

May 24, 2023

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**VIA ELECTRONIC FILING**

Hon. Herbert H. Hilliard, Chairman  
c/o Ectory Lawless, Docket Room Manager  
Tennessee Public Utility Commission  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, TN 37243  
[TPUC.DocketRoom@tn.gov](mailto:TPUC.DocketRoom@tn.gov)

**RE: *Joint Application of Limestone Water Utility Operating Company, LLC, and Integrated Resource Management, Inc. d/b/a IRM Utility, Inc., for Approval of the Acquisition of and to Operate the Wastewater System of Integrated Resource Management, Inc. d/b/a IRM Utility, Inc., and to Transfer or Issue a Certificate of Public Convenience and Necessity, TPUC Docket No. 23-00037***

Dear Chairman Hilliard:

Attached for filing please find the *Joint Application of Limestone Water Utility Operating Company, LLC, and Integrated Resource Management, Inc. d/b/a IRM Utility, Inc., for Approval of the Acquisition of and to Operate the Wastewater System of Integrated Resource Management, Inc. d/b/a IRM Utility, Inc., and to Transfer or Issue a Certificate of Public Convenience and Necessity*, including exhibits and pre-filed testimony<sup>1</sup>.

Please note that Exhibit 10 to the Application is being submitted **UNDER SEAL** as **CONFIDENTIAL** and **PROPRIETARY**. Both a public version and a nonpublic, **CONFIDENTIAL** version of Exhibit 10 are attached.

As required, the original plus four (4) hard copies of the Application and supporting documentation will follow. We have also enclosed a check in the amount of \$25.00 for the required filing fee.

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<sup>1</sup> For administrative convenience, two USB drives of the *Application* and supporting documentation are enclosed.

Hon. Herbert H. Hilliard, Chairman

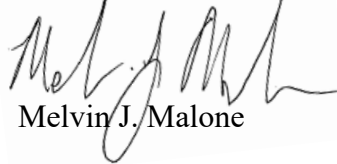
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Should you have any questions concerning this filing, or require additional information, please do not hesitate to contact me.

Very truly yours,

BUTLER SNOW LLP

A handwritten signature in black ink, appearing to read "Melvin J. Malone", is written over a light gray rectangular background.

Melvin J. Malone

clw

Attachments

cc: Russ Mitten, Limestone Water Utility Operating Company, LLC  
Chuck B. Welch, Jr., Farris Bobango PLC  
Vance L. Broemel, Consumer Advocate Division  
Karen H. Stachowski, Consumer Advocate Division

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

<b>IN RE:</b>	)	
	)	
<b>JOINT APPLICATION OF LIMESTONE</b>	)	
<b>WATER UTILITY OPERATING</b>	)	
<b>COMPANY, LLC, AND INTEGRATED</b>	)	
<b>RESOURCE MANAGEMENT, INC.</b>	)	
<b>D/B/A IRM UTILITY, INC., FOR</b>	)	
<b>APPROVAL OF THE ACQUISITION OF</b>	)	<b>DOCKET NO. 23-<u>00037</u></b>
<b>AND TO OPERATE THE</b>	)	
<b>WASTEWATER SYSTEM OF</b>	)	
<b>INTEGRATED RESOURCE</b>	)	
<b>MANAGEMENT, INC. D/B/A IRM</b>	)	
<b>UTILITY, INC., AND TO TRANSFER OR</b>	)	
<b>ISSUE A CERTIFICATE OF PUBLIC</b>	)	
<b>CONVENIENCE AND NECESSITY</b>	)	

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**JOINT APPLICATION OF LIMESTONE WATER UTILITY OPERATING  
COMPANY, LLC, AND INTEGRATED RESOURCE MANAGEMENT, INC. D/B/A  
IRM UTILITY, INC., FOR APPROVAL OF THE ACQUISITION OF AND TO  
OPERATE THE WASTEWATER SYSTEM OF INTEGRATED RESOURCE  
MANAGEMENT, INC. D/B/A IRM UTILITY, INC., AND TO TRANSFER OR ISSUE A  
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

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Pursuant to Tenn. Code Ann. §§ 65-4-104, 65-4-201, and 65-4-113, and all applicable rules of the Tennessee Public Utility Commission (“TPUC” or “Commission”), Limestone Water Utility Operating Company, LLC (“Limestone”), and Integrated Resource Management, Inc. d/b/a IRM Utility, Inc. (“IRM”), respectfully submit this Joint Petition requesting the Commission to approve Limestone’s acquisition (the “Transaction”) of the title to all assets, property, and real estate currently owned by IRM and used to provide regulated wastewater service to customers in Decatur County, Tennessee (the “System”). Limestone and IRM (the “Applicants”) further request the Commission to authorize the transfer of IRM's Certificate of Public Convenience and Necessity (“CCN”) to Limestone, pursuant to Tenn. Code Ann. § 65-4-113, with its accompanying privilege

and franchise. Alternatively, the Applicants request that the Commission grant Limestone a CCN, with its accompanying privilege and franchise, pursuant to Tenn. Code Ann. §§ 65-4-201 and 65-4-107.

Under terms of the *Agreement for Sale of Utility System*,<sup>1</sup> all authorizations and approvals requested in the preceding paragraph, and related accounting, ratemaking, and regulatory approvals, are conditions precedent to closing the Transaction. Therefore, and as approving the Transaction and granting Limestone's request for a CCN serve the public interest and are necessary for public convenience, the Applicants respectfully request that the Commission consider this Joint Application.

In support of the Joint Application, the Applicants submit the following:

**I. INTRODUCTION**

1. The full names, addresses, and contact information for the Applicants are as follows:

Limestone Water Utility Operating Company, LLC  
c/o Josiah Cox  
1630 Des Peres Rd., Suite 140  
St. Louis, MO 63131  
(314) 380-8544  
[regulatory@cswrgroup.com](mailto:regulatory@cswrgroup.com)

Jeffrey W. Cox, Jr., President  
Integrated Resource Management, Inc. d/b/a IRM Utility, Inc.  
P.O. Box 71526  
Knoxville, TN 37938  
(865) 712-4307  
[IRMUtility@gmail.com](mailto:IRMUtility@gmail.com)

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<sup>1</sup> The *Agreement for Sale of Utility System* is attached hereto as **Exhibit 7**.



2. All correspondence, notices, inquiries, questions, and other communications regarding the Joint Application should be directed to the person or entity identified in the preceding paragraph, with copies to the following counsel:

Melvin Malone  
Katherine Barnes  
Butler Snow LLP  
The Pinnacle at Symphony Place  
150 Third Avenue South, Suite 1600  
Nashville, TN 37201  
Office: (615) 651-6700  
[Melvin.Malone@butlersnow.com](mailto:Melvin.Malone@butlersnow.com)  
[Katherine.Barnes@butlersnow.com](mailto:Katherine.Barnes@butlersnow.com)

Chuck B. Welch, Jr.  
Tyler A. Cosby  
Farris Bobango PLC  
414 Union St., Suite 1105  
Nashville, TN 37219  
[cwelch@farris-law.com](mailto:cwelch@farris-law.com)  
[tcosby@farris-law.com](mailto:tcosby@farris-law.com)

3. In support of the Joint Application, the following appendix and exhibits are attached hereto:

**Appendix A -** Minimum Filing Requirements for CCN and Acquisition Applications  
**Exhibit 1 -** Description and Area Map of the System  
**Exhibit 2 -** Limestone Articles of Organization  
**Exhibit 3 -** Limestone Operating Agreement  
**Exhibit 4 -** Limestone Certificate of Existence  
**Exhibit 5 -** CSWR Organization Chart  
**Exhibit 6 -** Chart of Limestone's Affiliates and Number of Customers Served  
**Exhibit 7 -** Agreement for Sale of Utility System  
**Exhibit 8 -** Assignment of Rights Agreement  
**Exhibit 9 -** Pre-filed Direct Testimony of Josiah Cox  
**Exhibit 10 -** **SUBMITTED UNDER SEAL AS PROPRIETARY AND CONFIDENTIAL** - CSWR Consolidated Financial Statements  
**Exhibit 11 -** Limestone Pro Forma Financial Statements  
**Exhibit 12 -** Resumes of Key CSWR Personnel  
**Exhibit 13 -** Customer Notification Letter Draft

