

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

November 18, 2014

IN RE:)
)
PETITION OF TENNESSEE) DOCKET NO. 14-00136
WASTEWATER SYSTEMS, INC.)
FOR APPROVAL OF CAPITAL)
IMPROVEMENT SURCHARGES)
AND FINANCING ARRANGEMENTS)

**PETITION OF TENNESSEE WASTEWATER SYSTEMS, INC. FOR APPROVAL OF
CAPITAL IMPROVEMENT SURCHARGES AND FINANCING ARRANGEMENTS**

Tennessee Wastewater Systems, Inc. ("TWSI") petitions the Tennessee Regulatory Authority ("TRA") to approve, pursuant to T.C.A. § 65-5-101 and 103, a capital improvement surcharge of approximately \$3.27 per customer, per month, to allow the utility to make repairs and improvements at three wastewater treatment facilities. At two facilities, sinkholes have opened underneath the treatment lagoons. At the third facility, unanticipated drainage problems require that that existing drip field be closed and a new one built nearby. Although each system has been temporarily stabilized, the Tennessee Department of Environment and Conservation ("TDEC") has ordered that permanent repairs be made. TWSI has arranged for a ten-year loan of up to \$725,000 to pay for the estimated cost of these repairs. The loan will be secured by a mortgage on TWSI's assets and therefore must be approved by the Authority pursuant to T.C.A. § 65-4-112. TWSI seeks Authority approval of both the loan and the capital improvement surcharge which will be charged to all TWSI customers in Tennessee.

TWSI also seeks the Authority's approval of a capital improvement surcharge to be collected from thirty-seven property owners at Summit View Resort near Pigeon Forge,

Tennessee. The Resort includes thirty commercial lodges, three residential cabins, and four vacant lots. Based on information provided by property owners when the development was built, TWSI designed the wastewater system to treat up to 8,000 gallons per day. The actual usage, however, runs as high as 18,000 gallons per day. Since the need to build additional capacity is the direct result of customer usage in excess of the amounts anticipated when the system was built, TWSI proposes to recover the cost of enlarging the system through a one-time assessment on each property owner in Summit View.

Each of these requests and the details of the proposed bank loan are discussed further below.¹

1. Summit View Resort

As discussed, this development consists of thirty commercial lodges, three residential cabins, and four vacant lots. The lodges are rented on a day-to-day basis, typically to groups of from eight to sixteen or more people. Prior to designing the system, TWSI obtained from each property owner a "sewer service agreement" in which the owner described the cabin or lodge on the property, the number of bedrooms, and the "maximum" number of overnight guests the building could accommodate. Based on that information, TWSI designed a wastewater system to treat up to 8,000 gallons per day. In practice, several of the lodges now advertise accommodations for more people than the property owners had originally indicated and actual usage now runs as high as 18,000

¹ In Docket 14-00006, the Authority asked for monthly updates on Maple Green and Cedar Hill and for any other facilities which are subject to a TDEC Notice of Violation. This Petition provides current information on Maple Green, Cedar Hill, Summit View and Smokey Village. TWSI will separately file current information on the status of two other facilities which are the subject of TDEC investigations.

gallons per day.² The Tennessee Department of Environment and Conservation ("TDEC") has issued an Order directing TWSI to build a new and larger recirculating sand filter and construct an additional drip field by June 30, 2015. A copy of the TDEC Order is attached as Exhibit B. The estimated total cost of this project is \$330,000. TWSI proposes that the cost of the additional capacity be proportionally allocated to all the properties in Summit View based on the size of each cabin or lodge. The thirty-three buildings range from 1,920 square feet to 7,116 square feet or an average of 2,916 square feet. There are also four vacant lots that the TWSI has been asked to serve by the home owners association. If the assessment is allocated on a per-square-foot basis, each property would be assessed \$3.06 per square foot. The assessments would range from \$5,875.20 for the smallest cabin to \$21,774.96 for the largest lodge. The vacant lots would be assessed based on the average square footage of 2,916 square feet, which is \$8,922.96 for each lot.

2. Maple Green

The Maple Green wastewater system serves customers in Robertson County, Tennessee. At the time the system was built, TWSI submitted—and TDEC accepted—seismic and geotechnical surveys indicating that the site chosen for the treatment lagoon met all applicable safety and environmental standards. Nevertheless, on February 1, 2014, a sinkhole opened underneath the treatment lagoon causing the release of

² Attached as Exhibit A are advertisements from some of these lodges as well as the "sewer service agreements" between the property owners and TWSI. "Summit View Lodge," one of the largest in the Resort, advertises that it has nine bedrooms and will sleep twenty-six people. The sewer service agreement signed by the property owner, Mr. David Goodale, states that the lodge has nine bedrooms and that the "maximum number cabin will sleep" is sixteen. This lodge rents for \$1,200 per night on a "peak" weekend or \$1,825 per night during next year's holiday season. The "Grin n' Bear It" lodge and the "Sweet Emotions" lodge advertise that each will sleep twelve people. Each property owner, however, signed a sewer service agreement stating that the maximum number of people who can sleep overnight is eight. "Sweet Emotions" rents for \$410 a night during peak season and \$670 per night during the holidays.

wastewater into the groundwater and, eventually, into a nearby creek.³ After the accident, TWSI temporarily sealed off the damaged part of the lagoon but must now construct a new wetlands treatment system pursuant to a TDEC-approved Corrective Action Plan. A copy of the TDEC letter of approval is attached as Exhibit D. The estimated cost of this project is \$250,000.

3. Cedar Hill

In 2010, the Cedar Hill treatment facility, located in Robertson County and serving the town of Cedar Hill, developed a leak in the treatment lagoon. Although TWSI found and repaired a small seep in the lagoon, it appeared that effluent was leaking into a sinkhole. After the sinkhole was filled, another one opened, leading TWSI to conclude that the most economical solution would be to build a new treatment facility on nearby land already owned by TWSI. The proposed project will consist of two, free surface, wetland cells with a third to be built after usage of the first two reaches 80% of capacity. This is the same technology that TWSI has proposed and TDEC has approved for the Maple Green site. The estimated cost of this new treatment facility is \$300,000. At this time, TDEC's Division of Water Resources has not approved the use of this technology for Cedar Hill "until such time that the success of the technology [at Maple Green] has been demonstrated." A copy of the Division's letter of November 4, 2014, is attached as Exhibit E. TWSI is in the process of appealing this decision. TWSI will not proceed with this repair until TDEC has approved a Corrective Action Plan.

³ A subsequent investigation determined that the opening of the sinkhole was a naturally occurring event and "unrelated to any alleged maintenance issues." A copy of that report is attached as Exhibit C.

4. Smoky Village

Smoky Village, a subdivision located in Sevier County, Tennessee, is served by a recirculating sand filter and a drip irrigation field designed to handle a peak flow of 5,600 gallons per day.

Since 2009, there have been drainage problems at this site. Although TDEC accepted the soil studies which were conducted when the system was built and the results complied with federal and state standards in effect at the time, the system's drip field does not drain properly and is inadequate to handle the usage for which the system was designed. Working with TDEC, TWSI has tried several corrective actions without success and has concluded that it is necessary to build a new drip field on property adjacent to the subdivision. The estimated cost of building the new drip field, including the purchase of the additional land, is \$175,000. A copy of the TDEC Order directing TWSI to correct this problem is attached as Exhibit F.

5. Financing

The total, estimated cost of capital repairs at Maple Green, Cedar Hill and Smoky Village is \$725,000. In order to fund these projects, TWSI has negotiated a ten-year loan of up to \$725,000 from FirstBank. The terms and conditions of the loan are described in Exhibit G. Money will be borrowed as needed to pay for expenses as they are incurred, including the costs of this proceeding. If the entire loan amount is spent and the cost is spread evenly among all TWSI customers, each customer would pay a monthly surcharge of approximately \$3.27 over a ten year period. That amount will decline as new

customers are added and could also change if interest rates are adjusted.⁴ If additional funds are required, TWSI will seek approval from the Authority.

6. Conclusion

Each of these capital improvement projects is mandated by TDEC and is necessary to protect public health and the environment. To finance these projects, TWSI has obtained a bank loan at reasonable terms and requests approval of the loan as well as approval of the rate surcharges which are needed to repay the loan and to pay for additional capacity at Summit Ridge. Absent TRA approval of the loan and surcharges, TWSI cannot make these required repairs and improvements. Because these repairs are required by TDEC, TWSI asks that the TRA approve the proposed loan and surcharges on an expedited basis so that the utility may begin work on these projects as soon as practical.

Respectfully submitted,

BRADLEY ARANT BOULT CUMMINGS LLP

By: 

Henry Walker (B.P.R. No. 000272)
Bradley Arant Boult Cummings, LLP
1600 Division Street, Suite 700
Nashville, TN 37203
Phone: 615-252-2363
Email: hwalker@babbc.com

⁴ Under the terms of the loan, the interest rate is fixed at 6% for the first five years but is variable for the next five years. If the interest rate stays at 6% and TWSI spends the entire amount of the loan, the monthly loan obligation with interest is \$8,048.99. Based on TWSI's customer count of 2,459 as of September 30, 2014, the monthly surcharge would be \$3.27 per customer.

EXHIBIT A

ETN 1453
TWSV 0025

SEWER SERVICE AGREEMENT

Tennessee Wastewater Systems, Inc.
P. O. Box 22771
Knoxville, TN 37933-0771

This agreement entered into between Tennessee Wastewater Systems, Inc., a Tennessee Corporation, hereinafter called "TWSI" and _____

DAVID Goodale hereinafter called "customer".
(Print Name)

WITNESSETH

Whereas, customer desires to purchase sewer services from TWSI and to enter into a sewer service agreement and TWSI desires to provide sewer services. Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows: In compliance with laws and environmental regulations set forth by the State of Tennessee, TWSI shall provide sewer services to the customer's property located at the following address:

2251 Upper Middle Creek Rd. Saverville TN 37876
Address City State and Zip Code
25 9 16 Summit View Lodge 7.12.2010
Lot # # of Bedrooms Maximum # Cabin Will Sleep Cabin Name Date of Connection/Closing

The customer shall provide an address in which monthly bills are to be sent:

1850 THOMAS ROAD BEAUMONT TEXAS 77706
Address City State and Zip Code
409.347.1799 409.347.0105 702.499.9889
Home Telephone Number Office Telephone Number Cell Phone Number
Goodale@GT.RR.com 702-920-8844
Email Address Fax Number

The customer agrees to grant to TWSI, its successors and assigns, a perpetual easement in, over, under and upon the above described land, with the right to erect, construct, install and maintain sewer system components. The customer shall be responsible for operation and repair of the outfall line to the septic tank and all plumbing in structures on the property described above. Customer further agrees to grant TWSI permission to enter the property for any reason connected with the provision or removal of sewer service or collection thereof. Customer agrees that should he/she use the system in such a manner to abuse or damage any components of the system, customer must bear the expense to repair or replace the same in accordance with the plans of TWSI. TWSI shall be responsible for operation and repair of all components of the sewer system starting at the septic tank as described above and all elements of the STEG (septic tank effluent gravity) or STEP (septic tank effluent pumping) system.

