IN THE TENNESSEE PUBLIC UTILITY COMMISSION AT NASHVILLE, TENNESSEE

IN RE:)	
)	
PETITION OF TENNESSEE)	
WASTEWATER SYSTEMS, INC., TO)	DOCKET NO. 17-00145
AMEND ITS CERTIFICATE OF)	
CONVENIENCE AND NECESSITY)	
	<u> </u>	

AMENDED PETITION TO AMEND CERTIFICATE OF CONVENIENCE AND NECESSITY

Tennessee Wastewater Systems, Inc. ("TWSI" or "Company") petitions the Tennessee Public Utility Commission ("TPUC" or "Commission") to amend its Certificate of Convenience and Necessity to expand its service area to include a development in Williamson County known as Sweet Apple Hill. As demonstrated in the application and attached exhibits, there is a public need for service and TWSI has the requisite management experience, technical expertise, and financial capability to provide such service pursuant to the rules and regulations of the Commission. In support of its Petition, TWSI states as follows:

- 1. TWSI is a leader in decentralized wastewater systems and technology in the Southeastern United States. TWSI has been a regulated provider of wastewater services in Tennessee since receiving its initial CCN from this Commission in 1994; currently holding over 100 certificates for territories in Middle and East Tennessee and providing service to over 3000 customers across the State.
- 2. The service area for this amendment is a proposed residential subdivision known as Sweet Apple Hill, a development containing approximately 120 home sites on 619 acres. The proposed development is located at 3538-42 Bear Creek Rd. and 4009-33 Carter's Creek Pike in Williamson County, Tennessee identified on Williamson County tax maps at Map 103, Parcels 00900 and 01400. The subdivision will be developed in a single phase. A map of the location for the development is attached as Exhibit "A." The Sweet Apple Hill community is located approximately 6 miles from the

existing CCN TWSI holds for Goose Creek Area (Docket #02-00172). In addition to the home sites, the development will include amenities such as a fitness center, community pool, extensive trail system, equestrian center, and a hospitality component that will make use of the two existing historic homes on the property.

- 3. The developer of the property (Old Hillsboro Building Company or OHBC) does not currently own the land upon which the subdivision is proposed. OHBC has a contract to purchase the land with the sellers. (See attached Seller's Affidavit Exhibit "B"). The reason why this project is being brought before the Commission prior to the completion of the land sale is that Williamson County requires all development projects to have a valid CCN before the County will consider the project. Per the Seller's Affidavit, the seller has granted permission and authority to the developer to enter into a service agreement with TWSI to provide sewer to the Sweet Apple Hill development. A copy of the executed Sewer Service Agreement between the developer and TWSI is provided as Exhibit "C." As further evidence of the developer's intent to develop this property, site and concept plans for the development have been drafted by the developer's engineers to submit to the Williamson County Planning Commission upon granting of the CCN (See Exhibits "D" and "E").
- 3. The proposed wastewater treatment facility will be known as the Bear Creek-Miles Treatment Facility and will be a septic tank effluent pump ("STEP") system consisting of septic tanks and pumps at each residence, a watertight effluent collection system, recirculating media filter treatment, and subsurface drip dispersal. This type of system is in the majority of those owned and operated by TWSI. A State Operating Permit from the Tennessee Department of Environment and Conservation has been applied for and a draft permit has been issued (see attached Exhibit "F"). The

¹ The Sewer Service Agreement is provided only as evidence of the developer's intent to develop the property and have TWSI provide sewer service to the development. The developer is funding the construction of the wastewater system through a contribution in aid of construction as provided for in TWSI's tariff and consistent with the findings in this Commission's Order in Docket 16-00007. The per lot "capacity development fee" is only a break down of the overall contribution on a per lot basis to aid the developer in attributing the appropriate cost of the sewer system to the builder of each lot.

land for the treatment facility will be deeded to TWSI at the time the final plat is signed just prior to recording.

- 4. TWSI has the management and technical experience to operate the proposed system as evidenced in part by the over 100 certificates it has been issued by this Commission to operate wastewater systems across Middle and East Tennessee. The Company will handle system operations, inspection, maintenance, and repair services through its certified operators. The system will be monitored continuously through remote telemetry and the HAWKMS system. HAWKMS gives operators the ability to remotely monitor and control their plants by means of status and override values. The technology is also able to generate performance reports that can be delivered to utility management to highlight key performance indicators. HAWKMS is the most advanced system of its type in the country and can sense and adapt to certain aspects of plant operation to optimize energy consumption and plant conditions. There are currently over 300 wastewater facilities utilizing this technology.
- 5. TWSI has the financial capabilities to provide wastewater service to the proposed development. TWSI currently has filed with the Commission a bond in the amount of \$300,000 which the Commission has determined to be sufficient and in the public interest. The cost of construction for the system is being paid by the developer through a contribution in aid of construction (See attached Construction Budget Exhibit "G"). Lastly, the developer or lot owners will pay annual access fees in accordance with TWSI's tariff to help cover the operations and maintenance costs of the system until homes are built and monthly sewer customers are established. A seven (7) year projection for the system has been provided (see attached Exhibit "H").
- 6. TWSI has received letters from HB&TS Utility District, the area water provider, and the Williamson County Mayor stating neither will provide sewer to this subdivision (see attached Exhibits "T" and "J") as well as a letter from the developer of Sweet Apple Hill requesting that TWSI provide sewer service to the subdivision (see attached Exhibit "K").

7. Residential Customers at Sweet Apple Hill will be charged according to Rate Class 1 of TWSI's tariff. That rate is currently set at \$44.42 as of the date of this filing and any Commercial uses on the property will be billed according to TWSI's Commercial tariff (see attached Exhibit "L").

THEREFORE, having shown that TWSI has the requisite managerial experience, technical experience, and financial capabilities – as well as establishing that a future public need exists for the Company to provide service to the Sweet Apple Hill subdivision – TWSI respectfully requests the Commission to approve TWSI's request to amend its CCN to include the Sweet Apple Hill subdivision.

RESPECTFULLY SUBMITTED,

Jeff Risden (BPR No. 32769)

General Counsel

Tennessee Wastewater Systems, Inc.

851 Aviation Parkway Smyrna, TN 37167

(615) 220-7171

jeff.risden@adenus.com

EXHIBIT A

http://arcgis2.williamson-tn.org/Html5Viewer_2_5_2/index.html?configBase=http://arcgis2.williamson-tn.org/Geocortex/Essentials/REST/sites/Milliamson/viewers/Milliamson/virtualdirectory/Resources/C...

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EXHIBIT B

This Instrument Prepared By: J. Bryan Echols Waller Lansden Dortch & Davis, LLP 511 Union Street, Suite 2700 Nashville, Tennessee 37219 (615) 850-8865

AFFIDAVIT

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

On this 10 day of January, 2017, before me personally appeared AL HAGAMAN ("Affiant"), who having been duly sworn, deposes and says:

In his capacity as Trustee of the Barra Real Estate Trust and the Danda Farms Trust, Affiant entered into that certain Purchase and Sale Agreement by and between Al Hagaman, Trustee of the Barra Real Estate Trust and Trustee of the Danda Farms Trust, as Seller ("Seller"), and Old Hillsboro Building Company, LLC, as Buyer ("Buyer"), or its permitted assigns, dated as July 17, 2017 (the "Purchase Agreement").

Pursuant to the Purchase Agreement, Buyer has the absolute right to purchase all of those certain lots, tracts or parcels of improved and unimproved real estate consisting of approximately 353.12 acres located at 4009 Carters Creek Pike, Williamson County, Tennessee, as shown on Williamson County Tax Assessor's Map 103, Parcel 009.00 (the "Carters Creek Property") and approximately 268.71 acres located at 4009-33 Carters Creek Pike, Williamson County, Tennessee, as shown on Williamson County Tax Assessor's Map 103, Parcel 014.00 (the "Beechwood Property"), together with all plants, shrubs and trees located thereon, and together with all rights, ways and easements appurtenant thereto, including, without limitation, all of Seller's right, title and interest in and to the land underlying, the air space overlying and any public or private ways or streets crossing or abutting said real estate (collectively, the "Land"), subject only to Buyer's determination that all contingencies reserved by Buyer in the Purchase Agreement have been waived or satisfied, and payment of the Purchase Price, as set forth therein.

The Purchase Agreement is in good standing and, to the knowledge of Affiant, free from default or any other condition that would interfere with Buyer's right of purchase.

Affiant has no objection to Buyer entering into an agreement for the approval, design, construction, or management of a wastewater treatment system, provided only that such agreement does not obligate Seller in any respect other than Seller's obligations under the Purchase Agreement.

Further, Affiant sayeth not.

AL HAGAMAN AFFIANT

ken & K

STATE OF Tennessee)
county of Davidson
Personally appeared before me, Lauren A. Twee, , a Notary Public of said County and State, AL HAGAMAN, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.
Witness my hand and seal, at Office in Nashville, Tennessee, this 10th day of January, 2017.
Notary Public My Commission Expires: 1/6/2020

EXHIBIT C

SANITARY SEWER SERVICE AGREEMENT

WITNESSETH:

WHEREAS, TWS has the ability and technology to own and operate a system for the disposal and processing of wastewater in Williamson County, Tennessee;

WHEREAS, Developer plans and intends to purchase real property to develop a residential development community to be known as Sweet Apple Hill Subdivision (the "Development"), identified as Map 103, Parcels 00900 and 01400, 3rd Civil District, Williamson County, TN;

WHEREAS, Developer will complete the plans for the Development and submit the same for approval by the appropriate authorizing entity;

WHEREAS, Developer agrees to be responsible for all costs and expenses necessary and related to the installation of a wastewater treatment system, as approved by TWS, such being necessary to service properly the Development and to provide for future wastewater disposal in the Development;

WHEREAS, Developer has requested TWS to commit to serve the Development; and,

WHEREAS, TWS is willing and able to serve said Development upon the terms, provisions and conditions hereinafter set out, all of which are acceptable to the Developer.

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

- 1. <u>Definitions</u>. In addition to the terms defined in the text of this Agreement, for purposes hereof, the following terms shall have the meaning ascribed to them below:
 - (a) "Applicable Laws" means all applicable constitutions, treaties, statutes, rules, regulations, ordinances, orders, directives, codes, judgments, decrees, injunctions, writs and determinations of any governmental or quasi-governmental authority.
 - (b) "Development" means that certain residential housing development owned and developed by Developer upon the Property and located adjacent and contiguous to the Sewage Facility Land.
 - (c) "Effective Date" means the date the last of the parties hereto executes this Agreement.
 - (d) "Event of Force Majeure" means a strike, lockout, labor dispute, embargo, flood, earthquake, storm, dust storm, lightning, fire, epidemic, act of God, war, national emergency, civil disturbance, riot, act of sabotage or terrorism, restraint by court order or order of another governmental authority, or any other occurrence beyond the reasonable control of the party in question; provided lack of necessary funds shall not be considered an "Event of Force Majeure" for purposes hereof.

- (e) "GSPD" means average gallons of sewage per day, calculated on a monthly basis. For example, if a customer of TWS released 300 gallons of sewage into the Sewer System in a thirty (30) day month, such customer would have released 10 GSPD during such month.
- (f) "Lot" or "Lots" shall mean a portion of the Property, whether developed or undeveloped, intended for development, use and occupancy as a residence, as well as vacant land intended for development as such, all as may be developed and used. In the case of a parcel of vacant land or land on which improvements are under construction, the parcel shall be deemed to contain the number of Lots designated for such parcel on the Plat or the site plan approved by the applicable local governmental entity having jurisdiction, until such time as a certificate of occupancy is issued on all or a portion thereof by the applicable local government entity having jurisdiction, after which the portion designated in the certificate of occupancy shall constitute a separate Lot or Lots as determined above and the number of Lots on the remaining land, if any, shall continue to be determined in accordance with this definition.
- (g) "Lot Owner" or "Lot Owners" shall mean and refer to one or more persons who hold the record title to any platted Lot, including, but not limited to the Developer, which is part of the Property, but excluding in all cases any party holding an interest merely as security for the performance of an obligation.
- (h) "Plans and Specifications" shall mean and refer to the plans and specifications for construction, installation and development of the Sewer System, as more particularly described on Exhibit C, attached hereto, which have been approved in writing by TWS. The Plans and Specifications shall also be in accordance with requirements of the State of Tennessee and all Applicable Laws.
- (i) "Property" shall mean and refer to the real property described on Exhibit A, attached hereto.
- (j) "TPUC" means the Tennessee Public Utility Commission and any successor thereto.
- (k) "Sewage Facility" shall mean and refer to that certain sewage treatment facility constructed by or for the Developer on the Sewage Facility Land which is to be operated by TWS upon conveyance to TWS by the Developer in accordance with this Agreement.
- (I) "Sewage Facility Land" means that land described on <u>Exhibit B</u> upon which the Sewage Facility is located.
- (m) "Sewer System" means the Sewage Facility Land approved for 120 residential lots, the Sewage Facility more particularly described in the Plans and Specifications, including, but not limited to all lines, pipes, meters, lift stations, equipment, machinery, fixtures, trade fixtures, easements and personal property used in connection with the operation thereof, whether or not located on the Sewage Pacility Land or the Property, as the same may be altered, improved, modified, expanded or relocated from time to time.
- (n) "Sewer System Construction" means the construction of improvements for the Sewer System necessary to accommodate the Development as more particularly described in the Plans and Specifications.

Compensation.

(a) Construction - TWS will receive from Developer a \$7,200.00 per lot capacity development fee for each lot proposed on that plat. This fee covers:

- Design and Construction by TWS of treatment and disposal capacity for the project, to
 include the TF construction, the drip field disposal installation, the 40-day dry storage
 pond, and fencing of the constructed components with four-rail wood fence
- Payment by TWS of the agreed upon DDR engineering fees based on cost proposals received by TWS.
- Payment by TWS of the agreed upon DSIR soil mapping, pit description, and grid staking fees based on cost proposals received by TWS.
- Payment by TWS of agreed upon project site wastewater collection system design fees based on OHBC cost proposal submitted to and approved by TWS.
- Any other reasonable professional report fees/costs agreeable to OHBC for preparation and performance of the work, submitted to and approved by TWS.
- Regulatory coordination, new customer accounts database set-up, engineering review, and construction inspection (sewer collection/reuse mains, subdivision collection mains, individual residential tank and lot services, etc.)
 - I. Fee payment schedule:
 - 25% (\$216,000.00 U.S. Dollars) of fees will be due 10 days prior to the start of construction of the treatment and disposal facility.
 - 50% (\$432,000.00 U.S. Dollars) of fees will be due at 50% completion of construction of the treatment and disposal facility
 - 25% (\$216,000.00 U.S. Dollars) of fees will be due within 15 days of completion of construction, and approval and acceptance of the system by TWS and the Tennessee Department of Environment and Conservation. Any mutually agreed upon outstanding payment for reimbursement of approved expenses by OHBC will be credited against this final payment amount at this phase of the payment schedule.

TWS will withhold signing the final plat for the first phase of the development until all capacity development fees have been paid in full by the Developer.

(b) Final Plat - TWS will assume ownership of the treatment, disposal, and collection system once inspections are approved and accepted by TWS.

3. Sanitary Sewer Service.

- (a) Dedication. From and after the date the Sewer System is completed in accordance with the Plans and Specifications agreed upon by TWS, and upon the completion or satisfaction by Developer and TWS, of all the other terms and conditions set forth herein, TWS shall give written acceptance of the system to the Developer and shall provide sanitary sewer service to the Development.
- (b) Usage. Lot Owners shall only have the right to discharge senitary sewage into the Sewer System, and the Lot Owners agree to use the Sewer System in a manner that complies with the "User Manual Do's and Don'ts for Effluent Collection Systems" attached hereto as Exhibit D. If sewer service to the Property is temporarily interrupted due to an Event of Force Majeure, TWS shall have no liability to the Developer or any Lot Owner on account of such interruption. In such event of temporary interruption, TWS shall use its best efforts to restore sewer service to the Property as quickly as possible. Developer represents and warrants that its contract of sale

with each third-party purchaser or third party builder of each Lot shall include in it the requirement that such person or entity must enter into a Sewer Service Agreement, in form and substance attached hereto as Exhibit E, by TWS.

