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September 28, 2022

Chairman Kenneth Hill
c/o Ectory Lawless
Tennessee Public Utilities Commission
502 Deadrick Street, 4th Floor
Nashville, TN 37243

Electronically Filed in TPUC Docket Room
on September 28, 2022 at 5:20 p.m.

Re: Docket 21-00059, *Application of Limestone Water Utility Operating Company, LLC, for Authority to Sell or Transfer Title to The Assets, Property, and Real Estate of a Public Utility and for a Certificate of Public Convenience and Necessity*

Dear Chairman Hill:

On September 15, 2022, Tennessee Public Utility Commission's Director of Utilities Division, David Foster, sent a letter requesting that Limestone Water Utility Operating Company provide a response to nine data request. The purpose of this letter is to provide Limestone's responses to each request. Limestone's responses are as follows:

1. It is requested that Limestone file a tariff for the Candlewood Lakes water system detailing all of the rate(s) and charge(s) for water service that will apply to customers post acquisition.

RESPONSE: Please see the attached proposed tariff for the Candlewood Lakes water system detailing all of the rates and charges for water service that will apply to customers post acquisition. The proposed tariff is consistent with the Aqua Utilities tariff, which has been approved and is on file with the Commission.

2. Identify each and every annual and monthly rate, fee and charge currently assessed by Candlewood Lakes POA including, but not limited to, monthly water charges, water availability fees, water service fees, late fees, reconnection fees, tap fees, etc.

RESPONSE: Limestone UOC has confirmed with the current owner that the below charges are currently assessed by Candlewood Lakes POA:

- Water Availability Fee: \$52.20 annually.

3. Identify each and every annual and monthly rate, fee and charge currently assessed by Candlewood Lakes POA Water Works, Inc, including, but not limited to, monthly water charges, water availability fees, water service fees, late fees, reconnection fees, tap fees, etc.

RESPONSE: Limestone UOC has confirmed with the current owner that the below charges are currently assessed by Candlewood Lakes POA Water Works, Inc:

Current Water Rates Charged:

- \$320.00 new member non-refundable water service fee (to turn on service)
- \$500.00 tap fee to connect to main
- \$480.00 annual water fee which may be paid annually, quarterly, bi-monthly or monthly at a rate of \$40.00 per month. This is for unmetered water. Payments are due by the 1st of each month and late after the 10th. Disconnects are done after the 21st on any day but Friday, Saturday or Sunday or the day before a holiday.
- \$5.00 late fee is applied on or after the 11th if not paid
- \$35.00 disconnect/reconnect fee

4. Identify all existing shareholders of Candlewood Lakes POA Water Works, Inc.

RESPONSE: To the best of our knowledge, the only information currently available responsive to this question is the attached minutes of the membership meeting approving the subject sale.

5. Within the Restricted Covenants provided in this docket (paragraph 10) a "Water Availability Fee" of \$48.00 annually (\$4.00 per month) is identified. Are the parties aware that an identical fee is currently assessed to lot owners for undeveloped lots by water/wastewater utilities under the Commission's jurisdiction? Due to the fact that the Commission has determined it appropriate that such fees be regulated for other jurisdictional water and wastewater utilities, please explain in detail the rationale for Candlewood Lakes being able to charge a fee for water availability once the system is purchased and transferred to Limestone, i.e., post-acquisition.

RESPONSE: Limestone UOC has confirmed with the current owner that they believe the Water Availability Fee must be charges post-acquisition due to the fact that it is set in the Restrictive Covenants of the Candlewood Lakes POA.

6. Also within the aforementioned paragraph 10 in question 6 above, there is a \$195.00 connection fee to be paid to the "Utility Water Company serving the SUBDIVISION". Will this fee be collected by Limestone post acquisition or will Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc., continue to charge this fee?

RESPONSE: Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc. will not continue to charge this fee. Limestone Water UOC has proposed adopting the \$500 tap fee as stated in DR 7 as the "connection fee".

7. In Candlewood Lakes POA response to the Consumer Advocate dated June 17, 2022, the response to question to 1-2 states: "b. Beginning in approximately 2010, new residents of the Candlewood Lakes Community paid a non-refundable \$320 service charge for water tank maintenance." and "c. The current tap fee for homeowners is \$500." Will Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc., continue to collect these fees post acquisition, or will these fees be assessed and collected by Limestone? Please explain.

