

April 27, 2023

Electronically Filed in TPUC Docket
Room on April 27, 2023 at 3:50 p.m.

VIA ELECTRONIC FILING

Hon. Herbert H. Hilliard, Chairman
c/o Ectory Lawless, Docket Room Manager
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243
TPUC.DocketRoom@tn.gov

RE: *Expedited Joint Application of Limestone Water Utility Operating Company, LLC, and DSH & Associates, LLC, for Approval of the Acquisition of and to Operate the Wastewater System of DSH & Associates, LLC, and to Transfer or Issue a Certificate of Public Convenience and Necessity*
TPUC Docket No. 23-00016

Dear Chairman Hilliard:

Attached for filing please find *Limestone Water Utility Operating Company, LLC's Re-Filing of Non-Confidential Exhibits 7, 11 and 23 to the Petition* in the above-caption matter as requested by TPUC Staff in their letter dated April 25, 2023.

Additionally, we can confirm that all subsequent data responses relating to Exhibits 7, 11, and 23 will be nonconfidential and that any testimony related to those three exhibits is also nonconfidential.

As required, the original plus four (4) hard copies will follow. Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Sincerely,

BUTLER SNOW LLP



Katherine Barnes

clw

Attachments

cc: Russ Mitten, Limestone Water Utility Operating Company
Vance Broemel, Consumer Advocate Division
Karen H. Stachowski, Consumer Advocate Division

EXHIBIT 7

Agreement for Sale of Utility System

AGREEMENT FOR SALE OF UTILITY SYSTEM

THIS AGREEMENT ("Agreement"), is made and entered into this 2nd day of January, 2019, by and between CENTRAL STATES WATER RESOURCES, INC., a Missouri corporation, or its affiliate ("Buyer"), and DSH & ASSOCIATES, LLC, a Tennessee limited liability company ("Seller"), collectively ("Parties").

WITNESSETH:

WHEREAS, Seller has developed and operates sewer facilities in the area more particularly described and depicted in the documents attached hereto as *Exhibit "A"*, situated in Campbell County, Tennessee (hereinafter the "System"); and

WHEREAS, Buyer is a corporation, organized and existing under the constitution and the laws of the State of Missouri, with all the requisite power necessary to enter into the transaction described hereinafter; and

WHEREAS, Seller is a limited liability company, organized and existing under the constitution and the laws of the State of Tennessee, with all the requisite power necessary to enter into the transaction described hereinafter; and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, all the assets, property and real estate connected with the System including, but not limited to, all associated improvements for the conveyance of sewer to each of the customers connected to the service area (defined further below as "Assets"); and

WHEREAS, the parties have reached an understanding with respect to the sale by Seller and the purchase by Buyer of all of the Assets (as hereinafter defined) of the System.

NOW, THEREFORE, it is mutually agreed that:

1. SALE OF ASSETS.

For and in consideration of the receipt of the Purchase Price, as set forth below, and the covenants and promises hereinafter set forth, Seller agrees that on the date of the Closing (as hereinafter defined), Seller shall sell, transfer, assign and deliver to Buyer, or Buyer's designated affiliate, all of Seller's then existing assets pertaining to the provision of sewer service in the System located in Campbell County, in the State of Tennessee, and related properties, including, without limitation, the following:

A. The land, improvements thereon, easements, rights of way, permits and leases

related to the System area depicted in *Exhibit "A"* and/or generally described in *Exhibit "B"*, attached hereto;

B. All of Seller's sewer service facilities, equipment, lines, plant, pipes, manholes and appurtenances;

C. Any machinery and equipment such as meters, tools, devices, mobile work equipment, and all furniture, fixtures, machinery, supplies and other tangible items, if any, located in Campbell County, Tennessee, and used or held for use in connection with the System as generally described in *Exhibit "C"*, attached hereto;

D. All of Seller's rights, title and interest in and to any franchise agreements, franchise rights, warranties, contracts, supply contracts, agreements, bonds or other financial assurances or guaranties, and customer deposits, if any, pertaining to, allocable to or arising out of the provision of sewer service in Campbell County, Tennessee as generally described in *Exhibit "D"*, attached hereto;

E. All of Seller's inventory, merchandise, contract rights, supplies, goodwill, and general intangibles including accounts receivable pertaining to the sewer service, except accounts receivable accrued prior to the Closing; and

F. All assets not described which are located in Campbell County, Tennessee, and used or useful to operate the System, excepting therefrom, and from any other assets described in the paragraphs above of this Section 1, any and all cash, cash equivalents and banking deposits in existence prior to the Closing.

The assets to be sold and delivered, as above described, are hereinafter collectively described as the "Assets."

2. CONVEYANCES OF REAL ESTATE.

The real estate to be conveyed by Seller will include all facilities described herein and all interest of Seller in any sewer and other utility easements. The real estate will be conveyed by general warranty deed, in a form satisfactory to Buyer, and will vest marketable title in fact in the Buyer. Easements shall be assigned by written assignment or other means, in a form satisfactory to Buyer.

At Buyer's expense, Buyer shall obtain, at least thirty (30) calendar days prior to the Closing, a Commitment to issue an Owner's Policy of Title Insurance to Buyer in the amount of

the Purchase Price issued by a company authorized to issue title insurance in the State of Tennessee, which policy shall insure the owner's title to be marketable as the same is described and defined in the American Land Title Association ("ALTA") title examination standards ("Title Standards"). After delivery of said title insurance commitment and Buyer's completion of the examination and/or review of the commitment and other relevant title information, Buyer shall notify Seller, in writing, of any objections thereto (the Parties agreeing that any objection falling within the said Title Standards shall not constitute a valid objection so long as Seller furnishes affidavits or other papers as described in such standards in order for the title company to delete the same). If there shall be no such notice of objection, then any exceptions in such Commitment or deficiencies in the title to the property noted on such Commitment shall be deemed waived and delivery of a deed in compliance with the terms of the Commitment shall be deemed compliance with the terms of this Agreement. If notice of any objections to defects in the title, as defined above, shall be delivered to Seller, then Seller shall have five (5) business days to correct the title and the Closing shall be postponed until such time, if necessary. If Seller elects not to, or cannot, correct such defects, then Buyer, at Buyer's option, may waive such defects and proceed to close or may cancel the contract and all obligations hereunder shall be null and void.

3. **REGULATORY APPROVAL.**

Buyer and Seller shall act diligently and cooperate with each other to obtain any regulatory approvals required from the Tennessee Public Utility Commission ("TPUC"), Tennessee Regulatory Authority ("TRA"), or any other regulatory agency in the State of Tennessee, as determined by Buyer in its sole discretion, and to obtain transfer of Seller's permits, if any.

4. **PURCHASE PRICE.** Buyer agrees to pay to Seller at the Closing **Eighty-Two Thousand and 00/100 Dollars (\$82,000.00)** for purchase of the Assets ("Purchase Price").

5. **CLOSING.**

The Closing of the sale shall take place at a mutually agreeable location no later than forty-five (45) days after the effective date of any necessary regulatory authority approval, satisfaction of Seller's Representations and Warranties and Conditions Precedent set forth herein, and Buyer having obtained financing under terms acceptable to Buyer in Buyer's sole discretion, or at such other time as the parties hereto may mutually agree (the "Closing"). At the Closing, Seller shall have delivered to Buyer such deeds, bills of sale, endorsements, assignments and other sufficient

instruments of transfer and conveyance as shall be effective to vest in Buyer such title to the Assets to be sold as provided in this Agreement and as set forth in Section 6.D, and Buyer will deliver to Seller the Purchase Price. From time to time, at Buyer's request and expense, whether at or after the Closing and without further consideration, Seller shall execute and deliver such other instruments of conveyance and transfer and take such other action as Buyer reasonably may require to more effectively convey and transfer to Buyer any of the Assets to be sold hereunder, and will assist Buyer in the collection or reduction to possession of such Assets. Buyer will pay all sales, transfer and documentary taxes, if any, payable in connection with the sale, transfers and deliveries to be made to Buyer hereunder. All ad valorem real estate taxes and assessments levied or assessed against the Assets shall be prorated according to the calendar year as of the Closing based on the most recent tax bill and assessments levied for the same, and Buyer shall receive a credit against the Purchase Price for the amount of taxes owed by Seller at the time of the Closing. Buyer shall pay the costs of recording all instruments required for the Closing to occur, the fees charged by the title company, and Buyer's attorneys' fees. Seller shall pay for all attorneys' fees incurred by Seller.

On the date of the Closing, Buyer shall accept and assume ownership and title to the Assets to be conveyed hereunder and Buyer shall assume liability, and become responsible, for all obligations in connection with the Assets going forward, excepting responsibility for any liabilities and/or obligations of Seller in connection with the Assets that existed prior to the date of the Closing.

6. **SELLER'S REPRESENTATIONS AND WARRANTIES.**

The Seller represents and warrants as follows:

A. **Organization and Standing of Seller.**

Seller is a limited liability company, organized and existing under the constitution and laws of the State of Tennessee, in good standing with the Tennessee Secretary of State

B. **Liabilities.**

All liabilities or obligations of Seller, whether accrued, absolute, contingent or otherwise pertaining to or arising out from the Assets are liabilities and obligations of the Seller and shall remain the obligations of Seller after the date of the Closing.

C. **Absence of Certain Changes.**

After Buyer's inspection and acceptance of the Assets, there shall not be:

- i. Any material change in the use of the Assets in connection with the business or operations of the System;
- ii. Any damage, destruction or loss whether or not covered by insurance, materially and adversely affecting the Assets.

D. **Title to Properties.**

Within twenty (20) days prior to the Closing and with Buyer's assistance, Seller shall have obtained the legal right to transfer all of the Assets. To the best of Seller's knowledge, unless Seller has disclosed any information in writing to the Buyer to the contrary, Seller owns the Assets to be sold under this Agreement, in all cases, free and clear of all liens, mortgages, pledges, leases, options, rights of first refusal, conditional sales agreements, encumbrances or other charges, except liens for taxes not yet due or payable, easements or right of ways, streets, railways, pipelines, electric transmission and distribution lines, telephone lines, drainage rights and other similar rights or restrictions of record which do not, either individually or in the aggregate have a materially adverse effect on the value or utility of the Assets to be sold hereunder.

Notwithstanding, but not in limitation of, the foregoing, Seller agrees to work with Buyer's surveyor during the asset transfer process to establish, at Buyer's expense, the property boundaries and easement locations and to create a written plat of the distribution and collection lines showing the location of said lines with respect to lot lines, platted utility easements, if any, to the extent the same can be shown with reference to such lot lines and platted utility easements.

Within twenty (20) days prior to the Closing and with Buyer's assistance, Seller agrees to have identified any and all interests in land (including easements or license agreements) it has obtained in connection with its operation and maintenance of the System and will provide Buyer or Buyer's representatives copies of the same or a reference to the book and page number of the records of the Campbell County Recorder's Office where such easements are recorded. The cost of such identification and any related search being the sole responsibility of the Buyer.

Buyer shall have until twenty (20) calendar days prior to the Closing to determine: 1) if Seller lacks an easement or other interest necessary for operation of the System or 2) an easement is defective in title or interest conveyed. If it appears that Seller lacks a valid easement for any portion of the System, or any easement identified suffers from a defect in title or interest conveyed, Buyer at its option and in its sole discretion may: 1) cancel this Agreement, 2) independently negotiate with the owner of the affected property toward acquisition of the treatment plant and collection lines easements or other easements, 3) notify Seller that Buyer will cancel the Agreement unless a necessary easement is acquired or a defect satisfactorily cured or remedied, and 4) undertake any action, which in Buyer's sole and absolute discretion, would correct an easement or remedy the situation caused by a lack of an easement or proper land interest. Buyer's failure to cancel this Agreement, however, shall not relieve Seller from any of its duties of indemnification set forth in subsequent paragraphs herein, nor shall such failure be construed as Buyer's waiver of any such provisions.

E. **Authority to Operate.**

The Assets, as described at Section 1 of this Agreement, constitute all of the assets presently owned by the Seller pertaining to the System. To the best of Seller's knowledge, the System is being conducted, and as of the date of the Closing, will be conducted in full compliance with requirements of all regulatory bodies exercising jurisdiction with regard to rates and conditions of service, and with local building and zoning codes.

F. **Litigation.**

There is no litigation or proceeding pending, or to the knowledge of Seller threatened, against or relating to Seller, the Assets, or the System, nor does Seller know, or have reasonable grounds to know, of any basis for any such action, or of any governmental investigation relative to Seller, the Assets, or the System, except as otherwise disclosed to Buyer.

