

# SUPERIOR WASTEWATER SYSTEMS

Providing Superior Wastewater Service to Tennessee

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February 10, 2022

**Via Electronic Delivery**

Chairman, Tennessee Public Utility Commission  
c/o Ectory Lawless, Dockets and Records Manager  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243

**Re: STAFF COMPLIANCE AUDIT OF SUPERIOR WASTEWATER  
SYSTEMS, LLC'S COMPLIANCE WITH COMMISSION RULES 1220-04-  
13-.07 AND 1220-04-13-.08 REGARDING FINANCIAL SECURITY AND  
RULE 1220-04-13-.16 REGARDING AFFILIATE TRANSACTIONS**

**Docket No. 21-00086**

**Response to TPUC Staff's Second Discovery Request of December 8, 2021**

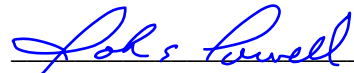
Ms. Lawless:

Superior Wastewater Systems, LLC files the attached response to the Commission Staff's Discovery Request of December 8, 2021.

Please note that "Attachment TPUC2-1a-CONFIDENTIAL" contains confidential information and is being provided under seal. Also, due to the voluminous nature of this confidential response, it is only being provided in Excel format.

Please contact me if you have any questions or need additional information.

Respectfully submitted,

  
John Powell, President

Enclosures

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P.O. Box 40  
Arrington, TN 37014  
615-496-8681

**SUPERIOR WASTEWATER SYSTEMS, LLC**  
**DOCKET NO. 21-00086 – TPUC COMPLIANCE AUDIT**  
**SECOND DISCOVERY REQUEST OF THE TPUC PARTY STAFF**

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**Question:**

1. Please refer to First Party Staff Data Request No. 5. Provide a copy of the actual monthly billing registers for the months of July 2009 through December 2020. Please follow the same format as was provided for the billing registers that were provided in Attachment TPUC1-6A for January 2021 through August 2021 of the Response to the First Party Staff Data Request.

**Response:**

Please see Attachment TPUC2-1a CONFIDENTIAL. Also note that because of the voluminous nature of this request, we are only providing a response in Excel format.

**SUPERIOR WASTEWATER SYSTEMS, LLC**  
**DOCKET NO. 21-00086 – TPUC COMPLIANCE AUDIT**  
**SECOND DISCOVERY REQUEST OF THE PARTY STAFF**

**ATTACHMENT TPUC2-1A – BILLING REGISTERS**  
**CONFIDENTIAL**

**SUPERIOR WASTEWATER SYSTEMS, LLC**  
**DOCKET NO. 21-00086 – TPUC COMPLIANCE AUDIT**  
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**Question:**

2. Please refer to First Party Staff Data Request No. 3. Provide a copy of the most recent bond instrument for Williamson County with a statement that it is of the same language (exception being amount and date) as all of the Williamson County bonds referred to in the current bond true-up filing for Superior. If the language in the bond instrument is different than earlier bonds, provide a copy of each bond instrument containing different language.

**Response:**

Please see Attachment TPUC2-2a for a copy of SWS's most recent bond with Williamson County. Except for the dates and amounts, the form of this bond is the same language as all other Williamson County bonds entered into by SWS.

**SUPERIOR WASTEWATER SYSTEMS, LLC**  
**DOCKET NO. 21-00086 – TPUC COMPLIANCE AUDIT**  
**SECOND DISCOVERY REQUEST OF THE PARTY STAFF**

**ATTACHMENT TPUC2-2A**  
**WILLIAMSON COUNTY BOND FORM**

**PERFORMANCE/MAINTENANCE BOND FOR**  
**WASTEWATER COLLECTION SYSTEM**  
**FOR RESIDENTIAL DEVELOPMENT KNOWN AS**  
**KING'S CHAPEL, SECTION 11**

***THE PERFORMANCE and MAINTENANCE BOND*** (the "Bond" ), is hereby presented by:

KINGS CHAPEL LOAN GROUP, LLC (the "Principal") and by SUPERIOR WASTEWATER SYSTEMS, LLC (formerly KING'S CHAPEL CAPACITY, LLC) (the "Utility Company"-if different from Principal) to WILLIAMSON COUNTY, TENNESSEE ("County"), its WILLIAMSON COUNTY REGIONAL PLANNING COMMISSION ("Planning Commission") and WATER AND WASTEWATER AUTHORITY of WILLIAMSON COUNTY, TENNESSEE ("WWA"), the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ in the amount of Seventy-Seven Thousand Five Hundred and 00/100ths Dollars (\$77,500.00) for the construction and maintenance of a wastewater collection system, which Bond shall bind Principal, its heirs, personal representatives, executors, administrators, successors and assigns jointly and severally.