RESPONSE: Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc. will not continue to charge this fee. Please see the Company's responses to DR 1 and 6. Additionally, the Company will not charge a \$320 service charge for water tank maintenance.

8. In Candlewood Lakes POA response to the Consumer Advocate dated June 17, 2022, the response to question to 1-3 states that Candlewood Lakes currently charges a \$52.20 monthly Water Availability Fee to property owners prior to service being established, that the fee is not subject to the jurisdiction of the Commission, and the fee covers line maintenance.

a. Provide in detail the specific water facilities covered by this line maintenance and whether Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc., will retain ownership of these facilities, or whether these facilities will be transferred to Limestone post acquisition.

b. If ownership of these facilities is not transferred to Limestone, please identify in any agreement wherein Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc., retains ownership of these specific facilities.

c. If ownership of these facilities will be transferred to Limestone, please explain the rationale for Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc., to continue assessing a monthly Water Availability Fee for line maintenance.

a. The water facility covered by this line maintenance is the Candlewood Lakes POA Water Works water system, PWS ID TN0000797 located in Hardeman County, TN. Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc. will not retain ownership of the facility, as it will be transferred to Limestone post-acquisition.

b. Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc. do not have any agreements in place if the water facility were not to be transferred to Limestone.

c. Limestone Water UOC has confirmed with the current owner that Candlewood Lakes POA must continue to charge the monthly Water Availability Fee as it is set in set in the Restrictive Covenants and Reservations of Candlewood Lakes POA. The POA stated they will continue to charge the fee until the Covenants and Reservations are amended and adopted.

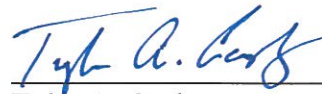
9. If a lot owner does not pay either Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc., for any water fee or charge it assesses post-acquisition, or is in arrears for any such water fee or charge, will this unpaid amount prevent a lot owner from receiving water service from Limestone? Please explain.

RESPONSE: No. Any fee or charge owed to Candlewood Lakes POA or Candlewood Lakes POA Water Works, Inc. will not affect Limestone's service provided to the customer.

If you have any questions, please feel free to reach me at 615-687-4225 or via email at tcosby@farris-law.com.

Sincerely,

FARRIS BOBANGO PLC



Tyler A. Cosby

Encl.

cc: Josiah Cox
David Foster

RULES, REGULATIONS AND TARIFFS

FOR

LIMESTONE WATER UOC, LLC

(Candlewood Lakes)

1630 Des Peres Road, Suite 140

St. Louis, MO 63131

A. STATEMENT OF PURPOSE

The general purpose of these rules and regulations are:

1. To establish procedures for furnishing water, sewerage services on uniform bases to customers within the service area boundary of the Candlewood Lakes Service Area.
2. To provide standards and procedures operation.
3. Establish rates and other charges.

B. DEFINITION OF TERMS

1. COMPANY: The word COMPANY shall mean Limestone Water UOC.
2. ENGINEER: The word ENGINEER shall mean the consulting engineer of the COMPANY.
3. CUSTOMER: The word CUSTOMER shall mean any person, firm, corporation, association, or government unit furnished services by the COMPANY.
4. PROPERTY: The word PROPERTY shall mean all facilities owned and operated by the COMPANY.
5. COMMISSION: The word COMMISSION shall mean Tennessee Public Service Commission.
6. WATER MAIN: The words WATER MAIN shall mean all lines and appurtenances, including valves, meters, and fittings required to transport water through and including the individual service meters.

B. DEFINITION OF TERMS CONT.

7. **WATER SERVICE LINE:** The words WATER SERVICE LINE shall mean those lines extending from the Customer's service meter to his place of business or residence.
8. **OWNER:** The word OWNER, whenever the same appears herein, means the person, firm, corporation or association having the sole interest in any premises or property which is, or is about to be supplied with services by the Company, and the word OWNERS means all so interested.
9. **TENANT:** The word TENANT, whenever the same appears herein means anyone occupying a premises or property under lease, oral or written, from the Owner and obtaining services from the Company with the consent of his landlord.
10. **CUSTOMER:** The word CUSTOMER as used herein shall mean the party contracting for services.

B. AUTHORIZATION OF RULES AND REGULATIONS:

The Company, which is organized and engaged in business as a public utility in the State of Tennessee under a Certificate of Convenience and necessity issued by the Tennessee Public Service Commission on _____ under Docket No. 21-00059, submits the following statement of its rules and regulations in compliance with Rule 602.2.