G. **No Violation or Breach.**

The performance of this Agreement by Seller, including any preconditions or surviving warranties or representations, is not in violation of any laws, statutes, local ordinances, state or federal regulations, court orders or administrative order or ruling, nor

is such performance in violation of any loan documents, conditions or restrictions in effect for financing, whether secured or unsecured.

7. **BUYER'S REPRESENTATIONS AND WARRANTIES.**

Buyer represents and warrants as follows:

A. **Organization and Standing of Buyer.**

Buyer is a corporation, organized and existing under the constitution and laws of the State of Missouri, in good standing, and has the requisite power to purchase the Assets which are to be sold pursuant to the terms of this Agreement.

B. **Authority.**

The execution and delivery of this Agreement by Buyer and the purchase of the Assets as contemplated hereby have been duly authorized by Buyer, and all necessary action on the part of Buyer has been taken to authorize the execution and delivery of this Agreement and to consummate the sale contemplated hereby.

8. **CONDITIONS PRECEDENT FOR BUYER TO CLOSE.**

All obligations of Buyer under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

A. **Regulatory Approval.**

Both Parties shall diligently pursue the required approvals and authorizations contemplated herein. In the event the Parties are unable to obtain the required regulatory approval or authorization to complete the transactions contemplated herein, Buyer may terminate this Agreement by providing written notice to Seller at Buyer's sole and absolute discretion.

B. **Representations and Warranties True at Closing.**

Seller's representations and warranties contained in this Agreement shall be true at the time of the Closing as though such representations and warranties were made at such time.

C. **Performance.**

Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by Seller prior to or at the Closing; including the payment of all taxes and assessments, or portions thereof,

attributable to periods prior to or ending on the day of the Closing, to include TPUC or TRA assessments, if any.

D. **Inspections.**

Completion of Buyer's examination, testing and inspection of the Assets and the securing of any and all licenses, permits or governmental approvals Buyer deems necessary for Buyer's proposed uses of the Assets, the results thereof to be satisfactory to Buyer, in its sole discretion. For purposes of this Agreement, the period from the date this Agreement is fully executed by both parties to the date that is twenty (20) days prior to the Closing, shall be referred to herein as the "Inspection Period." During the Inspection Period, Buyer, its employees, agents and contractors, shall have the right to enter onto any property owned by Seller that is related to the operation of the System, as it deems necessary or desirable, on reasonable prior notice to Seller to perform and complete architectural, environmental, engineering and/or other surveys, studies, inspections and tests on the Assets; to review zoning laws and applicable building codes; to obtain all necessary city, county, and state zoning approval, site plan or subdivision approvals, licenses and permits to authorize the uses of the Assets as intended by Buyer.

E. **No Casualty.**

The Assets shall not have been adversely affected in any material way as a result of any strike, lockout, accident or other casualty or act of God or the public enemy, or any judicial, administrative or governmental proceeding.

F. **Buyer's Right to Terminate.** If Buyer determines, in its sole and absolute discretion, that any of the aforementioned conditions have not been met, Buyer shall have the right to terminate this Agreement at any time prior to the Closing upon written notice to Seller.

9. **CONDITIONS PRECEDENT FOR SELLER TO CLOSE**

All obligations of Seller under this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions:

A. **Representations and Warranties True at Closing.**

Buyer's representations and warranties contained in this Agreement shall be true at the time of the Closing as though such representations and warranties were made at such

time.

B. Performance.

Buyer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by Buyer prior to or at the Closing.

10. INDEMNIFICATION.

Seller shall, and hereby does agree to indemnify and hold harmless Buyer, at any time after the Closing against and in respect of:

A. All liabilities or obligations of Seller, whether accrued, absolute, contingent or otherwise, and including all liabilities or obligations arising out of the transactions entered into, or any state of facts existing, prior to the date of the Closing, including, without limitation, such liabilities or obligations as are described in paragraph B of Section 6 hereof;

B. Any claim, damage or deficiency resulting from any misrepresentation, untrue warranty, breach of warranty, or nonfulfillment of any agreement on the part of Seller under this Agreement or from any misrepresentation in or omission from any certificate or other instrument furnished or to be furnished to Buyer under this Agreement;

C. Any claim, liability, damage or obligation arising out of or attributable to, directly or indirectly, the storage or disposal of hazardous waste or materials prior to the date of the Closing;

D. All actions, suits, proceedings, demands, assessments, judgments, costs (including attorney's fees) and expenses incident to any of the foregoing.

11. FEES AND COMMISSIONS.

Each Party represents that it has not retained any broker or finder and is not paying, and is not obligated to pay, any finder's fee, commission or other transactional fee in connection with the transactions contemplated by this Agreement. Each Party shall pay its own fees for attorneys, accountants, appraisers or others engaged by it in the course of negotiating or executing this Agreement and in closing and completing the transactions hereunder provided. Fees for professional advisors retained jointly by the Parties for their mutual benefit shall be equally divided.

12. **HAZARD INSURANCE & CASUALTY LOSS.**

Seller shall maintain current hazard insurance in force on the Assets until the Closing. The risk of loss to the Assets shall pass to Buyer upon delivery of possession of the Assets to Buyer. If an event of casualty occurs to the Assets prior to the Closing, the Buyer may elect to either move to the Closing and accept any insurance proceeds as full satisfaction for the damage to the Assets or the Buyer may terminate this Agreement. Buyer shall notify Seller as to which option it elects within five (5) days prior to the Closing.

13. **BENEFIT.**

All of the terms of this Agreement shall be binding upon, and inure to the benefit of, and be enforceable by, the respective legal representatives of Seller, its successors and assigns, and the successors and assigns of Buyer.

14. **GOVERNING LAW.**

This Agreement shall be construed and enforced in accordance with the laws of the State of Tennessee.

15. **COUNTERPARTS.**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Agreement shall not be binding until executed by all Parties.

16. **NO THIRD PARTY BENEFICIARIES.**

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

17. **ENTIRE AGREEMENT.**

This Agreement (including the documents referred to herein) constitutes the entire agreement among the Parties and supersedes any prior understandings, agreements or representations by or among the Parties, written or oral, to the extent they have related in any way to the subject matter hereof.

18. **SUCCESSION AND ASSIGNMENT.**

This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. Buyer shall be permitted to assign its rights in this Agreement to an affiliated entity that the Buyer controls without need of consent by the

Seller by providing written notice to the Seller of such assignment. Other than the foregoing permitted assignment, no Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of Buyer and Seller, said approval not to be unreasonably withheld.

19. **HEADINGS.**

The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

20. **NOTICES.**

All notices, demands, consents, requests or other communications required to or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section 19, shall be addressed to the parties in the manner set forth below, and shall be conclusively deemed to have been properly delivered: (a) upon receipt when hand delivered during normal business hours (provided that, notices which are hand delivered shall not be effective unless the sending party obtains a signature of a person at such address that the notice has been received); (b) upon receipt when sent by facsimile if sent between the hours of 8:00 a.m. and 5:00 p.m. (the recipient's time) on a business day to the number set forth below with written confirmation of a successful transmission by the sender's facsimile machine; (c) when sent by electronic mail if (1) identified in the subject line as a notice under this Agreement, (2) sent between the hours of 8:00 a.m. and 5:00 p.m. on a business day to the email address set forth below, and (3) acknowledged as received by the recipient, by reply or separate email, (d) upon the day of delivery if the notice has been deposited in an authorized receptacle of the United States Postal Service as first-class, registered or certified mail, postage prepaid, with a return receipt requested (provided that, the sender has in its possession the return receipt to prove actual delivery); or (e) one (1) business day after the notice has been deposited with FedEx, United Parcel Service or other reliable overnight courier to be delivered by overnight delivery (provided that, the sending party receives a confirmation of actual delivery from the courier). The addresses of the parties to receive notices are as follows:

If to Buyer:

Josiah Cox, President
Central States Water Resources, Inc.
500 Northwest Plaza Drive #500
St. Ann, MO 63074
Facsimile: (314) 238-7201
Email: jcox@cswrgroup.com

With a Copy to:

James A. Beckemeier
The Beckemeier Law Firm, LC
13421 Manchester Road, Suite 103
St. Louis, MO 63131
Facsimile: (314) 965-0127
Email: jim@beckemeierlaw.com

If to Seller:

Douglas S. Hodge, President
DSH & Associates, LLC
2099 Thunderhead Road, Ste. 204
Knoxville, TN 37922
Phone (cell): 865-755-8066
Phone (office): 865-622-2452
Email: dhodge@dhsassociates.com

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

21. **AMENDMENTS AND WAIVERS.**

No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by Buyer and Seller. No waiver by any party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

22. **SEVERABILITY.**

Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

23. **EXPENSES.**

Buyer and Seller shall each bear its own costs and expenses (including legal and accounting fees and expenses) incurred in connection with the preparation of this Agreement and activities necessary for the Closing.

24. **CONSTRUCTION.**

The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation.

25. **INCORPORATION OF EXHIBITS.**

The Exhibits identified in this Agreement are incorporated herein by reference and made a part hereof.

26. **DEFAULT; ATTORNEY'S FEES.**

If either Party shall default in their performance under this Agreement, which default results in the expenditure of attorneys' fees to enforce the terms of this Agreement or to recover damages for breach of this contract, then the prevailing party shall be entitled to receive their reasonable and actually incurred attorneys' fees and costs in addition to any other damages that the Party is entitled to recover at law or in equity.

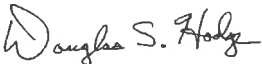
27. **AUTHORITY TO EXECUTE.** Each person whose signature appears hereon represents, warrants and guarantees that he or she has been duly authorized and has full authority to execute this Agreement on behalf of the party on whose behalf this Agreement is executed.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the day and year first above written.

SELLER:

DSH & ASSOCIATES, LLC

By: 
Douglas S. Hodge, President

BUYER:

CENTRAL STATES WATER
RESOURCES, INC.

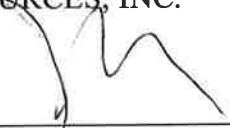
By: 
Josiah Cox, President

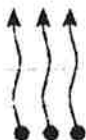
EXHIBIT "A"

Service Area Description

Lakeside Estates on Norris Lake, Campbell County, TRA # 11-00020, rate class 1

EXHIBIT "B"

Description of Land, Improvements thereon, Easements, Rights of Way, Permits and Leases
(The legal description(s) of the Land, Improvements thereon, Easements, Rights of Way shall be determined by
survey and title commitments, which shall be inserted prior to the Closing).



DSH & Associates, LLC
Engineering/Construction/Utility Services

5/28/14

Sharla Dillon
Dockets and Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505
Sharla.Dillon@tn.gov
615-741-2904 ext 136

**SUBJECT: FILING OF ORIGINAL DEEDED PROPERTY ASSOCIATED WITH
LAKESIDE ESTATES TREATMENT SYSTEM**

Docket Number 11-00020

Dear Ms. Dillon,

Please find attached:

- A copy of the deed to property transferred to DSH & Associates.