**RECITALS:**

***WHEREAS***, Principal has proposed the use of an nontraditional wastewater treatment and disposal and collection system to serve a Project known as King's Chapel and as a result of such proposal has submitted a Final Plat known and designated as King's Chapel, Section 11 (include the applicable section of the Project if said Project will be developed in increments) ("Project") which contains said proposed wastewater collection system on the 8th day of July, 2021, before the Planning Commission; and

***WHEREAS***, approval by the Planning Commission is a condition precedent to the right of the Principal and the Developer/Owner of the Project, if different from Principal, to obtain building permits necessary to begin construction on the Project; and

***WHEREAS***, the Planning Commission is unwilling to approve said Final Plat until all required improvements and facilities are constructed, installed and completed, and a bond is executed and filed with the Planning Department of County; and

***WHEREAS***, in accordance with Article 20 of the 2013 Zoning Ordinance, which regulates Nontraditional Wastewater Treatment and Disposal Systems and which includes Section 20.08 which specifically addresses Assurance for Completion and Operation of Improvements, including providing a surety bond payable to the

County in an amount equal to One Hundred Percent (100%) of the total cost of construction of the wastewater collection system for the applicable Section of the Project, as calculated and defined by said Section 20.08, is required prior to recording the Final Plat along with security for said bond agreement in the form of a letter of credit or cash deposit, and execution of this Bond Agreement; and

**WHEREAS**, the total cost of construction of the wastewater collection system, which shall be calculated in accordance with Section 20.08 and shall be sealed and certified by the Design Engineer of the system is Seventy-Seven Thousand Five Hundred and 00/100ths Dollars (\$77,500.00); and

**WHEREAS**, Principal desires to have such Final Plat of said Project recorded in order to commence construction of all improvements related to the Final Plat;

**NOW, THEREFORE**, in consideration of the mutual covenants and promises contained herein the sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Principal shall construct, install and complete the aforementioned wastewater collection system, which work shall include all of said improvements, utilities and facilities above-mentioned as shown on the Final Plat, Design Development Report, and Detailed Soil Investigation Report and also as stated herein or as otherwise required by the Final Plat, Design Development Report, Detailed Soil Investigation Report and State Operating Permit required by the Tennessee Department of Environment and Conservation and, in particular, all sewer mains, collection facilities, and other necessary facilities, instrumentalities, buffer requirements, and all required appurtenances, which shall also include any auxiliary facilities proposed.

2. Principal shall do all of said work in a proper and workmanlike manner to the satisfaction of Williamson County and in accordance with all regulations and ordinances of Williamson County its Planning Commission and WWA and any other applicable laws, rules, regulations, codes, or ordinances, local, state or federal.

3. Principal and/or Utility Company shall fully maintain and keep in good working order the aforementioned wastewater collection system for so long as the property described in the Final Plat shall be used for the purposes shown on said Final Plat, as stated herein, or as otherwise required by said Final Plat.

4. This Performance Bond shall remain in effect until Twenty-Five Percent (25%) of the building permits are issued for the applicable Section of the Project or for one (1) year after issuance of the first certificate of occupancy in the applicable Section of the Project, whichever last occurs. After which, the Planning Commission may reduce the bond to a Maintenance Bond, unless the Planning Commission or the WWA requires, in accordance with the terms of this Bond and the Zoning Ordinance or Subdivision Regulations, a draft or drafts on said letter of credit or cash bond and so long as the following are submitted by Principal:

- a. Sealed letter from the Design Engineer that the collection system is installed in accordance with the Design Plans; and
- b. Letter from the Utility Provider that it has accepted the collection system and is available for operation/connection.

5. This Maintenance Bond shall be no less than Thirty Percent (30%) of the Performance Bond amount and shall be held for a minimum of two (2) years following the date on which the Planning Commission reduced the bond to a Maintenance Bond, unless the Planning Commission or the WWA requires, in accordance with the terms of this Bond and the Zoning Ordinance or Subdivision Regulations, a draft or drafts on said letter of credit or cash bond.

6. Principal shall obtain final approval and acceptance of the work as required by state statute as well as the Zoning Ordinance, Subdivision Regulations, and the regulations of the Tennessee Department of Environment and Conservation.