- (c) Acceptance by TWS. Upon completion by the Developer of all of TWS's requirements set forth herein, TWS hereby agrees to and will accept contribution of the system as an expansion and improvement of its sewage disposal facilities. TWS shall be under no obligations to furnish sewer service for the Development until the Developer has fully and satisfactorily performed under and pursuant to this Agreement.
- 4. <u>Perraits</u>. TWS shall obtain and pay for all permits, licenses and other approvals necessary to allow TWS to deposit the applicable GSPD into the Sewer System, including, but not limited to, any regulatory approvals that must be obtained from the TPUC or any other governmental or quasi-governmental authority.

5. Sewer System Construction.

- (a) Installation. At its own expense and at no cost or expense to TWS, Developer shall furnish, install, lay and construct all of the Sewer System as required by TWS to be installed to serve the Development, including labor and material. The construction and installation of the Sewer System improvements shall be in strict accordance with the Plans and Specifications as approved by TWS. TWS shall inspect the construction of the improvements upon intervals determined by TWS. All Sewer System improvements shall be located as approved by TWS.
- (b) Development Responsibility. Developer agrees to install the Sewer System as part of its initial development of the Property and the Development. Developer shall (i) cause the Sewer System to be completed in strict accordance with the Plans and Specifications, including the service connection for all sewers to the property line of each Lot, (ii) cause the Sewer System to be constructed in a good and workmanlike manner and in compliance with all Applicable Laws (iii) ensure that the Sewer System will be able to receive and properly treat the required amount of GSPD after completion of the Sewer System. Developer understands and agrees that no third party shall obtain any benefits or rights under this Agreement with respect to sewer privileges, and no connection shall be made to any other customer site until all necessary arrangements have been made in accordance with TWS's Wastewater System Specifications.
- (c) Delegation by Developer. Developer, or Developer's contractor, must install watertight tanks and service connection lines within Lots in accordance with the Plans and Specifications, at Developer's expense. Should Developer authorize a Lot Owner or third-party builder to construct such watertight tanks and service connection lines within any Lot, Developer represents and warrants that it will require such person or entity to comply with the Plans and Specifications and bear all expense of compliance and insure that the installation work is performed by a <u>certified</u> installer.
- (d) Wastewater System Performance Bonds. The Developer shall post, prior to the date of construction of the sanitary sewer system for the subject property, a good and sufficient performance bond in an amount equal to the anticipated cost of the work for the faithful performance of the terms and conditions of this Agreement. The said bond shall secure the performance of the obligations of the Developer and the payment for all materials and labor used in connection with the construction of the system. In the event the project is not completed and approved as provided herein below and all labor and material costs fully paid, TWS shall be entitled to collect the amount provided in the bond for the payment of the cost of completing the project. In addition, in the event the cost of completing or repairing the system exceeds the amount of the bond, the Developer shall be personally liable for such increased costs. The bond shall also include

the period of the Developer's warranty of the system and the payment of all labor and materials provided during the construction and warranty period of the system. The bond may be in the form of a letter of credit issued by a federally insured bank. The language of the bond shall be subject to approval of the Tennessee Regulatory Authority and TWS. Further, on completion of construction, the bond requirement will be reduced to twenty-five percent (25%) of the original bond amount for the duration of the warranty period.

- (e) No Liens. Developer shall complete the development and construction of the Sewer System in accordance with the Plans and Specifications and the Sewer System shall be free of any laborers', materialmen's, mechanics', or other liens on any part of the Sewage Facility Land or the Sewer System and Developer shall not permit any such lien to be filed or otherwise imposed on any part of the Sewage Facility. In the event any such lien is filed against the Sewage Facility the Sewage Facility Land, or the System, Developer shall promptly cause such lien to be discharged or in lieu thereof file a bond or other security for the payment of such lien in form and amount satisfactory to TWS.
 - (f) Diligence. Both parties agree to work diligently to start and complete the treatment facility, drip fields, pond, and fencing in order to meet mutually agreed upon construction timelines.
- Conveyance and Transfer. Upon completion, Developer shall:
 - (a) convey by quit claim deed (the "Deed"), in the form attached hereto as <u>Exhibit F</u>, the Sewage Facility Land to TWS and provide title insurance policy, not to exceed \$150,000.00 (U.S. dollars);
 - (b) provide TWS with an owner's policy of title insurance issued by a nationally recognized title company showing the status of title to the Sewage Facility Land as free and clear of all material or interfering encumbrances (determined in TWS's sole discretion), including, but not limited to, any monetary liens, in the name of TWS for the full amount of the construction of the Sewage Facility and the value of the Sewage Facility Land (the "Title Policy"):
 - (c) provide TWS with a survey of the Sewage Facility Land prepared by a surveyor or engineer licensed in the State of Tennessee sufficient to allow the title company to eliminate the standard printed exceptions in the owner's title policy pertaining to discrapancies in the area or boundary lines, encroachments, overlaps, improvements, or similar matters (the "Survey"), which Survey shall be certified to TWS and the title company;
 - (d) provide the TWS with "as-built" plans for the Sewer System;
 - (e) grant TWS a non-exclusive sewer line easement, in the form attached hereto as <u>Exhibit G</u>, across those portions of the Property lying within five (5) feet of either side of the sewer line within the Property.

All costs, fees and expenses related to the foregoing within this Section 6 shall be the sole responsibility of Developer, including, without limitation, recording fees, transfer taxes, title premiums, title endorsement charges and survey costs.

7. <u>Developer Warranty</u>. The Developer hereby warrants all Sewer System improvements installed pursuant to the provisions of this Agreement against defects in workmanship and materials for a period of one (1) year from the date of acceptance thereof in writing by TWS. The Developer shall reimburse TWS upon demand for all costs and expenses incurred by TWS to repair all breaks, leaks or defects of any type whatsoever arising from any cause whatsoever occurring within one (1) year

from the date the Sewer System improvements are accepted in writing by TWS. The Developer hereby warrants that the Sewer System improvements shall be paid for in full and that no liens or encumbrances shall remain in regard to the Sewer System improvements.

8. Representations and Warranties.

- (a) TWS represents, warrants and covenants to Developer that:
 - (i) TWS is a corporation duly organized and validity existing and in good standing under the laws of the State of Tennessee and is duly qualified to transact business in the State of Tennessee, (B) TWS has all necessary power to execute and deliver this Agreement and perform all its obligations hereunder, (C) the execution, delivery and performance of this Agreement by the TWS does not conflict with or result in a violation of its organizational documents or Applicable Laws, and (D) the execution, delivery and performance of this Agreement by TWS does not conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument by which the TWS is bound; and
 - (ii) TWS has not received notice of any litigation, administrative action, investigation or other governmental or quasi-governmental proceeding which would or could have an adverse effect upon its ability to fulfill all of its obligations under this Agreement, and (B) the execution, delivery and performance of this Agreement by TWS will not conflict with or result in a breach of any order, judgment, writ, injunction or decree of any court or governmental instrumentality; and
 - (iii) TWS is not a party to any voluntary or involuntary proceedings under any law relating to insolvency, bankruptcy, moretorium or creditors' rights.
- (b) Developer represents, warrants and covenants to the TSW that:
 - (i) Developer is a <u>limited liability company</u> duly organized and validly existing and in good standing under the laws of the State of <u>Tennessee</u> and is duly qualified to transact business in the State of Tennessee, (B) Developer has all necessary power to execute and deliver this Agreement and perform all its obligations hereunder, without the consent or approval of any governmental authority, (C) the execution, delivery and performance of this Agreement by Developer does not conflict with or result in a violation of its organizational documents or Applicable Laws, and (D) the execution, delivery and performance of this Agreement by Developer does not conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument by which Developer is bound; and
 - (ii) Developer has not received notice of any litigation, administrative action, investigation or other governmental or quasi-governmental proceeding which would or could have an adverse effect upon its ability to fulfill all of its obligations under this Agreement, and (B) the execution, delivery and performance of this Agreement by Developer will not conflict with or result in a breach of any order, judgment, writ, injunction or decree of any court or governmental instrumentality; and
 - (iii) Developer is not a party to any voluntary or involuntary proceedings under any law relating to insolvency, bankruptcy, monatorium or creditors' rights and;

(iv) Developer warrants and represents that all necessary permits as required by the State, County, and any other governing or regulatory authority will or have been applied for and obtained prior to the construction of the sanity sewer.

9. Default and Terminatics.

- (a) Notwithstanding anything to the contrary herein, TWS may, at all times prior to the completion of the Sewer System, terminate this Agreement in the event that:
 - (i) Developer has materially failed to perform or has been negligent in the performance of its construction of the Sewer System pursuant to the terms of this Agreement and in accordance with the Plans and Specifications and has failed to cure said failure or negligence within thirty (30) calendar days after receiving written notice from TWS specifying in detail the nature of such failure or negligence; provided if such failure or negligence cannot reasonably be cured within said thirty (30) calendar day period, then TWS may not terminate this Agreement if Developer has commenced to cure the failure or negligence within said thirty (30) calendar day period and thereafter prosecutes such cure to completion with reasonably acceptable diligence; or
 - (ii) Developer has defaulted in the performance of its obligations under this Agreement, including without limitation, payment to TWS of the Sewer System Fees as and when required and fail to cure such default within thirty (30) calendar days after notice from TWS thereof; or
 - (iii) A receiver, liquidator, or trustee of Developer shall be appointed by court order, or a petition to liquidate or reorganize Developer shall be filed against Developer under any bankruptcy, reorganization or insolvency law and such order or petition is not vacated or dismissed within sixty (60) calendar days, or Developer shall voluntarily file a petition in bankruptcy or request for reorganization under any provision of the bankruptcy reorganizational insolvency laws unless such petition is dismissed within sixty (60) calendar days after the filing thereof, or if Developer shall make an assignment of all or substantially all of its assets for the benefit of creditors, or if Developer is adjudicated bankrupt.
- (b) Developer may terminate this Agreement, at any time during the term of this Agreement prior to completion of the Sewer System, if (i) a receiver, liquidator, or trustee of TWS shall be appointed by court order, or (ii) a petition to liquidate or reorganize TWS shall be filed against TWS under any bankruptcy, reorganization or insolvency law and such order or petition is not vacated or dismissed within sixty (60) calendar days, or (iii) TWS shall voluntarily file a petition in bankruptcy or request for reorganization under any provision of the bankruptcy reorganizational insolvency laws unless such petition is dismissed within sixty (60) calendar days after the filing thereof, or (iv) if TWS shall make an assignment of all or substantially all of its assets for the benefit of creditors, or if TWS is adjudicated bankrupt, or (v) Daveloper does not consummate the closing for the purchase of the Property.

In the event this Agreement is terminated for any of the above reasons or the failure of the satisfaction of the conditions precedent in Section 12 below, TWS shall be entitled to all reasonable fees to be paid pursuant to the terms of this Agreement through the effective date of such termination and there shall thereafter be no further obligation owed by TWS to Developer. In the event that this Agreement is terminated prior to the commencement of construction due to economic factors, this Agreement shall be terminated; provided, however, TWS shall retain the initial amount paid to TWS by Developer as set forth in Section 10 below.

10. INDEMNIFICATION.

- a) Each party agrees to indemnify and hold harmless the other from, against and/or with respect to:
 - i) Any loss, expense, liability, damage, or deficiency resulting from any material misrepresentation, breach of warranty, or nonfulfillment of any covenant or agreement on the part of such party made or given in or with respect to this Agreement, or from any material misrepresentation in or omission from any certificate, schedule, exhibit or other document or instrument furnished or to be furnished to the other in connection with the transactions provided for in this Agreement, or from any gross negligence or willful misconduct of the other party; and/or
 - ii) Any and all costs and expenses (including reasonable attorneys' fees) arising in connection with any of the foregoing.
- b) In addition to the above, except to the extent arising from the negligence or willful misconduct of TWS, its employees, agents, or contractors, Developer shall indemnify and hold TWS harmless of, from, against and in respect of:
 - Any tax lien, levy, assessment, payment, liability, penalty or other deficiency, whether disputed or not, suffered or incurred by TWS as a result of or arising out of Developer's ownership of the Property;
 - ii) Any judgment, award, payment, settlement, cost or expense arising out of Developer's ownership of the Property, and rendered against or suffered or incurred by TWS as a result of or with respect to any lawsuit or cause of action against or involving the Property;
 - iii) Any and all liabilitiessuffered or incurred by TWS as a result of or arising out of Developer's ownership of the Property; and/or
 - iv) Any and all costs and expenses (including reasonable attorneys' fees) arising in connection with any of the foregoing.
 - v) Any violation of any permit requirement of the State of Tennessee, Williamson County, and any other governing or regulatory authority with jurisdiction over the construction of the sanitary sewer.
- c) The provisions of this section shall survive completion of the Project and/or expiration or termination of this Agreement.
- 11. ENVIRONMENTAL INDEMNITY. In addition to the above, Developer represents, warrants and covenants to, for and with TWS that there are no Hazardous Materials which have been generated and disposed of by Developer and have migrated to the Property (including the ground water thereon) from any adjacent real estate owned, leased, or otherwise controlled by Developer, (except for those Hazardous Materials which may be stored on or about the Property in accordance with the Applicable Environmental Laws), as such terms are defined in the Applicable Environmental Laws, or in any regulations promulgated

pursuant thereto. (ii) there are no underground storage tanks which are owned or operated by Developer located in or about the Property, (iii) Developer has not received any notice and to the best knowledge of Developer no notice has been given to any party in the chain of title to the Property, by any person claiming any violation of, or requiring compliance with, any Applicable Environmental Laws, demanding payment or contribution for environmental damage; and (iv) to the best knowledge of Developer no investigation, administrative order, consent order or agreement, litigation, or settlement with respect to Hazardous Materials located, on about or under all or a portion of the Property or contiguous or adjacent to the Property (provided that such contiguous or adjacent property is owned or controlled by Developer) is pending, or, to the knowledge of Developer, proposed, threatened or anticipated. To the extent that Developer breaches any of the aforementioned representations and TWS is required by law to undertake any remedial or removal actions in connection therewith, as defined in the Applicable Environmental Laws, or to the extent that TWS is otherwise liable to incur costs or may otherwise be held liable to any third party in connection with such breach or for any removel or remedial actions taken with respect thereto, then, within a reasonable period of time following receipt of notice thereof from TWS, Developer shall indemnify TWS and hold TWS harmless from all liabilities, damages and costs incurred by TWS with respect to such breach including, without limitation, all claims, liabilities, loss, costs or expenses arising from the incurrence of any penalties, charge or expenses with respect thereto in defending itself against any suit or action brought by such third party, and in paying or satisfying any judgment obtained by such third party against TWS. The obligations of Developer under this section and the indemnity given hereunder shall survive the Closing.

12. Developer Obligations: Conditions Procedent to Developer's Perion sance.

- (a) The obligations of Developer to perform pursuant to this Agreement shall be subject to the Developer's consummation of the closing of the purchase of the Property. In the event Developer does not consummate the closing of the purchase of the Property, Developer may terminate this Agreement by delivering written notice to TWS of such termination and there shall be no further obligation or liability owed to either party except for those that expressly survive the termination or expiration of this Agreement.
- (b) The Developer shall pay an annual wastewater capacity reservation fee of \$120.00 per platted Lot, or as may be amended from time to time by the TPUC, for each Lot owned that is not attached to the Sewer System. Should the Developer sell a Lot, the Developer agrees to include in the sales contract with the purchaser the requirement to pay to TWS an annual wastewater capacity reservation fee at the then current TPUC established rate to defray the cost of testing and reporting to the State of Tennessee. The fee shall be payable each year by December 15th for the owners of record as of December 1. When the Lot Owner attaches to the Sewer System and accepts service with the Sewer System, such Lot Owner shall pay a prorated fee for that year and the fee shall not be charged thereafter so long as the Lot Owner maintains service.

13. Operation, Maintenance and Improvements.

(a) TWS shall, (i) perform all repairs, maintenance and replacements necessary to keep the Sewer System in a good working order, and (ii) operate the Sewer System in compliance with Applicable Laws, including, but not limited to, all Applicable Laws related to human health, safety and the environment. To the extent reasonably possible, TWS shall perform all repairs, maintenance and replacements to the Sewer System in a manner that does not interfere with its ability to provide sewer service to the Property. In the event any repairs, maintenance or replacements to the Sewer System will result in an interruption of sewer service to the Property, TWS shall notify Developer thereof and use its best efforts to minimize the interference caused

thereby, which efforts shall include, but not be limited to, working with Developer to schedule the repairs, maintenance and replacements so as to avoid or lessen the disruption. Service by TWS will be provided in compliance with its established tariff in effect at the Tennessee Regulatory Authority.