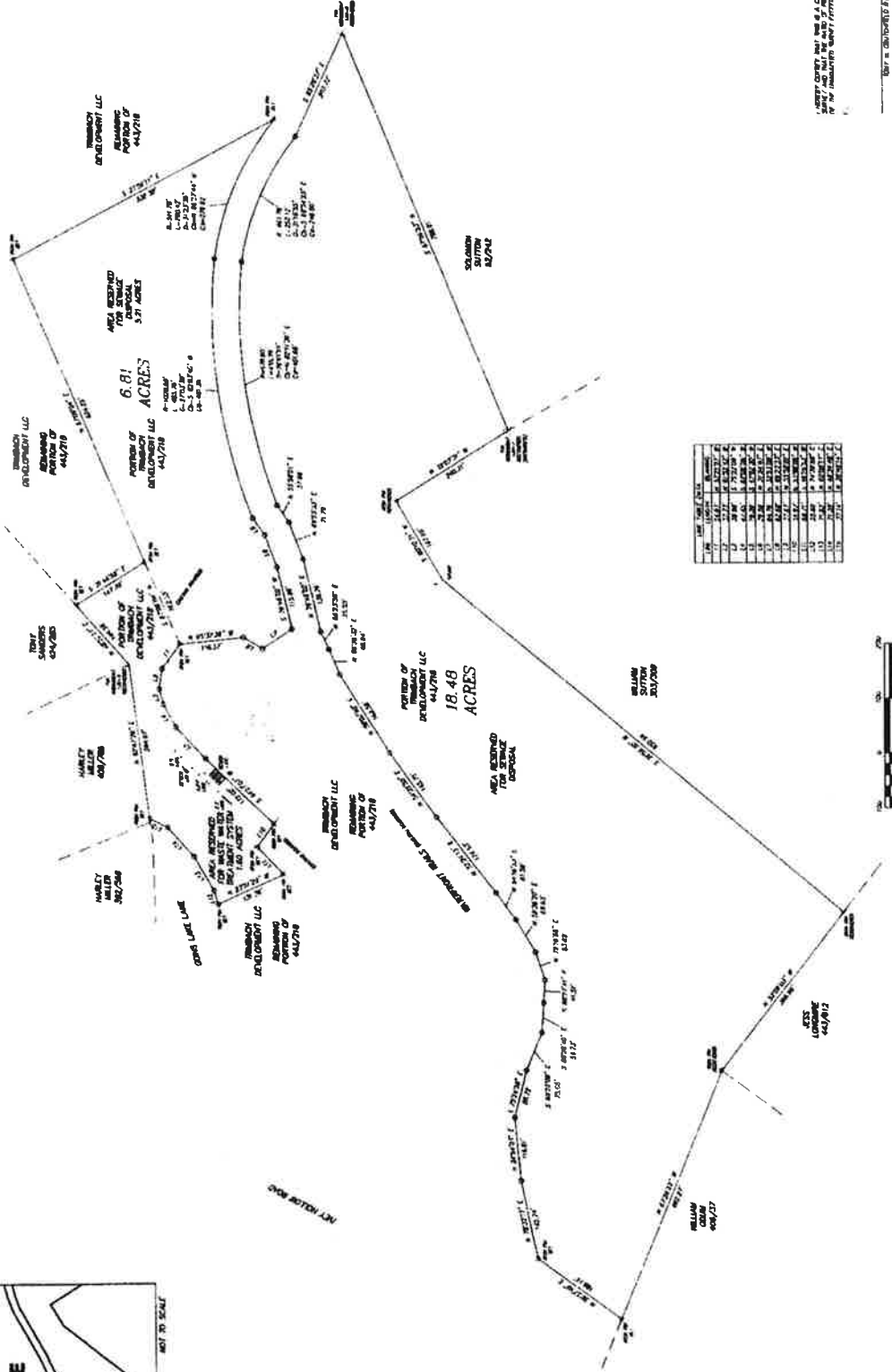
Let me know if you require additional information.

Sincerely,

A handwritten signature in black ink that reads "Douglas S. Hodge". The signature is written in a cursive, flowing style.

**Douglas S. Hodge, Ph.D., PMP
Manager**

DSH & Associates, LLC
2099 Thunderhead Road
Knoxville, TN 37910
Operations Manager
P: 865-755-8066/F: 866-480-5943
dhodge@dshassociates.com



LINE	BEARING	DIST.	AREA
1	N 89° 15' 00" E	1.00	0.00
2	S 89° 15' 00" E	1.00	0.00
3	S 89° 15' 00" E	1.00	0.00
4	S 89° 15' 00" E	1.00	0.00
5	S 89° 15' 00" E	1.00	0.00
6	S 89° 15' 00" E	1.00	0.00
7	S 89° 15' 00" E	1.00	0.00
8	S 89° 15' 00" E	1.00	0.00
9	S 89° 15' 00" E	1.00	0.00
10	S 89° 15' 00" E	1.00	0.00
11	S 89° 15' 00" E	1.00	0.00
12	S 89° 15' 00" E	1.00	0.00
13	S 89° 15' 00" E	1.00	0.00
14	S 89° 15' 00" E	1.00	0.00
15	S 89° 15' 00" E	1.00	0.00
16	S 89° 15' 00" E	1.00	0.00
17	S 89° 15' 00" E	1.00	0.00
18	S 89° 15' 00" E	1.00	0.00
19	S 89° 15' 00" E	1.00	0.00
20	S 89° 15' 00" E	1.00	0.00

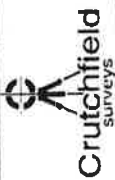


THIS SURVEY WAS MADE BY A LICENSED SURVEYOR AND IS A CORRECT REPRESENTATION OF THE LAND DESCRIBED THEREIN.

DATE: 11-1-11
SCALE: 1" = 100'

DATE BY	DATE	BY	DATE
443	11-1-11	443	11-1-11
APPROVED BY	DATE	APPROVED BY	DATE
443	11-1-11	443	11-1-11
FILE NAME	FILE NAME	FILE NAME	FILE NAME
443	443	443	443

SURVEY FOR
DOUG HODGES
IVEY HOLLOW COMMUNITY CAMPBELL COUNTY



ALL RIGHTS RESERVED TO THE PROPERTY OWNERS OF THE LAND DESCRIBED HEREIN. THIS SURVEY WAS MADE BY A LICENSED SURVEYOR AND IS A CORRECT REPRESENTATION OF THE LAND DESCRIBED THEREIN. THE LAND DESCRIBED HEREIN IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE SURVEYOR. THE SURVEYOR IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN THIS SURVEY. THE SURVEYOR IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN THIS SURVEY. THE SURVEYOR IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN THIS SURVEY.

CRUTCHFIELD SURVEYS
443 E CRUTCHFIELD AVE. S.W.
JACKSONVILLE, FLORIDA 32207
(904) 443-4434
(904) 443-4434

This Instrument Prepared By:
C. Mark Troutman
TROUTMAN & TROUTMAN
P.O. BOX 757
LaFollette, TN 37766

Responsible Taxpayer/Owner:
DSH & Associates, LLC
4028 Taliluna Ave.
Knoxville, Tenn. 37919

Recording Information

BK/PG: W470/252-254

12000376

3 PGS. AL - QUIT CLAIM DEED	
JUNE BATCH 50063	01/23/2012 12:20 PM
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	15.00
ARCHIVE FEE	0.00
DP FEE	2.00
REGISTER'S FEE	0.00
TOTAL AMOUNT	17.00
STATE OF TENNESSEE, CAMPBELL COUNTY	
DORNAS MILLER	
REGISTER OF DEEDS	

QUIT CLAIM DEED

THIS INDENTURE made this 15 day of November, 2011, between, TRIMBACH DEVELOPMENT, LLC, A TENNESSEE LIMITED LIABILITY COMPANY, First Party, and DSH & ASSOCIATES, LLC, A TENNESSEE LIMITED LIABILITY COMPANY, Second Party:

WITNESSETH: That the said parties of the first part for and in consideration of the sum of Ten Dollars (\$10.00) to them in hand paid by the said parties of the second part, the receipt of which is hereby acknowledged, do hereby QUIT CLAIM all of their right, title and interest unto the said parties of the second part in the following described premises, to wit:

TRACT ONE:

Situated in District No.: One (1) of Campbell County, Tennessee, and being more particularly described as follows:

BEGINNING at TVA Monument 130-8 located in the right of way line of Waterfront Trails and marking the common corner of the property described herein. The property now formerly owned by Sutton (Warranty Deed Book 92, page 242); thence South 67 deg. 56' 53" West 788.91 ft. to a TVA Monument 130-7; thence North 32 deg. 3' 31" W. 240.31 ft. to an iron pin; thence South 60deg. 10' 31" West 167.69 ft. to a stump; thence South 39 deg. 59' 30" W. 950.94 ft. to an iron pin; thence North 52 deg. 9' 3" West 366.90 ft. to an iron pin; thence North 67 deg. 29' 22" West 492.27 ft. to an iron pin; thence N. 36 deg. 37' 49" East 189.14 ft. to an iron pin in the right of way line of Waterfront Trails; thence continuing with the right of way line of Waterfront Trails the following calls and distances: N. 78 deg. 32' 17" East 145.74 ft. to an iron pin; thence N. 84 deg. 54' 3" E. 116.81 ft. to an iron pin; thence S. 75 deg. 24' 28" East 88.72 ft. to an iron pin; thence S. 68 deg. 22' 8" E. 75.05 ft. to an iron pin; thence S. 86 deg. 26' 40" E. 54.73 ft. to an iron pin; thence S. 86 deg. 27' 41" E. 41.51 ft. to an iron pin; thence N. 72 deg. 16' 58" E. 53.69 ft. to an iron pin; thence N. 59 deg. 36' 20" E. 68.93 ft.; thence 54 deg. 76' 33" E. 61.59 ft. to an iron pin; thence N. 52 deg. 24' 13" E. 174.53 ft. to an iron pin; thence N. 54 deg. 35' 50" E. 145.75 ft. to an iron pin; thence N. 58 deg. 2' 40" E. 169.59 ft. to an iron pin; thence N. 66 deg. 35' 32" E. 49.84 ft. to an iron pin; thence N. 66 deg. 23' 55" E. 35.55 ft. to an iron pin; thence N. 76 deg. 46' 2" E. 136.26 ft. to an iron pin; thence N. 69 deg. 23' 33" E. 71.79 ft. to an iron pin; thence N. 55 deg. 58' 1" E. 37.98 ft. to an iron pin; thence along a curve to the right with a radius of 978.60 ft. a length of 455.79 ft. a cord bearing of N. 82 deg. 11' 36" E. 451.68 ft. to an iron pin; thence continuing along a curve to the right with a radius of 461.78 ft. a length 252.12 ft. a cord bearing of S. 66 deg. 34' 23" E. 249.00 ft. to an iron pin; thence S. 65 deg. 28' 37" E. 207.72 ft. to the point of Beginning, and containing 18.48 acres, more or less, as shown on the survey of Tony W. Crutchfield, RLS#1788 and being shown as the "Area Reserve for Sewage Deposal" on said map.

Being a portion of the property conveyed to Trimbach Development, LLC, by deed of

record in Warranty Deed Book 443, page 218, in the Register's Office for Campbell County, Tennessee.

TRACT TWO:

Situate in District No.: One (1) of Campbell County, Tennessee and being more particularly described as follows:

BEGINNING at TVA Monument 130-5, said monument marking the common corner of the property described herein. The property now is formally belonging to Harvey Miller (Warranty Deed book 408, page 786) and the property now formally belonging to Tony Sanders (Warranty Deed Book 424, page 285) thence with the Sanders line N. 48 deg. 32' 17" E. 144.56 ft. to an iron pin; thence leaving the Sanders line S. 31 deg. 44' 58" E. 147.70 ft. to an iron pin; thence N. 67 deg. 9' 4" E. 604.25 ft. to an iron pin; thence S. 27 deg. 59' 11" E. 538.39 ft. to an iron pin located in the right of way line of Waterfront Trails; thence with said right of way line and curve to the left with a radius of 511.78 ft. a length of 280.42 ft., a cord bearing of N. 66 deg. 37' 44" W. 276.92 ft. to an iron pin; thence continuing with said right of way and a curve to the left with a radius of 1,028.60' a length of 485.76 ft. a cord bearing of S. 82 deg. 3' 40" W. 481.26 ft. to an iron pin; thence S. 55 deg. 58' 1" W. 37.67 ft. to an iron pin; thence S. 69 deg. 23' 33" W. 62.68 ft. to an iron pin; thence S. 76 deg. 46' 2" W. 115.96 ft. to an iron pin; thence N. 32 deg. 53' 8" W. 64.76 ft. to an iron pin; thence N. 31 deg. 54' 47" E. 39.58 ft. to an iron pin; thence N. 5 deg. 37' 26" W. 116.57 ft. to an iron pin; thence N. 53 deg. 21' 7" W. 54.87 ft. to an iron pin; thence N. 81 deg. 52' 42" W. 37.73 ft. to an iron pin; thence S. 75 deg. 22' 9" W. 28.98 ft. to an iron pin; thence S. 62 deg. 6' 8" W. 47.45 ft. to an iron pin; thence S. 47 deg. 2' 30" W. 79.29 ft. to an iron pin; thence S. 44 deg. 27' 7" W. 172' to an iron pin; thence N. 53 deg. 48' 6" W. 51.97 ft. to an iron pin; thence N. 23 deg. 51' 29" W. 131.36 ft.; thence S. 46 deg. 16' 53" W. 69.71 ft. to an iron pin in the right of way line of Goins Lake Lane; thence with said right of way line N. 74 deg. 39' 58" E. 25.60 ft. to an iron pin; thence N. 60 deg. 5' 17" E. 71.92 ft. to an iron pin; thence N. 48 deg. 34' 48" E. 71.28 ft. to an iron pin; thence N. 26 deg. 45' 14" E. 37.14 ft. to an iron pin; thence leaving said road right of way N. 82 deg. 47' 26" E. 284.07 ft. to the point of beginning and containing 6.81 acres more or less as shown by survey of Tony W. Crutchfield, RLS #1788 and being the "Area Reserved for Sewage Deposal" as shown on said map.

Being a portion of the property conveyed to Trimbach Development, LLC by Deed recorded in Warranty Deed Book 443, page 218, in the Register's Office for Campbell County, Tennessee.