<b>Exhibit 14 -</b>	Surety Bond
<b>Exhibit 15 -</b>	Officer/Key Employee Organization Chart
<b>Exhibit 16 -</b>	IRM State Operating Permit
<b>Exhibit 17 -</b>	IRM State Operator's Certificate
<b>Exhibit 18 -</b>	Proposed Chart of Accounts
<b>Exhibit 19 -</b>	List of Plant-In-Service Accounts
<b>Exhibit 20 -</b>	Limestone's 2021 Annual Report
<b>Exhibit 21 -</b>	IRM Tariff
<b>Exhibit 22 -</b>	IRM Customers by Class
<b>Exhibit 23 -</b>	Pro Forma Income Statement for the System
<b>Exhibit 24 -</b>	Anticipated Capital Budgets for the System
<b>Exhibit 25 -</b>	Regulatory, Transaction and Closing Costs
<b>Exhibit 26 -</b>	Valuation Methodology
<b>Exhibit 27 -</b>	Valuation Schedule and Workpapers
<b>Exhibit 28 -</b>	Proposed Acquisition Adjustment Computation <sup>2</sup>
<b>Exhibit 29 -</b>	IRM Contributed Assets
<b>Exhibit 30 -</b>	Pro Forma Accounting Entries
<b>Exhibit 31 -</b>	Limestone's Proposed Tariff

## **II. DESCRIPTION OF THE APPLICANTS**

### **A. General Information**

#### **1. IRM**

IRM is a Tennessee corporation. Its principal office and place of business is at 3444 St. Andrews Drive, Baneberry, Tennessee 37890. IRM is authorized to provide wastewater service pursuant to a CCN issued by the Commission in TPUC Docket No. 09-00099 (April 5, 2010) and currently provides wastewater service to customers in Decatur County, Tennessee. As required by TPUC Rule 1220-04-13-.17(2)(a)7, a description of IRM's service area and service area map of the System are attached to the Joint Application as **Exhibit 1** and are incorporated by reference.

#### **2. Limestone**

Limestone is a Tennessee limited liability company. Its principal office and place of business is at 1630 Des Peres Road, Suite 140, St. Louis, Missouri 63131. Limestone currently

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<sup>2</sup> In keeping with the naming convention of the USOA for Account 114 Utility Plant Acquisition Adjustment, this exhibit is styled "Proposed Acquisition Adjustment Computation." Nonetheless, to avoid confusion, we note, as set forth herein, that Limestone is not seeking an acquisition adjustment from the Commission pursuant to Commission Rule 1220-04-14-.04 in this Joint Application, though it reserves the ability to request the same in a future rate case.

provides water and wastewater services to approximately 455 water connections and 1,900 wastewater connections in Hardin County and Williamson County, Tennessee.<sup>3</sup> A certified copy of Limestone's articles of organization, operating agreement, and certificate of existence, as filed with or issued by the Tennessee Secretary of State's office, are attached to the Joint Application as **Exhibits 2, 3, and 4**, respectively, and are incorporated by reference. Limestone's sole member is Limestone Water Utility Holding Company, LLC ("LWUHC"), a Tennessee limited liability company, whose sole officer is its President, Josiah Cox.

Limestone and LWUHC are part of a group of affiliated companies that directly or indirectly own and operate water or wastewater systems in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas, and provide services to approximately 140,000 connections. Each company within the group is an "affiliate" of each other company, as defined by TPUC Rule 1220-04-13-.16(2)(a). An organization chart showing all affiliate relationships within the group is attached to the Joint Application as **Exhibit 5**. Each affiliate that directly owns and operates a water or wastewater system and the number of customers it serves is identified in **Exhibit 6**. Those exhibits are incorporated by reference.

One of Limestone's affiliates, CSWR, LLC ("CSWR"), provides financial, technical, and managerial expertise and services to each of the group's utility operating affiliates and will manage

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<sup>3</sup> The Commission previously granted Limestone CCNs to provide services in Tennessee. *See Order Approving Sale of Assets, Property, and Real Estate and Certificate of Public Convenience of Aqua Utilities Company, LLC Subject to Conditions and Requirements of the Tennessee Public Utility Commission*, TPUC Docket No. 19-00062 (Dec. 7, 2020); *Order Approving Settlement Agreement and Transfer of Systems, and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00053 (Jan. 24, 2022) (acquisition of wastewater system previously owned by Cartwright Creek, LLC); *Order Approving Settlement Agreement and Transfer of Systems and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00055 (Dec. 2, 2022) (acquisition of water and wastewater system previously owned by Shiloh Falls Utilities, Inc.); and *Order Approving Settlement Agreement and Transfer of System and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00060 (Dec. 2, 2022) (acquisition of wastewater system previously owned by Chapel Woods Home Owners Association).

Limestone and the System if the Commission approves the Transaction. CSWR is the only company within the group that has employees and is the only affiliate that would provide services to Limestone. The technical, managerial, and financial services CSWR would provide Limestone are described later in the Joint Application. CSWR is a Missouri limited liability company, and its principal office is located at 1630 Des Peres Road, Suite 140, St. Louis, Missouri 63131. It currently does not conduct business in Tennessee and does not intend to do so in the future; therefore, CSWR is not required to have a business license or any other authorization from the Tennessee Secretary of State.

### **III. DESCRIPTION OF THE TRANSACTION**

IRM has determined that it is in the best interests of both the company and its customers to sell the System to a qualified operator. In furtherance of that objective, IRM and Central States Water Resources, Inc., (“Central States”)<sup>4</sup> entered into a binding *Agreement for Sale of Utility System* dated June 21, 2022 (the "Agreement"). A copy of the Agreement is attached as **Exhibit 7** and incorporated by reference. Pursuant to the Agreement, IRM will transfer its entire service area previously granted by the Commission to Limestone. The Agreement specifies terms for IRM to sell and Central States or its affiliate to purchase all assets IRM uses to provide wastewater services through the System in Decatur County, including, but not limited to, wastewater service facilities and equipment, intangibles, franchises, inventory, contracts and contract rights, and real estate. Assets are to be transferred free of all liens, judgments, mortgages, and similar encumbrances, in accordance with TPUC Rule 1220-04-13-.10(1). No closing date is specified because closing is expressly contingent on satisfaction of various conditions precedent, including obtaining all

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<sup>4</sup> Central States is an affiliate of Limestone, as that term is defined in TPUC Rule 1220-04-13-.16(2)(a).

required regulatory approvals. However, the closing date will be at least 90 days after the filing of this Joint Application, in accordance with TPUC Rule 1220-04-13-.10(2).<sup>5</sup>

Section 18 of the Agreement authorizes Central States to assign its rights to an affiliated entity. In accordance with that provision, Central States has executed an *Assignment of Rights* that, at closing, would transfer to Limestone all rights, title, and interests to IRM's assets. A copy of that assignment is attached to this Joint Application as **Exhibit 8** and incorporated by reference.

The sale of assets under terms specified in the Agreement promotes the interests of the public generally and of IRM's customers more specifically. Limestone and CSWR are willing and able to invest capital necessary to keep the System in compliance with applicable law. The affiliate group, of which Limestone and CSWR are part, has access to capital adequate to make necessary upgrades and improvements to the System and to continue to operate that System in a manner that is in the public interest and complies with applicable statutes, rules, and regulations. If the Commission grants the relief requested in the Joint Application, Limestone intends to adopt rates currently in effect for IRM's customers served by the System.

The reasons Limestone wants to purchase the System and Limestone's plans for the System are set forth in the written Pre-filed Direct Testimony of Limestone Witness Josiah Cox, which is attached to this Joint Application as **Exhibit 9** and incorporated by reference. Mr. Cox's testimony also includes information required by TPUC rules or a commitment to comply with all Commission rules, including, among others, TPUC Rules 1220-04-13-.12 and 1220-04-13-.17(2)(f), and confirms Limestone's intent to fully comply with all applicable statutes, rules, and

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<sup>5</sup> Pursuant to Rule 1220-04-13-.10(3)(c), the Applicants note here their intent to proceed to closing promptly subsequent to Commission approval. Hence, the effective date of the Transaction is tied to the date of Commission approval.

regulations. Subsequent to the transaction, IRM will not retain any water rights or other rights related to the System.

#### **IV. LIMESTONE POSSESSES THE TECHNICAL, MANAGERIAL, AND FINANCIAL EXPERTISE NECESSARY TO PROVIDE UTILITY SERVICES**

Through its affiliation with CSWR, Limestone possesses the requisite technical, managerial, and financial capabilities to operate as a utility services provider.<sup>6</sup> These capabilities are further explained in detail below and in Mr. Cox's Pre-filed Direct Testimony. As previously noted, in addition to the water and wastewater services Limestone already provides in Tennessee, CSWR-affiliated companies currently operate water or wastewater systems in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas. For each of the systems an affiliate currently owns or operates, CSWR provides the technical, managerial, and financial resources necessary to acquire and operate those systems. CSWR would continue to provide similar support for the System that Limestone proposes to acquire in this case.