The customer agrees to pay for sewer service in accordance with authorized rate schedules present and future and to use same in accordance with applicable rules and regulations that have been provided. The time and place of payment will be as set forth by TWSI. Customer agrees to allow TWSI to install and/or have access to the cut-off valve on customer's water service line and to use such cut-off valve in the event customer fails to pay sewer charges. In addition to the cut-off of water service, failure of the customer to pay sewer service charges duly imposed shall result in the imposition of penalties set forth by TWSI's current schedule of rates. If TWSI employs a collection agency to collect any amount not paid by customer, customer shall pay all of TWSI's costs to employ the collection agency. If any suit, action or proceeding is instituted by TWSI to collect any amount not paid by customer, customer shall pay all of TWSI's reasonable attorney fees and collection costs whether incurred before, during or after a trial, or before, during or after an appeal.

The customer agrees not to exceed the maximum number of persons the rental property will sleep listed above. The interceptor tank size at this commercial rental property shall be based on 125 gpd per person. An escalating TRA established commercial rate shall apply to the larger rental properties. Should excess loads above those listed in the Sewer Service Agreement occur, customer agrees that TWSI may cut-off water and sewer service at said commercial rental property.

This agreement shall remain in effect for the duration of time that the customer owns, resides upon or rents the above described property. When circumstances no longer exist, customer agrees to provide notice to TWSI within thirty days of such change in circumstances.

IN WITNESS THEREOF, we have executed this agreement this 28 day of July, 20 10.

Tennessee Wastewater Systems, Inc.

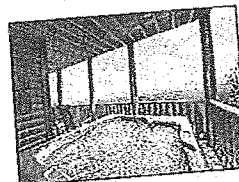
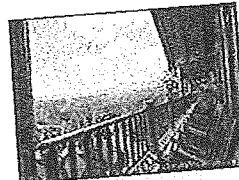
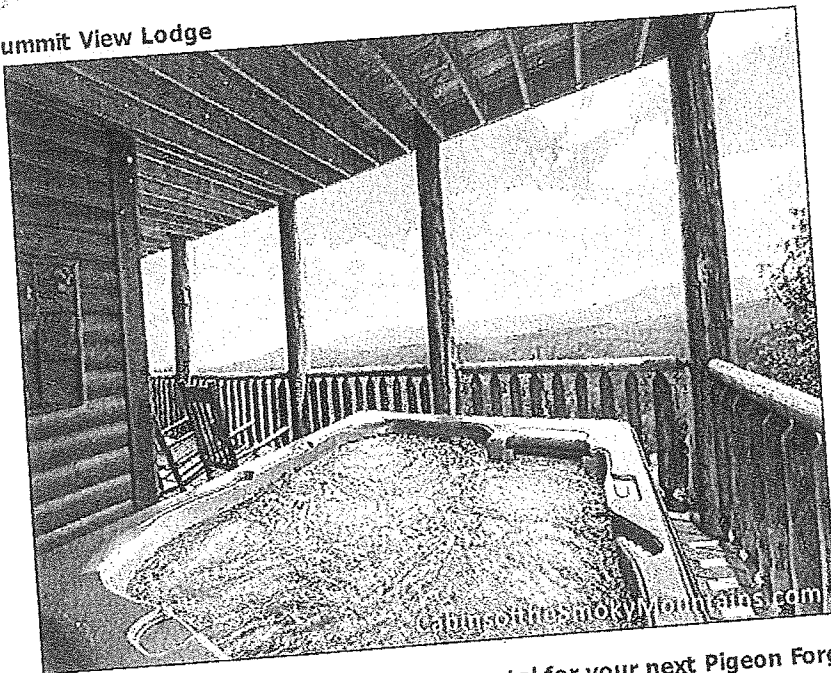
Vice President

X David Goodale
Customer

ials

Luxury Log Cabins of Gatlinburg and Pigeon Forge in the Great Smoky Mountains of Tennessee

Summit View Lodge



SMOKY

2 BR Cabins

3 BR Cabins

4 BR Cabins

5 BR Cabins

6 BR Cabins

7 BR Cabins

8 BR Cabins

9 BR Cabins

11 BR Cabins

12 BR Cabins

13 BR Cabins

14 BR Cabins

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Looking for the perfect cabin rental for your next Pigeon Forge/Gatlinburg vacation? Then look no further, this grand 9 bedroom Gatlinburg and Pigeon Forge cabin is nestled perfectly in the mountains and is still only minutes from the main Parkway. Enjoy this peaceful retreat ideally located, half-way between Gatlinburg and Pigeon Forge and take advantage of all the area has to offer. After a day filled with shopping, great food at local restaurants, hiking, or excitement found at area attractions like Dollywood or Ripley's Aquarium, come back and unwind. Relax on your decks that overlooks the gorgeous peaks of The Great Smoky Mountains. Spend time with friends and family around the fire watching your favorite movie or compete in a friendly game of pool. No matter what you choose to do, Summit View Lodge is the ideal cabin rental for your next Gatlinburg/Pigeon Forge vacation.

- View - Breathtaking Views of the Smokies
- Bedrooms 9
- Sleeps 26

AMENITIES

- Full Bathroom (7)
- Queen Bunk (4)
- Jacuzzi (1)
- In-Cabin Hi-Speed Internet
- MsPacMan, DKong, Galaga, +57
- Air Hockey
- 50" Big Screen HDTV (1)
- DVD Players (4)
- CD Player
- Wet Bar with Bar Fridge
- Free Conference Center Access
- Deck (4)
- WINTER WEATHER 4WD SUGGESTED
- Microwave
- Full Kitchen
- Washer/Dryer
- No Smoking, No Pets Please
- King Bed (7)
- Hot Tub (2)
- Multicade Arcade Gaming System
- Pool Table
- Foosball
- Home Theater
- Wifi
- Flat Screen TV (12)
- Premium Cable w/ Local Channels
- Free Wedding Facility Access
- Charcoal BBQ Grill
- Steps to the Front Door (5)
- Electric Fireplace (2)
- Dishwasher
- Square Feet (6000)
- Iron & Board

Name: Grin & Bear IT

ETN 1582
TWSUV0402

SEWER SERVICE AGREEMENT

Tennessee Wastewater Systems, Inc.
P. O. Box 22771
Knoxville, TN 37933-0771

This agreement entered into between Tennessee Wastewater Systems, Inc., a Tennessee Corporation, hereinafter called "TWSI" and

Robert Darcey
(Print Name)

hereinafter called "customer".

WITNESSETH

Whereas, customer desires to purchase sewer services from TWSI and to enter into a sewer service agreement and TWSI desires to provide sewer services. Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows: In compliance with laws and environmental regulations set forth by the State of Tennessee, TWSI shall provide sewer services to the customer's property located at the following address:

2251 Upper Middle Creek Kennerville 37876
Address City State and Zip Code
2 4 8 Engleview 03/19/2011
Lot # # of Bedrooms Maximum # Cabin Will Sleep Cabin Name Date of Connection/Closing

The customer shall provide an address in which monthly bills are to be sent:

8039 Kingston Rd Knoxville TN 37919
Address City State and Zip Code
(865) 384-5647 (865) 692-9292
Home Telephone Number Office Telephone Number Cell Phone Number
692-1910
Fax Number
Email Address

The customer agrees to grant to TWSI, its successors and assigns, a perpetual easement in, over, under and upon the above described land, with the right to erect, construct, install and maintain sewer system components. The customer shall be responsible for operation and repair of the outfall line to the septic tank and all plumbing in structures on the property described above. Customer further agrees to grant TWSI permission to enter the property for any reason connected with the provision or removal of sewer service or collection thereof. Customer agrees that should he/she use the system in such a manner to abuse or damage any components of the system, customer must bear the expense to repair or replace the same in accordance with the plans of TWSI. TWSI shall be responsible for operation and repair of all components of the sewer system starting at the septic tank as described above and all elements of the STHO (septic tank effluent gravity) or STUP (septic tank effluent pumping) system.

The customer agrees to pay for sewer service in accordance with authorized rate schedules present and future and to use same in accordance with applicable rules and regulations that have been provided. The time and place of payment will be as set forth by TWSI. Customer agrees to allow TWSI to install and/or have access to the cut-off valve on customer's water service line and to use such cut-off valve in the event customer fails to pay sewer charges. In addition to the cut-off of water service, failure of the customer to pay sewer service charges duly imposed shall result in the imposition of penalties set forth by TWSI's current schedule of rates. If TWSI employs a collection agency to collect any amount not paid by customer, customer shall pay all of TWSI's costs to employ the collection agency. If any suit, action or proceeding is instituted by TWSI to collect any amount not paid by customer, customer shall pay all of TWSI's reasonable attorney fees and collection costs whether incurred before, during or after a trial, or before, during or after an appeal.

The customer agrees not to exceed the maximum number of persons the rental property will sleep listed above. The Interceptor tank size at this commercial rental property shall be based on 125 gpd per person. An escalating TRA established commercial rate shall apply to the larger rental properties. Should excess loads above those listed in the Sewer Service Agreement occur, customer agrees that TWSI may cut-off water and sewer service at said commercial rental property.

This agreement shall remain in effect for the duration of time that the customer owns, resides upon or rents the above described property. When circumstances no longer exist, customer agrees to provide notice to TWSI within thirty days of such change in circumstances.