The parties that the above described tracts shall be permanently restricted for use as the areas for the waste water treatment system and for sewage disposal for the Lakeside Estates Subdivision including the Lakeside Estates Condominiums and Villas.

PROPERTY ASSESSORS ID NO.:

Map 095 Group N/A
Control Map 095 Parcel 062.00

THIS CONVEYANCE IS SUBJECT to all restrictions, easements, set-back lines, and other conditions shown of record in the Office of the Register of Deeds for Campbell County, Tennessee.

And all the estate, title and interest of the parties of the First part therein, with the hereditaments and appurtenances thereto appertaining, hereby releasing all claim to Homestead and Dower therein.

Whenever in this instrument a pronoun is used it shall be construed to represent either singular or plural, as the case may demand.

IN WITNESS WHEREOF, the said parties of the first part have hereunto set hands and seals the day and year first above written.

TRIMBACH DEVELOPMENT, LLC.
A Tennessee Limited Liability Company

BY: [Signature]

ITS: Man Jay Meber

State of Tennessee)
County of Campbell)

Before me, Mark Troutman of the State and county mentioned, personally appeared Don Trimbach, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged such person to be the Managing Member of Trimbach Development, LLC, the within named bargainer, a Tennessee Limited Liability Company, and that such officer, as such Managing Member (office), executed the foregoing instrument for the purposes therein contained, by personally signing the name of the Limited Liability Company as such Managing Member (office).

Witness my hand and seal, at office in LaFollette, TN
of Nov., 2011.

[Signature]
Notary Public
My Commission Expires 12-31-2014



I hereby swear or affirm that the actual consideration or true value of this transfer, whichever is greater, is \$ 0.00

[Signature]
Affiant

Sworn to and subscribed before me this
23 day of January, 2011 2012
Dennis Miller
Notary Public Register
My Commission Expires: _____

EXHIBIT "C"

Personal Property and Equipment

(meters, tools, devices, mobile work equipment, furniture, fixtures, machinery, supplies, and other tangible items)

Description	Balance of Associated Debt & Lender Information

EXHIBIT "D"

Rights Via Agreements, Contracts, Misc.

(franchise agreements, franchise rights, warranties, contracts, supply contracts, agreements, bonds and/or other financial assurances and customer deposits)



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

March 2, 2013

Mr. Douglas S. Hodge, PhD, PMP Manager
DSH & Associates, LLC
e-copy: Hodge.dsh@gmail.com
4028 Taliluna Avenue
Knoxville, TN 37919

11-00020

**Re: State Operating Permit No. SOP-07073
DSH & Associates
LaFollette, Campbell County, Tennessee**

Dear Mr. Hodge:

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

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

If you have questions, please contact the Knoxville Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Hari Akunuri at (615) 532-0650 or by E-mail at Hari.Akunuri@tn.gov.

Sincerely,

Vojin Janjic
Manager, Permit Section

Enclosure

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

**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES
6th Floor, L & C Annex
401 Church Street
Nashville, TN 37243**

Permit No. SOP-07073

**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

**DSH & Associates formerly LaFollette Utilities Board - Lakeside Estates WWTP
LaFollette, Campbell County, Tennessee**

FOR THE OPERATION OF


Septic tanks, effluent collection system, advantex AX-100 textile-media recirculating filters, advanced anoxic nitrogen removal system, UV disinfection and 17.2 acre drip irrigation area system located at latitude 36.3695 and longitude -84.052333 in Campbell County, Tennessee to serve approximately 185 homes in the Lakeside Estates. The design capacity of the system is 0.074 MGD.

This permit is issued as a result of the application filed on August 27, 2012, in the office of the Tennessee Division of Water Resources and in conformity with approved plans, specifications and other data submitted to the Department in support of the above application, all of which are filed with and considered as a part of this permit. together with the following named conditions and requirements.

This permit shall become effective on: April 1, 2013

This permit shall expire on: February 28, 2018

Issuance date: March 1, 2013



**for Sandra K. Dudley, Ph.D., P.E.
Director**

A. GENERAL REQUIREMENTS

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

<u>Parameter</u>	<u>Sample Type</u>	<u>Daily Maximum</u>	<u>Monthly Average</u>	<u>Measurement Frequency</u>
Flow *	Totalizer			Daily
BOD ₅	Grab	45 mg/l	N/A	Once/Year
Ammonia as N	Grab	Report	N/A	Once /Quarter
<i>E. Coli</i>	Grab	941 colonies/100 ml	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 drip irrigation system. There shall be no discharge of wastewater to any surface stream or any location where it is likely to enter surface waters. There shall be no discharge of wastewater to any open throat sinkhole. In addition, the drip irrigation system shall be operated in a manner preventing the creation of a health hazard or a nuisance.

Instances of ponding or pools under dry weather conditions shall be promptly investigated and remedied. Instances of ponding or pools, or any wastewater runoff shall be noted on the monthly operation report. The report shall include details regarding the location(s), determined cause(s), the actions taken to eliminate the ponding or pools, or any wastewater runoff, and the dates the corrective actions were made. Any wastewater runoff due to improper operation must be reported in writing to the Division of Water Resources, Knoxville Environmental Field Office within 5 days of discovery by the permittee.

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.

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:

- the condition of the treatment facility security controls (doors, fencing, gates, etc.),
- the condition of the drip area security controls (doors, fencing, gates, etc.),
- the condition of the site signage,
- the operational status of the mechanical parts of the treatment system (pumps, filters, telemetry equipment, etc.)
- the condition of the UV bulbs (if applicable)

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.

D. REPORTING

1. Monitoring Results

Monitoring results shall be recorded monthly OR in accordance with the operating and maintenance inspection schedule in the permit administrative file record and submitted quarterly. The quarterly report shall detail the following:

Submittals shall be postmarked no later than 15 days after the completion of the reporting period. A copy should be retained for the permittee's files. Operation reports and any communication regarding compliance with the conditions of this permit must be sent to:

Division of Water Resources
Knoxville Environmental Field Office
3711 Middlebrook Pike
Knoxville, TN 37921

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 1200-4-5-.07(4)(h)2, the results of such monitoring shall be included in the calculation and reporting of the values required in the Quarterly Operation Report. Such increased frequency shall also be indicated.

3. Falsifying Reports

Knowingly making any false statement on any report required by this permit may result in the imposition of criminal penalties as provided for in Section 69-3-115 of the Tennessee Water Quality Control Act.

4. Signatory Requirement

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

E. SCHEDULE OF COMPLIANCE

Full operational level shall be attained after the construction of the treatment system is complete and the treatment system is placed into operation.

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

WASTEWATER SERVICE AGREEMENT

This Agreement is entered into this 2nd day of May, 2011, by and between DSH & Associates, LLC ("DSH") and Trimbach Development, LLC & Lakeside Estates HOA ("Developer/HOA"). Services outlined in this agreement will commence on the 1st of August, 2011.

WITNESSETH:

Whereas, DSH is a utility company that provide wastewater services. Whereas, the Developer/HOA has requested DSH to make a commitment to provide wastewater services to Lakeside Estates (at Lakeside Estates Subdivision); and Whereas, the DSH is willing and able to provide wastewater services to Lakeside Estates upon the terms, provisions and conditions hereinafter set out, all of which are acceptable to the Developer/HOA.

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. Developer/HOA has a subdivision in Campbell County, Tennessee, which development will be known as Lakeside Estates ("Development"). The Development consists of two hundred (200) residential units. DSH hereby agrees to and will provide wastewater services to the Development.
2. DSH will provide wastewater services to the Development using a wastewater disposal system ("System") commonly referred to as an "onsite wastewater treatment system." The System consists of two fundamental sections: (a) the collection lines, and (b) the treatment plant. The treatment plant as defined for this Agreement includes the drip fields. Each of the 200 separate commercial and residential units will have a Septic Tank Efficient Pumping

("STEP") unit and pump. From the STEP units, the wastewater will be pumped to the treatment plant.

3. Developer/HOA agrees to engage the services of a DSH & Associates, LLC to design any future modifications to the System for the Development. DSH & Associated, LLC costs will be limited to 10% of estimated total cost of installation (equipment, labor, material) of the modified system for the detailed engineering component of services. The design modifications shall be approved by DSH and its consulting engineers. The System will be designed in accordance with sound engineering practices and will be licensed, permitted and approved by all necessary and prudent governmental authorities. The Developer/HOA will further engage the services of DSH to build the System in accordance with the plans and specifications created by Developer/HOA's licensed engineer as approved by DSH and its consulting engineers. Developer/HOA will place in the HOA for Lakeside Estates that all Septic Tank Efficient Pumping ("STEP") unit and pumps shall be installed by DSH. DSH will provide a lump sum price for these systems based on volume of required STEP tank.
4. Developer/HOA will cause to be provided to DSH a 6 month warranty on the design and construction of the current system in such that any failure or defect in design, material, workmanship, functionality, or operation which occurs within 6 months of the Commencement Date (as defined in section 8) will be rectified, repaired or replaced at no charge to DSH. Developer/HOA warrants to DSH that the materials, equipment, functionality, and workmanship of the System will be good quality, that the work will be free from defects and that the work will conform to the requirements of the design plans and specifications. Work not conforming to these requirements, including substitutions not properly approved and authorized by DSH, may at DSH's option be considered defective.

5. On or before the execution of this Agreement, Developer/HOA will provide the following to DSH for DSH to obtain the necessary permit and approvals to construct the modifications and operate the System for the Development:
 - a. Developer/HOA shall submit three (3) sets of complete Tennessee Department of Environment and Conservation (TDEC) approved, stamped plans and specifications, together with all calculations, engineering reports, approval letters, and discharge permits; and
 - b. Developer/HOA shall submit two complete sets of all other surveying and engineering documents for the Development including, without limitation, road profiles, storm water drainage and utility drawings, and survey plats.
 - c. Developer/HOA will provide all legal support required to transfer existing CCN and State Operating Permit (SOP-07073) currently held by LaFollette Utility Board to DSH.
6. Upon the completion of the construction modifications of the System and its acceptance for use by DSH, DSH will own, operate and maintain the System beginning on the Commencement Date as set forth in section 7.
7. The Commencement Date shall be the date when DSH assumes formal responsibility for the operation of the System. DSH will execute a Memorandum of Commencement establishing the Commencement Date for purposes of this Agreement. This memo will be directed to both Trimbach Development and Lakeside Estates HOA. Effective with the Commencement Date, ownership of any and all components, parts and equipment of the System will immediately become the property of DSH.
8. Developer/HOA shall support the transfer of documents which are a current representation of the utility easement areas which are to be DSH easements. Such easements shall also

reflect all current as-built conditions and any possible future areas. These as-built easements shall be indicated on the final subdivision plat with metes and bounds before DSH will approve the final plat. Developer/HOA will support the transfer of a ten (10) foot easement for all collection lines, and these easements shall be shown on the final plat. The easements may be included in the easements dedicated for other utility easements as specified in the County Zoning and Subdivision Regulations. Developer/HOA will support the transfer of property and easements from owned currently by LaFollette Utility and Trimbach Development to DSH within 2 months of commencement of this agreement. Currently, Trimbach Development owns the land that the waste water treatment system is installed on and LaFollette owns a permanent easement for the force mains. DSH will be provided an additional easement for the force main and the deed to the waste water treatment land. This will require legal transfer and recording of PLAT information with the County. The area transferred will be adequate for the final extent of the treatment system required to treat effluent from 200 home units (treatment system, pipelines, drip field areas).

9. Developer/HOA shall provide as-built drawings of all components of the System. As-built drawings shall be presented in AutoCAD format or similarly compatible format.
10. Developer/HOA shall provide all finalized construction documents including approved shop drawings, operation and maintenance manuals, vendor information, warranty information, instructional manuals, and other relevant materials regarding the design, construction, and operation of the System.
11. Developer/HOA's design engineer of record shall certify the inspection and construction of the System based upon the design engineer's observation of the construction. The engineer shall also certify that the System has been designed in accordance with sound engineering practices and in compliance with all laws, regulations, rules, ordinances, and engineering

practices applicable to such systems, that the System is fully operational and that the System is ready to be used as designed and intended. Developer/HOA shall provide documents stating that all components of the treatment plant and drip field area shall have a permanent ingress/egress easement. Said ingress/egress shall be, at a minimum, a roadbed which is drivable during wet weather conditions in order to provide access for repair and maintenance purposes. Developer/HOA's engineer shall provide a document stating that all federal, state, and local permits have been obtained.