C. EFFECT OF RULES AND REGULATIONS:

All provisions of these rules and regulations shall be incorporated in each contract with each Customer of the Company.

D. UTILITY ITEMS ON PRIVATE PROPERTY:

The Company shall not furnish or maintain any items or appurtenances for services on the Customer's premise without execution of an agreement for an easement or encroachment. No property of the Company shall be located on the premises of Customers. The Building Sewer and water service line shall be maintained by the Customer.

E. APPLICATIONS FOR SERVICES:

All applications for services must be made on written forms provided by the Company. Upon acceptance thereof and payment to Company of any Commission-approved tap-on fee, such applications shall constitute a contract between the applicant as a Customer and the Company.

F. APPLICATIONS FOR SERVICES CONT.

A new application must be made upon any change in tenancy where the tenant has contracted for the services or by the new Owner upon any change in ownership where the Owner has contracted for services. Where more than one tenant is supplied through a meter, the application for the water service must be made by the Owner of the property.

When an application is made, the Company reserves the right to require a deposit in cash commensurate with the probable size of the applicant's bill for the purpose of establishing or maintaining any Customer's credit. Any such deposit so made shall be subject to such terms and conditions as may be required by order of regulation of the Tennessee Public Service Commission.

No contract for services will be entered into by the Company with any applicant until all arrears and charges due by such applicant for services to any premises then or theretofore owned or occupied by him shall have been paid.

G. RULES GOVERNING SERVICE:

When the supply of water is to be temporarily shut off, advance notice will be given by the Company when practicable to all Customers affected by the shutting off, stating the probable duration of the interruption of service.

The Company will not permit its mains or services to be connected on any premises with any service pipe or piping which is connected with any other source of supply. The Company will not permit its mains or services to be connected in any way to any piping, tank, vat or other apparatus which contains liquids, chemicals, or any other matter which may flow back into the Company's service lines or mains.

The Company undertakes to use reasonable care and diligence to provide a constant supply of water at a reasonable pressure but reserves the right at any time, without notice to shut off the water in its mains for the purpose of making repairs or extensions or for other purposes.

The Company shall not be liable for a deficiency or failure, regardless of cause, in the supply of water or in the pressure nor for any damage caused thereby or by the bursting or breaking of any main or service pipe or any attachment to the Company's property. All applicants having boilers upon their premises depending upon the pressure in the Company's pipes to keep them supplied are cautioned against danger of collapse, and all damage occasioned by any such collapse must be borne exclusively by the Customer.

The Company shall require all new Customers who desire both regular water service and fire protection to install separate service lines, one of which is to be used solely for private fire protection. The Company will not permit the use of water from separate fire protection lines except for the extinguishing of fires or fire drills.

The Company shall have the sole right to determine the size of meters, number of meters, valves, service line and connections necessary to give the service applied for.

G. RULES GOVERNING SERVICE CONT.

All applications for service connections must be made in writing on forms furnished by the Company by the person or parties desiring the same, must state the correct lot(s), block and street number of the property to be supplied, and must be signed by the Owner of the premises or his duly authorized agent.

A service line shall not be used to supply more than a single property without the consent of the Company. The minimum earth cover of the Customer's service pipe installation shall be three (3) feet.

Service lines shall not be installed where any portion must pass through lands, buildings or parts of buildings which are not the property of applicant, unless applicant assumes the liability therefor, in writing.

Meters will be maintained by the Company as far as ordinary wear and tear are concerned, but damage due to freezing hot water or external causes shall be paid for by the Customers (except for outside meter settings).

Rules and regulations regarding meter accuracy, meter testing and frequency of meter tests shall be as contained in the Tennessee Public Service Commission's Rules and Regulations Governing Public Utilities as from time to time revised.

No person other than a Company agent or employee shall take water from any fire hydrant except for fire fighting purposes, and no fire hydrant except for fire fighting purposes, and no fire hydrant shall be used for sprinkling streets, flushing sewers or gutters or for any other purpose except with the advance approval of the Company in writing.

Where water is to be used for steam boilers or other uses where a stoppage of water supply might cause damage, Customers are cautioned that it is impossible for the Company to guarantee a continuous supply of water and that the Customer should, therefore, arrange for adequate storage capacity.

Title to the main, service connections from the main up to and including the meter, stop cocks or valves, buffalo boxes, meters and meter installations is vested in the Company, and shall not be trespassed upon or interfered with in any way.