IN WITNESS THEREOF, we have executed this agreement this 19th day of March, 2011.

Tennessee Wastewater Systems, Inc.

Vice President

Customer

05/09C

03/19/2011

Luxury Log Cabins of Gatlinburg and Pigeon Forge in the Great Smoky Mountains of Tennessee



Call
1-800-4-SMOKY

1 BR Cabins

2 BR Cabins

3 BR Cabins

4 BR Cabins

5 BR Cabins

6 BR Cabins

7 BR Cabins

8 BR Cabins

9 BR Cabins

11 BR Cabins

12 BR Cabins

18 BR Cabins

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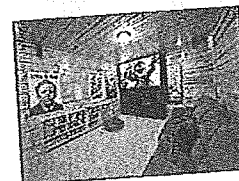
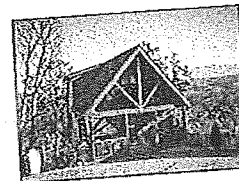
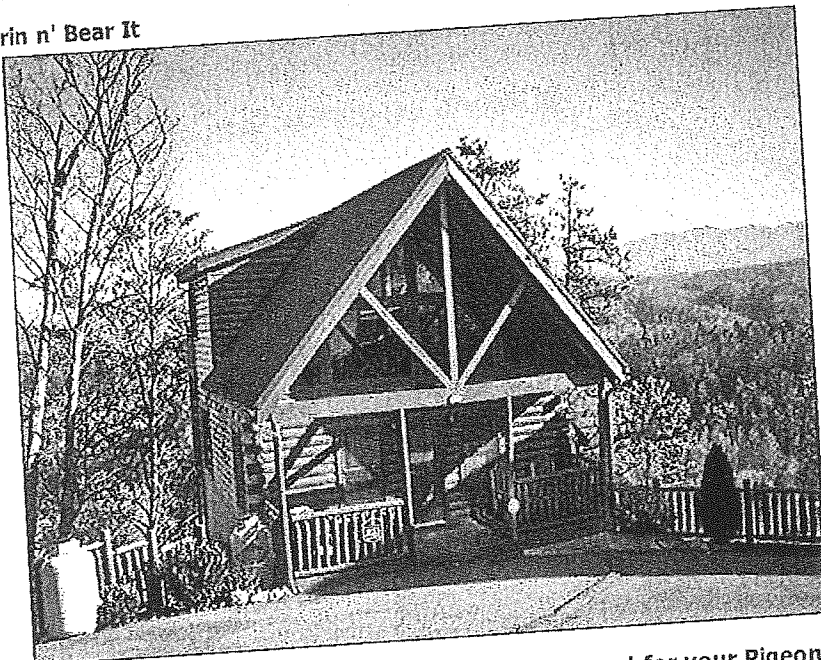
Your Property

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Grin n' Bear It



Grin n' Bear It

Grin n' Bear It gives you everything you need for your Pigeon Forge getaway; Quiet of the Smoky Mountains and ideal location. Located less than 5 miles from downtown Pigeon Forge and 10 minutes from Gatlinburg, this spacious 4 bedroom log cabin rental gives you all the comforts of home and more. The decks with rocking chairs and private hot tub allows you to unwind. Enjoy time with your family and friends in your very own game room with a pool table, or watch a movie on the home theater. Experience a day full of fun and adventure, whether it's hiking Mount LeConte or riding roller coasters at Dollywood. Your options are endless with the vast amounts of shopping, attractions and dining all only minutes away from you cabin rental. No matter what your plans, Grin n' Bear It is the perfect cabin for your next Gatlinburg and Pigeon Forge vacation!

- View - Gorgeous Views of the Mountains
- Bedrooms 4
- Sleeps 12

AMENITIES

- Full Bathroom (3)
- King Bed (2)
- Queen Sleeper (2)
- Jacuzzi (1)
- MsPacMan, DKong, Galaga, +57
- Wifi
- Flat Screen TV (6)
- Premium Cable w/ Local Channels
- Free Conference Center Access
- Deck (2)
- Gas Fireplace (1)
- Dishwasher
- Washer/Dryer
- No Smoking, No Pets Please

- Twin/Full Bunk (1)
- Queen Bed (1)
- Hot Tub (1)
- Pool Table
- Home Theater
- DVD Players (2)
- CD Player
- Free Wedding Facility Access
- Charcoal BBQ Grill
- Steps to the Front Door (1)
- Microwave
- Full Kitchen
- Iron & Board

March

April

Sweet Emotions

EN1068
TNSUV0007

SEWER SERVICE AGREEMENT

Tennessee Wastewater Systems, Inc.
P. O. Box 22771
Knoxville, TN 37933-0771

This agreement entered into between Tennessee Wastewater Systems, Inc., a Tennessee Corporation, hereinafter called "TWSI" and

Sevier County Bank hereinafter called "customer".
(Print Name)

WITNESSETH

Whereas, customer desires to purchase sewer services from TWSI and to enter into a sewer service agreement and TWSI desires to provide sewer services. Now therefore, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows: In compliance with laws and environmental regulations set forth by the State of Tennessee, TWSI shall provide sewer services to the customer's property located at the following address:

2251 Upper Mill Creek Road Sevierville TN 37876
Address City State and Zip Code

7 4 8 TBD 5-11-11
Lot # # of Bedrooms Maximum # Cabin Will Sleep Cabin Name Date of Connection/Closing

The customer shall provide an address in which monthly bills are to be sent:

P.O. Box 5288 Sevierville TN 37864
Address City State and Zip Code

865-453-6101 x236 865-202-9871
Home Telephone Number Office Telephone Number Cell Phone Number

bones@seviercountybank.com
Email Address Fax Number

The customer agrees to grant to TWSI, its successors and assigns, a perpetual easement in, over, under and upon the above described land, with the right to erect, construct, install and maintain sewer system components. The customer shall be responsible for operation and repair of the outfall line to the septic tank and all plumbing in structures on the property described above. Customer further agrees to grant TWSI permission to enter the property for any reason connected with the provision or removal of sewer service or collection thereof. Customer agrees that should he/she use the system in such a manner to abuse or damage any components of the system, customer must bear the expense to repair or replace the same in accordance with the plans of TWSI. TWSI shall be responsible for operation and repair of all components of the sewer system starting at the septic tank as described above and all elements of the STED (septic tank effluent gravity) or STEP (septic tank effluent pumping) system.

The customer agrees to pay for sewer service in accordance with authorized rate schedules present and future and to use same in accordance with applicable rules and regulations that have been provided. The time and place of payment will be as set forth by TWSI. Customer agrees to allow TWSI to install and/or have access to the cut-off valve on customer's water service line and to use such cut-off valve in the event customer fails to pay sewer charges. In addition to the cut-off of water service, failure of the customer to pay sewer service charges duly imposed shall result in the imposition of penalties set forth by TWSI's current schedule of rates. If TWSI employs a collection agency to collect any amount not paid by customer, customer shall pay all of TWSI's costs to employ the collection agency. If any suit, action or proceeding is instituted by TWSI to collect any amount not paid by customer, customer shall pay all of TWSI's reasonable attorney fees and collection costs whether incurred before, during or after a trial, or before, during or after an appeal.

The customer agrees not to exceed the maximum number of persons the rental property will sleep listed above. The interceptor tank size at this commercial rental property shall be based on 125 gpd per person. An escalating TRA established commercial rate shall apply to the larger rental properties. Should excess loads above those listed in the Sewer Service Agreement occur, customer agrees that TWSI may cut-off water and sewer service at said commercial rental property.

This agreement shall remain in effect for the duration of time that the customer owns, resides upon or rents the above described property. When circumstances no longer exist, customer agrees to provide notice to TWSI within thirty days of such change in circumstances.

IN WITNESS WHEREOF, we have executed this agreement this 11th day of May, 2011.

Tennessee Wastewater Systems, Inc.

Vice President

Customer

Judge Smith

Specials

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Packages

Luxury Log Cabins of Gatlinburg and Pigeon Forge in the Great Smoky Mountains of Tennessee



Sweet Emotions

Call 866-347-6659

- 1 BR Cabins
- 2 BR Cabins
- 3 BR Cabins
- 4 BR Cabins
- 5 BR Cabins
- 6 BR Cabins
- 7 BR Cabins
- 8 BR Cabins
- 9 BR Cabins
- 11 BR Cabins
- 12 BR Cabins
- 13 BR Cabins

Specials

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Romantic Packages

Dollywood Packages

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Vacation Guide

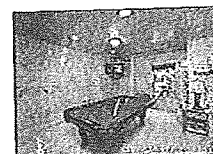
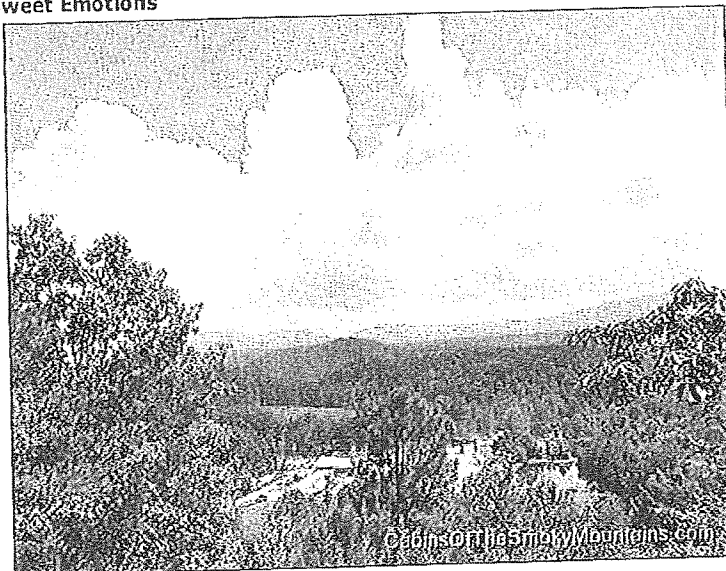
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Are you ready for a refreshing Pigeon Forge getaway then, Sweet Emotions awaits you. This Gatlinburg Pigeon Forge cabin rental is decked out like no other. Sweet Emotions offers the luxury with inspirational views, full kitchen and pool table. Enjoy a day of adventure in The Great Smoky Mountains; or enjoy the views from above while soaking in your own outdoor hot tub. Sweet Emotions offers a premier location, less than 15 minutes from downtown Gatlinburg and only 5 minutes from Dollywood and downtown Pigeon Forge. Feel the Sweet Emotions, and be rejuvenated!