12. Developer/HOA agrees that DSH may require additional equipment and appurtenances to be constructed and to be paid for by HOA tap fees listed in this contract, although such additional equipment and appurtenances may not be included on the plans. The Developer/HOA certifies that the phase I system has been installed and is currently operating. The design flowrate of the Phase I system is 12,000 gallons per day. The phase II System is currently being designed and will increase the design flowrate to 16,000 gallons per day and improve the overall performance. The Phase I and II systems should support 35 homes at an average flowrate of 450 gallons per day (current average flowrate per unit at Lakeside Estates, based on historical information provide by LaFollette Untility). Prior to the 36th home being tied into the system and or the total system measured flowrate exceeding the design flowrate into the sewer force main and treatment facility, additional capacity will be required, such equipment and appurtenances may include, but are not limited to, treatment Pods, tanks, maintenance/equipment building for the plant, fencing with lockable gates around the plant and maintenance building, signage, and gravel surface within the boundaries of the plant fencing. All future design and construction costs will be the responsibility of the Developer/HOA . To support future expansion costs of the system DSH has agreed to establish an escrow fund. Funds derived from tap fees from future

homes that tie into the system will be placed into the escrow fund and will be used to support expansion of the system. If escrowed funds are not sufficient to support required treatment system expansion, it is the Developer/HOA responsibility to support the additional cost. Tap fees for each new unit will be derived based on the number of bedrooms as listed in the table below:

Daily Flowrate	Number of Bedrooms	Estimate Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00

- a.
- b. The tap fees may change base on inflation, cost of goods/materials, etc., and do not include the cost to expand the existing sewer force main. Force main extensions will have to be cover by the Developer/HOA.

13. DSH will operate and maintain the System and provide wastewater service

("service") to the Development in accordance with the following:

- a. All applicable building structures in the Development will be required to install the wastewater service line and connectors as specified by DSH.
- b. Each residential unit will be charged the published wastewater rates and charges of DSH. The furnishing of service will be governed by DSH rules, regulations and policies. As of the date of this Agreement, DSH's monthly service rate for wastewater service is \$54.48.
- c. If a home is rented out at anytime or daily flowrate exceed 300 gallons per day at anytime during a 12 month period, DSH's monthly rate for wastewater service will

be a minimum of \$54.48.

- d. Each residential unit (lot) that does not contain a structure will be charged and annual service rate – same as LaFollette Utility. Access fees will only be charged for lots based on the total existing capacity of the treatment system which after Phase II expansion will be 35 homes (based on 450 gallons per day usage). As outlined in section 16, there are 26 lots with homes which leaves 9 lots that will be charged access fees (3 non-resident property owners and 6 lots owned by the developer).
 - e. The maintenance, repair or replacement of the wastewater service lines from each of the STEP units and the maintenance, repair or replacement of the STEP unit and pump for each unit to the sewer main shall be the responsibility of the owner of the residential/commercial unit. DSH will install the STEP system for owners for a fix price of \$6,000 per unit (based on a 3 bedroom unit) if system is not pre-existing. This price includes a 15% markup of equipment and services.
 - f. The maintenance, repair or replacement of the wastewater service lines from the future community STEP units shall be the responsibility of the Developer/HOA.
14. Upon the execution of this Agreement, Developer/HOA agrees to pay DSH \$8,000 to cover DSH's legal, permitting, engineering and administrative expenses related to this submittal of the CCN package to Tennessee Regulatory Authority. This application package will require substantial information from the Developer/HOA and includes but is not limited to:
- Owners User Manual
 - Lakeside Letter Requesting DSH System Takeover
 - LaFollette Utility Board Letter Releasing SOP
 - Sworn Pre-filed Testimony
 - SOP – Lakeside Estates
 - DSH Articles of Incorporation
 - DSH State of TN Business License
 - Degrees & Certificates of DSH Staff
 - Lakeside Estates Decentralized System Engineering Drawings

- Build-out Cost Analysis (5-yr)
- Lakeside Estates Subdivision Plans
- Chart of Accounts
- Performance Bond
- Pro Forma Income Statement (2-yr)
- Operation and Maintenance Contract (DSH and Trimbach Development, LLC)
- TDEC Letter of Acceptance of Transfer of WWTS
- LaFollette Letter stating no service line in area of subdivision

15. When Developer/HOA closes on a residential unit in the development, Developer/HOA will

collect at the closing the required tap fees and access fees. These fees will be promptly tendered to DSH by the agent conducting the closing. Developer/HOA will include DSH's Wastewater Service Agreement with the closing documents for each residential unit and will be responsible for causing the residential unit owner to execute such Agreement at or prior to closing. Developer/HOA shall deliver the fully executed Wastewater Service Agreement and fees to DSH within ten (10) business days of the residential unit closing. Developer/HOA agrees that failure on the part of Developer/HOA or the closing agent to collect such fees from residential unit purchasers shall not absolve Developer/HOA of the responsibility of tendering such fees to DSH within the ten (10) business day time period specified herein.

16. No connection will be provided to the force main sewer collection system until tap fees are provided. Developer/HOA certifies that as of the date of this contract, 34 units have been sold. Units 23 and 24 have been sold and tap fees collected prior to this agreement will be used by the Developer/HOA to fund the construction of the Phase II system expansion. Units 23 and 24 cannot be connected to force main/treatment system until Phase II construction is complete.

a. Lot Summary:

- i. Non-resident property owners (requires access fee) = 3
- ii. Developer owned lots requiring access fee = 6
- iii. Resident property owners = 3
- iv. Commercial overnight rental property owners = 23

v. Number of property owners not attached to system = 5

17. Developer/HOA agrees to provide to each Residential/Commercial Unit Purchaser DSH's STEP System Policy as shown in Attachment 1.
18. Developer/HOA will cause to be installed in the water supply line serving each residential unit or units, on the owner's side of the water meter, prior to any branch in the water supply line, a lockable valve to which DSH will have access. DSH will provide in its Wastewater Service Agreement (referred to in section 13) that DSH shall have the authority to turn off the water supply to the home in the event the monthly wastewater bill is not paid for a period of sixty (60) days. Additionally, Developer/HOA will incorporate into the disposal line, prior to the STEP unit, a locked valve box which valve will be closed and locked as of completion of the construction. The valve will be opened by DSH personnel upon receipt by DSH of the account balance plus all late fees and reconnection fees.
19. Performance pursuant to the terms and conditions of this Agreement is contingent on the receipt of a letter or other written acknowledgement from each necessary governmental authority, utility district, or other public utility to the effect that no such entity plans or intends to extend sewer service to the Development within the next twelve (12) months. The letters should be in substantially the form attached hereto as collective Exhibit 3. Developer/HOA shall bear the responsibility for procuring these letters which shall be addressed directly to DSH.
20. Developer/HOA will further cause the following language, or similar language as agreed in advance between DSH and Developer/HOA, to be incorporated into all restrictions and protective covenants for Lakeside Estates and, to the extent restrictions or protective covenants are already of record, Developer/HOA will cause such recorded restrictions or protective covenants to be amended, in order to include such language as a lien on all real

property within the Development:

- a. Developer/HOA has contracted with a utility ("Utility") to operate and maintain the wastewater system ("System") serving the Development. There is hereby created and shall be a lien in favor of the Utility against any individual residential/commercial units or building structures for default in the payment of any fee or charge imposed by the Utility in the operation of the System which lien shall also secure fees and costs (including attorney fees) incurred by the Utility incident to the collection of such fees or charges or enforcement of such lien, regardless of whether legal action is commenced. Each such fee or charge, together with interest, costs, and attorney fees, shall also be the personal obligation of the person or persons who were the Owner or Owners of the residential unit or building structure at the time when the fees or charges were incurred. In the event of the occurrence of a catastrophic event, an act of God, or any other event beyond the control of the Utility that renders the System inoperable or substantially impairs the operation of the System, the Utility shall have the authority to impose a special assessment on the owners of all building structures or residential units in order to repair and remediate the System. There shall also be a lien in favor of the Utility against each individual residential unit or building structure to secure the payment of such special assessment, including collection costs and fees (including attorney fees) incurred by the utility. Notwithstanding any other provision of these covenants this lien shall be subordinate to only a first priority purchase money mortgage or first priority purchase money deed of trust.

- b. The maintenance, repair or replacement of the Septic Tank Efficient Pumping ("STEP") units shall be the obligation of the homeowners for individual STEP systems and the HOA association for community owned STEP systems.

21. Developer/HOA may terminate the Agreement prior to the Commencement Date at Developer/HOA's discretion following written notice to DSH of its intent to so terminate subject to the conditions set forth in this section. This Agreement shall not terminate unless and until such time as DSH has received, in a form satisfactory to DSH, its engineers and its counsel, written authorization from the Tennessee Department of Environment and Conservation and the Campbell County Planning Commission acknowledging that DSH has no obligation to provide wastewater service to the Development and releasing DSH from any liability arising as a result of the termination. Developer/HOA shall execute a written release releasing DSH from any liability arising as a result of the termination of this Agreement. Developer/HOA will forfeit all monies paid to DSH if the Agreement is terminated.
22. Notwithstanding any other provision of this Agreement and notwithstanding the payment by Developer/HOA of the amounts set forth in this Agreement, DSH shall not be obligated to accept the System or commence operations unless and until all of the obligations of Developer/HOA and the criteria set forth in this Agreement have met to the sole satisfaction of DSH, DSH's engineers and DSH's consultants. In the event DSH, for whatever reason, fails or refuses to accept the System and commence operations, DSH shall refund the tap fees and wastewater disposal deposits tendered by the Developer/HOA, but shall have no other or further liability to Developer/HOA or to the owners or units within the Development.

23. Failure to perform any obligation of this Agreement after fourteen (14) calendar days' notice of the failure to perform or within any time period set forth in this Agreement shall constitute an Event of Default by Developer/HOA, and DSH may at that time, terminate the Agreement. Such termination will release DSH from any liability to Developer/HOA and from any obligation to provide wastewater service to the Development.

24. Any notice or communication required or permitted hereunder shall be in writing and be sent either by: (i) personal delivery service with charges therefore billed to shipper; (ii) overnight delivery service with charges therefore billed to shipper; or (iii) United States Mail, postage prepaid, registered or certified mail, return receipt requested, addressed to Utility or Developer/HOA at the respective addresses set forth below:

Utility:

DSH & Associates, LLC
Douglas S. Hodge, Ph.D., PMP
Operations Manager
4028 Taliluna Ave
Knoxville, TN 37725
865-755-8066

Developer/HOA

Jon Trimbach
President
Trimbach Development, LLC/Lakeside Estate HOA
320 Echo Valley Drive
Vandalia, OH 45377
937-238-6843

Any notice or communication sent as provided herein shall be deemed given or delivered: (i) upon receipt if personally delivered; (ii) upon delivery by an overnight delivery service; or (iii) if sent by the U.S. Postal Service Registered or Certified Mail, on the date appearing on the return receipt, or if there is no date on such return receipt, the receipt date shall be presumed to be the postmark date appearing on such return

receipt. If delivery is refused or cannot be made, the notice date shall be the date of attempted delivery as evidenced by the appropriate notations made by the Postal Service. Either party may change its address by notice to the other party in the manner set forth above at least ten (10) days prior to such change.

This Agreement contains the entire agreement of the parties, and any and all other prior agreements, discussions, or understandings are merged herein. This Agreement may not be modified except in writing signed by all parties hereto. This provision may not be orally waived.

IN WITNESS THEREOF, the parties have hereunto set their hands, effective the year and date first above written.

Trimbach Development, LLC

By: 

Title: Managing Member

Date: 6/10/11

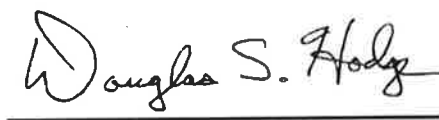
Lakeside Estates HOA, LLC

By: 

Title: Managing Member

Date: 6/10/11

DSH & ASSOCIATES, LLC

By: 

Title: Managing Member

Date: 5/2/11

Attachment #1

**Governing the sewage collection
and treatment systems of DSH & Associates (DSH)**

Statement of Purpose

The general purpose of these rules and regulations is:

1. To establish procedures for furnishing sewage collection and treatment services on a uniform basis to customers within the Company's service area.
2. To provide standards and procedures for:
3. Acceptable sewage characteristics
4. Protection of the integrity of the water tight system
5. Engineering design standards
6. Construction standards and inspection requirements
7. Quality of materials

Authorization of Rules and Regulations

DSH & Associates, LLC is a corporation organized and engaged in business as a public utility in the State of Tennessee. The Company is regulated Under a Certificate of Convenience and Necessity issued the Tennessee Public Service Commission (PSC) July 1, 2011, under Docket No. 11-00020 and subsequent certificates issued by the PSC and the TRA.

