and workmanship will be warranted for one year from when end user starts using the facility. The Contractors' warranty excludes a remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage.

5. Changes

No alteration shall be made in the Work except on the written order of the Owner, at which time Contractor shall perform any such changes only after a price has been established and agreed to by Owner for the additional work to be performed. Any changes may impact the duration of the performance of the Work.

6. Indemnification

The Parties shall indemnify and hold each other harmless from and against all claims, damages, losses and expenses, including reasonable attorney fees, costs of court and other legal expenses arising out of or resulting from their sole acts and/or omissions, including any such claim, damage, loss or expense which is attributable to bodily injury, sickness, disease, death or the injury to or destruction of personal or tangible property.

7. Termination

If the Contractor at any time shall refuse or neglect to supply adequate or competent supervision, or a sufficiency of properly skilled workman or of materials of the proper quality or quantity, or fail in any respect to prosecute the work with promptness and diligence, or fail in the performance of any agreement on his part herein contained, the Owner shall have the option, after five days notice to cure and failure by the Contractor to cure, to terminate the Contract. Contractor shall be entitled to payment for the value of all work performed up through the time of contract termination.

If the Owner fails to pay Contractor within 30 days from submitting of invoice for payment or otherwise interferes in the performance of Contractors' Work, Contractor has the right, after five (5) days notice to cure and failure by the Owner to cure, to terminate the contract or to stop work without prejudice to any other remedy it may have.

8. Insurance

Contractors' Insurance

The Contractor shall maintain such insurance as will protect it from claims under workers compensation and from any other claims arising from injury or death during the performance of its Work. Automobile Bodily Injury and Property Damage Liability Insurance, coverage shall not be less than \$300,000.00. Comprehensive General Bodily Injury and Broad Form Property Damage Liability Insurance coverage shall not be less than \$1,000,000.00. Contractor shall maintain policies already shown to Owner and will have proof of such policies faxed to the owner any time requested.


9. Miscellaneous provisions

Payments due and unpaid under this Contract shall bear interest at the rate of 18% per annum from the date due and all costs of collection, including reasonable attorney fees, shall be paid by Owner as the result of non-payment.

The Parties submit to the jurisdiction and venue of the Courts of The State of Tennessee for the resolution of any disputes.


ACCEPTED:

OWNER:


(Signature)


Michael Sorrells
Print

CONTRACTOR:


(Signature)

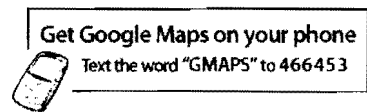
Dart Kendall (CEO, Advanced Septic Inc.)

UTILITY:


(Signature)

Dart Kendall (President, Aqua Green Utility Inc.)

Google



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Map data ©2013 Google



**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES
401 CHURCH STREET
L & C ANNEX 6TH FLOOR
NASHVILLE TN 37243**

August 1, 2012

Mr. Dart Kendall, President
e-copy: dart@aquagreenutility.com
Aqua Green Utility, Inc.
3350 Galts Road
Acworth, GA 30102

**Re: State Operating Permit No. SOP-10042
Aqua Green Utility Inc. - Stonebridge on Douglas Lake
Dandridge, Jefferson County, Tennessee**

Dear Mr. Kendall:

In accordance with the provisions of the Tennessee Water Quality Control Act, Tennessee Code Annotated (T.C.A.), Sections 69-3-101 through 69-3-120, the Division of Water Resources hereby issues the enclosed State Operating Permit. The continuance and/or reissuance of this Permit is contingent upon your meeting the conditions and requirements as stated therein.

Please be advised that a petition for permit appeal may be filed, pursuant to T.C.A. Section 69-3-105, subsection (i), by the permit applicant or by any aggrieved person who participated in the public comment period or gave testimony at a formal public hearing whose appeal is based upon any of the issues that were provided to the commissioner in writing during the public comment period or in testimony at a formal public hearing on the permit application. Additionally, for those permits for which the department gives public notice of a draft permit, any permit applicant or aggrieved person may base a permit appeal on any material change to conditions in the final permit from those in the draft, unless the material change has been subject to additional opportunity for public comment. Any petition for permit appeal under this subsection (i) shall be filed with the board within thirty (30) days after public notice of the commissioner's decision to issue or deny the permit.

If you have questions, please contact the Knoxville 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@tn.gov.

Sincerely,

A handwritten signature in dark ink, appearing to read "Vojin Janjić", is located below the "Sincerely," text.