• View - Georgous Views of the Mountains

• Bedrooms 4

• Sleeps 12

AMENITIES

- Full Bathroom (3)
- King Bed (3)
- Hot Tub (1)
- Multicade Arcade Gaming System
- DVD Players (5)
- Free Wedding Facility Access
- CD Player
- TV (5)
- Deck (2)
- WINTER WEATHER 4WD SUGGESTED
- Pet-Friendly
- Microwave
- Washer/Dryer
- Rocking Chair
- Queen Sleeper (2)
- Queen Bed (1)
- Jacuzzi (1)
- Pool Table
- Free Conference Center Access
- Premium HD Cable w/ Local Ch, HBO and Starz
- Stereo
- Steps to the Front Door (2)
- WINTER WEATHER 4WD SUGGESTED
- Charcoal BBQ Grill
- Full Kitchen
- Dishwasher
- Home Theater with Sofa Seating and Surround Sound

March

| S | M | T | W | R | F | S |
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April

| S | M | T | W | R | F | S |
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| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| \$220 | \$220 | \$220 | \$220 | \$220 | \$220 | \$220 |

EXHIBIT B

**STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

| | | |
|---|---|--|
| IN THE MATTER OF: |) | |
| |) | |
| TENNESSEE WASTEWATER SYSTEMS, INC. |) | DIVISION OF WATER RESOURCES |
| |) | |
| RESPONDENT |) | CASE NUMBER WPC14-0092 |
| |) | |

DIRECTOR'S ORDER AND ASSESSMENT

NOW COMES Tisha Calabrese Benton, Director of the Tennessee Division of Water Resources, and states:

PARTIES

I.

Tisha Calabrese Benton is the duly appointed Director of the Tennessee Division of Water Resources by the Commissioner of the Tennessee Department of Environment and Conservation (hereinafter the "Division" and the "Department" respectively).

II.

Tennessee Wastewater Systems, Inc. (hereinafter the "Respondent"), is an active corporation licensed to conduct business in the state of Tennessee and is the owner and operator of the Summit View Resort wastewater treatment facility (hereinafter the "site") located in Sevier County. Service of process may be made on the Respondent through Mr. Charles Hyatt, Registered Agent, at 851 Aviation Parkway, Smyrna, Tennessee 37167.

JURISDICTION

III.

Whenever the Commissioner has reason to believe that a violation of Tennessee Code Annotated (T.C.A.) § 69-3-101 *et seq.*, the Water Quality Control Act (the "Act"), has occurred, or is about to occur, the Commissioner may issue a complaint to the violator and the Commissioner may order corrective action be taken pursuant to T.C.A. § 69-3-109(a) of the Act. Further, the Commissioner has authority to assess civil penalties against any violator of the Act, pursuant to T.C.A. § 69-3-115 of the Act; and has authority to assess damages incurred by the state resulting from the violation, pursuant to T.C.A. § 69-3-116 of the Act. Department Rules governing general water quality criteria and use classifications for surface waters have been promulgated pursuant to T.C.A. § 69-3-105 and are effective as the *Official Compilation Rules and Regulations of the State of Tennessee*, Chapters 0400-40-03 and 0400-40-04 (the "Rule"). Pursuant to T.C.A. § 69-3-107(13), the Commissioner may delegate to the Director any of the powers, duties, and responsibilities of the Commissioner under the Act.

IV.

The Respondent is a "person" as defined by T.C.A. § 69-3-103(26) and, as herein described, has violated the Act.

V.

Tennessee Code Annotated § 69-3-108(c) requires any person operating a sewerage system to obtain a permit.

FACTS

VI.

The Respondent holds a valid State Operation Permit (SOP) (hereinafter the "permit") for the operation of septic tanks, an effluent collection system, recirculating sand filter ultraviolet disinfection and drip irrigation with the capacity to serve approximately 32 cabins located in the Summit View Resort in Sevier County, Tennessee. The Division issued coverage on September 1, 2012, with tracking number SOP-06035. The permit expires on August 31, 2017.

VII.

On March 5, 2014, Division personnel conducted a site inspection and observed ponding and overflow occurring at the site. Division personnel observed that drip lines had not been installed appropriately and were allowed to cross surface drains, resulting in the discharge of effluent via surface flow to a small pond located in a common recreational area of the development.

VIII.

On June 12, 2014, Division personnel conducted a follow-up site inspection and observed similar conditions to the previous site inspection on March 5, 2014. Division personnel observed ponding and overflow continuing to occur at the site. As noted previously, drip lines were not installed appropriately and were installed across drains, resulting in the discharge of effluent via surface flow to a small pond located in a common recreational area of the development.

IX.

On July 8, 2014, the Division issued a Notice of Violation (NOV) for violations observed during the site inspections on March 5 and June 12, 2014. The Division requested that the Respondent submit a written response to the Division along with a Corrective Action Plan (CAP) detailing actions to be taken to bring the site into compliance.

X.

On August 4, 2014, the Respondent submitted a response to the Division as required by the July 8, 2014, NOV. The Respondent stated that the actual flow to the system is greater than the permitted design flow of 8,000 gallons per day (gpd) and that the system, including the drip area, would need to be expanded to accommodate the actual flow. The Respondent further stated that additional funds would be necessary to fund the system expansion. The Respondent failed to submit a CAP along with the response as required by the July 8, 2014, NOV. Subsequent to receiving the August 4, 2014 response, Division personnel reviewed Monthly Operating Reports (MORs) submitted by the Respondent and discovered that, while daily peak flows were unavailable, reported monthly average flows did not exceed the permitted design flow of 8,000 gpd.

XI.

During the course of investigating this case, the Division incurred DAMAGES in the amount of SEVEN HUNDRED AND FORTY-THREE DOLLARS AND TWENTY-FIVE CENTS (\$743.25).

VIOLATIONS

XII.

By failing to comply with the terms and conditions of the SOP, the Respondent has violated T.C.A. §§ 69-3-108(b)(5), (6) and 114(a),(b), which state in part:

§ 69-3-108(b):

It is unlawful for any person, other than a person who discharges into a publicly owned treatment works or a person who is a domestic discharger into a privately owned treatment works, to carry out any of the following activities, except in accordance with the conditions of a valid permit:

- (5) The discharge of sewage, industrial wastes, or other wastes into water, or a location from which it is likely that the discharged substances will move into waters;
- (6) The discharge of sewage, industrial wastes or other wastes into waters, or a location from which it is likely that the discharged substance will move into waters;

§ 69-3-114(a):

It is unlawful for any person to discharge any substance into the waters of the state or to place or cause any substance to be placed in any location where such substances, either by themselves or in combination with others, cause any of the damages as defined in § 69-3-103, unless such discharge shall be due to an unavoidable accident or unless such action has been properly authorized. Any such action is declared to be a public nuisance.

§ 69-3-114(b):

In addition, it is unlawful for any person to act in a manner or degree which is violative of any provision of this part or of any rule, regulation, or standard of water quality promulgated by the board or of any permits or orders issued pursuant to the provisions of this part; or fail or refuse to file an application for a permit as required in § 69-3-108; or to refuse to furnish, or to falsify any records, information, plans, specifications, or other data required by the board or the Commissioner under this part.

ORDER AND ASSESSMENT

XIII.

WHEREFORE, pursuant to the authority vested by T.C.A. §§ 69-3-109, 69-3-115 and 69-3-116, I, Tisha Calabrese Benton, hereby issue the following ORDER and ASSESSMENT to the Respondent:

- 1) Effective immediately, the Respondent shall make no further connections or allow increased flows to the sewage collection system, except to those currently under construction or to which the Respondent is legally committed. This moratorium shall remain in effect until modified or rescinded in writing by the director of the Division of Water Resources. At any time, the Respondent may present to the Division a written request, with supporting data and a list of commitments for partial or total relaxation of the moratorium for good cause shown. The Division will not unreasonably withhold approval of any written request that is supported by the data and a list of commitments.
- 2) The Respondent shall, within 30 days of receipt of this ORDER and ASSESSMENT, submit a Corrective Action Plan (CAP) detailing the activities to be implemented to attain and maintain compliance with the permit along with a time schedule for completion. The plan shall be submitted for review and approval to the manager of the Compliance and Enforcement Unit at the Department of Environment and Conservation, Division of Water Resources, William R. Snodgrass Tower, 312 Rosa L. Parks Avenue, 11th Floor, Nashville, Tennessee, 37243.
- 3) The Respondent shall, within 15 days of receipt of this ORDER and ASSESSMENT, take immediate measures to reduce potential for public exposure to treated effluent.

- 4) The Respondent shall complete all activities in the approved CAP on or before June 30, 2015. A notice of completion of the CAP activities should be sent to the manager of the Compliance and Enforcement Unit at the address in Item 2.
- 5) The Respondent shall pay a CIVIL PENALTY of FORTY-EIGHT THOUSAND DOLLARS (\$48,000.00) to the Division, hereby ASSESSED to be paid as follows:
 - a. The Respondent shall, within 30 days of entry of this ORDER, pay a CIVIL PENALTY in the amount of TWELVE THOUSAND DOLLARS (\$12,000.00)
 - b. If the Respondent fails to comply with Part XIII, item 1 above in a timely manner, the Respondents shall pay a CIVIL PENALTY in the amount of SIX THOUSAND DOLLARS (\$6,000.00), payable within 30 days of default.
 - c. If the Respondent fails to comply with Part XIII, item 2 above in a timely manner, the Respondents shall pay a CIVIL PENALTY in the amount TEN THOUSAND DOLLARS (\$10,000.00), payable within 30 days of default.
 - d. If the Respondent fails to comply with Part XIII, item 3 above in a timely manner, the Respondents shall pay a CIVIL PENALTY in the amount TEN THOUSAND DOLLARS AND FIFTY CENTS (\$10,000.00), payable within 30 days of default.
 - e. If the Respondent fails to comply with Part XIII, item 4 above in a timely manner, the Respondents shall pay a CIVIL PENALTY in the amount TEN THOUSAND DOLLARS (\$10,000.00), payable within 30 days of default.
- 6) The Respondent shall, within 30 days of entry of this ORDER, pay DAMAGES to the Division in the amount of SEVEN HUNDRED AND FORTY-THREE DOLLARS AND TWENTY-FIVE CENTS (\$743.25).