Effect of Rules and Regulations

All provisions of these rules and regulations shall be incorporated in each contract with each sewage system customer of the Company

Utility Facilities on Private Property

The Company shall maintain all septic pump and septic gravity tanks, control systems and service lines required to provide sewer services on the Customer's premises. The Customer must execute an agreement that acknowledges the Company to have a perpetual easement in, over, under and upon the specified land of Customer as shown on the property plat, with the right to operate and repair all components of the sewer system on the Customer's property, including but not limited to the septic tank and septic pump tank systems. The Customer must grant the Company permission to enter upon Customer's property for any reason connected with the provision or removal of sewer service or collection therefore. The Customer must agree to allow the Company to install an approved cut off valve between the house and water supply and grant the Company exclusive rights to use such valve to cut off water in order to safely stop wastewater flow. The Customer's Building and Plumbing outfall line shall be maintained by the Customer.

Discontinuance of Service

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

1. Non-payment of bill as hereinafter set forth below
2. For misrepresentation of application
3. For adding to the property without notice of the Company
4. For tampering any service pipe, tank, control system, filter or any other facilities of the Company in any way whatsoever.
5. For violation of any rules of the Company.
6. For disconnecting or reconnecting service by any party, other than a duly authorized agent of the Company without the consent of the Company.

Non-Payment Penalties

The Customer agrees to promptly pay for service at the then current schedule or rates and fees and agrees to abide by and be subject to the Company's billing and cutoff procedures. Should the Customer not pay in accordance with the Company's rules, the Customer agrees to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.

The non-payment penalty will be the same as LaFollette Utility. If payment is not received within fifteen days after the due date, a 2nd notice will be sent to the customer. If payment is not received within 30 days, service will be turned off from the customer's property as per the Sewer Service Contract Agreement (Attachment 14) executed by the customer with no additional notice being sent. No service shall be reconnected if disconnected for non-payment (or any other valid reason) until all charges have been paid, including disconnection and reconnection fees. The disconnection and reconnection fees will be the same as LaFollette Utility

Returned Checks

A check returned by the bank will incur a fee the same as LaFollette Utility.

Changes in Ownership, Tenancy of Service

A new application and contract must be made and approved by the Company on any change in ownership of property, or tenancy, or in the service as described in the application. In the event of a failure of a new owner or tenant to make such application, the Company shall have the right to discontinue service until such new application is made an approved.

Sewer System Access Fee

The owner of each property parcel, which is provided a service connection when the sewer system is built, will be required to pay a sewer access (fee same as LaFollette Utility). This fee will be payable each August 1st. As each Customer attaches to the Service Connection and signs up for service, they will pay a pro-rated access fee for that year and thereafter the fee will not be charged.

Engineering, Material and Construction Standards

General: This specification covers the type of sewer system required for various design conditions of sewers constructed by developers.

1. The requirements called for are a minimum in all cases. Bedding conditions, material specifications, sealing requirements and installation methods are the responsibility of the design engineer and must be approved by the Company Engineer.
2. Design and construction of sewer lines shall meet the requirements of the State of Tennessee Department of Environment. Any conflicts between company and state requirements shall be resolved so that the more restrictive shall govern.
3. All sewage collection system components are to be watertight. This includes Building Outfall lines, all tanks, Collector Lines, Service Lines and Main Lines.
4. Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be watertight.
5. Septic Pump and Septic Gravity Tanks are to be installed near the customer's building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
6. STEP septic tanks must meet the specifications outlined in this document. Size of STEP tanks must be approved by DSH and will be based on the number of bedrooms in the home and the intended use of the home.
7. All pipe is to be PVC. Classes and sizes will be per Engineer's design and in all cases Schedule 40 will be the minimum allowable.
8. Only wastewater drains are to be connected to the sewer system. No water sources such as roof drains, sump pumps, condensate lines and swimming pools shall be connected to the sewer system.

Special Pretreatment Sewage Requirements

For all sewage connections the Company reserves the right to require any non-residential user to provide special pre-treatment for any high strength effluent before discharge into its sewage system. The Company may, upon the basis of recognized engineering standards and treatment costs, increase the rate charged to cover the cost of treatment of high strength effluent or industrial waste, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharged into its sewage system.

Additionally, if excessive volumes of sewage are received, the Company may require the Customer to monitor flow volume and increase surge holding capacity at the Customer's expense. All customers will be required to follow the Owners User Manual for an effluent collection system supplied to them by the Company (Attachment 1). These requirements prohibit the dumping of any toxic chemicals that kill tank bacteria and disposal of an excessive amount of grease, among other things. All requirements (and notification of repair costs associated with the system abuse) are established in the Customer's Sewer Subscription Contract with the Company.

Damages

The Company shall in no event be responsible for maintaining any Building Outfall Line owned by the Customer, nor for damages created by sewage escaping there from, nor for defects in Customer's building lines or fixtures. The customer shall at all times comply with all regulations of the TRA and of the Company.

All leaks in any building pipe or fixture on the premises of the Customer shall be immediately repaired by the Customer. On failure to repair any such leak, the service may be discontinued until repairs are made. Any customer found introducing prohibited substances into the waste water system is liable to pay the full cost of cleanup and the repair of any damage caused.

Inspection

All pipes, valves and fixtures shall be at all reasonable hours, be subject to inspection by the Company or it's duly agent.

In Event of Emergency

The Company shall not be liable to the Customer for interruption in service, or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond the reasonable control of the Company. In case of emergency, call 865-622-2452.

Service Area

The Company will provide service within its current service area. Additions to the service area must be approved by TRA.

Extension Plan

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing sewer systems. The sewer service charges listed in the sewer billing monthly rates do not include costs for constructing extensions to the sewer system. Any sewer system facilities required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facilities shall become the property of the Company to be credited to the account for Contributions in Aid of Construction. In addition, treatment system facility costs will be paid by the Customer desiring to connect onto the system. Sewer service to new areas within a service territory will be made available where it is technically feasible and the developer or property owner is willing to bear the expense of designing and building the sewer system.

Contributions in Aid of Construction

Sewer system facilities furnished by developers and property owners to the Company will be recognized as Contributions in Aid of Construction in the amount of the actual cost of construction. Capital contributions from developers will be treated in like manner.

Contracts for Service

Each Customer before installation of service shall be required to execute on the appropriate forms furnished by the Company, a Sewer Subscription Contract.

Customer Billing Forms

Customer billings will be sent monthly or annually to Customers for payment of a flat fee.

Individual Septic Tank and Pump Tank Requirements

Only the configurations listed on the Individual Septic Tank and Pump Tank requirements list may be used. This list may be added to or taken from as needed.

Public Contact

Doug Hodge
4028 Taliluna Ave
Knoxville, TN 37919
865-622-2452

Tennessee Regulatory Authority Regulations

The Company, in its operation, shall conform to all the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority. The TRA can be reached by phone at 1-800-342-8359 or 615-741-2904.

SECTION 4

I: RESIDENTIAL RATE SHEET/EXPLANATION

The monthly sewer charge per customer is **\$54.48**.

Explanation

FFR.D:	Standard Base RSF/Fixed Film Reactor Treatment Rate	\$	54.48
	Total	\$	54.48

Estimate Tap Fees

Tap Fees for each new unit will be derived based on the number of Bedrooms as listed in the table below:

Daily Flowrate	Number of Bedrooms	Estimated Tap Fee
300	3	\$ 3,750
400	4	\$ 5,000
500	5	\$ 6,250
600	6	\$ 7,500
700	7	\$ 8,750
800	8	\$ 10,000
900	9	\$ 11,250
1000	10	\$ 12,500

STEP System Installation:

- For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for **\$6,000**. If larger STEP systems are required, they will be quoted on an individual basis. The installation of the STEP systems includes a 15% markup by the utility.

II: COMMERICAL RATE SHEET Overnight Rental Units

The monthly sewer charge per customer is \$54.48.

Estimate Tap Fees:

Daily Flowrate	Number of Bedrooms	Estimate Tap Fee
300	3	\$3,750.00
400	4	\$5,000.00
500	5	\$6,250.00
600	6	\$7,500.00
700	7	\$8,750.00
800	8	\$10,000.00
900	9	\$11,250.00
1000	10	\$12,500.00

Other fees include the following:

STEP System Installation:

- For a 3 bedroom unit/300 gallons per day, STEP systems will be installed for \$6,000. If larger STEP systems are required, they will be quoted on an individual basis. The installation of the STEP systems includes a 15% markup by the utility.

SEWER SERVICE CONTRACT

DATE: _____.

PRINTED NAME: _____.

ADDRESS OF PROPERTY: _____.

MAILING ADDRESS: _____.

TELEPHONE NUMBER: _____.

EMAIL ADDRESS: _____.

I hereby make application to DSH & Associates, LLC (DSH) for sewer service at the address of property stated above. In consideration of the undertaking on the part of DSH to furnish sewer service, I understand, covenant and agree as follows:

1. 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 DSH. 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 DSH. 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 Owners User Manual. 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 DSH.
2. I acknowledge DSH, 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 septic tank and septic pump tank systems. I further grant DSH permission to enter upon my property for any reason connected with the provision or removal of sewer service or collection therefore.
3. For all other plumbing and structures on the property, including the outfall line to the septic tank, I agree that I am responsible for all operation and repair thereof.
4. I agree to promptly pay for service at the then current schedule or rates and fees and agree to abide by and be subject to DSH's billing and cutoff procedures. Should I not pay in accordance with DSH's rules, I agree to pay all reasonably incurred cost of collection of delinquent fees including attorney fees.
5. I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules as approved by the Tennessee Regulatory Authority.
6. 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 DSH at least thirty (30) days in advance of my vacating the property.
7. I agree to allow DSH to install an approved cut off valve between the house and water supply and grant DSH exclusive rights to use such valve to cut off water in order to safely stop wastewater flow.

SUBSCRIBERS SIGNATURE: _____

OWNERS USER MANUAL

Welcome! You are hooked up to a state of the art fixed film wastewater treatment system. This environmentally friendly system does an excellent job of treating wastewater and returning it to the soil. It will do best if you follow the guidelines listed below:

Proper Use:

Direct all wastewater from the home into the septic tank. Any wastewater can contain disease causing organisms and pollutants.

Practice water conservation to avoid overloading the onsite sewage system. Repair dripping faucets and leaking toilets. Run dishwashers when full. Do not do all your laundry in one day. Space out the washing machine use over the week. Replace old fixtures with water saving fixtures.

Do not direct water from gutter downspouts, sump pumps or subsurface drains into the septic tank. The sewage management system is designed based on an estimated daily water use. Excess water directed into the septic tank will cause a hydraulic failure.

Use commercial bathroom cleaners and anti-bacterial soaps in moderation. Treatment in the wastewater system depends on natural bacteria. The Utility does not recommend the use of septic tank additives. These products are not necessary for proper system operation.

Do not plant trees or bushes on top of the septic or pump tank. Root intrusion may damage and block the line.

Do not dig without knowing the location of your septic and pump tank. Landscape the site to allow surface water to drain off of these tanks. Divert roof drains from these tanks. Standing water over these tanks will cause increased load saturations and potential pump failure.

Do not park or drive over the septic and pump tank. This can damage or compromise the tanks.

Do not pour grease, oil, paint or other chemical products down the drain. Do not put not-biodegradable items such as cigarette butts, feminine hygiene products, condoms, disposable diapers or other similar solid waste into the septic tank. Remember living microbes clean the wastewater.

Do not enter your septic or pump tank. Gases from inside the tank can be fatal. Keep the lids secure and screwed down.

Do not turn off the main circuit breaker to the wastewater pumps when going on vacation. The pumps will need to handle any infiltration into the system.

If there is a power failure, your alarm might go off when the power comes back on. Wait at least 2 hours; if the alarm is still going off please call the customer service number. If you have had no power failure and the alarm goes off, call customer service without delay.

Customer Service: 865-622-2452

Jon Trimbach

320 Echo Valley Drive
Vandalia, OH 45377
877-204-0785

► **Lakeside Estate HOA**

Attn: Lakeside Estate Property Owners

(Address Stamp Here)

Trimbach Development, LLC has engaged DSH & Associates (DSH), LLC (a waste water utility company) to replace LaFollette Utility District for waste water utility services. Their rate sheets and other pertinent information are attached. This transition will be effective August 1st, 2011.

Please contact me by phone if you have any transitional questions. The DSH point of contact is Doug Hodge who can be reached at 865-622-2452 or hodge.dsh@gmail.com.