Curb stops shall not be used by the Customer for turning on or shutting off the water supply. Control of the water supply by the Customer shall be by means of a valve located on the property where the Customer is provided with water service.

Where two or more Customers are supplied through a single service pipe, any violation of the rules and regulations of the Company by either or any of such Customers shall be considered as a violation by all, and the Company may take such action as may be taken for a single Customer committing the violation.

All employees of the Company whose duty compels them to enter the Customer's premises shall, upon request, show their credentials or other evidence of authority.

G. RULES GOVERNING SERVICE CONT.

If the Company finds that a meter seal or cover has been broken or any bypass inserted or there is evidence that the meter or meter seal or cover has been tampered with, the water will be shut off and not turned on again until the Customer has paid for the estimated quantity of water which has been used for the preceding four (4) month period and not registered plus the cost to restore the meter to proper working order and other expense incurred by the Company, plus the reconnection fee hereinabove specified.

It is specifically understood that the Company does not hold itself out to render private fire protection service.

The Company does not hold itself out to furnish public fire protection service.

Automatic lawn sprinklers or sprays or other attachments requiring large quantities of water will be permitted only when water is furnished by meter measurement. The Company reserves the right to restrict lawn sprinkling by Customers whenever in its judgment there is not an adequate supply of water available for such purposes.

A supply of water for construction or other special purposes must be applied for in writing, and the Company reserves the right to require a suitable deposit from the applicant. Water so supplied shall be discharged through a hose or pipe directly upon the material to be wet or into a barrel or other container and not upon the ground or into or through a ditch or trench, and all use of water by other than the applicant or for any purposes or upon any premises not described or stated in the application must be prevented by the applicant.

H. BILLS AND PAYMENT OF SERVICES:

Customers are liable for payment for all water used on the premises or property until notice has been received at the Company's office that the use of water is no longer desired. Customers are liable for all water shown to have passed through the meter whether by use, wastage or leakage.

A Customer's bill will not be considered past due unless it remains unpaid subsequent to the due date printed on the bill. This due date will be twenty-one (21) days after the bill is mailed.

H. BILLS AND PAYMENT OF SERVICES CONT.

Bills for metered service shall be rendered monthly unless otherwise specified in the rate schedule then in effect, and shall show the readings of the meter at the beginning and end of the period for which the bill is rendered as well as consumption for the period.

Bills for water service will be mailed or delivered to the Customer's last address as shown by the records of the Company when due, but failure to receive a bill will not relieve the Customer from the obligation to pay the same. All bills and other accounts must be paid at the office of the Company.

In case the meter cannot be read for any cause, the Company will require a payment of account equal to the estimated bill for the period involved.

In cases where for any cause the meter cannot be read for a period of two (2) billing periods, the Company will turn off the water upon (5) days written notice (8 days, if mailed) unless the Customer provides access to the meter immediately.

Where a meter has ceased to register or is registering improperly, the quantity of water for which the bill will be rendered will be determined by the average registration of the meter for the prior three (3) billing periods.

I. DISCONTINUANCE OF SERVICE:

Service under any application may be discontinued for the following reasons:

1. Non-payment of bill as herein set forth.
2. For misrepresentation in the application.
3. For adding to the Property or fixtures without notice to the Company.
4. For failure to protect the connections, service lines or fixtures in good order.
5. For molesting any service pipes or any property of the Company in any way whatsoever.
6. Vacancy of premises.
7. For violation of any rules of the Company as filed with the Commission.
8. For disconnecting or reconnecting service by any party other than a duly authorized agent of the Company without the consent of the Company.
9. For discharge of high strength or toxic effluent without pre-treatment.
10. For waste of water due to leakage.

I. DISCONTINUANCE OF SERVICE CONT.:

11. For cross-connecting the Company's supply *with* any other source of supply, or *with* any apparatus *which* may *endanger* the quality or health *standard* of the Company's *water* supply.

If a Customer *whose* service has *been discontinued* for non-payment of *bills* or for violation of the rules *and* regulations of the Company *desires* a reconnection, such reconnection *will* only *be made* after the Customer:

- (a) has *made* a *deposit* to insure future payment of *bills* (in cases only *where* no *deposit* *was* originally *made* or *where* such *deposit* has *been applied* to payment of the Customer's *delinquent* account);
- (b) has *paid* all unpaid *bills* *and* other charges;
- (c) *had paid* a reconnection fee;
- (d) *and* has *corrected* any condition found *objectionable* under rules *and* regulations of the company.