7. In the event the Planning Commission or WWA determines that the Principal has failed to meet the obligations required by these Bonds, the Planning Commission or WWA may require a draft or drafts on said letter of credit or cash bond for such amounts as it may determine to be proper, which sum shall be forfeited and paid to Williamson County or its Planning Commission or WWA as liquidated damages for such default. Williamson County, its Planning Commission or WWA shall then use said funds to pay for completion of the required improvements or maintenance of same, refunding any unused portion of said funds.

8. Action by Williamson County, its Planning Commission or WWA in requiring a draft or drafts on the letter of credit or cash bond pursuant to the terms of this Performance/Maintenance Agreement, the Zoning Ordinance or Subdivision Regulations shall not be deemed a release of Principal for any liability hereunder. The Principal acknowledges that it is liable for all obligations under this Performance/Maintenance Agreement.

9. Should Williamson County, its Planning Commission or WWA require the services of legal counsel to assist in presenting a draft or drafts on the letter of credit or cash bond or if it becomes necessary to enforce the provisions of this agreement in a court of law, then the Principal shall also be liable for the fees of the County's legal counsel, which may be paid from the draft or drafts on the letter of credit or cash bond and deducted before any unused funds are returned.

***IN WITNESS WHEREOF*** the undersigned have duly executed this Agreement on the date first set forth above.

**PRINCIPAL**

Signed and executed this 28 day of July, 2021.

By: J. Powell (Signature)

Printed: John Powell

Title: Authorized Agent

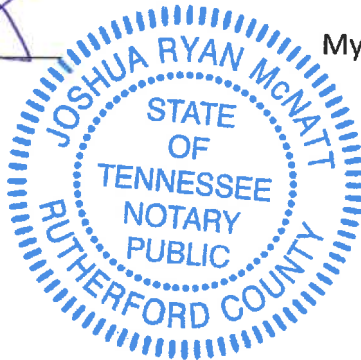
STATE OF TENNESSEE )  
COUNTY OF Rutherford )

Personally appeared before me John Powell a Notary Public in and for said County and State the within named John Powell, the Principal, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purpose therein contained.

Witness my hand and official seal on the 28 day of July, 2021.

[Signature]  
Notary Public

My Commission Expires 12/22/2023



**SEWER UTILITY COMPANY**

I, on behalf of Superior Wastewater Systems, LLC, sign this agreement for the sole purpose of acknowledging that the system proposed for Kings Chapel, Section 11 is within the service area of Superior Wastewater Systems, LLC, and will be owned and operated by Superior Wastewater Systems, LLC upon its completion.

Signed this 28 day of July, 2021.

By: [Signature] (Signature)

Printed: John Powell  
Sole Member

Title: Sole Member

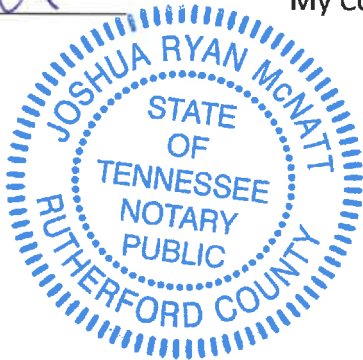
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**WILLIAMSON COUNTY, TENNESSEE**

Approved as to form: this 28<sup>th</sup> day of July, 2021.

By: [Signature] (Signature)

Printed: Kristi D. Ransom

Title: County Attorney for Planning and Environment

**Received by Williamson County, Tennessee:**

Date: 7/28/21

By: [Signature] (Signature)

Printed: Debbre Smith

**SUPERIOR WASTEWATER SYSTEMS, LLC**  
**DOCKET NO. 21-00086 – TPUC COMPLIANCE AUDIT**  
**SECOND DISCOVERY REQUEST OF THE PARTY STAFF**

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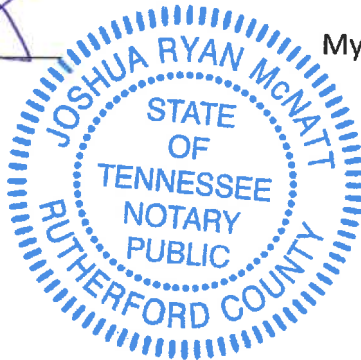
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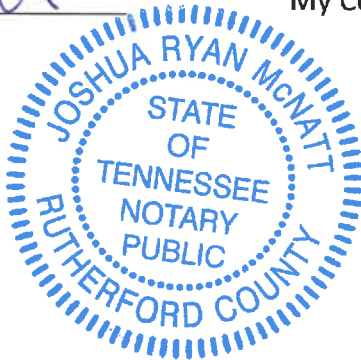
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