Jon Trimbach

Managing Member

Trimbach Development, LLC

11/1/10

DSH & Associates, LLC

Individual STEP septic tank requirements.

Only configurations and equipment approved by DSH may be used. Not following these configurations shall be cause for disconnect until the specifications are met.

All connections to the septic and dosing will be:

- 4" schedule 40 PVC at not less than 1/8" fall per 1'
- Have an Inspection port relief valve between the septic tank and pump tank. The Inspection port relief valve will be on an elevation of not less than 6" below the elevation where the building outfall line leaves the home. (see approved products)
- Foam core pipe is approved if it meets local code requirements

The line from the pump tank to the main line will be:

- Pressure rated Schedule 40 PVC minimum 1.25 inch
- Have a piece of single strand insulated copper wire included in the ditch turned up in the utility box at the road and alarm post for future locating needs.
- Pumped line from pump tank to service connection should be buried at least 18" deep.

The STEP septic must meet the Utility's design requirements:

- All tanks must be on the Utility's approved list. Other tanks may be added to approved list if they meet all requirements. Contact the Utility for details on adding additional equipment to approved list.
- Shall be of a watertight design and all joints must be sealed to stop ground water intrusion and sewage leaks. Concrete/Fiberglass tanks must be 1 piece tanks with sealed lid.
- The STEP septic tank will be a two chamber design at least 1500 gallon capacity.
- The septic tank will have PVC tees in each end at least 1/3 the water depth.
- The outlet tee will include a septic tank filter.
- The top of the tanks shall not be buried deeper than 24" from the surface.
- The septic tank will include two approved risers to the surface.
- The dosing tank will include one approved riser to the surface.
- The risers will have two forms of entry security. Safety screws in outer lid and a riser pan with cement lid or a safety screen.
- The dosing tank will have a 1.5 inch metal pipe entering at least 46" on center from the bottom of the tank at the riser end. The total length of the installed pump and piping shall be 46" from center of the line entering the tank to the bottom of the pump.
- The pipe in the tank will have a 1/16 hole pointed downward in the tank to relieve air after pump cycle.
- The pump tanks will have an EZ pull adapter for quick pump service.
- All pipes in the dosing tank will be galvanized water pipe, aluminum or stainless steel
- Metal pipe must extend at least 3' from tank toward Utility connection before converting to using PVC.

- The metal elbow shall have a 1/16 hole at a 30 degree downward angle drilled into it'
- A non spring check valve shall be connected to the Utility service just inside the Utility service box. This will make a total of two check valves at the service box.

Electrical Connections

- All connections shall meet the national electrical code.
- All connections shall be located outside of the tank.
- An approved alarm post with a high level alarm shall be located at the pump tank riser.
- No electrical connections are allowed inside the pump tank or riser.
- Two 110 volt electrical circuits are required from the house to the alarm post. One 12 gauge dedicated for the pump and one 14 gauge for the alarm, so the alarm will work even if the pump throws a circuit breaker. Wire in PVC conduit or direct burial wire is required.
- The conduit connecting the riser to the alarm post must be sealed so as to keep corrosive gasses from entering the alarm post.

Approved Materials: (contact the Utility in advance to recommend an addition to this list)

Risers: Can use either Orenco System or Polylok System risers as outlined below:

- Orenco: Jeff Brownfield at 423-331-2036
 - 2.000 FL24G-4BU Fiberglass Lid, 24" W/ Urethane Gasket, Angled Core; 4 bolts, Inlet & outlet
 - 2.000 RR2436 Pvc Access Riser, 24" Dia.
 - 2.000 MA320 200 G Epoxy Kit
 - 1.000 SB4 Pvc Splice Box W/4 Cord Grips
 - 1.000 PV55-1817 Simplex Biotube Pump Vault for 24" Riser, 18" Cartridge
- Polylok: www.polylok.com 877-POLYLOK
 - Polylok 3008 HD Heavy Cover or
 - Polylok 3008 RC Light Duty Cover
 - Polylok 3008-RP 24" Riser Pan or
 - Polylok 3008-SS 24" Safety Screen
 - Polylok 3008 24" Riser 6" tall
 - Polylok 3008-R12 24" Riser 1,2" tall
 - Polylok PL-68 Filter Cartridge (septic tank filter)
 - Polylok 3009-AR (adapter ring for plastic tanks)

Alarm Post:

- SJE Rhombus model PSPL20V6HL7 A www.sierhombus.com 1-888-DIALSJE
- Septic Products Inc. - Observer 100 www.septicproducts.com 419-282-5933

EZ pull adapter -EZ-Puller 1.5 inch www.webtrol.com 800-769-7867

Inspection Port Relief Valve 562-304 www.Plum.com 800-462-6991

STEP Septic Tank: 1 piece 2 chamber

- Orenco Step Tank: Jeff Brownfield 423-331-2036
- Norwesco 1050 Septic tanks part number 42250,42248,42283, 42293 www.norwesco.com
- Ashley Cement Tanks: Must be L piece 2 chamber poured tanks with two Polylok 24" risers and sealant between lid and tank.
- Watson Septic, Madisonville, TN
- Dixie Concrete, LaFollette, TN
- Tays Septic, Crossville, TN
- Morrison Tank & Vault, Morrison, TN

Approved Pumps:

- Myers 2NFLs1-8E www.femvers.com 419-289-1144
- Orenco: Jeff Brownfield at 423-331-2036
 - 1.000 PF100511 Effluent Pump; 1/2Hp, 10gpm, 115V, 60Hz, 10' Lead
 - 1.000 HV100BCFCPRX Hose & Valve Assembly, 1" Pressure, w/B,C,FC,X
 - 1.000 MF3A-Y,B,R-27V Fl. Assem.:(Y,B,R);27" step pump vault
 - 1.000 S1ETM Simplex Panel, 115V W/Etm

Some local Installers: (if an installer does poor work, the Utility reserves the right to not allow him/her to do further work) To add your installer, please call the Utility first:
Doug Hodge at 865-851-8351.

For additional technical assistance call DSH & Associates, LLC. 865-622-2452.

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.

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

5. Property Rights

The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of Federal, State, or local laws or regulations.

6. Severability

The provisions of this permit are severable. If any provision of this permit due to any circumstance, is held invalid, then the application of such provision to other circumstances and to the remainder of this permit shall not be affected thereby.

7. Other Information

If the permittee becomes aware that he failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, then he shall promptly submit such facts or information.

B. CHANGES AFFECTING THE PERMIT

1. Planned Changes

The permittee shall give notice to the Director as soon as possible of any planned physical alterations or additions to the permitted facility.

2. Permit Modification, Revocation, or Termination

a. This permit may be modified, revoked and reissued, or terminated for cause as described in section 69-108-(F) The Tennessee Water Quality Control Act as amended.

b. The permittee shall furnish to the Director, within a reasonable time, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

3. Change of Ownership

This permit may be transferred to another person by the permittee if:

a. The permittee notifies the Director of the proposed transfer at least 30 days in advance of the proposed transfer date;

b. The notice includes a written agreement between the existing and new permittees containing a specified date for transfer of permit responsibility, coverage, and liability between them; and

c. The Director, within 30 days, does not notify the current permittee and the new permittee of his intent to modify, revoke or reissue, or terminate the permit and to require that a new application be filed rather than agreeing to the transfer of the permit.

4. Change of Mailing Address

The permittee shall promptly provide to the Director written notice of any change of mailing address. In the absence of such notice the original address of the permittee will be assumed to be correct.

C. NONCOMPLIANCE

1. Effect of Noncompliance

Any permit noncompliance constitutes a violation of applicable State laws and is grounds for enforcement action, permit termination, permit modification, or denial of permit reissuance.

2. Reporting of Noncompliance

a. 24-Hour Reporting

In the case of any noncompliance which could cause a threat to public drinking supplies, or any other discharge which could constitute a threat to human health or the environment, the required notice of non-compliance shall be provided to the appropriate Division environmental assistance center within 24 hours from the time the permittee becomes aware of the circumstances. (The environmental field office should be contacted for names and phone numbers of emergency response personnel.)

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

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

b. Scheduled Reporting

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

3. Overflow

a. "**Overflow**" means the unintended discharge to land or waters of Tennessee of wastes from any portion of the collection, transmission, or treatment system other than through permitted outfalls.

b. Overflows are prohibited.

c. The permittee shall operate the collection system so as to avoid overflows. No new or additional flows shall be added upstream of any point in the collection system, which experiences chronic overflows (greater than 5 events per year) or would otherwise overload any portion of the system.

d. Unless there is specific enforcement action to the contrary, the permittee is relieved of this requirement after: 1) an authorized representative of the Commissioner of the

Department of Environment and Conservation has approved an engineering report and construction plans and specifications prepared in accordance with accepted engineering practices for correction of the problem; 2) the correction work is underway; and 3) the cumulative, peak-design, flows potentially added from new connections and line extensions upstream of any chronic overflow point are less than or proportional to the amount of inflow and infiltration removal documented upstream of that point. The inflow and infiltration reduction must be measured by the permittee using practices that are customary in the environmental engineering field and reported in an attachment to a Monthly Operating Report submitted to the local TDEC Environmental Field Office on a quarterly basis. The data measurement period shall be sufficient to account for seasonal rainfall patterns and seasonal groundwater table elevations.

e. In the event that more than 5 overflows have occurred from a single point in the collection system for reasons that may not warrant the self-imposed moratorium or completion of the actions identified in this paragraph, the permittee may request a meeting with the Division of Water 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;

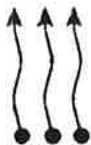
ii. The permitted facility was at the time being operated in a prudent and workman-like manner and in compliance with proper operation and maintenance procedures;

iii. The permittee submitted information required under "Reporting of Noncompliance" within 24-hours of becoming aware of the upset (if this information is provided orally, a written submission must be provided within five days); and

iv. The permittee complied with any remedial measures required under "Adverse Impact."

5. Adverse Impact

The permittee shall take all reasonable steps to minimize any adverse impact to the waters of Tennessee resulting from noncompliance with this permit, including such accelerated or additional monitoring as necessary to determine the nature and impact of the noncomplying discharge. It shall not be a defense for the permittee in an enforcement action that it would have



RECEIVED

FEB 18 2011

TN REGULATORY AUTHORITY
UTILITIES DIVISION

DSH & Associates, LLC
Engineering/Construction/Utility Services

11-00020

February 11, 2010

Patsy Fulton
Utility Rate Specialist
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505
615-741-2904 ext 193
Patsy.fulton@state.tn.us

SUBJECT: CCN Submittal Package
PROJECT: Lakeside Estates Waste Water Treatment System

Dear Patsy,

Attached please find the sign performance bond (attachment 12) and our signed contract with Robert Young (attachment 16), the identified certified operator for this facility.

We look forward to working with you and the rest of the team in moving this approval forward. Let me know if you require additional information.

Sincerely,

Douglas S. Hodge, Ph.D., PMP
Manager

DSH & Associates, LLC
4028 Taliluna Avenue
Knoxville, TN 37919
Operations Manager
P: 865-755-8066/F: 865-851-8351
Hodge.DSH@gmail.com

CORPORATE SURETY BOND

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

REFERENCE: DSH & Associates, LLC

Company ID: _____
Corporate Surety Bond #: 0010226
Effective Date: 1/31/11
Expiration Date: 1/31/12

DSH & Associates, LLC, as Principal, and Companion Property and Casualty Insurance Company, a corporation created and existing under the laws of _____, as Surety, (Hereinafter called "Surety") are bound to the State of Tennessee in the sum of exactly Twenty Thousand and 00/100 Dollars (\$20,000), and Principal and Surety hereby bind themselves, their successors and assigns, to pay in accordance with the following terms:

THE CONDITION OF THIS BOND IS:

The Principal is or intends to become a public wastewater utility subject to the laws of the State of Tennessee and the rules and regulations of the Tennessee Regulatory Authority ("Authority"), relating to the operation of a public wastewater utility: (describe utility and location)

Lakeside Estates Wastewater Collection and Treatment System, LaFollette TN

Tennessee Code Annotated § 65-4-201 requires the holder of a franchise for wastewater service to furnish a bond with sufficient surety, as approved by the Authority, conditioned as prescribed in Tenn. Comp. R. & Regs. Chapter 1220-4-13.

The Principal and Surety have delivered to the Authority a Surety Bond with an endorsement as required by the Authority.

After notice to the Principal and Surety and a contested case hearing that results in the suspension or revocation of the Principal's Certificate of Public Convenience and Necessity (CCN), the replacement of an operator by the Authority, or the appointment of a receiver by a court, the Authority may assess a sum sufficient of this bond, up to its maximum sum, to enable the continued operation of the public wastewater utility.