##### **A. Technical Qualifications**

CSWR's technical resources and expertise have greatly improved the quality of service its utility-operating affiliates are able to provide their respective customers in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas. CSWR has staff engineers and other similarly qualified personnel with experience in the design and operation of water and wastewater systems and supplements those resources with qualified and licensed local contract operators who are responsible for day-to-day plant operations.

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<sup>6</sup> As noted in footnote 3, the Commission has previously reviewed and approved Limestone's technical, managerial and financial capabilities, and Applicant Limestone incorporates such Commission orders by reference. *See also Order Approving Petition for Reconsideration of Commission Order Approving Settlement Agreement and Transfer of Systems, Granting Certificate of Convenience and Necessity, and Disallowing Continuation of Candlewood Lakes POA's Water Availability Fee*, TPUC Docket No. 21-00059 (approving acquisition of Candlewood Lakes) (May 1, 2023).

Access to these and other resources available through its affiliation with CSWR allows Limestone to achieve economies of scale and efficiencies not generally available to water and wastewater utilities with operations and facilities similar in size to the System. If the Commission grants the regulatory approvals sought in this Joint Application, CSWR would bring the same benefits it currently provides to its Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, and Texas customers to the IRM customers Limestone proposes to serve. In his Pre-filed Direct Testimony, Mr. Cox further describes and discusses the technical qualifications of Limestone and its affiliates to own and operate the System.

## **B. Financial Qualifications**

Through CSWR, Limestone has access to investment capital necessary to acquire small, oftentimes distressed, water and sewer systems and make investments necessary to upgrade, improve, and maintain those systems so they can provide safe and reliable water and wastewater service to customers. Equity capital used to acquire IRM's assets, to fund initial capital upgrades and improvements, and providing necessary working capital will be provided by CSWR. After the acquisition is completed, Limestone will determine if future improvements of the System will be funded by equity, debt, or a combination of both, with future debt capital to be obtained from commercial sources, if available, at reasonable interest rates. Limestone and its affiliates thus have the financial capability necessary to acquire, own, and operate the System. CSWR's consolidated balance sheet and income statement for the last three (3) years are attached to the Application **UNDER SEAL** as **PROPRIETARY AND CONFIDENTIAL Exhibit 10**. Limestone began operations as of March 18, 2021. A pro-forma income statement and balance sheet for Limestone for the first three years of its proposed operation of the System is attached as **Exhibit 11**. Each of those exhibits is incorporated by reference. Further, attached as **Exhibit 20** is Limestone's 2021

Annual Report, which includes an income statement and balance sheet. Limestone will provide its 2022 financial statements as soon as they are available.

### **C. Managerial Qualifications**

Resumes of key CSWR personnel who are closely involved with Limestone's operations are attached to this Joint Application as **Exhibit 12** and are incorporated by reference. Information presented in those resumes demonstrates the considerable managerial and technical expertise and experience available to Limestone through its affiliation with CSWR. Where additional or supplemental expertise is required (e.g., personnel holding licenses or certifications required by Tennessee law), Limestone or CSWR will efficiently engage qualified independent contractors to satisfy those needs.

### **V. ACQUISITION ADJUSTMENT AND TRANSACTION COSTS**

Although Limestone is not affirmatively seeking a proposed acquisition adjustment pursuant to TPUC Rule 1220-04-14 in conjunction with and pursuant to this Joint Application, Limestone is, consistent with past requests from either the Consumer Advocate Unit or the Commission in other Limestone acquisitions, providing information related to accounting and rate base treatment for the Commission, as well as for Limestone's initial rate case.

Therefore, Limestone proposes that its beginning value of the acquired assets for ratemaking purposes be the value recorded in IRM's books and records at the closing date. Limestone will not book an above-the-line regulatory asset for ratemaking purposes for any portion of the amount by which the purchase price exceeds the value of the acquired assets as reflected in IRM's books and records at the date of closing. In any future rate case proceeding, Limestone should be permitted to present evidence and argument concerning the value of assets used and useful for provisioning public utility services, and the Consumer Advocate Unit and other



interested parties may oppose such values or present their own evidence and argument concerning the value of such assets, including the appropriateness of an acquisition premium.

Limestone commits that a determination of recoverable regulatory and transaction costs related to this acquisition will be deferred to Limestone's initial rate case involving such costs. Limestone commits that it will not seek to recover in rates any amount exceeding 50% of the legal expenses paid to local counsel for the representation of Limestone or IRM related to this regulatory proceeding. The Consumer Advocate Unit and other interested parties may present evidence and argument concerning the proper amounts to be recovered in rates. Limestone will file within 30 days of closing the amount of legal costs.

## **VI. RATES DESIGN AND OTHER PROPOSALS AND COMMITMENTS**

As noted in the Pre-filed Direct Testimony of Limestone Witness Josiah Cox, and as set forth in **Exhibit 31** to the Joint Application, Limestone proposes to adopt the tariffs, rules, and rates currently in effect for the System. If the revenue requirement for the System increases in the future, however, Limestone may petition the Commission to increase rates or change certain operating regulations. Limestone may also seek authority to consolidate rates of the systems it proposes to acquire in this case with those of the other wastewater systems it operates in Tennessee.

In its initial base-rate case including the System, Limestone proposes that it be permitted to present evidence to establish and include in rate base the net book value of assets it acquires from IRM up to an amount not to exceed the purchase price paid for those assets. The Consumer Advocate Unit or other interested parties may oppose such values or present their own evidence and argument concerning the value of such assets and the proper calculation of rate base. Further, in its initial base-rate case including the System, Limestone proposes that it be permitted to present evidence seeking to establish and include in rate base amounts incurred for legal and other transaction-related fees and services. Again, the Consumer Advocate Unit or other interested

parties may oppose such values or present their own evidence and argument concerning the proper amounts of these expenses to be recovered in rates.

Limestone commits to not make any corrections or modifications to accounting records received from IRM at closing. If Limestone believes accounting entries should be corrected or changed, it shall seek approval from the Commission to make the necessary accounting corrections at least 180 days prior to its initial request to increase base rates. The Consumer Advocate Unit or other interested parties may oppose such requests.

Limestone commits to maintain separate asset and operating-costs records for the System's well, water treatment and distribution. Limestone further commits to maintain its books and records in compliance with the Uniform System of Accounts as set forth in Commission Rule 1220-04-01-11.

Within 30 days after closing, Limestone commits to file a balance sheet and supporting general ledger in the format prescribed by the Uniform System of Accounts and in accordance with Commission Rule 1220-04-01-11, showing IRM's ending balances of the assets acquired by Limestone as of the closing date. Limestone will also file a balance sheet and supporting general ledger in the format prescribed by the Uniform System of Accounts and in accordance with Commission Rule 1220-04-01-11, showing Limestone's beginning balances of the assets acquired from IRM as of the closing date.

IRM commits to transfer to Limestone complete copies of IRM's accounting records, to the extent they exist, for the two calendar years immediately preceding the date of closing, as well as the complete year-to-date accounting records for the calendar year in which the closing occurs. At a minimum, Limestone will maintain these records through the completion of its initial rate proceeding before the Commission.

Limestone commits to file within 30 days of execution copies of contracts or pricing agreements between Limestone and any affiliate and between Limestone and contractors that provide ongoing operations and maintenance or billing services to the System or customers served by the System. Further, Limestone commits to file copies of recorded deed(s) for land where IRM facilities are located and copies of recorded easements in Limestone's name for all the land and ownership right for any and all access to the acquired System within 30 days after the date of recording. Limestone will file a copy of the Agreement that has been fully executed by Limestone and IRM and acknowledged by the Title Company with the recorded effective date and with all exhibits attached, complete with documentation, within 30 days after the closing. Limestone will file a copy of the State Operating Permit "Request for Transfer" for current permits within 30 days of issuance. And finally, Limestone will file copies of required maps and engineering designs for the System within 30 days of availability.