Vojin Janjić
Manager, Permit Section
Water Pollution Control

Enclosure

cc/ec: Permit Section File
Knoxville Environmental Field Office (Woody.Smith@tn.gov)
Ms. Michelle Ramsey, Utilities Division, Tennessee Regulatory Authority, michelle.ramsey@tn.gov

**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER POLLUTION CONTROL**

**6th Floor, L & C Annex
401 Church Street
Nashville, TN 37243**

Modification

Permit No. SOP-10042

**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

**Aqua Green Utility Inc. - Stonebridge on Douglas Lake
Dandridge, Jefferson County, Tennessee**

FOR THE OPERATION OF

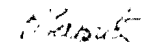
Septic tanks, collection system, low trickling filter and drip irrigation system located at latitude 36.00615 and longitude -83.323483 in Jefferson County, Tennessee to serve approximately 108 homes in the Stonebridge Douglas Lake. The design capacity of the system is 0.026460 MGD.

This permit is issued as a result of the application filed on December 13, 2011, 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: September 1, 2012

This permit shall expire on: March 01, 2016

Issuance date: July 31, 2012



for Sandra Dudley, Ph.D., P.E.
Environmental Program Administrator
Division of Water Resources

A. GENERAL REQUIREMENTS

The treatment system shall be monitored by the permittee as specified below:

<u>Parameter</u>	<u>Sample Type</u>	<u>Daily Maximum</u>	<u>Monthly Average</u>	<u>Measurement Frequency</u>
Flow	Continuous	26,460 GPD		Daily
BOD ₅	Grab	45 mg/l	N/A	Once/Quarter
Nitrate as N	Grab	Report	N/A	Once /Quarter
Ammonia as N	Grab	Report	N/A	Once /Quarter

Sampling requirements in the table above apply to effluent being discharged to the drip irrigation plots.

This permit allows the operation of a wastewater drip irrigation system. The operation of the wastewater drip irrigation system is limited to 26460 GPD and to 108 residential units. Condominiums will not allowed and shall not be included as part of the 108 residential units. There shall be no wastewater ponding or pools on the surface of the disposal field as a result of improper application or irrigation of wastewater except in direct response to precipitation. There shall be no discharge of wastewater to any surface stream or any location where it is likely to enter surface waters. There shall be no discharge of wastewater to any open throat sinkhole. In addition, the drip irrigation system shall be operated in a manner preventing the creation of a health hazard or a nuisance.

Instances of ponding or pools under dry weather conditions shall be promptly investigated and remedied. Instances of ponding or pools, or any wastewater runoff shall be noted on the monthly operation report. The report shall include details regarding the location(s), determined cause(s), the actions taken to eliminate the ponding or pools, or any wastewater runoff, and the dates the corrective actions were made. Any wastewater 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 discovery by the permittee.

All drip fields must be fenced sufficiently to prevent or impede unauthorized entry as well as to protect the facility from vandalism. Fencing shall be a minimum of four feet in height. Fencing shall be constructed of durable materials. Gates shall be designed and constructed in a manner to prevent or impede unauthorized entry. All designs are subject to division approval. Fence must be installed prior to beginning of operation.

All drip lines shall be buried and maintained 6 to 10 inches below the ground surface.

The site shall be inspected by the certified operator or his/her designee, at a minimum, once per week. The following shall be recorded for each inspection and reported on the quarterly operating report:

- the condition of the treatment facility security controls (doors, fencing, gates, etc.),
- the condition of the drip area security controls (doors, fencing, gates, etc.),
- the condition of the site signage,
- the condition of the drip lines under pressure,
- the condition of the drip area including the location of any ponding and the height of the cover crop,
- the condition of the mechanical parts of the treatment system (pumps, filters, telemetry equipment, etc.)
- the condition of the UV bulbs (if applicable),
- the last date the UV bulbs were cleaned (if UV is used),
- the date and time of inspection,
- the name of the inspector,
- the description of any corrective actions taken.

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.

2. Test Procedures

Unless otherwise noted in the permit, all pollutant parameters shall be determined according to methods prescribed in Title 40, CFR, Part 136.

C. DEFINITIONS

The "daily maximum concentration" is a limitation on the average concentration, in milligrams per liter, of the discharge during any calendar day.

The "**monthly average concentration**", other than for *E. coli* bacteria, is the arithmetic mean of all the composite or grab samples collected in a one-calendar month period.

A "grab sample" is a single influent or effluent sample collected at a particular time.

For the purpose of this permit, "*continuous monitoring*" means collection of samples using a probe and a recorder with at least one data point per dosing cycle.

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 than 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 effective date.

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.

4. Signatory Requirement

All reports or information submitted to the commissioner shall be signed and certified by the persons identified in Rules 1200-4-5-.05(6)(a-c).

E. SCHEDULE OF COMPLIANCE

Full operational level shall be attained from the effective date of this permit.

F. REOPENER CLAUSE

This permit may be reopened and modified, by either the permittee or the State of Tennessee, subject to permittee comment and appeal and to applicable public notice procedures, to allow additional flow to the drip irrigation system based on identification of additional soils or soil characteristics that would provide more capacity for disposal as allowed by state rule.

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 permittee must develop and implement a preventative maintenance schedule which corresponds to the manufacturer's recommendations for each of the appurtenances in the treatment system. Documentation supporting this preventative maintenance schedule, and its implementation, must be retained for a period of three years.