The Principal and the Surety are held and firmly bound to the State of Tennessee, in accordance with the provisions of Tenn. Comp. R. & Regs. Chapter 1220-4-13, in the amount of Twenty Thousand Dollars (\$ 20,000) lawful money of the United States of America to be used for the full and prompt payment of any monetary obligation imposed against the Principal, its representatives, successors or assigns, in any contested case proceeding brought under Chapter 1220-4-13, by or on behalf of the Authority, for which obligation the Principal and the Surety bind themselves, their representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

Upon entry of an Order that finds a monetary obligation pursuant to Chapter 1220-4-13, and delivery to the Surety of a Bond Notice, substantially in the form set forth below ("Notice"), the Surety promises to pay, by wire transfer of immediately available funds, the amount of the monetary obligation as stated in the Order and Notice.

If for any reason, the Surety Bond is not to be renewed upon its expiration, the Surety shall, at least sixty (60) days prior to the expiration date of the Surety Bond, provide written notification by means of certified mail, return receipt requested, to the Tennessee Regulatory Authority, that the Surety Bond will not be renewed beyond the then current maturity date for an additional period. Before the date of expiration, the public wastewater utility shall provide the Tennessee Regulatory Authority with a replacement Surety Bond or petition consistent with Rule 1220-4-13-.07(5). Failure to have approved financial security in effect will subject the public wastewater utility to daily penalties pursuant to Tenn. Code Ann. § 65-4-120.

The bond shall become effective after execution by the Principal and Surety and upon filing with the Authority, and shall continue from year to year unless the obligations of the Principal under this bond are expressly released by the Authority in writing.

The Principal and Surety consent to the conditions of this Bond and agree to be bound by them.

This 31st day of January 2011.

Wendy S. Anzalone
(Principal)

Companion Property and Casualty Insurance Co.
(Surety)

By: David R. Brett
David R. Brett, Attorney-in-Fact

June, 2006

COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY

P.O. Box 100165 (29202)

51 Clemson Road

Columbia, SC 29229

GENERAL POWER OF ATTORNEY

Know all men by these Presents, that the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY had made, Constituted and appointed, and by these presents does make, Constitute and appoint Andrew C. Heaner of Atlanta, Georgia; Richard L. Shanahan of Atlanta, Georgia; Stefan E. Tauger of Parker, Colorado; Arthur S. Johnson of Atlanta, Georgia; Martha G. Ross of Charlotte, North Carolina; James E. Feldner of West Lake, Ohio; Jeffery L. Booth of Parma, Ohio; Cheryl L. Torrao of Lutz, Florida; Melanie J. Stokes of Atlanta, Georgia; Garry W. Black of Murfreesboro, Tennessee; David R. Brett of Columbia, South Carolina; Donald J. Kersey of Birmingham, Alabama; Donald H. Gibbs of Atlanta, Georgia; Diane L. McLain of Fitchburg, Wisconsin; Julie Deupree of Birmingham, Alabama; Jason S. Centrella of Jacksonville, Florida; or Brian Clark of Charlotte, North Carolina, EACH as its true and lawful attorney for it and its name, place and stead to execute on behalf of the said company, as surety, bonds, undertakings and contracts of suretyship to be given to all obligees provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount of the sum of \$1,000,000 (One Million dollars).

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted pursuant to due authorization by the Executive Committee of the Board of Directors of the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY on the 19th day of May, 2008.

RESOLVED, that the Chairman, President or any Vice President of the Company be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY bonds, undertakings and all contracts of suretyship; and that any Officer, Secretary or any Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future, with respect to any bond undertaking or contract of suretyship to which it is attached.

In Witness Whereof, the COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY has caused its official seal to be hereto affixed, and these presents to be signed by its President and attested by its Vice President this 16th day of AUGUST, 2010.

Attest: COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY

By:

Charles M. Potok, President

Curtis C. Stewart, Vice President & CFO

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

On this 16th day of August, 2010, before me personally came the above named officers to me known, who being by me duly sworn, did depose and say that they reside in Columbia, in the County of Richland, State of SC, at Columbia; that they are the President and Vice President & CFO of COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY, the corporation described in and which executed the above instrument; that they know the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed and that they signed their names thereto pursuant to due authorization.

Notary Public, State of SC, qualified in Richland County

Commission Expires: 7/14/14

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

I, the undersigned, an officer of COMPANION PROPERTY AND CASUALTY INSURANCE COMPANY, a South Carolina Corporation DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Executive Committee of the Board of Directors set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Columbia, Dated the 31st day of January, 2011

Bond No. 0010226

Curtis C. Stewart, Vice President & CFO

Number 28876

EXHIBIT 11

DSH and Limestone Pro Forms

INCOME STATEMENT - DSH/LIMESTONE

	Year 1	Year 2	Year 3
OPERATING REVENUE			
Metered service revenue	\$ 103,359	\$ 103,359	\$ 103,359
Flat rate service revenue	\$ 928,405	\$ 928,405	\$ 928,405
EPA testing surcharge	\$ -	\$ -	\$ -
Re-connect fees	\$ 21,721	\$ 21,721	\$ 21,721
Returned check charge	\$ 10,861	\$ 10,861	\$ 10,861
Late payment charge	\$ 21,721	\$ 21,721	\$ 21,721
Other operating revenue	\$ -	\$ -	\$ -
Total Operating Revenue	\$ 1,086,067	\$ 1,086,067	\$ 1,086,067
OPERATING EXPENSES			
Total salaries and wages (employees only)	\$ -	\$ -	\$ -
Outside labor expenses (non-employees)	\$ 526,828	\$ 526,828	\$ 526,828
Administrative and office expense	\$ 114,462	\$ 114,462	\$ 114,462
Maintenance and repair expense	\$ 40,369	\$ 40,369	\$ 40,369
Purchased water	\$ 38,235	\$ 38,235	\$ 38,235
Purchased sewage treatment	\$ -	\$ -	\$ -
Electric power expense (exclude office)	\$ 114,233	\$ 114,233	\$ 114,233
Chemicals expense	\$ 29,686	\$ 29,686	\$ 29,686
Testing fees	\$ -	\$ -	\$ -
Transportation expense	\$ -	\$ -	\$ -
Other operating expense	\$ 51,433	\$ 51,433	\$ 51,433
Total Operating Expenses	\$ 915,247	\$ 915,247	\$ 915,247
Annual Depreciation Expense	\$ 156,988	\$ 220,468	\$ 220,468
Interest Expense	\$ 200,291	\$ 278,170	\$ 278,170
Total Expenses	\$ 1,272,526	\$ 1,413,885	\$ 1,413,885
INCOME TAXES			
Total Income Taxes	\$ 90,783	\$ 69,388	\$ 69,388
Net income (Loss)	\$ (277,242)	\$ (397,206)	\$ (397,206)

BALANCE SHEET - DSH/LIMESTONE

	Year 1	Year 2	Year 3
ASSETS			
Cash	\$ 11,073	\$ 24,335	\$ 67,597
Accounts Recievable	\$ 133,899	\$ 133,899	\$ 133,899
Total Current Assets	\$ 144,972	\$ 158,234	\$ 201,495
Property, Plant, and Equipment	\$ 5,110,366	\$ 6,299,081	\$ 6,299,081
Preliminary Survey	\$ -	\$ -	\$ -
Total Long-Term Assets	\$ 5,110,366	\$ 6,299,081	\$ 6,299,081
Total Assets	\$ 5,255,338	\$ 6,457,315	\$ 6,500,576
LIABILITIES			
Accounts Payable	\$ 75,226	\$ 75,226	\$ 75,226
Accrued Interest	\$ 190,000	\$ 380,000	\$ 600,000
Total Current Liabilities	\$ 265,226	\$ 455,226	\$ 675,226
Notes Payable	\$ -	\$ -	\$ -
Working Capital Transfer from Parent	\$ 156,988	\$ 377,456	\$ 597,923
Total Long-Term Liabilities	\$ 156,988	\$ 377,456	\$ 597,923
Total Liabilities	\$ 422,214	\$ 832,681	\$ 1,273,149
EQUITY			
Equity Capital Contributed	\$ 5,110,366	\$ 6,299,081	\$ 6,299,081
Retained Earnings	\$ (277,242)	\$ (674,448)	\$ (1,071,654)
Total Equity	\$ 4,833,124	\$ 5,624,633	\$ 5,227,427
Total Liabilities and Equity	\$ 5,255,338	\$ 6,457,315	\$ 6,500,576

EXHIBIT 23

Pro Forma - DSH

INCOME STATEMENT

	Year 1	Year 2	Year 3
OPERATING REVENUE			
Metered service revenue	\$ -	\$ -	\$ -
Flat rate service revenue	\$ 49,855	\$ 49,855	\$ 49,855
EPA testing surcharge	\$ -	\$ -	\$ -
Re-connect fees	\$ 1,050	\$ 1,050	\$ 1,050
Returned check charge	\$ 525	\$ 525	\$ 525
Late payment charge	\$ 1,050	\$ 1,050	\$ 1,050
Other operating revenue	\$ -	\$ -	\$ -
Total Operating Revenue	\$ 52,479	\$ 52,479	\$ 52,479
OPERATING EXPENSES			
Total salaries and wages (employees only)	\$ -	\$ -	\$ -
Outside labor expenses (non-employees)	\$ 152,299	\$ 152,299	\$ 152,299
Administrative and office expense	\$ 3,623	\$ 3,623	\$ 3,623
Maintenance and repair expense	\$ 10,879	\$ 10,879	\$ 10,879
Purchased water	\$ -	\$ -	\$ -
Purchased sewage treatment	\$ -	\$ -	\$ -
Electric power expense (exclude office)	\$ 32,636	\$ 32,636	\$ 32,636
Chemicals expense	\$ 21,757	\$ 21,757	\$ 21,757
Testing fees	\$ -	\$ -	\$ -
Transportation expense	\$ -	\$ -	\$ -
Other operating expense	\$ 1,369	\$ 1,369	\$ 1,369
Total Operating Expenses	\$ 222,562	\$ 222,562	\$ 222,562
Annual Depreciation Expense	\$ 3,617	\$ 12,339	\$ 12,339
Interest Expense	\$ 3,101	\$ 10,577	\$ 10,577
Total Expenses	\$ 229,280	\$ 245,478	\$ 245,478
INCOME TAXES			
Total Income Taxes	\$ -	\$ -	\$ -
Net income (Loss)	\$ (176,802)	\$ (193,000)	\$ (193,000)

BALANCE SHEET

	Year 1	Year 2	Year 3
ASSETS			
Cash	\$ -	\$ -	\$ -
Accounts Recievable	\$ 6,470	\$ 6,470	\$ 6,470
Total Current Assets	\$ 6,470	\$ 6,470	\$ 6,470
Property, Plant, and Equipment	\$ 103,350	\$ 352,550	\$ 352,550
Preliminary Survey	\$ 142,500	\$ -	\$ -
Total Long-Term Assets	\$ 245,850	\$ 352,550	\$ 352,550
Total Assets	\$ 252,320	\$ 359,020	\$ 359,020
LIABILITIES			
Accounts Payable	\$ 18,293	\$ 18,293	\$ 18,293
Accrued Interest	\$ 3,101	\$ 13,677	\$ 24,254
Total Current Liabilities	\$ 21,393	\$ 31,970	\$ 42,546
Notes Payable	\$ 51,675	\$ 176,275	\$ 176,275
Working Capital Transfer from Parent	\$ 161,878	\$ 344,301	\$ 526,724
Total Long-Term Liabilities	\$ 213,553	\$ 520,576	\$ 702,999
Total Liabilities	\$ 234,947	\$ 552,546	\$ 745,546
EQUITY			
Equity Capital Contributed	\$ 194,175	\$ 176,275	\$ 176,275
Retained Earnings	\$ (176,802)	\$ (369,801)	\$ (562,801)
Total Equity	\$ 17,373	\$ (193,526)	\$ (386,526)
Total Liabilities and Equity	\$ 252,320	\$ 359,020	\$ 359,020

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

Vance L. Broemel, Esq.
Senior Assistant Attorney General
Office of the Tennessee Attorney General
Consumer Advocate Division
P.O. Box 20207
Nashville, TN 37202-0207
Vance.Broemel@ag.tn.gov

Karen H. Stachowski, Esq.
Senior Assistant Attorney General
Office of the Tennessee Attorney General
Consumer Advocate Division
P.O. Box 20207
Nashville, TN 37202-0207
Karen.Stachowski@ag.tn.gov

This the 27th day of April 2023.



Katherine Barnes