## **VII. APPROVAL OF THE JOINT APPLICATION IS IN THE PUBLIC INTEREST**

Granting this Joint Application is consistent with the public interest. In that regard, the Joint Applicants make the following representations to the Commission:

- a. As outlined above, and as previously recognized by the Commission (*see* footnotes 3 and 6), Limestone possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- b. Limestone's services will meet the service standards required by the Commission and comply with state law, including all applicable Commission rules and regulations;
- c. The provision of services by Limestone will not adversely impact the availability of affordable utility service;

- d. The provision of utility services by Limestone will not adversely impact the public interest;
- e. As noted earlier herein, specifically in footnotes 3 and 6, Limestone and its affiliates have already demonstrated their ability to provide safe and reliable water and wastewater service in Tennessee; and
- f. IRM has determined that it is in the best interest of IRM and its customers to sell the System.

To minimize any adverse effects on customers, Limestone proposes to adopt IRM's currently approved rates and tariffs, and any future changes in those rates or tariffs would be subject to the Commission's review and approval.

#### **VIII. PROPOSED PROTECTIVE ORDER**

A proposed Protective Order for confidential information is attached for consideration for entry by the Commission in this matter, which is necessary to facilitate the production of various information related to this Petition. *See Exhibit 32.*

#### **IX. CONCLUSION**

As set forth herein, and as evidenced in the Pre-filed Direct Testimony and supporting documentation in support of this Joint Application, both IRM and Limestone believe it is in the best interests of the System's customers for Limestone to acquire the System with the result that Limestone will be the exclusive provider of wastewater within the service area of the System. In properly maintaining and supporting a wastewater system, successful operators will inevitably be confronted with, among other things, increasing costs and mounting capital expenditures. Aging infrastructure and technological advances must be consistently and appropriately studied and addressed. Limestone has the capability and resources to ensure that the System is appropriately maintained and upgraded as future conditions warrant. In fact, the representations and warranties

described in the Agreement reflect the determination by the parties involved that going forward Limestone, rather than IRM, is best suited to provide service to customers of the System, including making future capital improvements necessary to maintain the efficiency and quality of the System and to ensure the sustainable provision of safe and reliable services.

The Agreement and the requested regulatory treatment and approvals are necessary and proper for the public convenience and to properly conserve, promote, and protect the public interest. A copy of the customer notification letter required by TPUC Rule 1220-04-13-.10(3)(f) is attached as **Exhibit 13** and is incorporated by reference.<sup>7</sup> Limestone has reviewed and is familiar with the requirements of TPUC Rules 1220-04-13-.07, 1220-04-13-.08, and 1220-04-13-.17(2)(e) regarding the need for wastewater utilities to demonstrate acceptable financial security. To comply with those Rules, Limestone has secured a corporate surety bond, in the form prescribed in TPUC Rule 1220-04-13-.08, in the amount of \$300,000. A copy of that surety bond is attached to the Application as **Exhibit 14** and incorporated by reference.

Limestone specifically addresses the requirements of TPUC Rules 1220-04-13-.17 (Minimum Requirements for New and Amendments to Certificate of Convenience and Necessity) and 1220-04-14-.08 (Application for Acquisition and Filing Requirements) in **Appendix A**.

This Joint Application demonstrates that Limestone possesses the technical, financial, and managerial resources to provide wastewater services. Therefore, the issuance of a CCN to Limestone serves the public interest.

**WHEREFORE**, for the reasons previously stated, IRM and Limestone request the Commission issue an order:

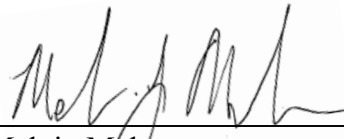
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<sup>7</sup> The Applicants will further comply with TPUC rules regarding notice after the Commission establishes a hearing date for consideration of this Joint Application.

1. Approving the Transaction as necessary and proper for the public convenience and properly conserving, promoting and protecting the public interest;
2. Authorizing IRM to sell and transfer to Limestone all assets used to provide wastewater utility services to customers currently served by IRM in Decatur County, Tennessee;
3. Authorizing the transfer of IRM's existing CCN to Limestone, with its accompanying privilege and franchise, or, in the alternative, granting Limestone a CCN, with its accompanying privilege and franchise, to provide wastewater utility services in areas currently served by IRM;
4. Authorizing appropriate accounting and rate base treatment; and
5. Providing such other relief as the Commission believes is necessary and appropriate under the circumstances.

Dated: May 24, 2023

Respectfully submitted,



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Operating Company, LLC*

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*Attorneys for Applicant Integrated Resource  
Management, Inc. d/b/a IRM Utility, Inc.*

## **APPENDIX A**

### **I. Definitions**

The term "Not Applicable" contained herein is used as a response to the Minimum Filing Requirements that pertain to the construction of a new system and not the purchase of an existing system.

### **II. TPUC Rule 1220-04-13-.17 Minimum Requirements for New and Amendments to Certificate of Convenience and Necessity.**

(1) Please see accompanying Joint Application and Pre-filed Direct Testimony of Limestone Witness Josiah Cox (**Exhibit 9**).

(2)

(a) (1) The legal corporate names and addresses of the Applicants are shown in Section I, paragraph 1 of the Joint Application.

(2) An organization chart showing each officer and other key personnel of Applicant Limestone is attached as **Exhibit 15**.

(3) Limestone's sole member is Limestone Water Utility Holding Company, LLC, a Tennessee limited liability company. Its sole officer is its president Josiah Cox, whose office address is 1630 Des Peres Road, Suite 140, St. Louis, MO 63131. The company's telephone number is (314) 380-8544.

(4) An organization chart showing Limestone's affiliated companies is attached to the Application as **Exhibit 5**. One of Limestone's affiliates, CSWR, LLC, will provide technical and financial support and will assume responsibility for overseeing day-to-day operations of Limestone's systems.



(5) Copies of Limestone's Articles of Organization and Operating Agreement are attached to the Joint Application as **Exhibits 2** and **3**, respectively.

(6) A copy of Limestone's license to engage in business in the state of Tennessee, as registered with the Secretary of State, is attached to the Joint Application as **Exhibit 4**.

(7) Limestone, as assigned by Central States Water Resources, Inc. pursuant to the *Agreement for Sale of Utility System*, proposes to acquire all assets used by IRM to provide wastewater services to customers in Decatur County, Tennessee. The NPDES permit associated with the wastewater system is as follows: NPDES Permit No. TN0078379 and is attached to the Joint Application as **Exhibit 16**. Maps depicting the area served by IRM are on file with the Commission in TPUC Docket No. 09-00099 (April 5, 2010) (order granting CCN to IRM), and those maps are incorporated into the Joint Application by reference.

(8) Not applicable.

(9) Not applicable.

(10) Not applicable.

(11) Not applicable.

(12) The Applicants will respond completely to information requests from the Commission Staff.

(b) (1) Not applicable. *See Order Approving Petition for Certificate of Public Convenience and Necessity*, TPUC Docket No. 09-00099 (April 5, 2010) (order granting CCN to IRM).

(2) The system Limestone proposes to acquire is not located in an area that requires a municipal or county franchise.

(3) Not applicable.

(c) (1) Biographies of officers and/or key water and wastewater utility staff that demonstrate their managerial ability and relevant certifications and professional licenses, are attached to the Joint Application as **Exhibit 12**.

(2) Limestone's affiliates have purchased and currently are operating public drinking water and/or wastewater serves in Arizona, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Tennessee, and Texas that provide safe, and reliable service to approximately 133,300 connections. Limestone-affiliated companies currently have additional acquisition applications pending in Arizona, California, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Florida, Tennessee, and Texas.

(3) The pending Tennessee mergers or acquisitions are as follows: (1) TPUC Docket No. 21-00059 (Candlewood Lakes), which has been approved by the Commission; and (2) TPUC Docket No. 23-00016 (DSH).<sup>8</sup>

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<sup>8</sup> Regarding pending Tennessee acquisitions involving Limestone, copies of required agreements can be found in the Commission's files for Docket No. 21-00059 (Candlewood Lakes Property Owners Association, Inc.) and Docket No. 23-00016 (DSH). In the unlikely event the rule seeks the submission of documents related to mergers or acquisition transactions *outside* the State of Tennessee involving Limestone's affiliates, Limestone submits that such a requirement to produce copies of all pending acquisitions is unduly burdensome, administratively inefficient and unlikely to produce information relevant to the issues the Commission must decide in this case – i.e., whether Limestone has the managerial, technical, and financial resources necessary to operate a wastewater utility in the area that is the subject of this Joint Application and whether the Joint Application serves the public interest.

Limestone is part of a CSWR affiliate group providing water and/or wastewater services in 10 states. At any particular time, Limestone's affiliates may have dozens of acquisition applications pending in nine states, as well as dozens of others under contract that have not yet been submitted for regulatory approval. And because the CSWR affiliates continue to proactively evaluate potential additional acquisition opportunities, still more such contracts are likely. Therefore, a broader reading of Commission Rule 1220-.04-13.17(2)(c)(3)(c), rather than a narrower one, would require Limestone to provide a copy of the purchase agreement in each of those transactions and may require repeated supplemental filings, as similar agreements are signed during the pendency of this case.