The Respondent shall otherwise conduct business in accordance with the Act and rules promulgated pursuant to the Act.

The Director may, for good cause shown, extend the compliance dates contained within this ORDER and ASSESSMENT. In order to be eligible for this time extension, a Respondent shall submit a written request to be received in advance of the compliance date. The written request must include sufficient detail to justify such an extension and include at a minimum the anticipated length of the delay, the precise cause or causes of the delay, and all preventive measures taken to minimize the delay. Any such extension by the division will be in writing.

Should the Respondent fail to meet the requirement by the extended date, any associated Civil Penalty shall become due 30 days thereafter.

Further, the Respondent is advised that the foregoing ORDER and ASSESSMENT is in no way to be construed as a waiver, expressed or implied, of any provision of the law or regulations. However, compliance with the ORDER and ASSESSMENT will be one factor considered in any decision whether to take enforcement action against the Respondent in the future.

Issued by the Director of the Division of Water Resources on behalf of the Commissioner of the Tennessee Department of Environment and Conservation on this 16 day of September, 2014.


Tisha Calabrese Benton
Director of Water Resources
Tennessee Department of Environment and Conservation

NOTICE OF RIGHTS

Tennessee Code Annotated ("T.C.A.") §§ 69-3-105(i), 69-3-109, and 69-3-116 allows the Respondent to appeal this Order and Assessment. To do so, a written petition setting forth the grounds (reasons) for requesting a hearing must be RECEIVED by the Commissioner within THIRTY (30) DAYS of the date the Respondent received this Order and Assessment or this Order and Assessment become final (not subject to review).

If an appeal is filed, an initial hearing of this will be conducted by an Administrative Law Judge (ALJ) as a contested case hearing pursuant to the provisions of T.C.A. § 69-3-110, T.C.A. § 4-5-301 *et seq.* (the Uniform Administrative Procedures Act), and Rule 1360-04-01 *et seq.* (the Department of State's Uniform Rules of Procedure for Hearing Contested Cases Before State Administrative Agencies). Such hearings are legal proceedings in the nature of a trial. Individual Respondents may represent themselves or be represented by an attorney licensed to practice law in Tennessee. Artificial Respondents (corporations, limited partnerships, limited liability companies, etc.) cannot engage in the practice of law and therefore may only pursue an appeal through an attorney licensed to practice law in Tennessee. Low income individuals may be eligible for representation at reduced or no cost through a local bar association or legal aid organization.

At the conclusion of any initial hearing the ALJ has the authority to affirm, modify, or deny the Order and Assessment. This includes the authority to modify (decrease or increase) the penalty within the statutory limits of T.C.A. § 69-3-115 (from \$1 to \$10000 per day per violation). Furthermore, the ALJ on behalf of the Board has the authority to assess additional damages incurred by the Department including, but not limited to, all docketing expenses associated with the setting of the matter for a hearing and the hourly fees incurred due to the presence of the ALJ and a court reporter.

Any petition for review (appeal) must be directed to the Commissioner of the Department of Environment and Conservation, c/o E. Joseph Sanders, General Counsel, Department of Environment and Conservation, 2nd Floor William R. Snodgrass Bldg., 312 Rosa Parks Avenue, Nashville, Tennessee 37243. Payments of the civil penalty and/or damages shall be made payable to the "Treasurer, State of Tennessee" and sent to the Division of Fiscal Services - Consolidated Fees Section, Tennessee Department of Environment and Conservation, 10th Floor

Snodgrass Bldg., 312 Rosa Parks Avenue, Nashville, Tennessee 37243. Technical questions and other correspondence involving compliance issues should be sent to Jessica Murphy, State of Tennessee, Division of Water Resources, 11th Floor, William R. Snodgrass Bldg., 312 Rosa Parks Avenue, Nashville, TN 37243. The case number, WPC-14-0092, should be written on all correspondence regarding this matter.

EXHIBIT C

GEOTEK

Geotek Engineering Company, Inc. • 2909 Elizabeth Street • Nashville, Tennessee 37211-2302
(615) 833-3800 • Fax (615) 833-4097

February 19, 2014

Roy Denney, P.E.
Adenus Operations, LLC
849 Aviation Pkwy.
Smyrna, TN 37167

**SUBJ: Sinkholes at Maple Green Wastewater Treatment Lagoon
Coopertown, TN
GPN: 01-5668-B**

Dear Mr. Denney:

You have requested that we evaluate the cause of the formation of sinkholes in the Deep Cell Effluent Lagoon at the Maple Green Reclamation Facility in Coopertown, Tennessee owned by Tennessee Wastewater Systems, Inc. The following 3 paragraphs describe information that you mentioned to us.

Information from Adenus

The Maple Green Reclamation Facility is permitted under SOP No. 01028 by the Tennessee Department of Environment and Conservation (TDEC) to provide wastewater collection, treatment, and disposal services to approximately 175 homes and businesses. Wastewater from the connections is directed to the effluent lagoon where natural processes provide secondary treatment of the wastewater. The treated wastewater is directed to a drip irrigation system in soils near the lagoon.

Tennessee Wastewater Systems applied for the permit on August 30, 2001 and, on September 10, 2001, received a letter from TDEC stating that the site appeared suitable. Preliminary engineering plans were submitted on November 6, 2001 and revised on December 31, 2001 to reflect recommendations in Geotek's geotechnical study of December 17, 2001. On February 6, 2002, TDEC approved the final plans and specifications and gave permission to construct. On March 6, 2007, TDEC certified that construction of the effluent lagoon was in compliance.

You provided us a copy of a plan sheet titled "Overall Site Layout", Sheet 1 of 8, revision-dated January 31, 2001, by PBI. The drip lines were installed at a different location than shown on the plan sheet. Since construction, there has been no sinkhole problem. The recent sinkholes formed on February 1, 2014.

Opinion

We met you during our site visit of February 4, 2014. During this visit, you briefly described the lagoon's history, including the recent sinkhole events. Based on our observations and the above information, it is our present opinion that the sinkholes formed due to natural karst-sinkhole activity unrelated to any alleged maintenance issues or to the location of the drip lines.

Should you have any questions or need additional information, feel free to contact us.

Sincerely,

GEOTEK ENGINEERING COMPANY, INC.


John Rami Mishu, P.E., P.G.

JRM/ds/Letters/01-5668-B Maple Green

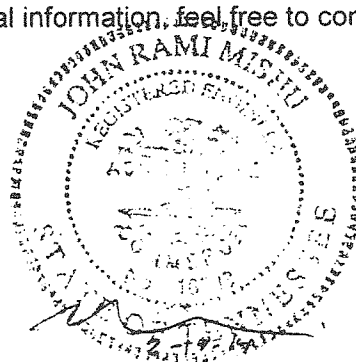


EXHIBIT D

EXHIBIT D: THE CHAIRMAN'S REPORT ON THE STATE OF THE ECONOMY AND THE FUTURE OF THE NATION. THE CHAIRMAN'S REPORT ON THE STATE OF THE ECONOMY AND THE FUTURE OF THE NATION. THE CHAIRMAN'S REPORT ON THE STATE OF THE ECONOMY AND THE FUTURE OF THE NATION.



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

William R. Snodgrass - Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243-1102

July 24, 2014

Mr. Roy Denney, P.E.
Adenus Group, LLC
e-copy: roy.denney@adenus.com
849 Aviation Pkwy.
Smyrna, TN 37167

Subject: **Robertson County**
County: Robertson
Wastewater Project Number: 14-0471
Project: Maple Green Reclamation Facility, SOP-01028

Mr. Denney:

The Tennessee Department of Environment and Conservation, Division of Water Resources, acknowledges the receipt of 3 sets of construction documents on May 21, 2014 and July 18, 2014.

The project consists of two surface flow wetland cells to provide wastewater treatment in place of the failed lagoon at the Maple Green Reclamation facility. The design flow for the wetland system is 35,000 GPD. There appears to be limited examples of this approach to wetlands treatment. No performance data from similar systems was presented to support this design.

It is the division's understanding that Adenus plans to incorporate similar wetland system designs for other facilities. While the division is agreeable to consideration of innovative technologies, such as the wetland system proposed at Maple Green, the division is not supportive of applying this technology to multiple sites until such time that the success of the technology can be demonstrated. The division will consider applying this technology on a more wide-spread basis after a minimum of two years of performance data is collected for the Maple Green facility.

Approval is granted in accordance with certain requirements of the Water Quality Control (WQC) Act of 1977 and Regulations of the Water Quality Control Board. **The SITE set of plans and specifications will be stamped with the APPROVAL and APPROVAL EXPIRES STAMPS on the cover sheets only. Any indication of tampering with the bound set of documents will be subject to investigation and prosecution.** One complete set of construction documents, bearing the official stamp, must be kept at the construction site.

Approval expires one year from the stamped approval date (July 24, 2015) unless construction is either underway or complete. Any request for extension must be made prior to this expiration date. Significant deviations from the approved plan documents must be submitted and approved in writing before such changes are made. Minor changes made during construction need not have prior written approval. Modifications, however, may be required by this division should the changes be deemed inappropriate. It is advisable, therefore to obtain prior approval in cases where the significance of the change is uncertain.

The Division of Water Resources is authorized to inspect the construction work to verify compliance with the approved plans and specifications, which are on the site. Therefore, the engineer shall notify our staff at the Nashville Environmental Field Office by calling (615) 687-7000 before the start of construction.

Approval of these construction documents should not be construed as a permit for any activities related to this project. Activities which may require a permit under the WQC Act and Regulations include, but are not limited to, the following: streambank vegetation removal; creek crossing(s) for equipment or utility lines; construction within twenty (20) feet of a stream bank; construction in or near a marshy area or wetland, and/or land disturbance greater than one acre. Additionally, this approval does not authorize connection and use of sewer that will cause or contribute to collection system overflow or overload of receiving wastewater treatment facility.