J. SECURITY DEPOSITS:

Each new Customer, *before* connection or reconnection of the service, may *be required* to make a *refundable* *deposit* to secure payment of Customer. Interest of six percent (6%) *will be paid* on any such *refundable* *deposit*. Deposits shall *be refunded* *when* service is terminated, unless the *deposit* is used to satisfy last *bill* requirements.

K. ENGINEERING, MATERIALS, AND CONSTRUCTION STANDARDS:

All systems *added* to the Company system shall meet the Company Requirements.

A prospective Customer shall submit one (1) copy of a preliminary plan of any proposed service system to the Engineer.

Upon approval of the preliminary plans, a prospective Customer shall submit three (3) copies of a final set of plans to the Engineer.

The final plans shall contain a note that all construction is to conform to the technical specifications of the company.

A set of final plans *with* the approval stamp of the Engineer shall *be* present at the site of the construction at all times *during* construction.

One set of "As-Built" plans shall *be submitted* to the Engineer *and* one to the Company upon completion.

The Company shall *be* given 24 hours notice of construction in order to provide *adequate* inspection.

SCHEDULE OF RATES & CHARGES

Monthly Water Service:

Flat Charge	\$40
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Service Connection Charges:	\$500.00
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Miscellaneous Charges:

Late Fee	\$5.00
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Reconnect Fee	\$35.00
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Disconnect Fee	\$35.00
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CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC.
CANDLEWOOD LAKES POA WATER WORKS, INC.
389 CANDLEWOOD DR., SAULSBURY, TN., 38067
Ph: 731-433-9708
Email: candlewoodlakespoa@gmail.com

September 9, 2021

NOTICE OF SPECIAL CALLED MEMBER MEETING

Dear Active Candlewood Lakes POA Member;

There will be a Special Called General Meeting of all **Active** members of the Candlewood Lakes Property Owners Association to discuss and VOTE on the sale of Candlewood Lakes POA Water Works, Inc. to Central States Water Resources (CSWR).

(Active members are defined in the By-Laws as all members who are current on all dues and fees)

MEETING DATE: Saturday, September 26, 2020 at 11:00 AM
Candlewood Clubhouse on the tennis court

ALL ACTIVE Members are encouraged to attend and should bring a chair, wear a mask and practice social distancing.

As most members are aware, the State of Tennessee is requiring a backup well for Candlewood Lakes POA Water Works, Inc. We have extinguished all available avenues of funding available to cover the cost, which is **estimated** at \$180,000.00 - \$220,000.00 for the backup well alone. Because the Candlewood Lakes POA will be unable to secure financing, cost of the back-up well project would be divided among water customers/property owners through a special assessment. Property owners will then continue to bear the cost of any and all future system repairs and upgrades, including, but not limited to, metering, line repairs and replacements, tank rehab and painting, pump repairs and replacements, etc...

After many meetings with the State, and seeking legal opinions from attorneys, Candlewood Lakes POA board members have voted to approve the sale of the water company to CSWR. We believe this will be the most financially beneficial long term decision for our community, allowing us, as we move forward, to begin focusing on POA improvements that are much needed.

We are aware that several rumors have been spread among the community members by people who are attempting to use scare tactics, have their own agenda or are uninformed regarding the sale. To address some of the rumors, we are including a few answers to the most common questions. We want to keep discussion brief and keep the meeting to one hour or less.

If, because of Covid, you do not wish to stay for the meeting, you may sign in, retrieve your ballot (Active members only) and cast your vote and leave. Please have all the correct facts before you make your decision.

We encourage you to join us as we work together to make Candlewood better.

Sincerely,



David Kennamore
President

ANSWERS TO QUESTIONS WE HAVE HEARD

(these answers are based on current information which may change and are in **no way** legally binding)

1. **How long will I continue to pay Candlewood Water Works for my water?** Until the Closing Date on the sale (if approved). Approximately 10 – 12 months
2. **Will my monthly payment still be the same?** Yes, for a time it will remain \$40.00 per month, due by the 1st of each month. (explained further in 5)
3. **What happens to the money in the Water Works account when the sale closes?** The balance of the Water Works account as of the date of closing will be transferred to the POA.
4. **Will water availability fees go away?** **NO**, water availability fees are mandated by the Covenants and Resolutions. Water availability fees will be added to your POA account in 2021. If a water tap is placed on a lot, that lot will no longer be charged a water availability fee and you will become a CSWR water customer for that lot. Any remaining additional lots will continue to be charged availability fees.
5. **Can CSWR raise my water rates?** Yes and No
 - a. **Any increases would likely be a year or more in the future AFTER the purchase is approved by the State**
 - b. Our current water rate is in line with surrounding communities (actually cheaper)
 - c. If CSWR feels they need to raise the water rate, a community study will need to be completed and submitted to the State, showing the need for the increase and community demographics. Community members are allowed to appeal these requests. The State can choose to approve or deny rate increases.



CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC.
CANDLEWOOD LAKES POA WATER WORKS, INC.
389 CANDLEWOOD DR., SAULSBURY, TN., 38067
Ph: 731-433-9708
Email: candlewoodlakespoa@gmail.com

October 14, 2020

IMPORTANT MEMBER MEETING NOTICE

Dear Candlewood Lakes POA Member;

We will hold a 2nd Special Called General Meeting of all **Active** members of the Candlewood Lakes Property Owners Association to discuss and **VOTE** on the sale of the Candlewood Lakes POA Water Works, Inc. to Central States Water Resources (CSWR). If you voted at the previous meeting, that vote will **NOT** be counted. You must be present at this meeting to have a vote in this decision.

MEETING DATE: Saturday, October 17, 2020 at 11:00 AM
Candlewood Clubhouse (Masks are required)

ALL ACTIVE Members are encouraged to attend

Representative Sandy Neal from CSWR will be here to answer any questions you may have after the previous meeting.

As most members are aware, the State of Tennessee is requiring a backup well be installed in Candlewood. Their deadline for installation of the well is November 2020. We have extinguished all available avenues of funding that were available to cover the cost, which our engineer **estimated** at \$150,000.00 in our application for a State Revolving Fund loan, which was denied.

Because the Candlewood Lakes POA will be unable to secure financing, actual cost of the completed project would be divided among water customers/property owners and will be due immediately. Property owners would then continue to bear the cost of any future system upgrades, including but not limited to metering, line repairs and replacements, tank rehab and painting, pump repairs and replacements, etc...

We encourage you to join us as we work together to make Candlewood better.

Sincerely,

David Kennamore
President

Candlewood Lakes POA, Inc.
Special Called Meeting – Water Works Sale
Minutes
9/26/2020 11:00 AM

I. CALL TO ORDER

1. President David Kennamore called the meeting to order at 11:32 AM .
2. A quorum was established with 39 legal members present.

II. ROLL CALL

1. Board Members Present:
David Kennamore _X_, Stan Forester _X_, John Keller _X_, Bill Perrine _X_,
Larry Harber _X_, Lorene Rowland _X_, Mike Watkins _X_ Vacant, Vacant
2. Others Present: Serving as Secretary for the meeting Julie Perrine
3. Approximate number of Homeowners in attendance: 39

III. FINANCIAL REPORT –
POA

1. Balance Sheets as of 9/26/20
Balance \$11,177.61 Outstanding Payables = \$3,554.00 (\$7,623.61)

WATER WORKS

- A. Balance Sheet as of 9/26/2020
Balance \$45,444.16 Outstanding Payables = \$.00

Motion to Accept the financials as presented made by George Gregory and 2nd by Larry Harber.

IV. NEW BUSINESS

1. Nominations for 2021 Board Members will be starting. Anyone interested in being on the board should contact the office. 9 seats are open to fill.

V. OLD BUSINESS

1. SALE OF CANDLEWOOD LAKES POA WATER WORKS, INC TO CENTRAL STATE WATER RESOURCES (CSWR)
 - a. REVIEW OF EVENTS REGARDING STATE REVOLVING FUND LOAN (SRF)
 - b. DISCUSSION WITH STATE OF NOVEMBER DEADLINE FOR BACKUP WELL
 - c. DISCUSSION AND SALE AGREEMENT WITH CSWR

MOTION : To Delay final vote until CSWR Representative, Sandy Neal, can attend to answer questions directly. 1st: George Gregory 2nd: Larry Harber approved unanimously

Secretary will contact Sandy Neal for a date and it will be posted on the community bulletin board.