(4) Not applicable.

(d) (1) Limestone has not filed or applied for a State Operating Permit with TDEC for the IRM System. If the Commission grants Limestone the authority to acquire the System currently owned and operated by IRM, Limestone will obtain from TDEC all permits and other operating authorizations required by law. Limestone holds State Operating Permit Nos. SOP-92082, SOP-04018, SOP-17002, and SOP-07090, as well as discharge permit TN0027278, for wastewater, and TN0000948 for water, as to its current systems in Tennessee.

(2) A copy of IRM's State Operator Certificate for the wastewater system operator of record is attached to the Joint Application as **Exhibit 17**.

(3) Josiah Cox is the person responsible for and knowledgeable about Limestone's proposed operations in Tennessee. Mr. Cox's address and telephone number are provided in the Joint Application and in this Appendix in Section 2(a)(3).

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Although purchase agreements used for each of the aforementioned transactions are substantially similar to one another, final terms are based on arms-length negotiations between Central States Water Resources (on behalf of its utility affiliates) and the sellers of each water and/or wastewater system the affiliate group seeks to acquire. Differences in terms from contract to contract are primarily attributable to the subjective circumstances and objectives of each individual seller, the totality of circumstances surrounding the proposed acquisition (e.g. the age and condition of plant assets, its location, debt or other obligations of the seller, and regulatory and environmental concerns. Therefore, because final contract terms are transaction-specific, it is a virtual certainty a contract for an unrelated acquisition transaction in another state would provide no information useful to the Commission in evaluating Limestone's request to expand its service area to include the Nash Ridge subdivision.

The general purpose of the Commission's *Minimum Requirements for New and Amendments to Certificate of Convenience and Necessity* is to "demonstrate to the Commission that [an applicant] possesses sufficient managerial, financial, and technical capabilities, to provide the wastewater services for which it has applied," and the specific purpose of Commission Rule 1220-.04-13.17(2)(c)(3) is to provide "[e]vidence that the applicant possesses sufficient managerial ability." As noted in footnote 3 of this Joint Application, the Commission has previously reviewed and approved Limestone's managerial, financial and technical capabilities.

(4) On March 27, 2018, IRM received a “notice of warning letter” because the permittee failed to timely submit permit renewal application materials for the then expiring permit. On January 4, 2022, IRM received a “Notice of Violation” (“2022 NOV”) following a compliance evaluation inspection that included citations for noncompliance. The 2022 NOV cited the System for failing to complete any of the required monitoring/testing since calendar year 2017. Further, the 2022 NOV cited several maintenance deficiencies, including a broken influent drop pipe, excessive vegetation overgrowth around the perimeter of the lagoon, as well as a thick layer of duckweed on the lagoon. Limestone currently has no complaints or notices of violation, but did enter into a Consent Order with TDEC on February 13, 2023, resolving issues at the Grasslands sewage treatment plant related to permit exceedances and facility operation and maintenance.

(5) Not applicable.

(e) (1) Financial statements for CSWR, LLC. for the last three (3) years are attached **UNDER SEAL** to the Joint Application as **PROPRIETARY AND CONFIDENTIAL Exhibit 10**. Limestone began operations as of March 18, 2021. Attached to the Joint Application as **Exhibit 20** is Limestone’s 2021 Annual Report. Limestone will provide its 2022 financial statements as soon as they are available.

(2) Proforma income statements showing the first three (3) years of Limestone's operation of the wastewater system it proposes to acquire are attached to the Joint Application as **Exhibit 11**.

(3) A proposed chart of accounts, which follows the NARUC Uniform System of Accounts for water and wastewater utilities, is attached to the Joint Application as **Exhibit 18**.

(4) A list of plant-in-service account numbers and names, along with estimated account balances, is attached to the Joint Application as **Exhibit 19**.

(5) For the system it proposes to acquire, Limestone proposes to use depreciation rates most recently approved by the Commission for IRM.

(6) Not applicable.

(7) If the Commission approves the Joint Application, Limestone will be the owner of all assets acquired from IRM.

(8) If the Commission approves the Joint Application, Limestone proposes to adopt the tariff, including approved rates, currently in effect and on file with the Commission for IRM. IRM's tariff is attached to the Joint Application as **Exhibit 21**, and Limestone's Proposed Tariff is attached to the Joint Application as **Exhibit 31**, both of which are incorporated here by reference.

(9) Limestone is currently projecting customer growth during the first five years of operations for the IRM System. Additional houses are currently under construction, but Limestone is not presently aware of how many houses will be completed in the first five years of its operations of the IRM System.

(10) Not applicable.

(11) Not applicable.

(12) Limestone, as assigned by Central States Water Resources, Inc. pursuant to the *Agreement for Sale of Utility System*, plans to make the acquisitions

proposed in the Joint Application through an infusion of equity capital from CSWR, LLC.

(13) Information demonstrating compliance with the financial security requirements of Rule 1220-04-13-.07 is attached to the Joint Application as **Exhibit 14**.

(f) (1) The sworn Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. Further, and to the extent applicable, the public need for wastewater service was established in TPUC Docket No. 09-00099, in which IRM was granted a CCN by the Commission.

(2) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. That testimony includes a description of the wastewater system Central States Water Resources, Inc. or its affiliate proposes to acquire from IRM.

(3) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. That testimony includes a statement that Limestone is aware of and will abide by all applicable Tennessee statutes and Commission rules.

(4) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Joint Application as **Exhibit 9**. That testimony describes and discusses the technical, managerial, and financial capabilities of Limestone and its affiliates and their ability to acquire and operate the wastewater system at issue in the Application. *See also* footnote 3 of the Joint Application.

(5) Not applicable.

(6) The Pre-filed Direct Testimony of Limestone Witness Josiah Cox is attached to the Application as **Exhibit 9**. That testimony includes a verification that all information submitted in the Application and in Mr. Cox's written testimony is true and correct to the best of the witness' knowledge and belief. An additional verification accompanies the Joint Application.

### **III. TPUC Rule 1220-04-14-.08 Application for Acquisition and Filing Requirements.**

(2)

(a) A fully executed acquisition agreement, including all attachments, reflecting the terms and provisions of the acquisition transaction is attached to the Joint Application as **Exhibit 7**;

(b) Financial statements for CSWR, LLC, for the last three (3) years are attached **UNDER SEAL** to the Joint Application as **PROPRIETARY AND CONFIDENTIAL Exhibit 10**. Limestone began operations as of March 18, 2021. Attached as **Exhibit 20** is Limestone's 2021 Annual Report. Limestone will provide its 2022 financial statements as soon as they are available;

(c) Attached as **Exhibit 21** is IRM's tariffs detailing the rates, charges and terms of service in effect for IRM;

(d) Attached as **Exhibit 22** is a schedule detailing the number of customers by customer class served by IRM;

(e) Attached as **Exhibit 1** is a description and map that describes the service area of IRM;

(f) Attached as **Exhibit 23** is a forecasted income statement detailing the projected operating revenues, expenses, taxes and net income attributable to the IRM operations for the twelve-month period following the estimated closing date of the acquisition transaction;

(g) Attached to the Joint Application as **Exhibit 24** is a schedule identifying anticipated capital budgets based on due diligence detailing by project all projected post-acquisition capital investments in property, plant and equipment attributable to the IRM system or service area for the three-year period following the estimated closing date of the acquisition transaction;

(h) Attached to the Joint Application as **Exhibit 25** is a schedule detailing the computation of regulatory, transaction and closing costs related to the proposed acquisition and the amount of such costs requested for recovery from Limestone's customers;

(i) Attached to the Joint Application as **Exhibit 26** is a statement fully explaining the proposed methodology for valuing the acquired assets to be incorporated into the acquired rate base under Rule 1220-04-14-.03;

(j) Attached to the Joint Application as **Exhibit 27** is a schedule and supporting workpapers detailing the computation of the value of the acquired assets requested for inclusion in the acquired rate base under Rule 1220-04-14-.03;

(k) Attached to the Joint Application as **Exhibit 28** is a schedule and supporting workpapers detailing the computation of any proposed acquisition adjustment requested for inclusion in the acquired rate base under Rule 1220-04-14-.04;