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 every week. If 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 charge of the facility and observes the operation of the system frequently enough to ensure its proper operation and maintenance regardless of the monitoring frequency stated in the permit.

Dilution water shall not be added to comply with effluent requirements.

Final Plan of Operation, prepared in accordance with the State Design Criteria and manufacturer's specifications, shall be submitted to the Division of Water Pollution Control, Knoxville Environmental Field Office, 3711 Middlebrook Pike, Knoxville, TN 37921 within thirty (30) days of a request by division personnel. The permittee must comply with the submitted Final Plan of Operation.

The drip dispersal area shall not be used for vehicular traffic or vehicular parking. Dozers, trucks, tractors, and other heavy vehicles shall not be allowed to run over the drip dispersal area lines or other parts of the system.

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 unintended discharge to land or waters of Tennessee 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 on a quarterly basis. 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 EFO 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 certified wastewater treatment operator and collection system shall be operated under the supervision of a the grade I certified collection system operator in accordance with the Water Environmental Health Act of 1984.

B. PLACEMENT OF SIGNS

Signs shall be posted at regular intervals around the perimeter of the area, and at each entrance pursuant to the approved construction plans and specifications. Each sign shall be made of durable material.

**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. New facilities must have the signs installed upon commencing operation.

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 Chapter 0400-48-01-.22. If the septage is transported to another POTW for disposal, the permittee shall note the amount of septage wasted in gallons 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. For cover crops other than trees, the cover crop shall be cut on a regular basis and the cuttings removed from the site. 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. 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. No construction can take place until the land is in the name of Aqua Green Utility. Evidence of ownership of the treatment facility land application site(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.

H. UIC AUTHORIZATION

The authorization and requirements associated with the operation of a Class V injection well (drip dispersal field) is attached to this permit in Attachment 1.

Attachment 1
STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER SUPPLY
GROUND WATER MANAGEMENT SECTION
9th Floor, 401 Church Street
Nashville, Tennessee 37243-1549

MEMORANDUM

TO: Hari Akunuri, WPC-CO

FROM: Allen Rather, DWS- Ground Water Management Section

DATE: 8/16/2010

SUBJECT: Large capacity septic system (Class V Injection) Approval
Stonebridge Subdivision
Dandridge, Jefferson County, Tennessee
UIC File JEF 0000044

The Division of Water Supply has reviewed the submittal of an Application for Authorization to Operate a Class V Underground Injection Well (Large Capacity Septic System) utilizing drip disposal for the waste water at the Stonebridge Subdivision located at Dandridge, Jefferson County, Tennessee. This Division approves the application dated 8/12/2010.

If at any time the Division learns that a ground water discharge system may be in violation of The Tennessee Water Quality Control Act, the Division shall:

- a. require the injector to apply for an individual permit;
- b. order the injector to take such actions including, where required, closure of the injection well as may be necessary to prevent the violation; or
- c. take enforcement action.

All groundwater discharge activities must operate in such a manner that they do not present a hazard to groundwater.

Aqua Green Utility District shall also conduct a monthly visual inspection of the complete drip field looking for any signs of failure.

In accordance with Underground Injection Control (UIC) Rule 1200-4-6-.14 (3) “ The owner of a Class V well shall be responsible for notifying the Department of change in ownership.” This notification must be made to this Division within thirty (30) days of the change in ownership.

Also note that according to Underground Injection Control (UIC) Rule 1200-4-6-.14 (8)(d) “Upon completion of the well, the owner or operator must certify to the Department that the well has been completed in accordance with the approved construction plan, and must submit any other additional information required”. The certification must be submitted to the UIC Program within thirty (30) days upon the completion/closure of the Class V well.

Our concurrence with your approach does not imply that this procedure is exempt from future changes or restrictions in the Underground Injection Control (UIC) Regulations, or any additional requirements set forth by the Division in order to protect the groundwater of Tennessee.

This Division will require a minimum of seven (7) working days advance notice before the construction on the drip system is to begin to allow for a witness from this Division to be present.

No drip emitters are to discharge directly into an open throat or crevice in the subsurface.

A copy of this authorization must be kept on site until the development has been completed and must be made available to inspection personnel.

Should you have any questions or comments please feel free to contact me at (615) 532-5819 or allen.rather@tn.gov.

c: Brad Harris, GWP- NCO
file

**Addendum to 2011 Permit
May 2012
SOP-10042
Stonebridge on Douglas Lake
Jefferson County**

The permittee submitted the application for permit modification on December 13, 2011, inclusive of the Permit Modification Report prepared by Mr. Bob Faulhaber, P. E, dated November 11, 2011. This modification scope includes increasing the design capacity from 15,000 to 26,460 GPD and from 50 lots to 108 lots. The division is granting the permittee's request with the new information submitted and approved by the division.