VI. ADJOURNMENT

1. There being no further business the meeting was adjourned.

BOARD CERTIFICATION & APPROVAL OF MINUTES:

"This is to certify that the Candlewood Lakes POA, Inc. & Candlewood Lakes POA Water Works, Inc. is a Tennessee Nonprofit Mutual Benefit Corporation; that the Board is duly constituted; has made all decisions based on reasonable investigation, in good faith and with regard to the best interests of the community and its members; has exercised discretion within the scope of its authority under relevant statutes, covenants and restrictions in discharging its obligations; and hereby approve the authenticity of actions reported in minutes of this meeting."

**Candlewood Lakes POA, Inc.
Special Called Meeting – Water Works Sale
Minutes
10/17/2020**

VII. CALL TO ORDER

1. President David Kennamore called the meeting to order at 11:30 AM .
2. A quorum was established with 43 legal members present.

VIII. ROLL CALL

1. Board Members Present:
David Kennamore _X_, Stan Forester _X_, John Keller _X_, Bill Perrine _X_,
Larry Harber _X_, Lorene Rowland _X_, Mike Watkins _X_ Vacant, Vacant
2. Others Present: Serving as Secretary for the meeting Julie Perrine
3. Approximate number of Homeowners in attendance: 47

IX. NEW BUSINESS

1. Community Announcement regarding abuse of animals in Candlewood

X. OLD BUSINESS

1. SALE OF CANDLEWOOD LAKES POA WATER WORKS, INC TO CENTRAL STATE WATER RESOURCES (CSWR)
 - a. Introduction of Sandy Neal, With CSWR:
 - (a) Operating in Mo, La, Ky, Ar, Tn, Tx, NC
 - (b) focus on small distressed privately owned utilities
 - b. DISCUSSED TIMELINE OF SALE AGREEMENT
 - (a) Will close on sale when approved by TPUC
 - c. DISCUSSED AT LENGTH THE PROCESS FOR RATE INCREASE

MEMBERS VOTED UNANIMOUSLY TO ALLOW CURRENT MEMBER VOTES FROM THE PREVIOUS MEETING TO STAND IF THEY ARE NOT PRESENT TO VOTE TODAY. (SHOW OF HANDS)

MEMBERS VOTED TO NOT ALLOW PAST DUE (NON-ACTIVE) MEMBERS TO VOTE (SHOW OF HANDS)

MOTION TO CALL FOR A VOTE BY LOREN AGEE, 2ND BY MARY LEAVINS

Members received and cast their ballots. After everyone said they had voted, votes were tallied by Larry Webb, Tammy Maccarino & Gay Ulrich with Julie Perrine observing.

Final vote results are as follows: Abstained: 13, YES to Sell: 42, NO to Sell: 19

Procedures will begin to sell Candlewood Lakes POA Water Works, Inc to CSWR. Sandy Neal thanked everyone for taking the time to come.

XI. ADJOURNMENT

1. There being no further business the meeting was adjourned.

BOARD CERTIFICATION & APPROVAL OF MINUTES:

"This is to certify that the Candlewood Lakes POA, Inc. & Candlewood Lakes POA Water Works, Inc. is a Tennessee Nonprofit Mutual Benefit Corporation; that the Board is duly constituted; has made all decisions based on reasonable investigation, in good faith and with regard to the best interests of the community and its members; has exercised discretion within the scope of its authority under relevant statutes, covenants and restrictions in discharging its obligations; and hereby approve the authenticity of actions reported in minutes of this meeting."