- (b) Developer further agrees to execute, acknowledge and deliver to TWS any and all mutually agreed upon easements that may be necessary or appropriate as determined by TWS for the construction, operation and maintenance of TWS's Sewer System, or portion thereof.
- 14. <u>Restrictive Covenants</u>. Developer shall include, within any declaration or other instrument regarding restrictive covenants for the Development, a provision regarding the sewage disposal system set forth herein as drafted by TWS, in form and substance as more particularly set forth in <u>Exhibit H</u>, attached hereto.
- 15. <u>Water Valve Requirements</u>. Developer is required to install a water shut off valve with an appropriate valve box in the water line on the customer's side of the water meter at each home in the subdivision. If the Developer sells the lot to allow another party to build on the lot, they must insure that the purchaser is notified of the water valve requirements.
- Assignment. Neither Developer nor TWS shall not have the right to sell, assign, transfer, lease or convey all or a portion of its rights hereunder without the prior written consent of the other party. Developer and TWS shall have the right to assign all of its rights under this Agreement to any party purchasing the Sewer System or the Property so long as such party assumes all of Developer or TWS's obligations hereunder. Notwithstanding the foregoing, this Agreement may be assigned by Developer to an entity formed by Developer, its affiliates, investors or partners, for the purpose of purchasing the Property, with notice to, but without the written consent of TWS. It is agreed that as used herein, "Developer" shall mean Developer and its respective successors, assigns, transferees and tenants, with the exception of customers purchasing completed homes on the Property, and "TWS" shall mean TWS and its respective successors and assigns.

Miscellaneous.

- (a) Entire Agreement. This Agreement (i) constitutes the entire agreement and understanding of Developer and TWS with respect to the subject matter hereof, and (ii) may be amended only by a written instrument executed by Developer and TWS.
- (b) Governing Law. This Agreement shall be governed by and construed under the laws of the State of Tennessee.
- (c) Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.
- (d) No Waiver. No waiver of any provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by the party charged therewith. No delay or omission in the exercise of any right or remedy accruing upon the breach of this Agreement shall impair such right or remedy or be construed as a waiver of such breach. The waiver by Developer or TWS of any breach shall not be deemed a waiver of any other breach of the same or any other provision of this Agreement.
- (e) Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining terms hereof will not be affected, and in lieu of each provision that is found to be illegal, invalid or unenforceable, a provision will

be added as a part of this Agreement that is as similar to the illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

- (f) Prior Drafts. All negotiations, considerations, representations and understandings between Developer and TWS are incorporated herein. No inference shall be drawn from the addition, deletion or modification of any language contained in any prior draft of this Agreement.
- (g) Attorneys' Fees. If any legal proceeding is commenced to (i) enforce the terms of this Agreement or (ii) interpret the provisions contained herein, the prevailing party in such legal proceeding shall be entitled to recover its reasonable attorneys' fees, court costs and litigation expenses from the non-prevailing party.
- (h) Exhibits. TWS and Developer hereby acknowledge and agree that all exhibits referenced in this Agreement are attached hereto and incorporated herein by reference.
- (i) Relationship Between the Parties. This Agreement shall not be deemed or construed to create a partnership or joint venture between Developer and TWS or cause Developer or TWS to be liable or responsible in any way for the agreements, actions, liabilities, debts or obligations of the other.
- (j) Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed as original documents and all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the Effective Date.

TWS

TENNESSEE WASTEWATER SYSTEMS a Tennessee corporation

Name: Charles R. Hyatt

Title: President

Developer

OLD HILLSBORO BUILDING COMPANY, LLC a Tennessee company

Name: William E. Miles

Title: Chief Manager

AFFIDAVIT

STATE OF TENNESSEE	}
COUNTY OF KU- next six	

Personally appeared before me, Suzanne M. Christman, Notary Public, Charles

High. with whom I am personally acquainted and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the President of Tennessee Wastewater Systems, Inc., the within named bargainor, a Tennessee corporation, and is authorized to execute this instrument on behalf of Tennessee Wastewater Systems.

WITNESS my hand, at office, this 23 day of TOALOGY

STATE
OF
TENNESSEE
NOTARY
PUBLIC
OF
NOT

My Commission Expires: 12

AFFIDAVIT

STATE OF TENNESSEE
COUNTY OF LILLIANSON

TENNESSEE

Personally appeared before me, Poper Ashworth. Notary Public, William E. Miles, with whom I am personally acquainted and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the Chief Manager of Old Hillsboro Building Company, LLC, the within named bargainor, a Tennessee limited liability company, and is authorized to execute this instrument on behalf of the limited liability company.

WITNESS my hand, at office, this 22 day of January, 2018.

Notary Public

My Commission Expires:

Ny Commission Expires March 3, 2018

		•	

Exhibit A

Property

A CERTAIN TRACT OR PARCEL OF LAND LYING, AND BEING LOCATED IN THE THIRD CIVIL DISTRICT OF WILLIAMSON COUNTY, TENNESSEE, DESCRIBED AS BEING BOUND IN GENERAL BY LANDS OF CAL TURNER, JR. FAMILY PARTNERS LP AND CUMBERLAND WESTERN RESOURCES ON THE NORTHWEST; CARL ROAD ON THE NORTH AND EAST; CARTER CREEK PIKE, BEAR CREEK ROAD, AND THE LANDS OF HERMAN OSBORNE ON THE SOUTH; BAILEY ROAD ON THE WEST; AND LANDS OF BRYAN TERP ON THE WEST AND NORTHWEST; AND BEING MORE PARTICULARLY DESCRIBED AS POLLOWS:

BEGINNING AT A CONCRETE MONUMENT AT THE EASTERLY CORNER OF TRACT 2 OF THIS SUBJECT PROPERTY (DEED BOOK 2303 PAGE 469), AS RECORDED IN THE REGISTER'S OFFICE FOR WILLIAMSON COUNTY, TENNESSEE (R.O.W.C) AND NEAR THE SOUTHWEST INTERSECTION OF CARL ROAD (40' ROW) AND CARTERS CREEK PIKE THENCE WITH THE EASTERLY LINE OF SAID TRACT 2 AND THE WESTERLY R.O.W OF SAID CARTERS CREEK PIKE THE FOLLOWING FIVE (5) COURSES;

S 56°36'43" W A DISTANCE OF 1262.28' TO A CONCRETE MONUMENT;
THENCE WITH A CURVE LEFT WITH AN ARC LENGTH OF 942.66', A RADIUS OF 2894.80', A
CHORD BEARING OF S 47°14'19" W, WITH A CHORD LENGTH OF 938.50', WITH A DELTA
ANGLE OF 18°39'28", TO A POINT; THENCE S 48°23'56" W A DISTANCE OF 54.43' TO A POINT;
THENCE S 32°10'56" W A DISTANCE OF 100.49' TO A POINT; THENCE S 38°12'56" W A
DISTANCE OF 532.64' TO A FOUND IRON ROD AT THE SOUTHEAST CORNER OF SAID TRACT
2 AND THE NORTHEAST CORNER OF TRACT "4 PARCEL B" AS RECORDED IN (DEED BOOK
2337 PAGE 734) (R.O.W.C) AND BEING A PART OF THIS SUBJECT PARCEL;

THENCE LEAVING SAID TRACT 2 AND WITH THE EASTERLY LINE OF TRACT 4 PARCEL "B" AND THE WESTERLY ROW OF CARTERS CREEK PIKE THE FOLLOWING TWO (2) COURSES:

S 38°11'50" W A DISTANCE OF 239.92' TO A POINT; THENCE WITH A CURVE LEPT WITH AN ARC LENGTH OF 392.84', A RADIUS OF 1125.96', A CHORD BEARING OF S 28°03'34" W, WITH A CHORD LENGTH OF 390.85', WITH A DELTA ANGLE OF 19°59'24" TO A PK NAIL IN THE CENTERLINE OF BEAR CREEK ROAD (50° ROW);

THENCE WITH THE CENTERLINE OF BEAR CREEK ROAD AND THE SOUTHERLY LINE OF "TRACT 4 PARCEL B" S 66°12'39" W A DISTANCE OF 492.24' TO A PK NAIL AND DISK (SET); THENCE LEAVING THE CENTERLINE OF BEAR CREEK ROAD AND WITH THE BOUNDARY OF SAID "TRACT 4 PARCEL B", N 24°26'34" W A DISTANCE OF 233.00 TO A FOUND IRON ROD CORNER TO HERBERT OSBORNE (DEED BOOK 239 PAGE 19, AND PASSING AN IRON PIN AT 23.6', THENCE CONTINUE WITH SAID TRACT 4 PARCEL B AND OSBORNE S 65°09'26" W A DISTANCE OF 153.20' TO A POINT AT THE COMMON CORNER OF "TRACT 4 PARCEL B" AND "TRACT 4 PARCEL A" AS RECORDED IN 2337 PAGE 734; THENCE S 66°34'26" W A DISTANCE OF 61.65' WITH SAID OSBORNE AND TRACT 4 PARCEL A LINE TO A FOUND IRON ROD AT OSBORNE'S NORTHWEST CORNER; THENCE CONTINUE WITH SAID LINE S 08°33'26" W A DISTANCE OF 245.80' TO A FOUND IRON ROD AND CAP AT OSBORNE'S SOUTHWEST CORNER; THENCE CONTINUE S 08°33'26" W, A DISTANCE OF 30.00', TO A POINT IN THE CENTERLINE OF AFORESAID BEAR CREEK ROAD (50' ROW) AND A CORNER TO "TRACT 4 PARCEL A;"

THENCE WITH THE CENTERLINE OF BEAR CREEK ROAD, AND THE SOUTH LINE OF

SAID "TRACT 4 PARCEL A", THE FOLLOWING 3 COURSES; S 65°49'26" W A DISTANCE OF 92.50' TO A POINT; THENCE WITH A CURVE RIGHT WITH AN ARC LENGTH OF 224.58', A RADIUS OF 1818.75', A CHORD BEARING OF S 69°32'32" W, WITH A CHORD LENGTH OF 224.44', WITH A DELTA ANGLE OF 07°04'30", TO A POINT; THENCE S 75°18'08" W A DISTANCE OF 155.13' TO A COMMON CORNER OF SAID "TRACT 4 PARCEL A" AND "TRACT 1" AS RECORDED AT (DEED BOOK 2337 PAGE 737)

THENCE WITH THE BOUNDARY OF SAID "TRACT 1" AND THE CENTERLINE OF BEAR CREEK ROAD THE FOLLOWING TEN (10) COURSES;

THENCE, S 76°57'25" W A DISTANCE OF 183.57' TO A POINT;

THENCE S 81°45'52" W A DISTANCE OF 183.99' TO A POINT:

THENCE WITH A CURVE LEFT WITH AN ARC LENGTH OF 331.84', A RADIUS OF 860.34', A CHORD BEARING OF 8 70°42'53" W, WITH A CHORD LENGTH OF 329.79', WITH A DELTA ANGLE OF 22°05'58".

THENCE S 59°39'54" W A DISTANCE OF 951.35' TO A POINT:

THENCE S 60°16'31" W A DISTANCE OF 358.68' TO A POINT:

THENCE S 62°10'41" W A DISTANCE OF 179.75' TO A POINT:

THENCE S 64°21'19" W A DISTANCE OF 274.92' TO A POINT:

THENCE S 64°53'47" W A DISTANCE OF 332.93' TO A POINT:

THENCE S 66°24'28" W A DISTANCE OF 137.59' TO A POINT:

THENCE WITH A CURVE RIGHT WITH AN ARC LENGTH OF 205.17, A RADIUS OF 691.43, A CHORD BEARING OF S 74°35'38" W, WITH A CHORD LENGTH OF 204.42', WITH A DELTA ANGLE OF 17°00'05", TO FOUND PK NAIL AT THE SOUTHWEST CORNER OF SAID TRACT 1 AND THE CENTERLINE OF BAILEY ROAD (50' ROW);

THENCE WITH THE CENTERLINE OF BAILEY ROAD AND THE WESTERLY LINE OF SAID TRACT I THE FOLLOWING NINE (9) COURSES;

N 30°51'00" W A DISTANCE OF 511.59' TO A POINT:

THENCE N 31°22'51" W A DISTANCE OF 250.00' TO A POINT:

THENCE N 32°41'01" W A DISTANCE OF 184.60' TO A POINT:

THENCE N 33°17'16" W A DISTANCE OF 435.04' TO A POINT;

THENCE N 30°58'26" W A DISTANCE OF 150.10' TO A POINT:

THENCE WITH A CURVE LEFT WITH AN ARC LENGTH OF 439.38', A RADIUS OF 970.27', A CHORD BEARING OF N 42°57'24" W, WITH A CHORD LENGTH OF 435.64', WITH A DELTA ANGLE OF 25°56'46",

THENCE N 54°25'23" W A DISTANCE OF 375.59' TO A POINT;

THENCE WITH A CURVE LEFT WITH AN ARC LENGTH OF 172.07, A RADIUS OF 378.22', A CHORD BEARING OF N 67°08"00" W, WITH A CHORD LENGTH OF 170.59', WITH A DELTA ANGLE OF 26°04'00".

THENCE N 80°23'55" W A DISTANCE OF 53.39' TO PK NAIL AND DISK SET AT THE SOUTHWEST CORNER OF SAID TRACT I AND THE SOUTHEAST CORNER OF THE LANDS OF BRIAN TERF (DEED BOOK 6345 PAGE 785);

THENCE LEAVING BAILEY ROAD AND WITH THE COMMON LINE OF SAID "TRACT 1" AND THE PREVIOUSLY MENTIONED LANDS OF "BRIAN TERP" THE FOLLOWING FIFTEEN (15) COURSES:

N 20°25'41" E A DISTANCE OF 320.91' TO A POINT; A FOUND IRON ROD AND CAP THENCE N 15°42'14" W A DISTANCE OF 407.80' TO A FOUND IRON ROD AND CAP; THENCE N 07°53'40" E A DISTANCE OF 362.42' A FOUND IRON ROD AND CAP;

THENCE N 24°52'01" W A DISTANCE OF 197.25' TO A POINT;
THENCE N 36°21'40" W A DISTANCE OF 172.34' TO A FOUND IRON ROD AND CAP;
THENCE N 18°53'11" E A DISTANCE OF 285.48' TO A FOUND IRON ROD AND CAP;
THENCE S 69°32'23" E A DISTANCE OF 290.03' TO A FOUND IRON ROD AND CAP;
THENCE N 81°57'38" E A DISTANCE OF 187.19' TO A POINT;
THENCE N 78°51'59" E A DISTANCE OF 443.00' TO A FOUND IRON ROD AND CAP;
THENCE N 89°19'54" E A DISTANCE OF 1112.13' TO A FOUND IRON ROD AND CAP;
THENCE N 54°29'50" E A DISTANCE OF 448.56' TO A FOUND IRON ROD AND CAP;
THENCE N 60°13'47" E A DISTANCE OF 591.20' TO A FOUND IRON ROD AND CAP;
THENCE N 50°35'46" E A DISTANCE OF 342.95' TO A FOUND IRON ROD AND CAP;
THENCE S 88°46'09" E A DISTANCE OF 393.06' TO A FOUND IRON ROD AND CAP;
THENCE N 77°35'46" E PASSING A FOUND IRON PIN AT 213.00' AND CONTINUE FOR A TOTAL
DISTANCE OF 351.00 TO A POINT IN MURFREES FORK CREEK:

THENCE WITH THE CENTER OF CREEK GENERALLY DESCRIBED BY THE FOLLOWING ELEVEN (11) COURSES;

N 11°11'38" E, A DISTANCE OF 145.55' TO A POINT;
THENCE N 14°50'49" W, A DISTANCE OF 155.56' TO A POINT AT THE NORTHEAST
CORNER OF SAID TERP LANDS AND THE SOUTHWEST CORNER OF THE LANDS OF
CUMBERLAND & WESTERN RESOURCES PARCEL (DB 4383 PAGE 670);
THENCE LEAVING SAID TERP LANDS AND WITH THE EAST BOUNDARY OF CUMBERLAND
AND WESTERN RESOURCES TRACT AND THE CENTERLINE OF AFOREMENTIONED
WURFREES FORK THE FOLLOWING NINE (9) COURSES:

THENCE N 38°33'44" E, A DISTANCE OF 117.33' TO A POINT; THENCE N 78°35'26" E, A DISTANCE OF 116.36' TO A POINT; THENCE S 62°29'25" E, A DISTANCE OF 199.42' TO A POINT; THENCE N 70°48'11" E, A DISTANCE OF 125.38' TO A POINT; THENCE N 25°14'04" E, A DISTANCE OF 108.87' TO A POINT; THENCE N 00°39'55" E, A DISTANCE OF 362.43' TO A POINT; THENCE N 08°29'21" W, A DISTANCE OF 180.02' TO A POINT; THENCE N 12°06'09" W, A DISTANCE OF 205.27' TO A POINT;

THENCE N 56°52'01" E, A DISTANCE OF 468.43' TO A POINT IN THE CREEK AT THE ORIGINAL CALL OF A DEEP HOLE OF WATER NEAR A BLUFF); SAID CORNER BEING COMMON WITH THE AFORESAID CUMBERLAND AND WESTERN RESOURCES TRACT AND THE SOUTHERN CORNER OF THE LANDS OF CAL TURNER JR. (DEED BOOK 6351 PAGE 567). THENCE LEAVING THE MURFREES FORK AND WITH THE COMMON LINE OF SAID TRACT 2 AND SAID LANDS OF CAL TURNER JR. THE FOLLOWING FIVE (5) COURSES,

THENCE S 01°23'46" E A DISTANCE OF 243.00' TO A FOUND IRON ROD;
THENCE N 27°56'47" E A DISTANCE OF 693.65' TO A FOUND IRON ROD AND CAP;
THENCE N 12°57'51" W A DISTANCE OF 110.97 TO A FOUND IRON ROD AND CAP;
THENCE N 00°11'42" E A DISTANCE OF 169.01' TO A FOUND IRON ROD AND CAP;
THENCE N 01°05'31" E A DISTANCE OF 131.94' TO A FOUND IRON ROD AND CAP AT THE SOUTH MARGIN OF CARL ROAD (40' ROW);

THENCE LEAVING SAID TURNER LANDS AND WITH THE SOUTH MARGIN OF CARL ROAD AND THE BOUNDARY OF THE PREVIOUSLY MENTIONED "TRACT 2", WITH A NON-TANGENT CURVE RIGHT WITH AN ARC LENGTH OF 130.62', A RADIUS OF 225.10', A CHORD BEARING OF N 82°17'54" E, WITH A CHORD LENGTH OF 128.79', WITH A DELTA ANGLE OF 33°14'49":

THENCE \$ 31°12'04" E A DISTANCE OF 110.00' TO A POINT;
THENCE S 75°32'04" E A DISTANCE OF 283.00' TO A POINT:
THENCE S 81°12'04" E A DISTANCE OF 100.00' TO A POINT;
THENCE S 89°12'04" E A DISTANCE OF 175.00' TO A POINT;
THENCE S 24°52'04" E A DISTANCE OF 170.00 TO A POINT;
THENCE S 82°52'04" E A DISTANCE OF 270.00' TO A POINT;
THENCE S 82°02'04" E A DISTANCE OF 500.00' TO A POINT;
THENCE S 79°02'04" E A DISTANCE OF 385.00' TO A POINT;
THENCE S 78°22'04" E A DISTANCE OF 298.00' TO A POINT;
THENCE S 58°22'04" E A DISTANCE OF 277.30' TO A POINT;
THENCE WITH A CURVE RIGHT WITH AN ARC LENGTH OF 202.29, A RADIUS OF
271.87, A CHORD BEARING OF S 37°03'04" E, WITH A CHORD LENGTH OF 197.66', WITH A
DELTA ANGLE OF 42°37′59";
THENCE S 15°44'04" E A DISTANCE OF 970.00' TO A POINT;
THENCE S 15°22'04" E A DISTANCE OF 330.00' TO A POINT;
THENCE S 13°12'04" E A DISTANCE OF 250.00' TO A POINT;
THENCE S 11°32'04" E A DISTANCE OF 185.00' TO A POINT;
THENCE S 01°07'55" E A DISTANCE OF 130.43' TO THE BEGINNING.
CONTAINING 27,069,068 SQUARE FEET, 621.420 ACRES MORE OR LESS.
BEING THE SAME PROPERTY CONVEYED TO DEVELOPER BY DEED FROM AL HAGAMAN,
Trustee of the danda farms trust, of record in book, page
DATED, 2018, SAID REGISTER'S OFFICE. FURTHER BEING THE SAME
PROPERTY CONVEYED TO DEVELOPER BY DEED FROM AL HAGAMAN, TRUSTEE OF THE
BARRA REAL ESTATE TRUST OF RECORD IN BOOK, PAGE, DATED
2018, SAID REGISTER'S OFFICE.

Exhibit B

Sewage Facility Land

Exhibit C

Plans and Specification

USER MANUAL DO'S AND DON'TS

For

PATRICULAR COLLECTION SYSTEMS

Copy to be provided and can be viewed online at:

http://adenus.com/Adenus Homeowners Manual.pdf

Exhibit E

Sewer Service Agreement

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

I hereby make application to Tennessee Wastewater Systems, Inc. ("TWS") for sewer service at the address of property stated above. In consideration of the undertaking on the part of TWS to furnish sewer service, I understand, covenant and agree as follows:

- I understand that the components of a sewer system have been installed on the property referred to above, which is owned or occupied by me, and which is to be connected with a wastewater disposal system owned and/or maintained by TWS. I warrant that any connection to and/or subsequent use to this system by the components on my property shall be in accordance with the Rules, Regulations and Plans of TWS. Regarding my usage of the system components on my property, which are owned by me, I covenant to follow the guidelines set forth in the <u>USER MANUAL</u> (Do's and Don'ts for an Effluent Collection System). Should I violate these Rules and/or abuse or damage my components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of TWS.
- 2. I seknowledge TWS, its successors and assigns have a perpetual easement in, over, under and upon the above specified land as shown on the property plat, with the right to operate and repair all components of the sewer system on my property, including but not limited to the interceptor tank and the interceptor Pump or Interceptor Gravity Tank systems. I further grant TWS permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
- For all other plumbing and structures on the property, including the outfall line to the interceptor tank, I agree that I am responsible for all operation and repair thereof.
- 4. I hereby authorize TWS to purchase and install a cutoff valve on my side of my water meter and grant TWS exclusive right to use such valve in accordance with its Rules and Regulations. However, the use of this valve does not in any way relieve me of my obligation to pay for water service to the service provider.
- 5. I understand and agree to promptly pay for service at the then current schedule of rates and fees and agree to abide by and be subject to TWS's billing and cutoff precedures. Should I not pay in accordance with TWS's Rules, I agree to pay all costs of collection, including attorney fees.
- i accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules.
- 7. I agree that this Agreement shall remain in effect for as long as I own, reside upon or rent the above-described property. When such circumstances no longer exist, I agree to provide notice to TWS at least thirty (30) days in advance of my vacating the property.

SUBSCRIBER'S SIGNATURE

Exhibit I

Form of Deed

THIS INSTRUMENT PREPARED BY AND RETURN TO:

Ashworth Law Firm, PLLC Robert C. Ashworth, Attorney at Law 237 2nd Avenue South Franklin, Tennessee 37064

Owner(s):	TO:		d Building Company, I Stewater Systems, In	
Systems, Inc. 351 Aviation Parkway Smyrna, TN 37167 ATE OF TENNESSEE UNITY OF The actual consideration for this transfer is Zero Dollars (\$0-).	Name		Send Tax Bills To:	Map-Parcel Number(s)
The actual consideration for this transfer is Zero Dollars (\$0-). Affiant	Systems, 351 Avia	inc. tion Parkway	Same	Part of Map 103, Percels 00900/01400
	UNTY O	F) _) this transfer is Zero Dollars (:	ŝ0-).
SUBSCRIBED AND SWORM TO before me, this the cay or, 201	UNTYO	F		â0-).
	UNTY O	Fectual consideration for	Affiant	

FOR AND IN CONSIDERATION OF TEN AND NO/100 DOLLARS (\$10.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, OLD HILLSBORO BUILDING COMPANY, LLC, a Tennessee limited liability company ("Grantor"), does quitclaim unto TENNESSEE WASTEWATER SYSTEMS, INC., a Tennessee corporation ("Grantee"), its successors and assigns, all of Grantor's rights, title and interest in and to certain tracts or parcels of land in Williamson County, State of Tennessee, more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Land"), together with all

buildings, structures and other improvements of any and every nature located on the Land and all fixtures attached or affixed to the Land or to any such buildings, structures or other improvements (collectively with the Land, the "Property").

The Property is improved property known on Carters Creek Pike, Williamson County, Tennessee.

1 CHRESSEE.	
The Property is conveyed subject taffect the Property.	to such limitations, restrictions and encumbrances as may
This instrument has been prepared	l based on information provided by Grantor and Grantee
Witness my hand this day	cf, 2018.
	GRANTOR:
	OLD HILLSBORO BUILDING COMPANY, LLC, a Tennessee limited liability company
	By:
STATE OF TENNESSEE)	
COUNTY OF	
ne on the basis of satisfactory evidence), a damager (or other officer authorized to exe COMPANY, LLC, the within named bary	a Notary Public of said County and es, with whom I am personally acquainted (or proved to and who, upon oath, acknowledged himself to be Chief cute the instrument) of OLD HILLSBORO BUILDING rainor, a limited liability company, and that he as such rument for the purposes therein contained, by personally impany by himself as Chief Manager.
Witness my hand and seal, at Office, 2018.	e in, Tennessee, this day of
	Notary Public
	My Commission Typicse

EXHIBIT A PROPERTY DESCRIPTION

NO OF THE RESERVE AND ASSESSED THE

Exhibit G

Form of Sewer Line Essements

THIS INSTRUMENT PREPARED BY AND RETURN TO:

Ashworth Law Firm, PLLC Robert C. Ashworth, Attorney at Law 237 2*d Avenue South Franklin, Tennessee 37064

SEWER LINE EASEMENTS

Tennessee Wastewater Systems, Inc. 851 Aviation Parkway Smyrna, TN 37167	Subdivision_ Book_ Page_			
Name and Address of New Owner(s):	Sead Tax Bills To:	Map-Farcel Number(s)		
Tennessee Wastewater Systems, Inc. 851 Avietion Parkway Smyrna, TN 37167	Same	Part of Mep 103, Parcals 00900/01400		
TATE OF TENNESSEE)				
The actual consideration for this t	ransfer is Zero Dollars (\$-0-)	•		
	Affiant			
SUBSCRIBED AND SWORN TO	D before me, this the day o	of, 2018.		
	Notary Public lviy Commissi	on Expires:		
DEED FOR EASEMENT FOR	Wastewater System	LINES & BOHIPMENT		
is Deed made by and OLD HILLSBOR mpany ("Grantor"), and TENNESSEE Grantee").	O BUILDING COMPANY,	LLC, a Tennessee limited liabili		
ITNESSETH:				
HEREAS, Grantor owns a certain Subdiversame being the land conveyed to them and Book, Regissustee of the Barra Real Estate Trust, of a Williamson County, Temperates	by Al Hagaman, Trustee of the ter's Office of Williamson Co	ne Danda Farms Trust, of record unity. Tennessee, and Al Hagang		

WHEREAS, Grantee's Contractor is installing wastewater lines and equipment throughout the subdivision property for the purpose of installing a state approved sanitary sewer system, and

WHEREAS, it is the desire of the Grantor to grant a perpetual easement to the Grantee for the laying, installation, operation and maintenance of wastewater lines and equipment along, over and across the lands.

NOW, THEREFORE, Grantor, for and inconsideration of inducing Grantee to construct the said wastewater lines and equipment and for no monetary consideration and other good and valuable consideration, the receipt of all of which is hereby acknowledged, does hereby grant, give and convey unto Grantee, its successors and assigns, the perpetual right and easement to lay, construct and install wastewater lines and equipment and to operate, maintain and repair said wastewater system under and across their land. Said easement shall be a Twenty (20) foot construction easement with a Ten (10) foot perpetual easement in width and parallel to the wastewater lines. Grantor does hereby grant, give and convey to Grantee a perpetual right to cut, trim or remove the trees, shrubbery and like obstructions, and for the purpose of the constructions, reconstruction, repairing, operating and maintaining said lines along, over and across the area which is located within Five (5) feet of the side of the center line of said wastewater line as actually installed.

It is agreed and understood that the contractor for Grantee shall be financially responsible for all damages done to the fences and any other structures at the time of installation or maintenance of the wastewater lines and shall cleanup and re-grass according to present usage.

Grantor will give notice of this deed to each and all of his assigns of the subject property.

As used where, the singular includes the plural and the masculine includes the feminine.

M —	WHEREOF, 2018.	undersigned	have	set	their	hends	and	seals	on	the		day	of
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		GRAN											
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		a Tenn	essee c	orpa	ratio	n							
		Ву:		house did 'est				-					
		Name:	Charle	es R	. Hya	tt							
		Title: P	reside	nt									

STATE OF TENNESSEE COUNTY OF		
Before me, State, personally appeared William E. Miles, with whom I at the basis of satisfactory evidence), and who, upon oath, act other officer authorized to execute the instrument) of OLD I the within named bargainor, a limited liability company, an foregoing instrument for the purposes therein contained, by liability company by himself as Chief Manager.	knowledged himself to be HILLSBORO BUILDING I that he as such Chief M	e Chief Manager (on COMPANY, LLC lanager executed the
Witness my hand and seal, at Office in, 2018.	, Tennessee, this	day of _
	NOTARY PUBLIC	
MY COMMISSION EXPIRES:		
STATE OF TENNESSEE COUNTY OF		
Before me,	, a Notary Public of	of said County and
State, personally appeared Charles R. Hyatt, with whom I at the basis of satisfactory evidence), and who, upon oath, ack officer authorized to execute the instrument) of TENNESS within named bargainor, a Tennessee corporation, and that instrument for the purposes therein contained, by personally a as President.	n personally acquainted (mowledged himself to be EE WASTEWATER SY he as such President exe	or proved to me on President (or other 'STEMS, INC., the cuted the foregoing
Witness my hand and seal, at Office in, 2018.	Tennessee, this	day of_
	NOTARY PUBLIC	
MY COMMISSION EXPIRES:		

EXHIBIT A PROPERTY DESCRIPTION

Exhibit H

Restrictive Covenants

SPECIAL PROVISIONS REGARDING WASTEWATER DISPOSAL

- Section 1. <u>Wastewater System.</u> The Property and each Residential Unit located thereon shall be served by a wastewater treatment and disposal system to be operated by the Wastewater Utility. Each Owner, by purchase of a Residential Unit, agrees to enter into an agreement regarding the Wastewater System with such Wastewater Utility in form and substance satisfactory to such Wastewater Utility, and to abide by any rules, regulations or other requirements of such Wastewater Utility regarding the Wastewater System ("Do's & Don'ts for Effluent Collection Systems").
- Section 2. <u>Wastewater Utility.</u> No individual wastewater disposal system shall be permitted on any Residential Unit. The Wastewater System of the Property will be owned and operated by the Wastewater Utility, a public utility company, which is regulated by the Tennessee Public Utility Commission. Water and sewer lines will be installed to the line of each Residential Unit. It will be the responsibility of a Lot Owner who is building a home to extend these lines to the dwelling and install components per the specifications of the Wastewater Utility.

Section 3. System Requirements.