(l) Although Limestone is not affirmatively seeking a proposed acquisition adjustment pursuant to TPUC Rule 1220-04-14 in conjunction with and pursuant to this Joint Application, Limestone is, consistent with past requests from either the Consumer Advocate Unit or the Commission in other Limestone acquisitions, providing information related to accounting and rate base treatment for the Commission, as well as for Limestone's initial rate case. Further, certain benefits, efficiencies and service changes are outlined in the Pre-filed Direct Testimony of Limestone Witness Josiah Cox;



(m) Attached as **Exhibit 29** is a schedule identifying any assets that were contributed or donated to IRM that are included in the acquisition transaction;

(n) A statement discussing the proposed methodology and rate design for recovery from customers of any requested (i) acquisition adjustment; (ii) costs of post-acquisition capital investments; or (iii) regulatory, transaction and closing costs is contained in the Joint Application;

(o) Attached as **Exhibit 30** is a schedule detailing the pro-forma accounting entries for recording the proposed acquisition transaction in accordance with the Uniform System of Accounts;

(p) See **Exhibit 21**;

(q) See **Exhibits 21 and 31**. As set forth in the Joint Petition and the attached Pre-filed Direct Testimony of Josiah Cox (**Exhibit 9**), if the acquisition is approved, Limestone will adopt the rates currently in effect and charged by IRM;

(r) Not applicable. The post- approval, post-closing Limestone rates set forth in **Exhibit 31**, which are the same rates currently charged by IRM, will only apply to acquired customers served by the System;

(s) Not applicable. The post- approval, post-closing Limestone rates set forth in **Exhibit 31**, which are the same rates currently charged by IRM, will only apply to acquired customers served by the System;

(t) In addition to the Joint Application, the attached Pre-filed Direct Testimony of Josiah Cox (**Exhibit 9**) addresses how the proposed acquisition serves the public interest; and

(u) See the attached Pre-filed Direct Testimony of Josiah Cox (**Exhibit 9**), which supports the Joint Application for acquisition.

- (3) Limestone has requested a Certificate of Public Convenience and Necessity (CCN) and demonstrated herein its eligibility for a CCN to operate the IRM system in accordance with applicable statutory law and Commission rules and regulations.
- (4) Attached to the Joint Application as **Exhibit 31** is Limestone's proposed tariff incorporating the acquired customers into the Limestone's rates, charges and terms of provisioning public utilities services.
- (5) Attached to the Joint Application as **Exhibit 13** is a copy of the draft Customer Notice Letter of the proposed acquisition provided by Limestone in accordance with applicable statutory law and Commission rules and regulations. After the Commission notices a hearing date, IRM's customers will be provided notice of the Commission's hearing date for this Joint Application.
- (6) Limestone agrees to furnish any other pertinent information as determined and requested by the Commission or in accordance with the discovery phase of the acquisition proceeding.

# **EXHIBIT 1**

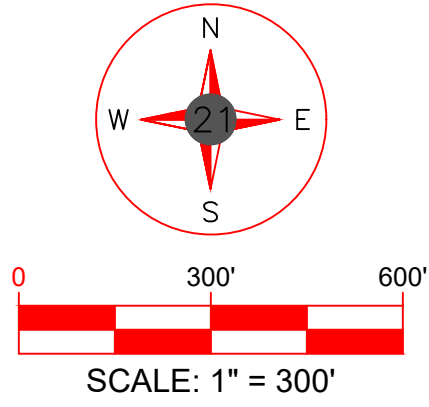
### Exhibit 1 - Description and area maps of the Systems

Currently, Integrated Resource Management, Inc. d/b/a/ IRM Utility, Inc. provides wastewater services to customers in the following service area in Decatur County, Tennessee:

- Riverstone Estates

The maps provide a complete description of the geographic territory served by Integrated Resource Management, Inc. d/b/a/ IRM Utility, Inc., including the names of surrounding streets and roads. The maps also include the locations of the system components.

The following are maps of the referenced service areas currently served by Integrated Resource Management, Inc. d/b/a/ IRM Utility, Inc.:



# PRELIMINARY SERVICE AREA MAP

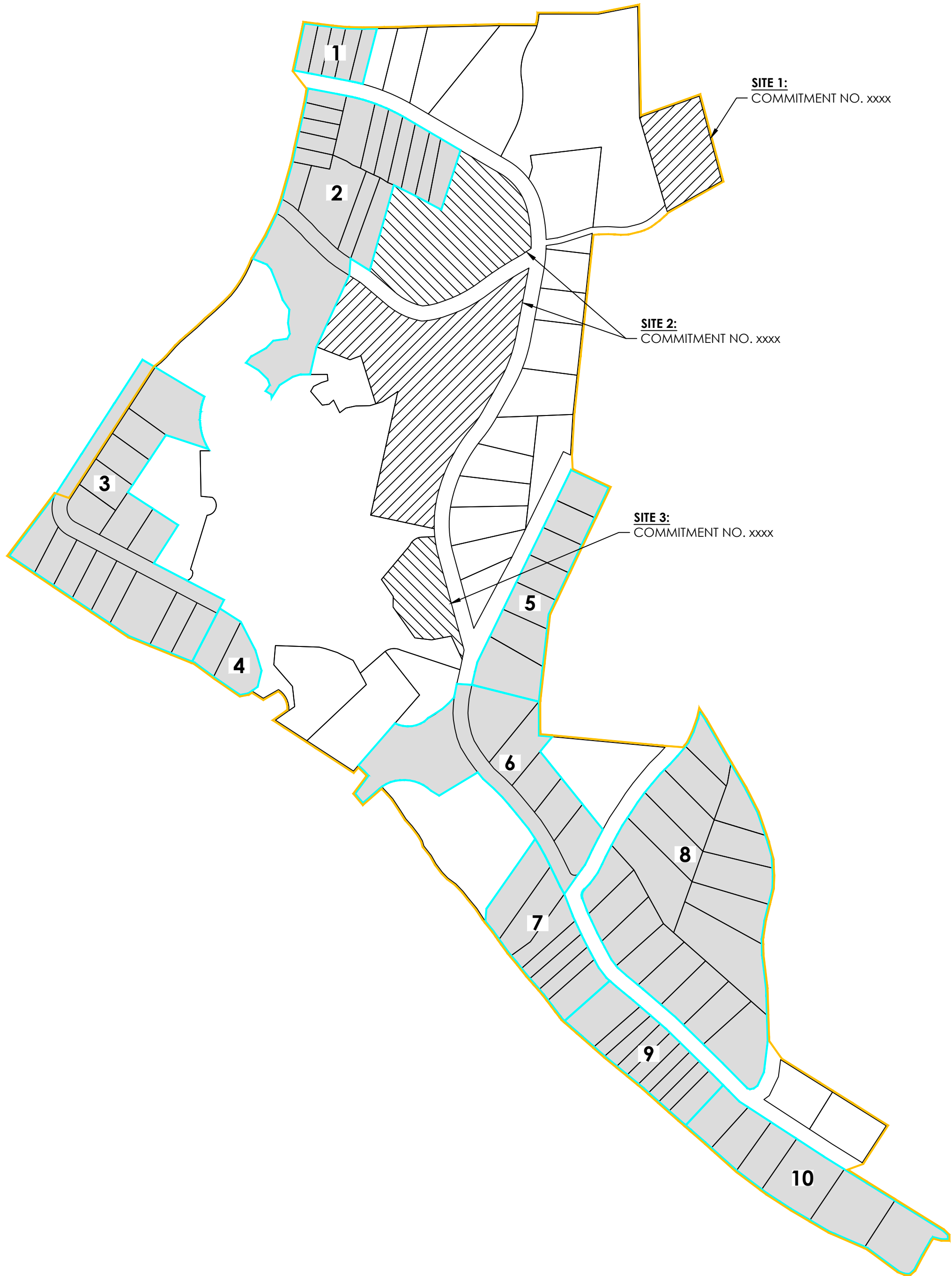
## IRM UTILITY - RIVERSTONE ESTATES

### (WASTEWATER)

#### DECATUR, TN

\*SHADED AREAS INDICATE PLATS THAT HAVE BEEN ACCOUNTED FOR

SUBDIVISION LIST	
(SHADED AREAS REPRESENT PLATS THAT HAVE BEEN ACCOUNTED FOR)	
1	PC 2, PG 2 RIVERSTONE ESTATES II (LOTS 61-65)
2	THE CABINS AT RIVERSTONE PC 2, PG 69
3	RIVERSTONE ESTATES II PHASE 2 PC 1, PG 93-A
4	PC 2, PG 17 RIVERSTONE ESTATES II (LOTS 11 & 12)
5	PC 2, PG 4 RIVERSTONE ESTATES I, PHASE 1 (LOTS 29-35)
6	PC 2, PG 23 RIVERSTONE ESTATES I, PHASE 2 (LOTS 36A-40)
7	PC 2, PG 18 RIVERSTONE ESTATES I, PHASE 1 (LOTS 54-60)
8	PC 2, PG 46 RIVERSTONE ESTATES I, PHASE III
9	PC 2, PG 23 RIVERSTONE ESTATES I, PHASE 2 (LOTS 36A-40)
10	PC 2, PG 44 RIVERSTONE ESTATES I (LOTS 71-78)