ORIGINAL SIGN-IN SHEETS ARE ON FILE FOR THE 9/26/2020 & 10/17/2020 MEETING

Attendance & Vote to sell Candlewood Lakes POA Water Works, Inc. to CSWR

Member Name	Current	Present 9/26	Present 10/17	Abstained	Yes to Sell	No to Sell
Agee, Loren	Yes	X	X			X
Akins, Linda	Yes	X	X			X
Akins, Linda	Yes					X
Akins, Linda	Yes					X
Allen, Linda	Yes		X		X	
Allen, Bart	Yes		X	X		
Bass, Will	No	X				
Campbell, Harriet J	Yes		X		X	
Callari, Robert & Tonia	Yes	X		X		
Conway, Phillip & Teresa	No	X	X			
Crocker, James & Holly	Yes	X		X		
Crocker, James & Holly	Yes			X		
Dean, Freddy	Yes	X	X		X	
Edgeston, Quolisha	Yes	X		X		
Edgeston, Quolisha	Yes			X		
Edmondson, Daniel	Yes	X			X	
Ellison, Denise	Yes	X	X		X	
Forester, Stan	Yes	X	X		X	
Glidewell, Derrick	Yes		X	X		
Glidewell, Durel	Yes	X	X	X		
Graham, Wanda	Yes	X		X		
Gregory, George	Yes	X	X		X	
Harber, Julie	Yes	X	X		X	
Harber, Larry	Yes	X	X		X	
Hartman, John & Nancy	Yes	X	X		X	
Haslwanter, Joe & Claire	Yes	X	X		X	
Haslwanter, Joe & Claire	Yes				X	
Hopper, Roger	Yes		X	X		
James, Daniel	No	X				
Jenkins, Gloria	Yes	X			X	
Jenkins, Gloria	Yes		X		X	
Johnson, Stephen & Delaine	Yes	X	X		X	
Jones, Glenn	Yes	X			X	
Keller, John	Yes	X				X
Kennamore, David	Yes	X	X		X	
Kennamore, David	Yes				X	
Kennamore, David	Yes				X	
Lake, James & Sharon	Yes		X		X	
Leavins, Mary	Yes	X	X		X	
Maccarino, Tammy	Yes	X	X			X
Matthews-Jackson, Sharrilyn	Yes		X		X	
Montgomery, Joyce	Yes		X		X	
Murphy, Richard	Yes		X		X	
Newton, Steve	Yes		X		X	
Perkins, Barbara J	Yes	X	X		X	
Perrine, Julie	Yes	X	X		X	

Perrine, Julie	Yes				X	
Perrine, Julie	Yes				X	
Perrine, Julie	Yes				X	
Perrine, William	Yes	X	X		X	
Powers, Gloria	Yes	X	X	X		
Price, Thomas & Tiffany	Yes	X		X		
Rice, Elizabeth	Yes	X	X	X		
Rice, Kathy	Yes		X			X
Rogers, Barbara	Yes	X				X
Rogers, Barbara	Yes					X
Rowland, Floyd & Lorene	Yes	X	X		X	
Rowland, Jeffery	Yes		X		X	
Sanders, Bob	Yes		X		X	
Sanders, Bob	Yes				X	
Sanders, Bob	Yes				X	
Spicer, James	Yes	X	X			X
Turner, Scotty	Yes	X	X		X	
Ulrich, Gay	Yes	X	X		X	
Walker, Jamie	Yes		X		X	
Warren, Ken	Yes		X		X	
Watkins, Dennis M	Yes	X	X		X	
Webb, Larry	Yes	X	X			X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Webb, Larry	Yes					X
Wilson, David	Yes	X	X		X	
Total				13	42	19

Special Notes:

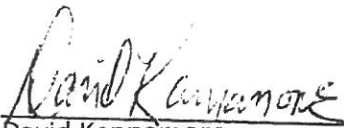
- Members are considered active when ALL fees and dues are CURRENT. Non-current members may not vote.
- Members receive one vote for each \$48.00 maintenance fee paid. Members names are listed individually for each vote they cast.
- All original sign-in sheets and ballots will be maintained for historical purposes until the sale is final.

AMENDMENT OF CHARTER:

In accordance with section 1.501c (12) -1(a) of Income Tax Regulations and Revenue Ruling 72-36, the following amendment to the existing charter of Candlewood Lakes POA Water Works, Inc., is adopted.

- a) Funds in excess of those needed to meet current losses and operating expenses shall be retained only to the extent of the corporation's reasonable needs for normal business purposes, such as retiring indebtedness, expansion, or maintaining reserves for necessary purposes. Earnings in excess of reasonable needs will be returned to the members in proportion to the amount of business done with the organization.
- b) The corporation will keep records that show the amount of business done by each member on the basis of its annual accounting period and of each member's rights and interest in the assets of the corporation.
- c) If a person's membership is withdrawn or terminated, his equitable interest in the corporation will not be forfeited.
- d) Upon dissolution, if the corporation has gains from the sale of an appreciated asset, it much be distributed, to the extent practicable, the gains, as well as other funds, to all persons who were members during the period which the asset was owned by the corporation in proportion to the amount of business done by such members during that period.

This amendment is hereby adopted December 1, 2011 to become effective when filed by the Tennessee Secretary of State.

x 
 David Kennamore
 President

RECEIVED
 STATE OF TENNESSEE
 2011 DEC 13 PM 12:00
 TRE HANCOCK
 SECRETARY OF STATE

6965.1429