- (a) The Wastewater System being installed requires the Owner of each Residential Unit to purchase and install a tank system on the Residential Unit when constructing a building and before occupancy of the dwelling. After installation of the tank is accepted by the Wastewater Utility, all maintenance, service and/or replacement will thereafter be the responsibility of the Wastewater Utility. The Owner by accepting a deed to a Residential Unit in the Sweet Apple Hill subdivision grants a convenience easement onto and across the property to the Wastewater Utility responsible for maintenance of the collection lines and sewer tank system. The Owner shall purchase and install, at the Owner's expense, a tank system of a size, shape, and nature as required by and in compliance with specifications as provided to the then Owner by the Wastewater Utility.
- (b) Each Owner shall be required to ensure that a water shut-off valve with an appropriate valve box is installed in the water line on the Owner's side of the water meter at each residence built on a Residential Unit within the Property. The valve shall comply with specifications established by the Wastewater Utility.
- (c) The Wastewater Utility will authorize the Owner to discharge wastewater into the Wastewater System only after the Wastewater Utility has inspected and approved the equipment installation.
- Section 4. Owner Responsibilities. The Cwner agrees that by accepting a deed to a Residential Unit and by installing and using the tank system that such Owner will not knowingly discharge nor allow to be discharged any material, chemical, solid or liquid into the Wastewater System that will create an environmental hazard or that will cause damage to any part of the Wastewater System.

Section 5. Fees.

- (a) A stand-by fee for each Residential Unit is charged by the Wastewater Utility until a dwelling is constructed and connected to the Wastewater System and the Owner signs up for service. The amount of the stand-by fee is set by the Tennessee Public Utility Commission and is \$120.00 per year as of the date of adoption of this Declaration, or as may be amended in the future by the Tennessee Public Utility Commission. Such fee shall be paid by the Owner of each Residential Unit by December 15th of each year, and shall be paid by the record Owner of such Residential Unit as of December 1st of such year.
- (b) In order to secure wastewater service to a home, the Owner will be required to enter into a service agreement with the utility. The monthly rate for wastewater service is set by the Tennessee Public Utility Commission.
- Section 6. <u>Survival.</u> The terms and conditions of this Article in its entirety shall survive closing of the sale of any Residential Unit and acceptance of a deed thereto and shall not be merged therein and shall be binding upon successive Owners of each Residential Unit.

EXHIBIT D

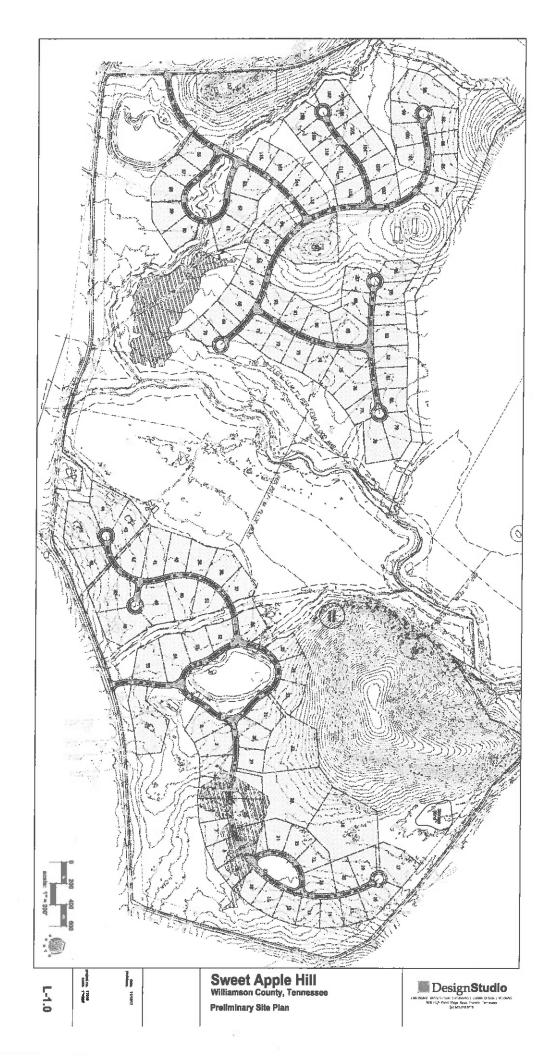


EXHIBIT E

O \leq П П U U Ш W

3538-42 BEAR CREEK I U נע 4009-33 CARTERS CREEK PK

WASTEWATER COLLECTION, WILLIAMSON COUNTY, TENNESSEE S.T.E.P. TREATMENT & SOP # 17025 Mateys DISPERSAL DESIGN

Owner: Old Hillsboro Building Co., LLC 237 2nd Ave South Franklin, TN 37064

Developer: Eddie Miles 237 2nd Ave South Franklin, TN 37064 (615) 500-1610

Engineer:

TSQUARE ENGINEERING

Surveyor: Harrah & Associates 504 Autumn Springs Ct Suite B-15, Franklin, TN (615) 778-0863

We Boundary Survey, including property lines, legal description titles, all a bopgraphy with spot elevations, outstanding physical mrd existing structure locations was provided by the following or ...

ngineering and he associates will not be held responsible for he for design errors or emissions resulting from potential survey Hurrah & Associates 504 Autumn Springs Ct Suite B-15, Franklin, TN (615) 778-0863

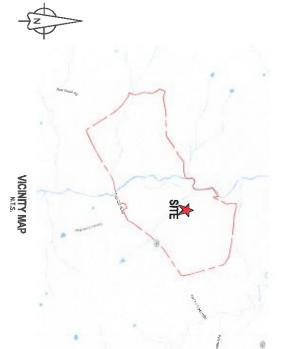
(J)

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LARE

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EERING



LAND DATA Existing Zoning - RP-5 621.83 acres

INDEX OF SHEETS

C-1.0 C-1.1 C-1.2 C-2.0 C-2.1-2.2 DT-1.0-4.0 L-1.0 COVER SHEET# Cross Section Profiles S.T.E.P Details Landscaping Plan Cross Section Plan Treatment Facility Setbacks Drip Field Setbacks Site Plan Cover Sheet SHEET TITLE

Deed Book 2303 Page 469 Map 103, Parcels 9.00 351.12 acres

Map 103, Parcels 14.00 268.71 acres

Deed Book 2301 Page 378 Deed References

STEP System Data
Design Flow = 35,000 gpd
Land Application Area Required = 4.13 Ac.
Land Application Area Provided = 4.13 Ac.
Land Reserve Area Provided = 4.24 Ac.
Total Area Provided = 8.37 Ac.

BEAR CREEK ROAD FRANKLIN, TN 37064

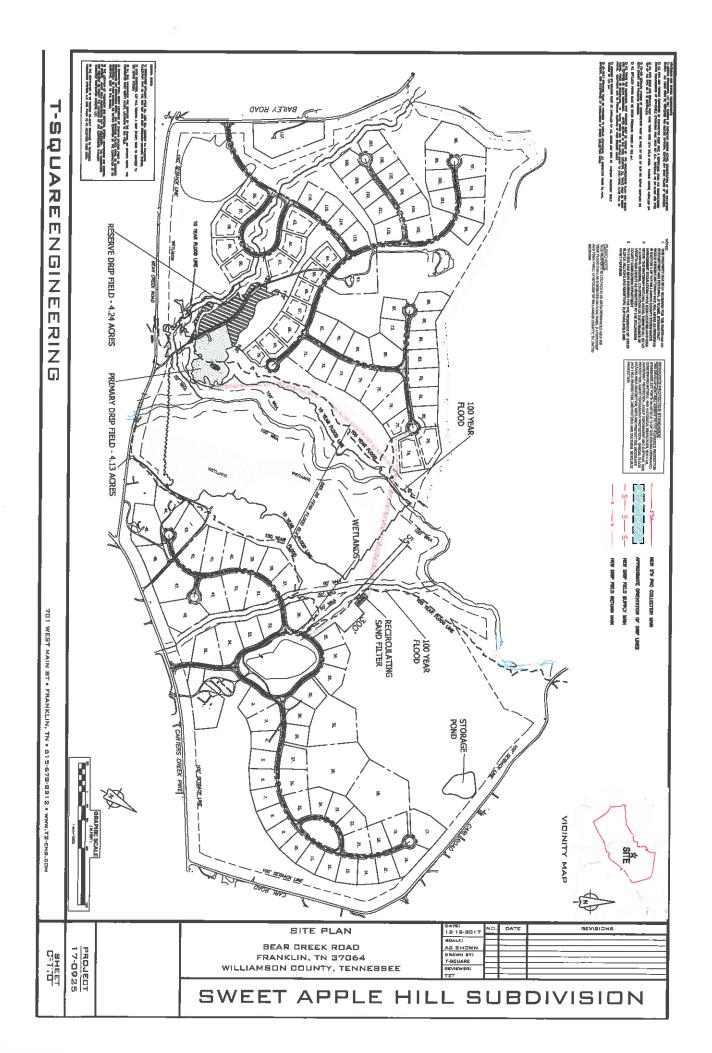
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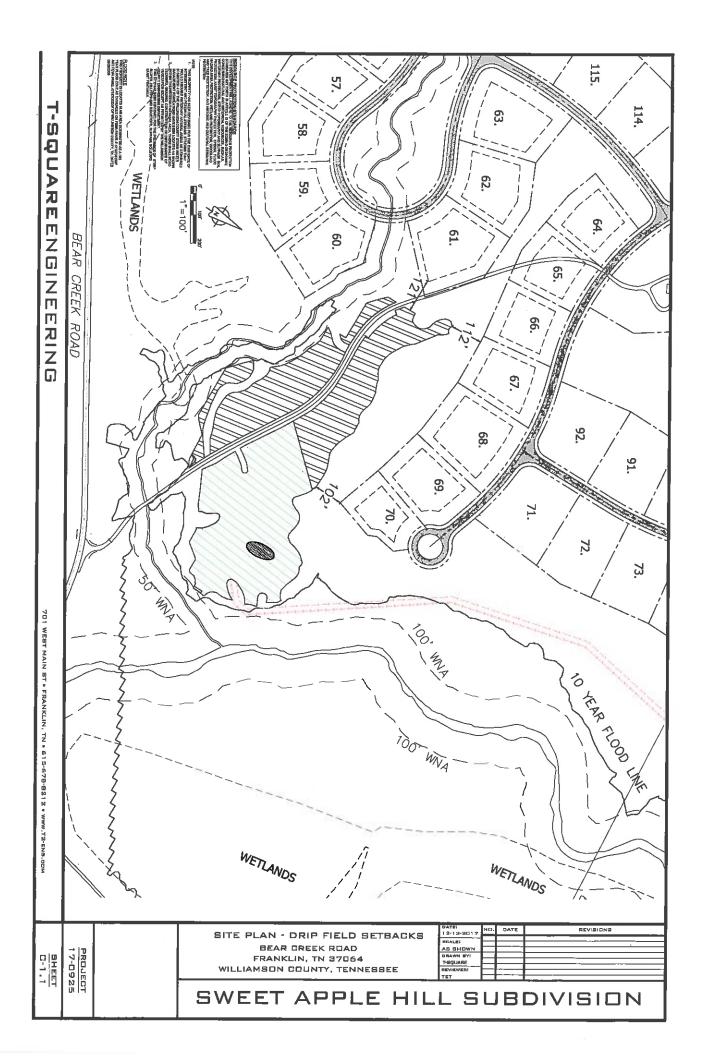
SWEET APPLE HILL

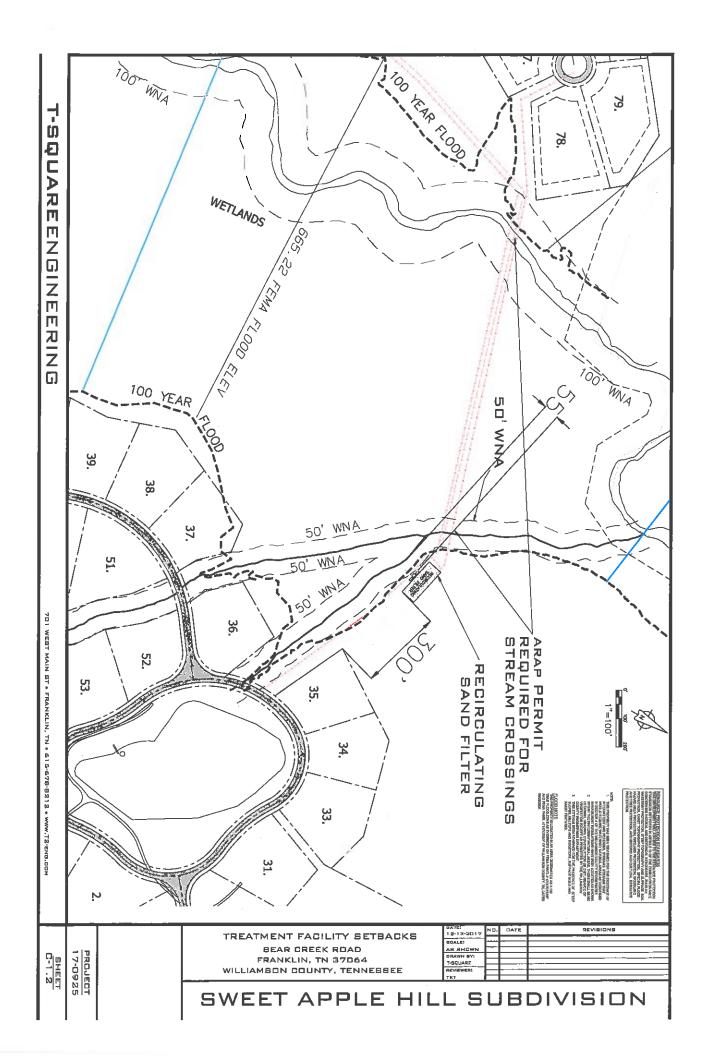
PROJECT 17-0925 SHEET COVER

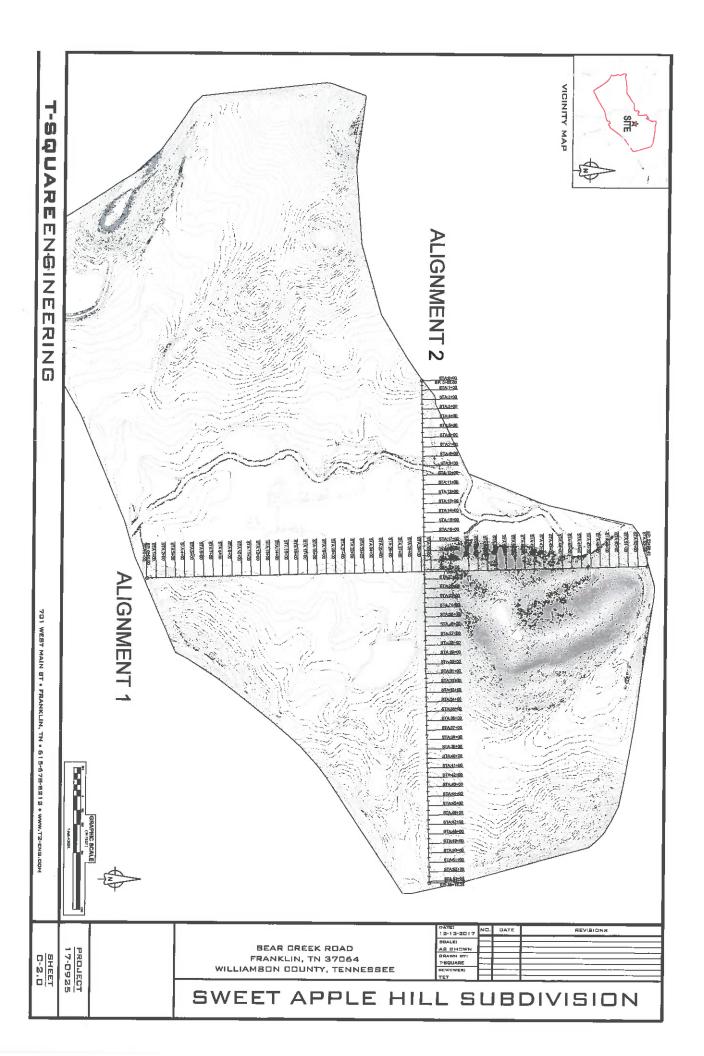
701 WEST MAIN ST . FRANKLIN, TN . 615-678-8212 . www.T2-ENG.COM