State of Tennessee  
County of Decatur

#### SERVICE AREA DESCRIPTION

Lying an being the 2<sup>nd</sup> Civil District of Decatur County, Tennessee and being more particularly described as follows:

Beginning at a point (Northing: 400615.22, Easting: 1358441.47, TN., NAD-1983); thence South 82°53'17" East a distance of 161.01 feet to a point; thence North 88°31'46" East a distance of 674.57 feet to a point; thence North 87°35'28" East a distance of 72.79 feet to a point; thence North 79°46'51" East a distance of 232.42 feet to a point; thence South 01°30'10" West a distance of 319.94 feet to a point; thence North 72°51'36" East a distance of 281.07 feet to a point; thence South 17°28'50" East a distance of 453.79 feet to a point; thence South 72°30'41" West a distance of 261.39 feet to a point; thence North 17°26'21" West a distance of 71.15 feet to a point; thence South 49°04'20" West a distance of 10.88 feet to a point; thence South 43°23'08" West a distance of 59.39 feet to a point; thence South 60°05'16" West a distance of 58.35 feet to a point; thence South 80°31'42" West a distance of 67.98 feet to a point; thence South 68°42'30" West a distance of 121.98 feet to a point; thence South 05°46'56" West a distance of 665.68 feet to a point; thence South 41°00'13" East a distance of 25.44 feet to a point; thence South 65°47'28" East a distance of 145.18 feet to a point; thence South 25°18'07" West a distance of 467.97 feet to a point; thence South 05°46'56" West a distance of 388.80 feet to a point; thence South 65°38'44" East a distance of 447.88 feet to a point; thence South 86°52'30" East a distance of 58.12 feet to a point; thence North 10°32'22" East a distance of 70.07 feet to a point; thence South 29°00'00" East a distance of 226.26 feet to a point; thence South 29°00'00" East a distance of 150.24 feet to a point; thence South 19°45'17" East a distance of 186.33 feet to a point; thence South 01°13'57" West a distance of 87.40 feet to a point; thence South 13°02'25" West a distance of 132.85 feet to a point; thence South 04°21'15" West a distance of 94.25 feet to a point; thence South 08°43'14" East a distance of 134.07 feet to a point; thence South 00°39'17" West a distance of 125.30 feet to a point; thence South 05°56'51" West a distance of 56.93 feet to a point; thence South 57°01'01" East a distance of 474.90 feet to a point; thence South 37°38'49" West a distance of 176.17 feet to a point; thence South 58°20'04" East a distance of 382.57 feet to a point; thence South 24°34'15" East a distance of 43.85 feet to a point; thence South 16°08'55" West a distance of 25.92 feet to a point; thence North 86°09'11" West a distance of 50.70 feet to a point; thence South 31°39'39" West a distance of 58.73 feet to a point; thence South 24°51'10" West a distance of 50.06 feet to a point; thence South 38°24'54" West a distance of 30.92 feet to a point; thence North 58°03'32" West a distance of 147.67 feet to a point; thence North 65°49'31" West a distance of 130.25 feet to a point; thence North 64°17'11" West a distance of 95.77 feet to a point; thence North 64°17'11" West a distance of 101.82 feet to a point; thence North 01°13'16" East a distance of 11.05 feet to a point; thence North 48°56'34" West a distance of 403.53 feet to a point; thence North 48°56'34" West a distance of 541.86 feet to a point; thence North 41°07'14" West a distance of 55.34 feet to a point; thence North 41°07'14" West a distance of 239.66 feet to a point; thence North 36°43'39" West a distance of 62.83 feet to a point; thence North 36°43'39" West a distance of 60.86 feet to a point; thence North 41°31'07" West a distance of 642.64 feet to a point; thence North 38°12'38" West a distance of 36.96 feet to a point; thence North 42°59'56" West a distance of 62.61 feet to a point; thence North 54°57'39" West a distance of 9.35 feet to a point; thence North 55°09'45" West a distance of 95.67 feet to a point; thence North 55°53'12" West a distance of 130.63 feet to a point; thence South 57°37'06" West a distance of 28.77 feet to a point; thence North 46°57'49" West a distance of 148.03 feet to a point; thence North 54°34'07" West a distance of 184.57 feet to a point; thence North 58°44'17" West a distance of 233.29 feet to a point; thence North 57°05'02" West a distance of 471.02 feet to a point; thence North 35°52'13" East a distance of 322.00 feet to a point; thence South 54°26'18" East a distance of 26.61 feet to a point; thence North 32°43'20" East a distance of 13.51 feet to a point; thence North 32°00'26" East a distance of 102.04 feet to a point; thence North 33°16'43" East a distance of 101.33 feet to a point; thence North 33°39'23" East a distance of 68.19 feet to a point; thence North 37°15'10" East a distance of 31.94 feet to a point; thence North 38°57'52" East a distance of 162.56 feet to a point; thence South 56°44'14" East a distance of 25.00 feet to a point; thence North 38°48'47" East a distance of 34.54 feet to a point; thence North 43°55'53" East a distance of 160.44 feet to a point; thence North 45°59'02" East a distance of 115.11 feet to a point; thence North 41°17'34" East a distance of 49.26 feet to a point; thence North 36°29'11" East a distance of 62.30 feet to a point; thence North 26°17'54" East a distance of 71.00 feet to a point; thence North 27°28'59" East a distance of 132.27 feet to a point; thence North 23°06'56" East a distance of 35.93 feet to a point; thence North 18°16'19" East a distance of 52.19 feet to a point; thence North 18°16'19" East a distance of 8.52 feet to a point; thence North 14°23'50" East a distance of 118.62 feet to a point; thence North 14°23'50" East a distance of 9.54 feet to a point; thence North 11°45'22" East a distance of 162.04 feet to a point; thence North 10°56'10" East a distance of 78.44 feet to a point; thence North 37°15'02" West a distance of 70.61 feet to a point; thence North 12°16'18" East a distance of 159.63 feet to the point of beginning.

Said parcel of land contains an area of 110.22 acres, more or less and is subject to any right of ways, easements, or restrictions affecting said parcel.



#### MAP LEGEND

UTILITY SERVITUDE PER RECORD PLAT	-----
LOT LINE	————
SUBDIVISION OUTLINE	————
UTILITY AREA SERVICED	————

#### MAP DISCLAIMER:

This document is a graphic representation of the approximate service area for a utility system. It is solely to provide a visual of the area of the system. This drawing does not constitute a property boundary survey and shall not be used to convey property.

#### Utility Note Disclaimer:

The utilities shown hereon are depicted based on the original design plans provided by the system manager. 21 Design Group, Inc performed no field verification of the layout and are unable to determine the exact location at this time. The location represents approximate location only and should not be construed as being 100% accurate. It is shown to provide general layout of the system only and should not be used to interpret encroachments.

DATE:	04/19/23
PROJECT NO:	0512-23
DRAWN BY:	A.M.D.
SCALE:	1"=400'
SHEET NAME:	
SERVICE AREA MAP	

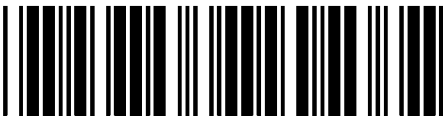


1351 Jefferson, Suite 301  
Washington, MO 63090

ma@21designgroup.net  
P: 636-432-5029



## **EXHIBIT 2**



000997814

**ARTICLES OF ORGANIZATION  
LIMITED LIABILITY COMPANY**

SS-4270

**Tre Hargett**  
Secretary of State**Division of Business Services****Department of State**State of Tennessee  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
(615) 741-2286Filing Fee: \$50.00 per member  
(minimum fee = \$300.00, maximum fee = \$3,000.00)*For Office Use Only***-FILED-**

Control # 000997814

**The Articles of Organization presented herein are adopted in accordance with the provisions of the Tennessee Revised Limited Liability Company Act.****1. The name of the Limited Liability Company is:** Limestone Water Utility Operating Company, LLC

(Note: Pursuant to the provisions of T.C.A. §48-249-106, each Limited Liability Company name must contain the words "Limited Liability Company" or the abbreviation "LLC" or "L.L.C.")