The Nashville Environmental Field Office should also be contacted for determinations regarding whether modification of the existing NPDES or SOP permit, an Aquatic Resource Alteration Permit (ARAP) and/or a National Pollutant Discharge Elimination System (NPDES) construction stormwater permit will need to be obtained prior to the beginning of construction of this project.

The division's most recent TDEC Technical/Engineering Documents, including "Design Criteria for Sewage Works", Chapters 1-18 is available on our website: http://www.tn.gov/environment/water/water-quality_publications.shtml#tech.

To expedite matters, please reference the assigned wastewater project number 14-0471 on any future correspondence. If we may be of any assistance, please feel free to contact Mr. Robert O'dette at (615) 253-5319 or by E-mail at Robert.Odette@tn.gov.

Sincerely,



Brad C. Harris, P.E.
Manager, Land-Based Systems

cc: Water-Based Systems File
Ms. Ann M. Morbitt, Unit Manager, TDEC Division of Water Resources, Ann.Morbitt@tn.gov

EXHIBIT E



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES
William R. Snodgrass - Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243-1102

November 4, 2014

Mr. Roy Denney, P.E.
Adenus Group, LLC
e-copy: roy.denney@adenus.com
849 Aviation Pkwy.
Smyrna, TN 37167

Subject: Cedar Hill Sewage Treatment Plant, Robertson County, Tennessee
Case Number OGC 11-0078
SOP-05039
WPC 14-0763

Mr. Denney:

The Tennessee Department of Environment and Conservation, Division of Water Resources (division), acknowledges the receipt of five copies of the engineering report and 4 sets of construction plans on October 9, 2014, for the above-referenced project.

The proposed project consists of two free surface wetland cells with a third to be constructed after the demand reaches 80% of the capacity of the first two wetlands or 40,000 gallons per day. The division does not have sufficient data to support this approach at this time; therefore, approval of the plans is denied.

As noted in the July 24, 2014, plans approval letter regarding the Maple Green Reclamation Facility (SOP-01028), there appears to be limited examples of this approach to wetlands treatment and no performance data from similar systems has been provided in support this type of design. Furthermore, the letter announces that the division is not supportive of applying this technology to multiple sites until such time that the success of the technology can be demonstrated.

To evaluate other acceptable wastewater treatment designs in the State of Tennessee, please view the division's most recent TDEC Technical/Engineering Documents, including "Design Criteria for Sewage Works", Chapters 1-18 that is available on our website:

http://www.tn.gov/environment/water/water-quality_publications.shtml#tech.

To expedite matters, please reference the assigned wastewater project number 14-0763 on any future correspondence. If we may be of any assistance, please feel free to contact Mr. Robert O'Dette at (615) 253-5319 or by E-mail at *Robert.Odette@tn.gov*.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad C. Harris", written in a cursive style.

Brad C. Harris, P.E.
Manager, Land-Based Systems

Enclosures

cc: Water-Based Systems File
Ms. Ann M. Morbitt, Unit Manager, TDEC Division of Water Resources, *Ann.Morbitt@tn.gov*

EXHIBIT F

BEFORE THE TENNESSEE WATER QUALITY CONTROL BOARD

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| | | |
|----------------------|---|------------------------|
| IN THE MATTER OF: |) | DIVISION OF WATER |
| |) | POLLUTION CONTROL |
| TENNESSEE WASTEWATER |) | |
| SYSTEMS, INC. |) | CASE # WPC09-0102 |
| |) | |
| |) | |
| RESPONDENT |) | DOCKET # 04.30-104980A |

AGREED ORDER

This matter came to be heard before the Tennessee Water Quality Control Board upon the Director's Order and Assessment of Civil Penalty and the Respondent's Petition for Appeal. The Board, a quorum present, hereby adopts the following Findings of Fact, Conclusions of Law, Order and Assessments to which the parties have agreed subject to the Reservation of Rights contained herein, as evidenced by their signatures below.

PARTIES

I.

Paul E. Davis is the duly appointed Director of the Tennessee Division of Water Pollution Control (hereinafter the "director" and the "division" respectively) by the Commissioner of the Tennessee Department of Environment and Conservation (hereinafter the "commissioner" and the "department" respectively).

II.

Tennessee Wastewater Systems, Inc. (hereinafter the "Respondent") is an active corporation licensed to do business in the State of Tennessee. The Respondent owns and operates a septic tank effluent collection system, recirculating sand filter and drip irrigation system located at Smoky Village Subdivision in Sevier County (hereinafter the "Site"). Service

of process may be made on the Respondent through Mr. Larry R. Williams, registered agent, at 329 Union Street, Nashville, Tennessee 37219-0632.

JURISDICTION

III.

Whenever the commissioner has reason to believe that a violation of Tennessee Code Annotated (T.C.A.) §69-3-101 *et seq.*, the Water Quality Control Act, (hereinafter the "Act"), has occurred, or is about to occur, the commissioner may issue a complaint to the violator and may order corrective action be taken pursuant to T.C.A. §69-3-109(a) of the Act. Further, the commissioner has authority to assess civil penalties against any violator of the Act, pursuant to T.C.A. §69-3-115 of the Act; and has authority to assess damages incurred by the state resulting from the violation, pursuant to T.C.A. §69-3-116 of the Act. Department rules governing general water quality criteria and use classifications for surface waters have been promulgated pursuant to T.C.A. §69-3-105 and are effective as the *Official Compilation Rules and Regulations of the State of Tennessee*, Chapters 1200-4-3 and 1200-4-4 (hereinafter the "Rule"). Pursuant to T.C.A. §69-3-107(13), the commissioner may delegate to the director any of the powers, duties, and responsibilities of the commissioner under the Act.

IV.

The Respondent is a "person" as defined by T.C.A. §69-3-103(20) and, as hereinafter stated, the Respondent has violated the Act.

V.

Tennessee Code Annotated § 69-3-108 requires a person to obtain a permit from the department to operate a sewage system.

FINDINGS OF FACT

VI.

The division issued State Operating Permit (SOP) Number SOP-05033 (hereinafter the "Permit") to the Respondent on December 1, 2005, with an expiration date of October 31, 2010.

The permit authorizes the Respondent to collect and treat domestic wastewater through the use of a septic tank effluent collection system, Recirculating Sand Filter (RSF), ultraviolet disinfection, and a drip irrigation field. The system is designed to handle a peak flow rate of 5,600 gallons per day.

Respondent submitted a Permit modification request application under date of March 18, 2009 to apply the drip field classification category of Attractive Access as defined in the November 20, 2007 Agreed Order related to Docket No. 04.30-095289A.

The Respondent resubmitted the modification request application under date of May 6, 2009. Respondent received a Notice of Complete Application from the Department effective May 29, 2009. The Department issued a Draft of Modifications to the State Operating Permit under date of June 9, 2009 and placed the draft permit on public notice. Director's Order WPC09-0102, which this Agreed Order resolves, was issued August 4, 2009.

On or about November 16, 2009, the Department notified Respondent that the State Operating Permit issued on October 31, 2005 would expire on October 31, 2010. Respondent requested in a letter dated January 21, 2010 as advised by Department staff to allow its permit modification requests in March and May be accepted as the required permit renewal application as well. Respondent's January 21, 2010 letter also provided comments on the draft permit. To date the permit has not been issued.

VII.

On April 24, 2009, the division received a complaint stating there had been a bypass at the site, and that wastewater was standing downhill of the drip irrigation field. Respondent inspected the site and discovered a high water level within the sand filter that resulted in water leaving the filter through pump line entry points through the upper part of the filter wall and liner. Subsequent investigation found ground water elevations to be at or near the surface of the ground following periods of rainfall. Telephonic notification was made by the Knoxville Field Office (KEFO) of the findings on April 24 and both a telephonic and a written notification of the corrective action was made to KFO on April 26, 2009.

VIII.

On April 26, 2009, the Respondent submitted a written statement detailing issues at the site from April 9, 2009, through April 25, 2009, and the corrective actions that had been implemented.

The Respondent stated that standing water had been observed in front of the RSF, the drip field had been saturated, and ruts had been observed within the drip field. On April 2, 2009, the Respondent, along with a consultant, inspected the site and observed that the site was located at or above ground water elevations. Actions to correct the standing water and to repair the damaged drip field were initiated on April 9, 2009. As part of the corrective actions, a French drain was installed to facilitate drainage from the site.

The Respondent conducted an inspection on April 24, 2009, and was informed by neighbors that the drip field had been mowed with a tractor and bush-hog while the drip field was wet, allowing the tractor to bog down in the drip field and damage the drip lines. Additionally, during the inspection, the Respondent observed a leak in the RSF allowing effluent to pond on the sand layer restricting circulation, and allowing effluent to exit the RSF through a pipe inlet cutout. Corrective actions were implemented to repair the RSF and the damaged drip lines.

IX.

The division, along with a Tennessee Wastewater Systems representative, conducted a compliance sampling inspection at the site on April 30, 2009. The drip lines had been damaged allowing standing water on the drip field, but no effluent flow was observed leaving the site. While examining drip field conditions, Division personnel noticed no disturbances that would indicate drip line replacement. Only one sign had been posted, and this sign was located on the fence of the RSF. Signs had not been posted at all approaches to the drip irrigation lot, as required by the permit. Effluent samples were obtained to be analyzed for *E. coli*, ammonia, and BOD₅. The ammonia and BOD₅ results were in compliance with the permit. The *E. coli* result was 19,180 CFU/100ml, which is an exceedance of the effluent limit of 23 CFU/100ml set forth in the permit. The samples were collected from the sampling monitoring locations required in the permit: effluent to drip irrigation plots.

X.

On June 9, 2009, the division conducted a follow-up inspection at the site. The Respondent had not repaired the damaged drip lines. Standing water was observed in the drip fields, but no effluent flow was observed leaving the site. Signs were not posted at all approaches to the drip irrigation lot.

XI.