SUBDIVISION



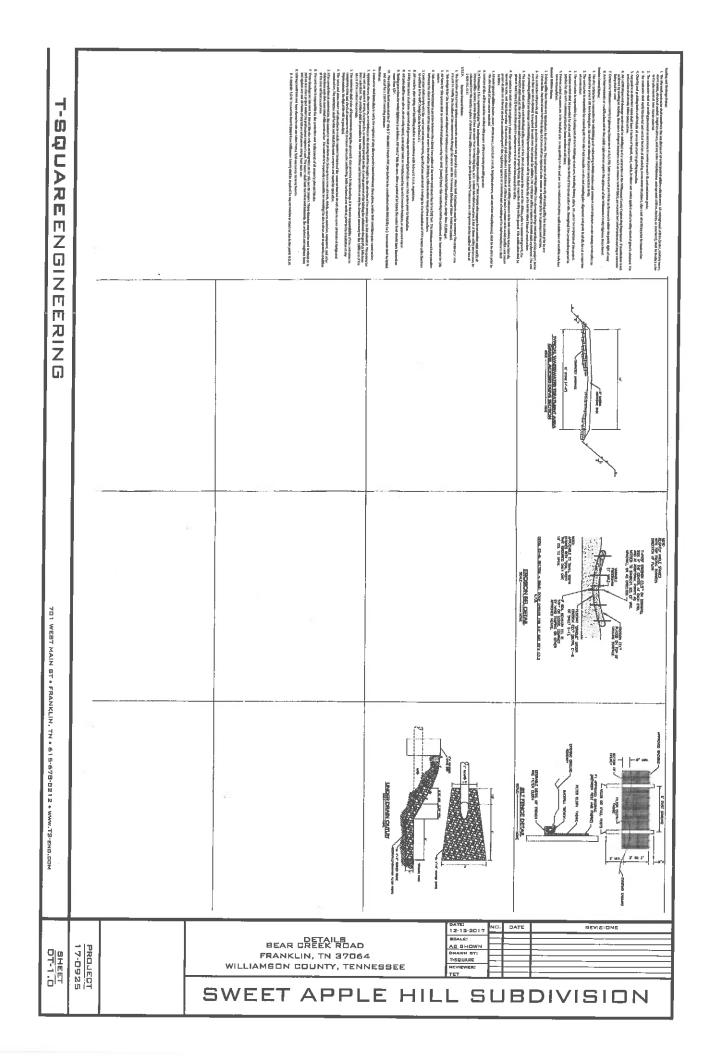


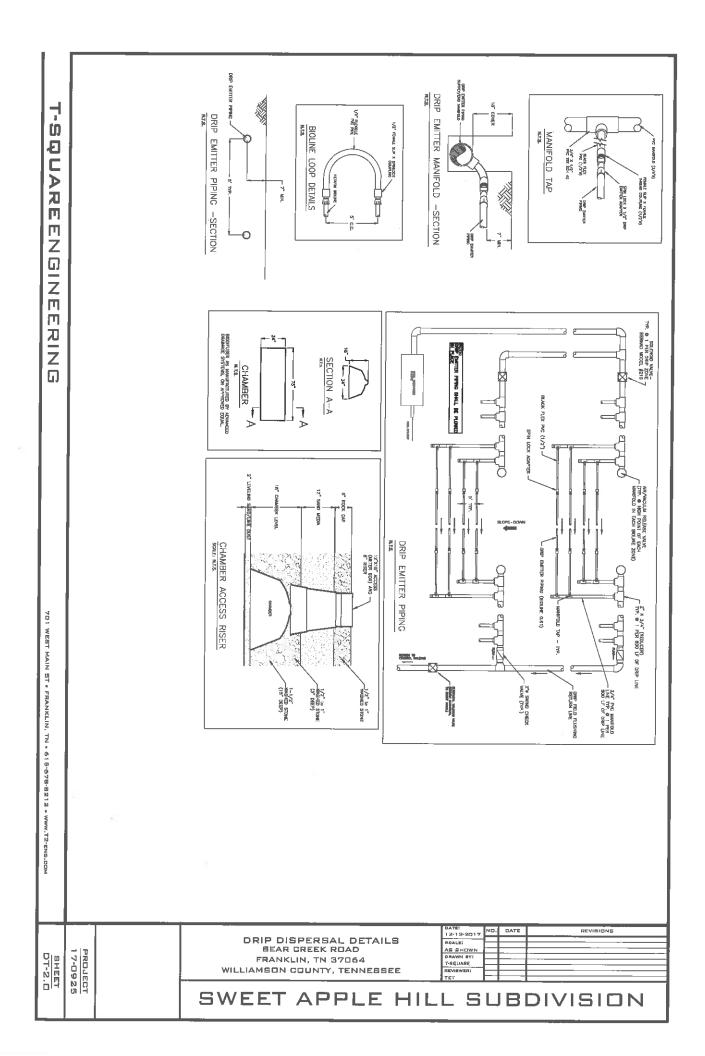


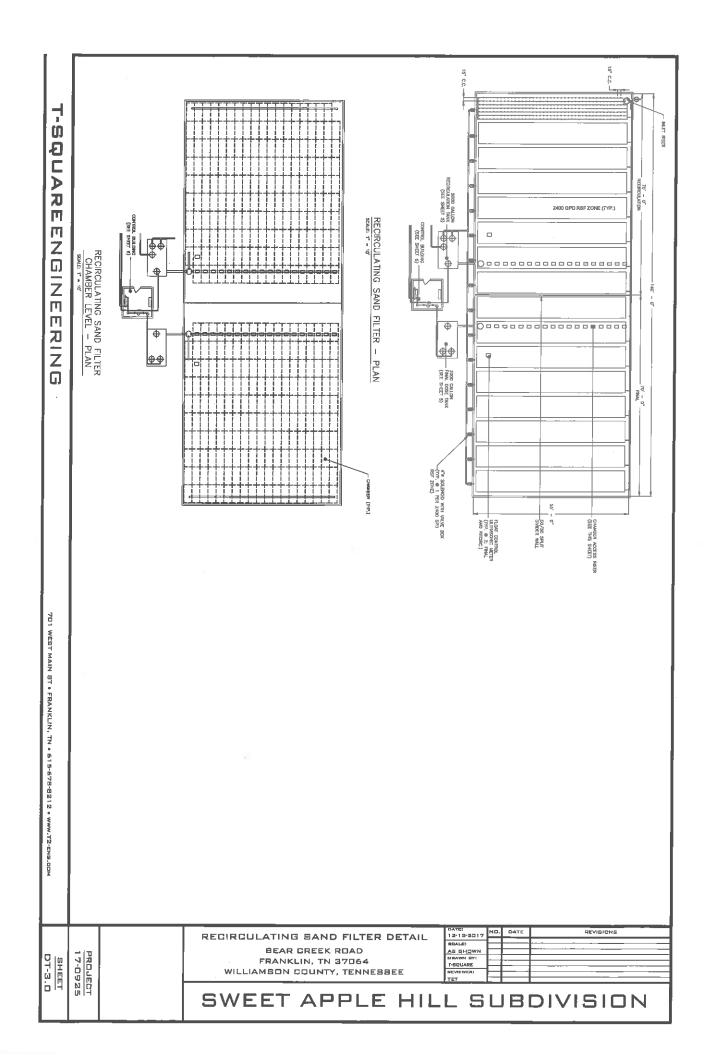


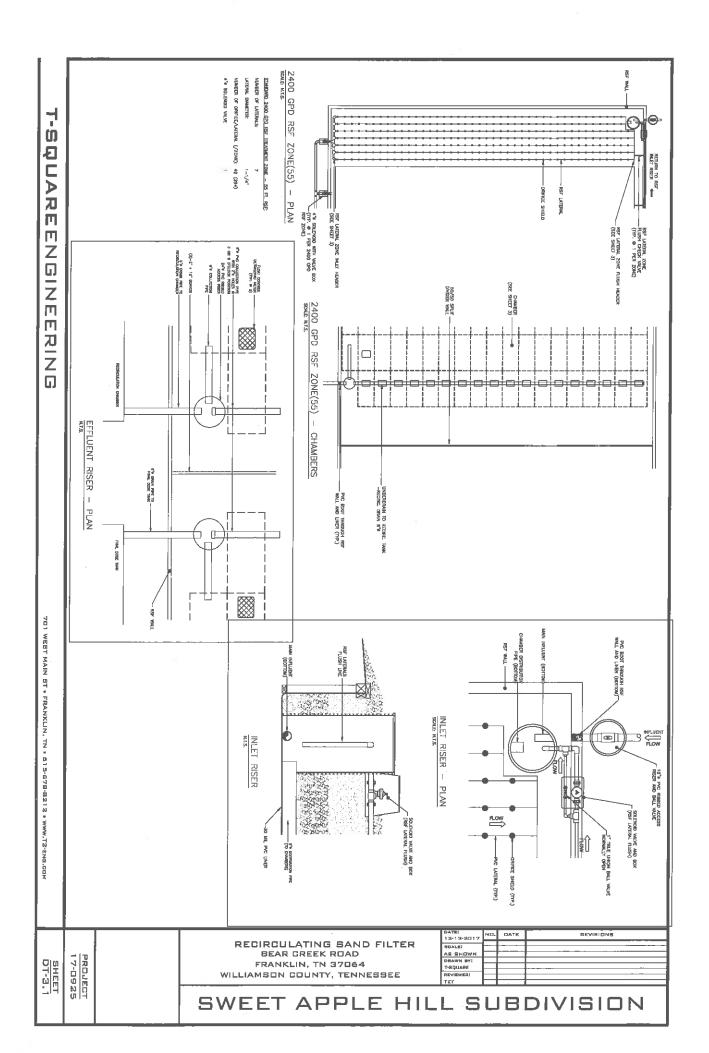
اب س 8 8 670 780 770 780 780 770 770 770 770 770 840 820 810 810 790 677.164 8 Ð 2400 680.000 LARE 676.09 676.08\$ 3+00 670.52 670.518 958.7D 996.598 886.73 686.727 938 98 865 878 MUGINE 687.28 867.259 667.331 667:292 887.11 867 114 888.35 800.349 665,957 **ALIGNMENT 1** ERIZ Z 665,909 15-00 10:00 17:00 18:00 888 240 065,97 005,965 000.81 000.811 660.58 670 00 686.6736 895.78 958.754 885.27 885.272 863.59 683.592 662.53 662.632 63238 662.263 880,00 990.00 **ELEVATION PROFILE** 680,000 995.84 998.636 884.51 884.509 898.25 695.247 729-27 729-270 33+00 76832 758317 780.44 780.438 701 WEST MAIN ST . FRANKLIN, TN . 615-678-8212 . www.TZ-ENG.CON 38+00 38+00 802.49 802.486 619.327 819.327 825.260 38+00 816.421 816.421 39+QQ 800.98 800.988 40+00 41+00 42+00 781.21 781.207 753.55 763.349 717.57 717.588 43+00 716.81 716.815 714.71 714.708 707.26 707.249 694.61B 671.72 671.723 684,01 684,006 683,89 679.54 679.537 84+00 876.90 576.300 673.78 673.783 DATE: 12-12-2017 EQALE: AS SHOWN ORAWN BY! REVISIONS BEAR CREEK ROAD PROJECT 17-0925 SHEET C-2.1 FRANKLIN, TN 37064 WILLIAMSON COUNTY, TENNESSEE SWEET APPLE HILL SUBDIVISION

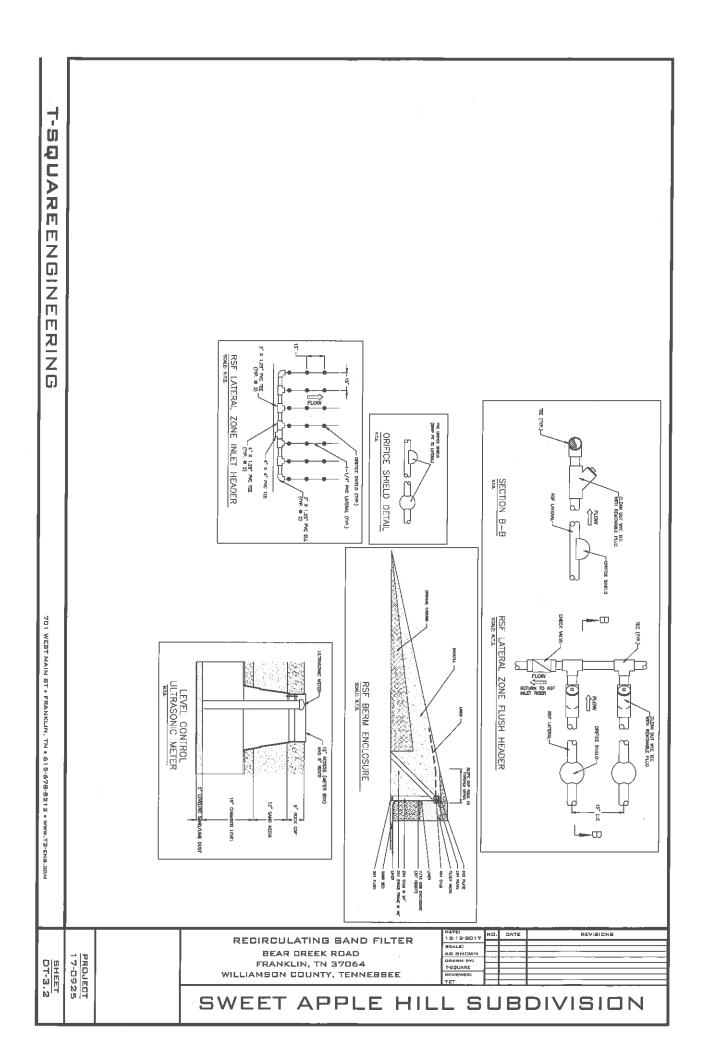
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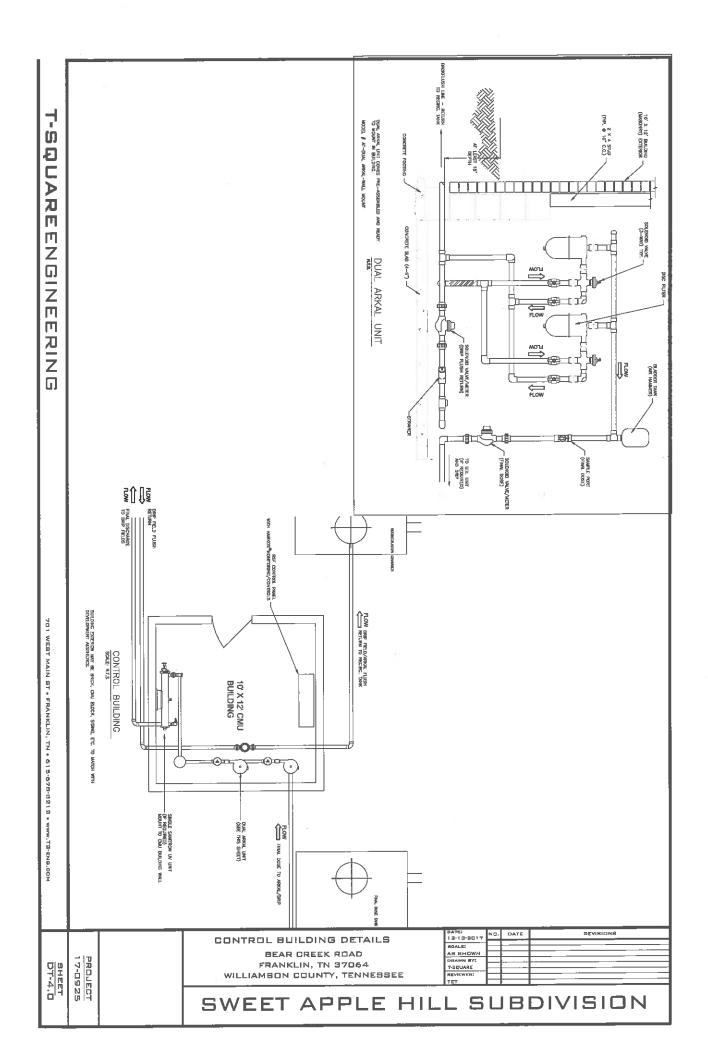