On June 12, 2009, the division issued a Notice of Violation (NOV) to the Respondent for the violations observed during the April 30, 2009, and June 9, 2009, site inspections. The NOV requested the following corrective actions:

- Submittal of a written response detailing the steps that had been taken to correct the issues at the site.
- Preparation and submittal of a Corrective Action Plan (CAP) providing information regarding the repair of the damaged drip lines, the proposed modification of operation and maintenance procedures to eliminate effluent violations, evaluation of fencing and signage, and a timeline in which the modifications would be implemented.

Respondent submitted its response to the June 12 NOV on or about June 26, 2009. The response described the corrective actions taken to date including excavating numerous drip lines to check for damage and installation of check valves in many of the lines to prevent drain-back to lower lines. The response described future corrective actions to attempt to determine the cause of the soggy surface soils in the drip field, addition of fencing, and placement of additional signage.

XII.

On June 30, 2009, the division conducted a follow-up inspection at the site. Respondent staff was present for the inspection. The drip lines had not been repaired. Signs were not posted at all of the approaches to the drip irrigation lot.

KEFO staff was shown actual locations throughout the drip field where drip lines had been excavated to check for damage and/or to install check valves.

XIII.

On August 4, 2009, the division issued Director's Order WPC09-0102 to the Respondent. The Order assessed a civil penalty of \$21,000--\$5,250 of which was upfront; required the submission and implementation of an approved Corrective Action Plan; and required either semi-monthly monitoring of *E.coli* or the installation of a prescribed fence around the drip irrigation field. The Respondent filed a timely appeal on August 31, 2009.

XIV.

On November 19, 2009, the division received a proposed Corrective Action Plan (CAP) from the Respondent. Testing and repairs of the "entire collection system to identify entry points of excess flow or infiltration" were intended to be completed by February 15, 2010. Work on surface drainage around the drip field, if necessary, would be completed by March 15, 2010. If the Respondent determined they would "have to install a culvert through the drip field, that work would be completed by July 30, 2010," allowing time for the drip field to dry.

XV.

On February 25, 2010, the division conducted another follow-up inspection at the site. Standing water continued at the site but no effluent flow was observed leaving the site; signs were not posted at all of the approaches to the drip irrigation lot; the drip field was overgrown. Work had not begun as proposed in the Respondent's Corrective Action Plan (CAP)

XVI.

On March 5, 2010, the division confirmed with the Respondent that the Director's Order under appeal contained no factual allegations that standing water discharged to any surface or subsurface waters of the state in violation of their permit. The division deleted the three such allegations and their corresponding penalties from the Director's Order.

XVII.

On March 25, 2010, the division conducted a further follow-up inspection at the site. The Respondent had not repaired the damaged drip lines; signs were not posted at all approaches to the drip irrigation lot; standing water was observed in the drip fields; the public health hazard

and/or nuisance continued to exist. Based on the inspection, it was evident that little work had been done to repair the failing drip irrigation system at this site since the first division inspection on April 30, 2009. No portion of the drip field had been disturbed to allow for repair of dispersal lines, header lines, air release valves, or any other components of the drip irrigation system. *E coli* was sampled at 141 colonies/100 ml which is a violation of the effluent limit of 23 colonies/100 ml set forth in the permit.

The on-going failure by the Respondent to meet their *E coli* limits in a residential subdivision—across the street and adjacent to a school/day care center—led the division to conclude that the facility was unnecessarily exposing local residents to multiple health hazards associated with fecal-based pathogens in violation of their permit.

Respondent states that they have excavated and inspected the drip lines, and installed check valves in the drip lines in the presence of Division staff. During the inspection, Respondent staff explained to the Division staff the Corrective Action Plan items that had been completed to date. These included: pressure testing of the collection system; inspection and pressure testing of the individual septic tanks and service connections; repair of two severed sewer mains found as a result of the pressure testing; installation of an inlet flow meter at the sand filter with a determination of no excessive sewer inflows; and the identification of periodic high ground water elevations adjacent to the sand filter with resulting inflow through the top of the filter wall. There was no observed discharge of any effluent or surface water from the site.

The Respondent states their Corrective Action Plan investigations to date have shown that the effluent drip dispersal system has not failed. As a result of the entrance of high volumes of ground water through the top of the filter wall, the drip dispersal system has been dispersing significantly more effluent than it was designed to handle.

The Department has not provided or referenced any sample results showing e-coli form concentrations in any of the surface water on the site nor in any discharge from the site.

XVIII.

On April 16, 2010, the division conducted a further follow-up inspection at the site in response to complaints from neighbors and calls from the local health department concerning activity at the site. The weather was dry and it had not rained significantly since Thursday, April 8, 2010. The drip field looked drier. It had not rained for eight days, but there was standing

water at the base of the drip field. Division personnel met Adam Smith of Tennessee Wastewater Systems, who stated the activities at the site were intended to alleviate some of the problems there. These activities were what generated recent calls from the public.

A gravel French drain had been dug between the sand filter and the road, on the side of the filter opposite the drip field. The Division understood that TWS hoped to lower the ground water level around the sand filter, which they believe has been at times near the surface elevation of the filter, and which may be infiltrating into the sand filter and thus overloading it. Division personnel suggested that if water is capable of infiltrating into the sand filter, then with the groundwater surrounding it lowered, it may infiltrate wastewater out of it as well. Mr. Smith stated that TWS would monitor water levels in the filter to prevent that from happening.

XIX.

During the course of investigation the division incurred DAMAGES in the amount of SEVEN HUNDRED EIGHTY SIX DOLLARS AND TWENTY NINE CENTS (\$786.29).

CONCLUSIONS OF LAW

XX.

By failing to comply with the terms and conditions of the SOP, and by creating a public health hazard or public/private nuisance, the Respondent has violated T.C.A. §§69-3-108(b); 114(b); and 115(a)(1) which state in part:

§69-3-108(b):

It is unlawful for any person, other than a person who discharges into a publicly owned treatment works or a person who is a domestic discharger into a privately owned treatment works, to carry out any of the following activities, except in accordance with the conditions of a valid permit:

- (3) The increase in volume or strength of any wastes in excess of the permissive discharges specified under any existing permit;

§69-3-114(b):

In addition, it is unlawful for any person to act in a manner or degree which is violative of any provision of this part or of any rule, regulation, or standard of water quality promulgated by the board or of any permits or orders issued

pursuant to the provisions of this part; or fail or refuse to file an application for a permit as required in § 69-3-108; or to refuse to furnish, or to falsify any records, information, plans, specifications, or other data required by the board or the Commissioner under this part.

§69-3-115(a)(1):

Any person who does any of the following acts or omissions is subject to a civil penalty of up to ten thousand dollars (\$10,000) per day for each day during which the act or omission continues or occurs:

- (A) Violates an effluent standard or limitation or a water quality standard established under this part;
- (B) Violates the terms or conditions of a permit;

ORDER AND ASSESSMENT

XXI.

WHEREFORE, PREMISES CONSIDERED, the Board hereby ORDERS and the parties AGREE that:

1. The Respondent shall, within thirty (30) days of receipt of this ORDER and ASSESSMENT, submit a revised Corrective Action Plan (CAP) for approval to the division, showing how the system will be operated in the future to maintain compliance with the permit requirements, including any changes and repairs to equipment or operational procedures; and an expedited timeline by which such work will be completed. The plan is to be submitted to the manager of the Division of Water Pollution Control located at the Knoxville Environmental Field Office at 3711 Middlebrook Pike, Knoxville, Tennessee 37921.
2. The Respondent shall, within forty-five (45) days of receipt of this ORDER and ASSESSMENT, complete the installation of a minimum 4' high barbed wire, chain link, wooden, or woven wire fence around the perimeter of the drip irrigation field; and complete the installation of signs along each side of the drip irrigation field, both tasks to the satisfaction of the Division, such satisfaction not to be unreasonably withheld.

3. The Respondent shall, within forty-five (45) days of receipt of written approval of the revised CAP from the division, fully implement the remainder of the actions contained therein and send documentation of completion of the plan to the manager of the Knoxville Environmental Field Office at the address provided in Item 1 above. Documentation shall include, at a minimum, photographic evidence of repairs, as well as a narrative description of the work done.
4. The Division agrees to act upon the submitted permit modification as soon as reasonably possible. Until such permit is issued, the terms, effluent limits and monitoring requirements of the existing permit remain in effect. Once the fence is installed as required in item (2) above, no disinfection is required; therefore no limit or monitoring conditions will apply for *E-coli* or fecal coliform.
5. The Respondent shall pay a reduced CIVIL PENALTY of TWELVE THOUSAND DOLLARS (\$12,000.00), to the department, hereby ASSESSED to be paid as follows:
 - (a) The Respondent shall, within 30 days of receipt of this AGREED ORDER, pay a CIVIL PENALTY in the amount of THREE THOUSAND DOLLARS (\$3,000).
 - (b) If the Respondent fails to comply with Part XXI item 1 above in a timely manner, the Respondent shall pay a CIVIL PENALTY in the amount of THREE THOUSAND DOLLARS (\$3000.00) payable within 30 days of default.
 - (c) If the Respondent fails to comply with Part XXI item 2 above in a timely manner, the Respondent shall pay a CIVIL PENALTY in the amount of THREE THOUSAND DOLLARS (\$3,000.00) payable within 30 days of default.
 - (d) If the Respondent fails to comply with Part XXI item 3 above in a timely manner, the Respondent shall pay a CIVIL PENALTY in the amount of THREE THOUSAND DOLLARS (\$3,000.00) payable within 30 days of default.

6. The Respondent shall, within 30 days of receipt of this AGREED ORDER pay DAMAGES to the division in the amount of SEVEN HUNDRED EIGHTY SIX DOLLARS AND TWENTY NINE CENTS (\$786.29).
7. Payment of the CIVIL PENALTY AND DAMAGES shall be sent to the Division of Fiscal Service, Consolidated Fees Section, Tennessee Department of Environment and Conservation, 14th Floor, L&C Tower, Nashville, TN 37243. Case number **WPC09-0102** should be written on the payment.
8. The Respondent shall otherwise conduct business in accordance with the Act and rules promulgated pursuant to the Act.

REASONS FOR DECISION

The above Findings of Facts, Conclusions of Law, and Orders were made in an effort to provide a coordinated system of control and management under the Tennessee Water Quality Control Act; to enforce and protect the goals and provisions of State Operating Permits; and to prevent to creation of public health hazards or public/private nuisances during the operation of drip irrigation systems. The Board encourages settling cases in the interest of avoiding the time and expense of prolonged litigation.

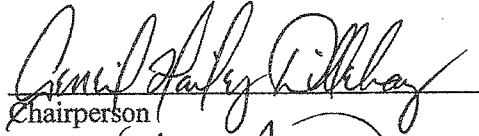
RESERVATION OF RIGHTS

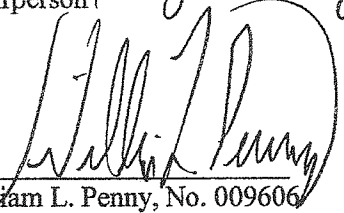
Respondent does not admit or deny the factual allegations or the alleged violations of law contained in this Agreed Order. Respondent agrees to comply with this Agreed Order to avoid the cost of protracted litigation. Respondent reserves the right to contest the factual allegations and alleged violations contained in this Agreed Order in any proceeding other than any proceeding brought by the Commissioner. The Board makes its Findings of Fact and Conclusions of Law based upon the Commissioner's Order and representations of Counsel at the Boards meeting.

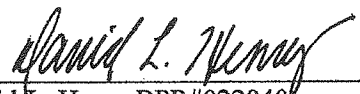
Adopted and approved by a majority of the Board, a quorum being present, on August 17, 2010.

APPROVED FOR ENTRY

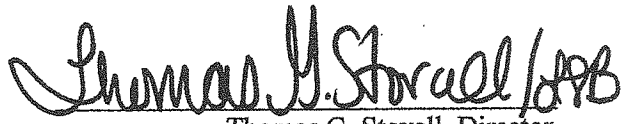
FOR THE TENNESSEE WATER QUALITY CONTROL BOARD:


Chairperson


William L. Penny, No. 009606
Stites & Harbison, PLLC
401 Commerce Street, Suite 800
Nashville, TN 37219-2376
Attorney for the Respondent


David L. Henry BPR#022840
Assistant General Counsel
Tennessee Department of Environment and Conservation

Entered in the Office of the Secretary of State, Administrative Procedures Division on the
17th day of August, 2010.


Thomas G. Stovall, Director
Administrative Procedures Division

RIGHTS OF APPEAL

RIGHTS OF APPEAL

The Respondent is hereby notified and advised of the right to administrative and judicial review of this AGREED ORDER pursuant to the Tennessee Uniform Administrative Procedures Act, T.C.A. §§ 4-5-316, 4-5-317 and 4-5-322 and the Water Quality Control Act, T.C.A. §§ 69-3-111 and 69-3-115.

T.C.A. § 4-5-316 gives a party the right to submit to the Board a Petition for Stay of Effectiveness of a Final Order within seven (7) days after its entry. T.C.A. § 4-5-317 gives any party the right to file a Petition for Reconsideration within ten (10) days after the entry of a Final Order, stating specific grounds upon which relief is requested.

T.C.A. § 4-5-322 and 69-3-111 provide the right of judicial review by filing a Petition in the Chancery Court of Davidson County within sixty (60) days of entry of this Order.

By entering into this Agreed Order, the Respondent knowingly and voluntarily waives its right to appeal, as described in this RIGHTS OF APPEAL section.

EXHIBIT G



October 8, 2014

Tennessee Wastewater Systems, Inc.
849 Aviation Parkway
Smyrna, TN 37167

Dear Mr. Hyatt:

First Bank is pleased to offer Tennessee Wastewater Systems, Inc., a Term Sheet outlining the proposed terms for the repairs to be made for the three treatment facilities mentioned in the Term Sheet.

Please note that the contents of this document are the confidential work of First Bank and as such represents intellectual property and is not to be shared with other financial institutions. The summary of terms and conditions is intended as an outline of certain material terms of the loan and does purport to describe all the terms and conditions, representation and warranties, covenants and other provisions that could be contained in the definitive loan documentation relating to the loan.

First Bank is excited about the opportunity to serve you with your financial needs and looks forward to further conversations with you. Should you have any questions please feel free to call either Ben Weatherford or myself.

Again, thank you for your patience and for the opportunity!

Sincerely,

A handwritten signature in black ink, appearing to read 'Fred Howell', written over a horizontal line.

Fred Howell
Senior Vice President
Relationship Manager
FirstBank

THE TERM SHEET SET FORTH BELOW IS FOR DISCUSSION PURPOSES ONLY. THIS TERM SHEET DOES NOT CONSTITUTE A COMMITMENT ON BEHALF OF FIRST BANK TO PROVIDE THE CREDIT FACILITIES DESCRIBED BELOW. THIS IS THE CONFIDENTIAL WORK OF FIRST BANK AND, AS SUCH, REPRESENTS INTELLECTUAL PROPERTY NOT TO BE SHARED WITH OTHER FINANCIAL INSTITUTIONS.

SUMMARY OF PRINCIPAL TERMS AND CONDITIONS
October 8, 2014

Borrower: Tennessee Waste Water Systems, Inc. (the "Borrower")

Lender: First Bank (the "Bank")

Guarantor(s): The Loan to be guaranteed on a joint and several basis, by the following entity and individuals (the "Guarantors"):

- Adenus Group, LLC
- Charles Pickney, Jr.
- William E. Pickney
- Thomas R. Pickney
- Robert Pickney

The individual guaranties shall be collateralized by a combination of real estate and certificates of deposit acceptable to the Bank and aggregating in value to at least \$300,000.00.

Loan: Up to \$725,000 Construction/Permanent Loan (the "Loan"), but in no event to exceed 70% of the as-is value of the Property (as hereinafter defined) as determined by an appraisal, ordered by and acceptable to Bank. Loan amount is not to exceed actual construction / improvement costs, plus the Kodak property purchase.

Property: Property shall mean the existing land and improvements located at the four sites owned by Borrower in Coopertown, TN (Maple Green), Robertson County, TN (Cedar Hill), Kodak, TN, and in Paris Landing, TN.

Purpose: Provide funds to make upgrades / improvements to existing Borrower locations plus purchase acreage as follows:

- \$250,000 Maple Green (Coopertown, TN) - sink hole repair
- \$300,000 Cedar Hill (Robertson County, TN) - sink hole repair
- \$175,000 (Kodak, TN) - purchase property adjacent to subdivision known as Smokey Village in which to relocate drip fields.

Maturity: Ten (10) years from the closing date (the "Maturity Date").

Repayment: Interest only payable monthly during construction (maximum of twelve months) at the Initial Rate, followed by 48 equal monthly principal and interest payments at the Initial Rate, then followed by 60 equal monthly principal and interest payments for the remaining term based upon the Revised Rate, with any unpaid principal and interest due at maturity.

NOTE: Principal and interest payments should be made beginning the month that the Tennessee Regulatory Authority approves receipt of the new "emergency" rate increase. Rate increase will be deposited monthly into an account with Lender (the "Rate Increase Account"). Monthly payments to be made via auto debt from the Rate Increase Account.

- Amortization:** Monthly payments via auto-debit based on a 1-year interest only followed by 9-year amortization schedule with any unpaid principal balance due at Maturity.
- Disbursements:** Occur monthly on a percentage-of-completion basis for each of the three projects discussed above.
- Interest Rate:** A fixed rate equal to 6.0% per annum (the "Initial Rate") for five years followed by a fixed interest rate for the remaining five years priced at 5.0% above the 5-year Treasury security rate (as quoted in the Wall Street Journal) existing at the expiration of the Initial Rate (the "Revised Rate"). The Initial Rate is based on current market conditions, and is subject to change, if the Loan is not closed by December 31, 2014.
- Upfront Fee:** 1.0% of the Loan to be paid at closing.
- Optional Prepayments:** If the Loan is prepaid via a refinancing with another financial institution within the first five years after closing thereof, a 3% prepayment penalty of the outstanding balance prepaid will be charged to Borrower. This is intended to compensate the Bank for an economic loss realized in replacing the Loan with a replacement transaction of similar terms, based on then-current market conditions.
- Collateral:**
- First priority security interest in and lien on the Property currently owned by Band located at the following locations:
 - 80.81 acres in Coopertown, TN
 - 80 acres in Robertson County, TN
 - Property in Kodak, TN adjacent to Smokey Village subdivision
 - 146.3 acres at Paris Landing, TN
 - Assignment of the Rate Increase Account.

**Financial
Covenants:**

Usual and customary for the Bank in transactions of this type to include, without limitation:

**Reporting
Requirements:**

Borrower to provide quarterly financial reports due 30 days after each quarter end.
Adenus Group LLC to provide annually accountant reviewed statements 90 days after year end.
Individual guarantors to provide a Personal Financial Statement (90 days after year end) and Tax Returns 120 days after year end or by filing due date.

**Debt Service
Coverage Ratio:**

The Borrower will maintain a Debt Service Coverage Ratio of not less than 1.10:1 calculated at the end of each fiscal year.

Conditions:


- Satisfactory appraisal, environmental, survey, title insurance, and property condition reports on the Property acceptable to Bank and to be ordered by Bank.
- Subject to the preparation, execution and delivery of mutually acceptable loan documentation, to be prepared by counsel selected by Bank.
- Depository services of Borrower to be provided by Bank.
- The Borrower will pay all costs and expenses, including but not limited to, appraisal, Phase I environmental report, title insurance, survey, and all attorney's fees and expenses, incurred in connection with the preparation for and closing of the Loan, regardless of whether the Loan is closed.
- Such additional items as Bank may reasonably require.

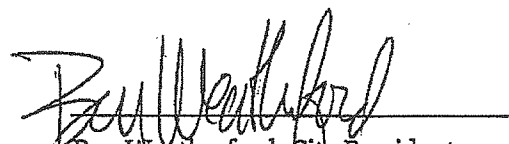
**Governing Law
and Jurisdiction:**

State of Tennessee.

This Proposed Summary of Terms and Conditions is intended as an outline of certain proposed material terms of the Loan and does not purport to describe all of the terms and conditions, representations and warranties, covenants and other provisions that could be contained in the definitive loan documentation relating to the Loan.

Thank you for the opportunity to submit terms for the proposed financing.


Fred Howell, S.V.P. / Relationship Manager


Ben Weatherford, City President