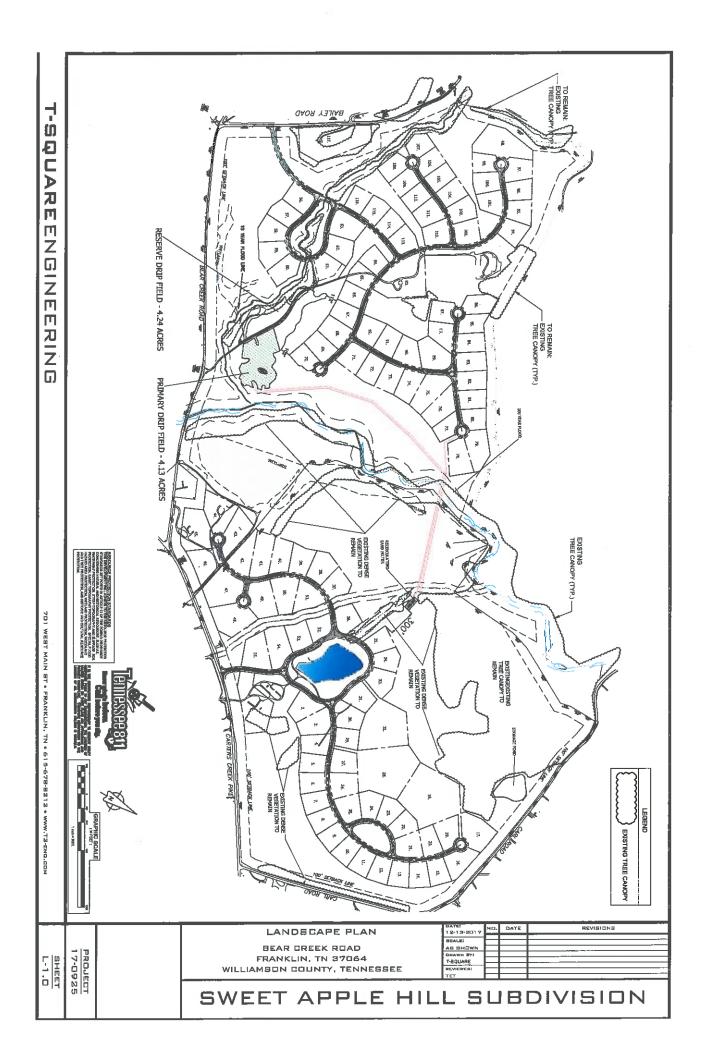


EXHIBIT F



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

February 6, 2018

Mr. Charles R. Hyatt, CEO Adenus Group, LLC e-copy: charles.hyatt@adenus.com 849 Aviation Parkway Smyrna, TN 37167

Subject:

Draft of State Operating Permit No. SOP-17025

Tennessee Wastewater Systems, Inc.-Bear Creek- Miles Treatment Facility

Franklin, Williamson County, Tennessee

Dear Mr. Hyatt:

Enclosed please find one copy of the draft state operating permit, which the Division of Water Resources (the division) proposes to issue. The issuance of this permit is contingent upon your meeting all of the requirements of the Tennessee Water Quality Control Act and the rules and regulations of the Tennessee Water Quality, Oil and Gas Board.

If you disagree with the provisions and requirements contained in the draft permit, you have thirty (30) days from the date of this correspondence to notify the division of your objections. If your objections cannot be resolved, you may appeal the issuance of this permit. This appeal should be filed in accordance with Section 69-3-110, Tennessee Code Annotated.

If you have questions, please contact the Nashville Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Allen Rather at (615) 532-5819 or by E-mail at Allen.Rather@tn.gov.

Sincerely,

Brad Harris, P.E. Manager, Water-Based Systems

Enclosure

cc;

Permit File

Nashville Environmental Field Office

Mr. Jessee Hutcherson, Operator, TWSI, jessee.hutcherson@adenus.com

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

Permit No. SOP-17025

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

Tennessee Wastewater Systems, Inc.-Bear Creek- Miles Treatment Facility Franklin, Williamson County, Tennessee

FOR THE OPERATION OF

STEP/STEG collection system with a recirculating sand filter and drip dispersal, no disinfection. system located at latitude 35.867752 and longitude -86.965392 in Williamson County, Tennessee to serve approximately 120 homes in the Bear Creek Subdivision. The design capacity of the system is .036 MGD.

This permit is issued as a result of the application filed on December 13, 2017, in the office of the Tennessee Division of Water Resources. This permit is contingent on the submission and department approval of construction plans, specifications and other data in accordance with rules of the department. Updated plans and specifications must be approved before any further construction activity.

This permit shall become effective on:
This permit shall expire on:
Issuance date:
for Tisha Calabrese Benton Director

CN-0729

A. GENERAL REQUIREMENTS

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

Parameter	Sample Type	Daily <u>Maximum</u>	Monthly Average	Measurement Frequency	
Flow *	Totalizer			Daily	
BOD ₅	Grab	45 mg/l	N/A	Once/Year	
Ammonia as N	Grab	Report	N/A	Once /Quarter	

^{*} Report average daily flow for each calendar month.

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

This permit allows the operation of a wastewater collection, treatment, and storage system with disposal of treated wastewater through approved land application areas. There shall be no discharge of wastewater to any surface waters or to 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.

The land application component shall be operated and maintained to ensure complete hydraulic infiltration within the soil profile, transmission of the effluent away from the point of application, and full utilization of the soil profile as a portion of the treatment system.

Instances of surface saturation, ponding or pooling within the land application area as a result of system operation are prohibited. Instances of surface saturation, ponding or pooling shall be promptly investigated and noted on the Monthly Operations Report. The report shall include details regarding location(s), determined cause(s), the actions taken to eliminate the issue, and the date the corrective actions were made. Any instances of surface saturation, ponding or pooling not associated with a major precipitation event not corrected within three days of discovery shall be reported to the local Environmental Field Office at that time for investigation. Surface saturation, ponding or pooling resulting in the discharge of treated wastewater into Waters of the State or to locations where it is likely to move to Waters of the State shall be immediately reported to the local Environmental Field Office, unless the discharge is separately authorized by a NPDES permit."

All drip fields shall 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 shall 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 fourteen days (default) OR in accordance with an operating and maintenance inspection schedule in the permit administrative file record. The default inspection frequency will apply if an operating and maintenance inspection schedule is not submitted to be a part of the permit administrative file record. The operating and maintenance inspection schedule shall at a minimum evaluate the following via onsite visits or telemetry monitoring or a combination of the two:

- o the condition of the treatment facility security controls (doors, fencing, gates, etc.),
- o the condition of the drip area security controls (doors, fencing, gates, etc.),
- o the condition of the site signage,
- o the operational status of the mechanical parts of the treatment system (pumps, filters, telemetry equipment, etc.)
- o the condition of the UV bulbs (if applicable)
- o the condition of the land application area including the location of any ponding
- o the name of the inspector
- o the description of any corrective actions

Submission of the schedule, or revisions to the schedule, may be submitted to the division electronically. The schedule shall be submitted on or before the effective date of the permit. The permittee is responsible for maintaining evidence that the schedule, or revisions, have been submitted to the division.

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.

"Wastewater" for the purpose of this permit means "sewage" as defined in TCA 69-3-103

D. REPORTING

1. Monitoring Results

Monitoring results shall be recorded consistent with the general requirements imposed in Part A above OR in accordance with the operating and maintenance inspection schedule in the permit administrative file record 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. Monitoring results shall be reported in a format approved by the division. Operation reports and any communication regarding compliance with the conditions of this permit must be sent to:

Division of Water Resources Nashville Environmental Field Office 711 R.S. Gass Boulevard Nashville, TN 37216

The first operation report is due on the 15th of the month following the quarter containing the permit effective date. Until the construction of the treatment system is complete and the treatment system is placed into operation, operational reports shall report "monitoring not required".

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 Rule 0400-40-05-07(2)(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 0400-40-05-.05(6)(a-c).

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 Resources (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 notification of permittee and 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 Resources.

4. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems (and related appurtenances) for collection and treatment which are installed or used by the permittee to achieve compliance with the terms and conditions of this permit. Proper operation and maintenance also includes adequate laboratory and process controls and appropriate quality assurance procedures. This provision requires the operation of backup or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit. Backup continuous pH and flow monitoring equipment are not required.

The monitoring frequency stated in this permit shall not be construed as specifying a minimum level of operator attention to the facility. It is anticipated that visits to the treatment facility by the operator will occur at intervals frequent enough to assure proper operation and maintenance, but in no case less than one visit every fourteen days OR in accordance with an operating and maintenance inspection schedule in the permit administrative file record. If monitoring reports, division's 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.

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 69-3-108 (h) of 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 field office within 24 hours from the time the permittee becomes aware of the circumstances. (The environmental field office should be contacted for names and phone numbers of emergency response personnel.)

A written submission must be provided within five days of the time the permittee becomes aware of the circumstances unless this requirement is waived by the Director on a case-by-case basis. The permittee shall provide the Director with the following information:

- i. A description of the discharge and cause of noncompliance;
- ii. The period of noncompliance, including exact dates and times or, if not corrected, the anticipated time the noncompliance is expected to continue; and
- iii. The steps being taken to reduce, eliminate, and prevent recurrence of the non complying discharge.

b. Scheduled Reporting

For instances of noncompliance which are not reported under subparagraph 2.a. above, the permittee shall report the noncompliance on the Quarterly Operation Report. The report shall contain all information concerning the steps taken, or planned, to reduce, eliminate, and prevent recurrence of the violation and the anticipated time the violation is expected to continue.

3. Overflow

- a. "Overflow" means the discharge of wastewater 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.

- d. 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. 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 Resources 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 workmanlike 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.
- b. Bypasses are prohibited, unless:
- i. The bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
- ii. There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup 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 preventive maintenance; and
- iii. For anticipated bypass, the permittee submits prior notice, if possible at least ten days before the date of the bypass; or
- iv. For unanticipated bypass, the permittee submits notice of an unanticipated bypass within 24 hours from the time that the permittee becomes aware of the bypass.
- c. A bypass that does not cause effluent limitations to be exceeded may be allowed only if the bypass is necessary for essential maintenance to assure efficient operation.
- d. "Severe property damage" when used to consider the allowance of a bypass means substantial physical damage to property, damage to the treatment facilities which causes 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.

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

The permittee shall place a sign at the entrance to the land application area if fenced or all reasonsable approaches to the land application area. The sign should be clearly visible to the public. The minimum sign size should be two feet by two feet (2' x 2') with one inch (1") letters. The sign should be made of durable material

RECLAIMED WASTEWATER
DRIP IRRIGATION
(PERMITTEE'S NAME)
(PERMITTEE'S PHONE NUMBER)
TENNESSEE DIVISION OF WATER
RESOURCES
Nashville 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 (STEP) 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 Rule 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 name of the facility the hauler intends to use for disposal of the septage 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. OWNERSHIP OF THE TREATMENT FACILITIES

- a. The permittee shall own the treatment facilities (and the land upon which they are constructed) including the land to be utilized for drip or spray irrigation. A perpetual easement (properly recorded) may be accepted in lieu of ownership. Evidence of ownership of the treatment facility land application site(s) and/or a copy of the perpetual easement(s) must be furnished to the division for approval prior to construction of the wastewater collection and treatment system. Signed agreements stating the intent of the existing landowner to transfer ownership may be provided to support permit issuance. Final SOP's will not be issued without establishing ownership/access rights.
- 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 event 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.

Attachment 1 STATE OF TENNESSEE

DEPARTMENT OF ENVIRONMENT AND CONSERVATION DIVISION OF WATER RESOURCES-LAND BASED SYSTEMS UNIT

William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue Nashville, Tennessee 37243

MEMORANDUM

TO:

Brad Harris, P.E. Land Based Systems Unit

FROM:

Allen Rather, DWR- Land Based Systems Unit

DATE:

12/27/2017

SUBJECT:

LCSS/SFDS (Class V Injection) Approval

Tn. Wastewater Systems, Inc. - Bear Creek- Miles Treatment Facility

Franklin, Williamson County, Tennessee UIC File WIL 0000197 SOP-17025

The Division of Water Resources has reviewed the submittal of an Application for Authorization to Operate a Class V Underground Injection Well (Large Capacity Septic System/Subsurface Fluid Disposal System) utilizing drip dispersal for the waste water at the Bear Creek-Miles Treatment Facility located at Franklin, Williamson County, Tennessee. This Division approves the application dated 12/13/2017.

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.

In accordance with Underground Injection Control (UIC) Rule 0400-45-06-.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 0400-45-6-.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.

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. All drip lines are to be installed on contour.

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.

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: file

EXHIBIT G

Sweet Aplle Hill Subdivision Williamson County 31-Jan-18

Design, Engineering & Construction Budget

<u>Task</u> <u>Design & Engineering</u>	<u>Units</u>		<u>C</u>	<u>ost</u>		Sub	-Total Budge	<u>rt</u>	
Soils Mapping		10)	\$800) per acre	\$	8,000.00)	
Survey		120	1	\$120	per lot	\$	14,400.00)	
DSIR		1	\$	10,000.00		\$	10,000.00)	
DDR		1	\$	14,500.00)	\$	14,500.00)	
DDR Submission		1	\$	3,500.00	1	\$	3,500.00)	
Engineering Design		120		\$350	per lot	\$	42,000.00)	
Grid Staking		8.5		\$250	per acre	\$	2,125.00		
State Operating Permit		1	\$	6,325.00		\$	6,325.00		
Engineering Coordination		1	\$	5,000.00		\$	5,000.00		
			SU	BTOTAL				\$	105,850.00
Construction of Treatment, Filter 8	Drîp								
Infrastructure Access		1	\$	7,500.00		\$	7,500.00		
Filter System		1	\$	30,000.00		\$	30,000.00		
Monitoring System		1	\$	39,500.00		\$	39,500.00		
Double Dual Arkal		1	\$	40,000.00		\$	40,000.00		
Tanks		1	\$	16,000.00		\$	16,000.00		
Pumps & Equipment		1	\$:	185,000.00		\$	185,000.00		
Drip Field		1	\$	89,750.00		\$	89,750.00		
Storage Pond - 40 day		1	\$	30,000.00		\$	30,000.00		
Fence - 4 board wood		8000	\$	12.50	foot	\$	100,000.00		
			SU	BTOTAL				\$	537,750.00
Construction Inspections Line Inspections		10	\$	750.00	each	\$	7,500.00		
Tank Inspections - Prelimenary		120	\$	225.00	each	\$	27,000.00		
Tank Inspections - Final		120	\$	225.00	each	\$	27,000.00		
			SU	BTOTAL				\$	61,500.00
Regulatory TDEC and TPUC									
Filing Fees		1	\$	1,000.00		\$	1,000.00		
Legal Fees		1	\$	6,500.00		\$	6,500.00		
Coordination & Revisions		1	\$	7,500.00		\$	7,500.00		
			SU	BTOTAL				\$	15,000.00
								\$	720,100.00
Overhead - 12% Profit - 6%	\$ 720,10 \$ 806,51			12% 6%		\$ \$	86,412.00 48,390.72		
	7 000,01			5/6		*	-10,030.12	5	134,802.72
						TOTAL		\$	854,902.72

EXHIBIT H

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	Projected Income Statement	=						
Line No.	Item	Vear 1	Year 2	Year 3	Year 4	Year 5	Vear 6	Voor 7
	Operating Revenue						5	
•	1 Service Revenue	2,041.20	\$ 6,123,60	\$ 18.370.80	80 \$ 26.535.60	\$ 32 659 20	¢ 38 787 80	\$ 44 905 AD
. •	2 Re-connect Fees	98	9	- • /1			\$ 20,102.00	ot:ooc't
	3 Returned Check Charge	,	. 10	- 4/1	1	. v	,	. · ·
4	4 Late Payment Charge	1	- 401	. 47	. 47	· •	. ·	
	5 Total Operating Revenue (sum of Line 1 through 4) \$	2,041.20	\$ 6,123.60	\$ 18,370.80	\$ 26,535	\$ 32,659.20	\$ 38,782.80	\$ 44,906.40
	Operating Expenses							
•	6 Total salaries and wages and payroll taxes (employees only)	10.000.00	\$ 10.500.00	11 000 00	00 \$ 11 500 00	\$ 12,000,00	¢ 12 E00 00	\$ 12,000,00
•	7 Outside labor expenses (non-employee)	9	10	* 40			4 12,300,00	on Thomas
~~	8 Administrative and office expenses	3.000.00	3.300.00	3.600.00	00 \$ 3,900,00	\$ 4200.00	\$ 4300 m	4 750 00
~ 1	9 Maintenance and repair expense	2,000.00	\$ 2,500.00	···v	· •0	- 47	\$ 4300.00	\$ 4500.00
Ħ	10 Purchased water	6	10	- ₹/3	· 40	5	>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>	00'000't \$
H	11 Purchased sewerage treatment	89	10	٠,	٠ 45	· v	107	
17	12 Electric power expense	2,400.00	\$ 2,800.00	\$ 3,200.00	00 \$ 4,000.00	\$ 4,600.00	\$ 4.900.00	\$ 5.100.00
ä	13 Chemical expense	(1)	10	• \$5	· vs	- 45	47	- - -
1	14 Testing fees	00'009	\$ 650.00	\$ 700.00	00 \$ 750.00	\$ 800.00	\$ 950.00	\$ 1.050.00
ਜ	15 Transportation expense	1,000.00	\$ 1,200.00	\$ 1,400.00	\$	\$ 1,800.00	\$ 1,950.00	\$ 2.050.00
ĭ	16 Other operating expense	C	10	\$	\$	45	· · · · · · · · · · · · · · · · · · ·	S
ï	Telemet	1,320.00	\$ 1,320.00	\$ 1,320.00	00 \$ 1,320.00	\$ 1,320.00	\$ 1,320,00	\$ 1.320.00
18	3 Total operation and maintenance expenses (sum of Line 6 through Line 17) \$	20,320.00	\$ 22,270.00	\$ 2	00 \$ 26,570.00	\$ 28,720.00	\$ 30,220.00	\$ 31,770.00
だ	19 Annual depreciation expense	1,500.00	3 1,500.00	ŝ	·CV·	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
7	20 Property taxes paid on utility property	3,500.00	\$ 3,500.00	9 3,500.00	3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500,00
7	21 Franchise (gross receipts tax)	2,160.00	\$ 2,160.00	\$ 2,160.00	30 \$ 2,160.00°	\$ 2,160.00	\$ 2,160.00	\$ 2,160.00
27	22 Annual NCUC regulatory fee	86.75	\$ 260.25	-cs	40	\$ 1.388.02	\$ 1.648.27	\$ 1.908.52
ĸ	Total operating expenses (sum of Line 18 through Line 22) \$	27,566.75	29,690.25	\$ 32,160.76	. ₩	\$	\$ 39,028.27	\$ 40,838.52
24	24 Income taxes			ť	•	•	1	1
52	25 State income taxes			·	n 1	, ,	n m +	vs +
26	26 Federal income taxes		ii η τ	ስ ሌ ፈ	! ሉ ቴ	: ሱ ተ	o o t	in .
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i	Cover Titoria Titoria	1	o.	'n	· ·	i.	ۍ.	\$
75	28 Net operating income	\$ (25,525.55)	\$ (23,566.65)	(13,789.96)	96) \$ (8,322.16)	\$ (4,608.82)	\$ (245.47)	\$ 4,067.88
25	29 Interest expense	1,000.00	\$ 1,000.00	\$ 1,000.00	00 \$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
35	30 Net income \$	\$ (26,525.55)	\$ (24,566.65)	(14,789.96)	(9,322,16)	\$ (5,608.82)	\$ (1,245.47)	\$ 3,067.88

EXHIBIT I



505 Downs Blvd., Franklin, TN 37064 ♦Office: 615-794-7796 ♦ Fax: 615-591-9094

December 13, 2017

RE: Bear Creek Road Development

Mr. Miles,

A request for wastewater utility service was made for a potential development on Bear Creek Road to HB&TS Utility District. While HB&TS does serve as the area's water provider, the Utility does not service wastewater. Due to this fact, HB&TS is unable to serve the development's wastewater services.

If you have any questions, do not hesitate to call.

Sincerely,

Assistant Operations Manager

HB&TS Utility District

EXHIBIT J



WILLIAMSON COUNTY GOVERNMENT

December 14, 2017

VIA UNITED STATES MAIL

Mr. Eddie Miles Old Hillsboro Building Company, LLC 237 2nd Avenue South Franklin, TN 37064

Re:

Sewer Request for Properties at:

3538-42 Bear Creek Road, Franklin, TN

Tax Map 103, Parcel 14.00

And

4009-33 Carters Creek Pike, Franklin, TN

Tax Map 103, Parcel 9.00

Dear Mr. Miles:

On December 13, 2017, Williamson County received your request that sewer service be provided to the above-named property. In response to your inquiry, this correspondence confirms that Williamson County Government does not currently provide public sanitary sewer service to these properties and has no plans in the foreseeable future to provide said service.

I hope this information is helpful. Should you need anything further, please do not hesitate to contact me.

Sincerely,

Rogers Anderson

County Mayor



EXHIBIT K

December 15, 2017

Tennessee Wastewater Systems, Inc Attention: Charles Hyatt, President 851 Aviation Parkway Smyrna, TN 37167

RE:

Sewer Service Request for Properties at: 3538-42 Bear Creek Road, Franklin TN 37604 GIS # 103----01400 & 4009-33 Carters Creek Pike, Franklin TN 37604 GIS # 103----00900

Mr. Hyatt,

I am writing to request sewer services from Tennessee Wastewater Services, Inc for the development of adjacent parcels containing approximately 600 acres. A proposed concept plan to create a 120-lot subdivision on the subject properties would necessitate a waste water treatment facility. The subject properties are located at 3538-42 Bear Creek Rd and 4009-33 Carters Creek Pk. in Williamson County, TN. Neither of the properties fall within any urban growth boundaries.

Sincerely, Eddie Miles

Eddie Miles

Old Hillsboro Building Company, LLC 237 2nd AVE South Franklin, TN 37064 eddie@oldhillsborobuildingcompany.com 615.500.6291

EXHIBIT L

CHECK SHEET

Sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

SECTION	SHEET	REVISION	SECTION	SHEET	REVISION
1	1	1st Revised	5	1	Original
1	2	14th Revised*	5	2	Original
1	3	1st Revised	5	3	4 th Revised
1	4	Original	5	4	4th Revised*
1	5	Original	6	1	9th Revised
1	6	Original	6	2	9 th Revised
1	7	Original	6	3	7 th Revised
2	1	Original			
2 2	2	Original			
	3	1st Revised			
2	3.1	Original			
2	4	1st Revised			
2	5	1st Revised			
2	6	Original			
2	7	1st Revised			
2	7.1	Original			_
2	8	Original			
2	9	2 nd Revised			
3	1	Original			
3	2	Original			-
3	3	Original			
3	4	2 nd Revised			
3 -	5	5 th Revised			- /
3	6	2 nd Revised			
3	7	2 nd Revised*			
4	1	12 th Revised			
4	2	11 th Revised			

Issued: January 4, 2018
Issued By: Charles Hyatt
President

T.R.A. No. 1 Section 3 Second Revised Page 7

WASTEWATER UTILITY SERVICE

Service Territory Scales Project	<u>County</u> Williamson	TRA Docket # 14-00006	Rate Class RATE CLASS 1
Clovercroft Acres	Williamson	14-00062	RATE CLASS 1
Enclave at Dove Lake	Williamson	15-00025	RATE CLASS 1
Sweet Apple Hill	Williamson	17-00145	RATE CLASS 1

Issued:

January 4, 2018

Effective:

Issued by:

Charles Hyatt, President

WASTEWATER UTILITY SERVICE

Service Territory Falling Waters	County Sevier	TRA Docket # 06-00259
Black Bear Ridge Resort	Sevier	06-00259
Smoky Cove	Sevier	06-00259
Brigadoon Resort	Roane	05-00241
Lowe's Ferry Landing	Blount	05-00339
Reserve on the Tennessee River	Blount	07-00195
Smokey Mountain Reflections RV Park	Sevier	07-00235
Greenbriar Subdivision	Sevier	08-00013
Preserve Condominiums	DeKalb	08-00113
Tarpley Shop Utility District	Giles	08-00161
Lakeside Meadows	Monroe	08-00162
Fairway Vistas	Blount	08-00163
Saddle Ridge	Monroe	08-00209
Scenic River	Monroe	09-00006
Preserve at Eagle Rock	Hamblen	09-00007
Scales Project	Williamson	14-00006
Clovercroft Acres	Williamson	14-00062
Sweet Apple Hill	Williamson	17-00145

Issued: February 6, 2018
Issued By: Charles Hyatt

President

IN THE TENNESSEE PUBLIC UTILITY COMMISSION AT NASHVILLE, TENNESSEE

IN RE: PETITION OF TENNESSEE WASTEWATER SYSTEMS, INC., TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY))))	DOCKET NO. 17-00145
SUPPLEMENTAL TESTIM	ONY C	F FRED PICKNEY

Q1. What is your name and business address?

A. I am Fred Pickney. My business address is 849 Aviation Parkway, Smyrna TN, 37167.

Q2. By whom are you employed and in what capacity?

A. I am employed by Tennessee Wastewater Systems, Inc. as Vice President of Business Development.

Q3: Have you previously caused testimony to be filed in this case?

A: Yes.

Q4. What is the purpose of this testimony?

A. The purpose of this supplemental testimony is to clarify the amount of land involved in the development and to provide some context to the updated 5-year projections for the system.

Q5. How much land is being developed for inclusion in the Sweet Apple Hill development?

- A. In total, there are 619 acres being purchased by the developer. The original petition and my original pre-filed testimony only identified 353 acres which is identified on Williamson County Tax Map 103, Parcel 00900. The engineer for the project informed us after the petition and testimony were filed that there is a second parcel of land also being developed as part of the project which is identified on Williamson County Tax Map 103, Parcel 01400. Together, the total acreage being developed is 619 acres. The concept and site plans submitted with the Amended Petition also show that the development is planned across both parcels of land.
- Q6. Please explain the discrepancies in the updated 7-year projection.

A. The original projection was a simple 5-year calculation. We were asked to provide a more detailed projection and once individual line item expenses were addressed, the calculations and projections became more specific which created the discrepancies. The new projection also takes a less aggressive forecast of home sales than the original. The projection is, of course, subject to many variables regarding how the development will come together and what the actual costs associated with serving the development will be. It is certainly quite possible that home sales will occur at a more rapid pace and that certain variable costs associated with operating and maintaining the system will not be as high which will result in the system operating at a profit much quicker than the present projection.

Does this complete your supplemental testimony?

A.

AFFIDAVIT

My name is Fred Pickney and the attached direct testimony is true and correct to the best of my knowledge.

Fred Pickney
Fred Pickney

County of Rutherford State of Tennessee

On this 6th day of February, 2018, personally appeared before me, Suzanne Christmas, a Notary Public, the above-named Fred Pickney known to me personally who was duly sworn and on oath executed the above Affidavit.

Suggeste M. Chustman

STATE OF TENNESSEE NOTARY PUBLIC OF HER PORD COMMISSION OF TENNESSEE NOTARY PUBLIC OF TENNESSEE NOTARY STATE
OF
ENNESSEE
NOTARY
PUBLIC
My commission expires: 12-11 2020

IN THE TENNESSEE PUBLIC UTILITY COMMISSION AT NASHVILLE, TENNESSEE

IN RE:)
PETITION OF TENNESSEE WASTEWATER SYSTEMS, INC., TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY)) DOCKET NO. 17-00145)

DIRECT TESTIMONY OF WILLIAM MILES

- Q1. What is your name and business address?
- A. I am William Miles. My business address is 237 2nd Ave South, Franklin, TN.
- Q2. By whom are you employed and in what capacity?
- A. Old Hillsboro Building Company, LLC. I am the Chief Manager.
- Q3: What are your responsibilities in that position?
- A: I oversee all construction and development activity along with community relations.
- Q4. Please describe your educational background and business experience?
- A. I Attended Belmont University and majored in Philosophy. Worked construction through college, starting in 1985 and worked as a carpenter for a couple of different residential construction contractors until 1992. In 1992, I took a position as Production Manager for Crane Builders overseeing all construction activity for high-end residential construction projects. In January of 2000, I then started my own custom building company, E. Miles Custom Builder, doing high end residential and light commercial construction and land development projects for residential subdivisions to create custom building lots. In 2014, I formed Old Hillsboro Building Company, LLC along with an investor partner named Paul Mishkin. We continue to do custom residential and light commercial construction but have turned our focus primarily to development and have assembled a team of qualified individuals for that purpose.
- Q5. What is the purpose of your testimony in this proceeding?
- A. The purpose of my testimony is to provide information on Old Hillsboro Building Company, LLC, explain the intent and scope of the Sweet Apple Hill development project, and provide information regarding the development process in Williamson County.

Q6. What is Old Hillsboro Building Company ("OHBC")?

A. Old Hillsboro Building Company was started 4 years ago. It's a two-member LLC consisting of a general contractor and investment partner. We are general contracting firm holding an unlimited license for residential and light commercial construction. We have hired a team of seasoned professionals with backgrounds in high-end residential construction, development and planning, as well as large institutional and commercial construction.

Q.7. What developments have OHBC been involved with?

A. Our primary project for these past four years is a \$60 million, luxury 80 room resort with meeting and event venues and a village with restaurant, office and retail space. We have called the project Southall and it is located just outside of the city of Franklin. During that time, we have also developed a couple of other minor subdivisions creating residential building lots for sale in Williamson County.

Q8. Please describe the proposed Sweet Apple Hill development

A. It's a 619 acre parcel with 117 high-end building lots ranging from 1 to 4 acres, along with amenities such as a fitness center, community pool, extensive trail system, equestrian center along with a hospitality component that will make use of the two existing historic homes on the property. The balance of the acreage will be placed in a conservation easement and managed as a working farm.

Q9. What is the status of the Sweet Apple Hill development?

A. The project is currently awaiting a design and site plan approval for Williamson County for the private sewer system. After such site plan approval for the private sewer system, we will then be allowed to submit the actual subdivision concept plan to the Williamson County planning commission for review and approval.

Q10. Does OHBC currently own the land to be developed for this subdivision?

A. No. The land is under binding contract pending development approvals from Williamson County.

Q11. In your experience is it unusual for developers to start working on development projects prior to owning the land they intend to develop?

A. No. It is customary for developers to start working to obtain development approvals for projects prior to closing on the land. Especially for projects of this size and financial commitment, almost all developers will require a "due diligence" period during the pendency of the purchase contract to obtain the necessary development approvals for zoning, soil, septic, sewer, wastewater, utilities, etc. Accordingly, we are seeking the approval from the county on our subdivision concept before we close on the land.

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Q12. When will the purchase of the land for the Sweet Apple Hill development close?

A. We have a contract to purchase with the current owners that was executed on July 17th of 2017 that allows us 8 months to pursue approvals with an option for 2 extensions of 2 months each. This gives us a total of 12 months to secure approvals. Once we have all of our development approvals from Williamson County, then we will move forward and close on the sale of the property.

Q13. Please explain the development process when the developer does not own the land.

A. In Williamson County, you must first submit a complete design and site plan for the private septic system (DDR/DSIR) to the planning commission for approval. Only after that plan is approved are you able to move to the next step and submit a subdivision concept plan to the commission for approval. Below is the schedule allowed by Williamson County. We spoke with the county and they confirmed they will not allow any overlaps in our submittals and approvals. The process of approvals is as follows:

- DDR Submittal
- Planning Commission Meeting to approve Sewer
- Pre-App for Concept Plan
- Concept Plan Submittal
- Planning Commission Meeting to approve Concept Plan
- Pre-App for Preliminary Plat Phase 1
- Preliminary Plat Phase 1 Submittal
- Planning Commission Meeting to approve Preliminary Plat Phase 1
- Work with County on Obtaining Grading Permit
- Planning Commission meeting to approve Final Plat

Q13. Is it your intent to develop a residential subdivision on the 619 acres you have under contract for this project?

A. Yes

O14. Is there a future need for sewer service to this subdivision?

A. Yes

Q15. Does this complete your testimony?

A. Yes.

AFFIDAVIT

My name is William Miles at knowledge.	nd the attached direct testin	nony is true and	correct to the best of my
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William Miles			
County of Williamson State of Tennessee			
On thisday of _	February, 20, a notary po	18, personally ublic, the above	appeared before me e-named William Mile
known to me personally who	was duly sworn and on oat	h executed the a	pove Affidavit.
		Notary	
	My Commission Expires March 3, 2019		
My commission expires:			STATE TE
			TENNESSEE NOTARY PUBLIC
			WINDON COUNTY