**2. Name Consent: (Written Consent for Use of Indistinguishable Name)**☐ This entity name already exists in Tennessee and has received name consent from the existing entity.**3. This company has the additional designation of:** None**4. The name and complete address of the Limited Liability Company's initial registered agent and office located in the state of Tennessee is:**C T CORPORATION SYSTEM  
300 MONTVUE RD  
KNOXVILLE, TN 37919-5546  
KNOX COUNTY**5. Fiscal Year Close Month:** December**6. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date and time is:**

(none) (Not to exceed 90 days)

**7. The Limited Liability Company will be:**☐ Member Managed ☒ Manager Managed ☐ Director Managed**8. Number of Members at the date of filing:** 1**9. Period of Duration:** Perpetual**10. The complete address of the Limited Liability Company's principal executive office is:**300 MONTVUE RD  
KNOXVILLE, TN 37919-5546  
KNOX COUNTY





# ARTICLES OF ORGANIZATION LIMITED LIABILITY COMPANY

SS-4270



**Tre Hargett**  
Secretary of State

## Division of Business Services

### Department of State

State of Tennessee  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
(615) 741-2286

Filing Fee: \$50.00 per member  
(minimum fee = \$300.00, maximum fee = \$3,000.00)

*For Office Use Only*

**-FILED-**

Control # 000997814

**The name of the Limited Liability Company is:** Limestone Water Utility Operating Company, LLC

**11. The complete mailing address of the entity (if different from the principal office) is:**

STE 500  
500 NORTHWEST PLAZA DR  
SAINT ANN, MO 63074-2220

**12. Non-Profit LLC (required only if the Additional Designation of "Non-Profit LLC" is entered in section 3.)**

- ☐ I certify that this entity is a Non-Profit LLC whose sole member is a nonprofit corporation, foreign or domestic, incorporated under or subject to the provisions of the Tennessee Nonprofit Corporation Act and who is exempt from franchise and excise tax as not-for-profit as defined in T.C.A. §67-4-2004. The business is disregarded as an entity for federal income tax purposes.

**13. Professional LLC (required only if the Additional Designation of "Professional LLC" is entered in section 3.)**

- ☐ I certify that this PLLC has one or more qualified persons as members and no disqualified persons as members or holders.

**Licensed Profession:**

**14. Series LLC (optional)**

- ☐ I certify that this entity meets the requirements of T.C.A. §48-249-309(a) & (b)

**15. Obligated Member Entity (list of obligated members and signatures must be attached)**

- ☐ This entity will be registered as an Obligated Member Entity (OME) Effective Date: (none)  
☐ I understand that by statute: THE EXECUTION AND FILING OF THIS DOCUMENT WILL CAUSE THE MEMBER(S) TO BE PERSONALLY LIABLE FOR THE DEBTS, OBLIGATIONS AND LIABILITIES OF THE LIMITED LIABILITY COMPANY TO THE SAME EXTENT AS A GENERAL PARTNER OF A GENERAL PARTNERSHIP. CONSULT YOUR ATTORNEY.

**16. This entity is prohibited from doing business in Tennessee:**

- ☐ This entity, while being formed under Tennessee law, is prohibited from engaging in business in Tennessee.

**17. Other Provisions:**

Electronic

Signature

Caroline M. Johnson as authorized representative for Limestone Water

Printed Name

Attorney

Title/Signer's Capacity

Dec 4, 2018 10:37AM

Date

## **EXHIBIT 3**

## **OPERATING AGREEMENT OF LIMESTONE WATER UTILITY OPERATING COMPANY, LLC**

THIS OPERATING AGREEMENT (this "Agreement") is signed as of the 1<sup>st</sup> day of January, 2019 (the "Effective Date"), by Limestone Water Utility Holding Company, LLC, a Tennessee limited liability company as the sole Member of LIMESTONE WATER UTILITY OPERATING COMPANY, LLC, a Tennessee limited liability company (the "Company").

### **RECITALS**

WHEREAS, on December 4, 2018, the Company was organized a limited liability company under the laws of Tennessee pursuant to the Tennessee Revised Limited Liability Company Act, Title 48, Chapter 249 (the "Act") for the purpose of, among other things, of investing in and operating water and waste water utilities;

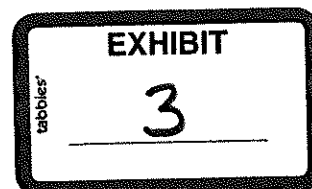
WHEREAS, the aforementioned Member desires to adopt this Operating Agreement setting forth the Member's desire for the management and operation of such limited liability company.

NOW THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Member hereby states as follows:

### **ARTICLE I. ORGANIZATION**

1.1. Certain Definitions. As used herein, the following terms have the following meanings:

- (a) "Act" is defined in Section 1.2 hereof.
- (b) "Agreement" means this Operating Agreement, as the same may be amended from time to time.
- (c) "Business Property" means all properties, assets and interests (whether real or personal, tangible or intangible) now or hereafter owned or held by the Company.
- (d) "Capital Account" means the Capital Account maintained by the Company for each Member in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv), as amended from time to time.
- (e) "Capital Contributions" means with respect to the Member, the total amount of money and the fair market value of the other property, if any, to be contributed to the Company by the Member in accordance with Article II hereof. The Member's "Paid-In Capital Contribution" means the amount of the Member's Capital Contribution actually paid in cash or other property actually contributed to or on behalf of the Company. With respect to the Company, such terms shall mean the aggregate



Capital Contributions and aggregate Paid-In Capital Contributions, respectively, of the Member.

(f) "Capital Transaction" means any of the following items or transactions: a sale, transfer or other disposition of all or substantially all of the assets of the Company, condemnation actions, net insurance recoveries (other than for temporary loss of use), the refinancing of the mortgage or other indebtedness of the Company. The payment of Capital Contributions by the Member shall not be included within the meaning of the term "Capital Transaction."

(g) "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute.

(h) "Company" means this limited liability company and any successors hereto.

(i) "Depreciation" means for each fiscal year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such fiscal year. In the event the book value of an asset differs from its adjusted tax basis at the beginning of such year, then the Depreciation shall be an amount which bears the same ratio to the fair market value (as may be adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(f) and (g)) as the Depreciation determined for federal income tax purposes bears to the beginning adjusted tax basis.

(j) "Dissolution Proceeds" is defined in Section 10.2 hereof.

(k) "Net Profits" or "Net Losses" for the applicable period means the gross income of the Company minus (a) all net cash outlays of any kind, whether capital in nature or not, to the extent the same are not depreciable or amortizable for federal income tax purposes (or, as the context may require, to the extent the same are not depreciated or amortized for federal income tax purposes), including, without limiting the generality of the foregoing, all operating expenses payable by the Company, salaries, life insurance premiums on policies owned by the Company, and interest on any Company indebtedness; and (b) all Depreciation allowable for federal income tax purposes. In the event that such sum is a positive number, it shall be considered "Net Profits" and if the sum is a negative number, it shall be considered "Net Losses."

(l) "Person" is defined in Section 1.9 hereof.

(m) "Treasury Regulation(s)" means the Income Tax Regulations promulgated under the Code, as such Treasury Regulations may be amended or supplemented from time to time.

1.2. Formation. The Member has formed the Company under and pursuant to the provisions of the Act, for the limited purposes and scope set forth in this Agreement. The Member has filed in the appropriate governmental office(s) Articles of Organization which conform to the requirements of the Act in order to constitute the

Company as a valid limited liability company under the Act. The costs and expenses associated with such filing shall be borne by the Company.

1.3. Name. The business and affairs of the Company shall be conducted solely under the name of "**LIMESTONE WATER UTILITY OPERATING COMPANY, LLC**", and such name shall be used at all times in connection with the business and affairs of the Company; provided that the Member may operate the Company under any other name necessary or convenient to qualify it to do business in any state or jurisdiction.

1.4. Term. The Company shall continue in existence perpetually, or until dissolved by the Member under the terms of this Agreement.

1.5. Business of the Company. The business of the Company is to: (i) invest in and operate water and waste water utilities; (ii) own, finance, hold, manage, manufacture, sell, exchange or otherwise deal with and dispose of all or any part of the Business Property; and (iii) transact any and all lawful business for which a limited liability company may be organized under the Act and exercise all rights and engage in all activities related thereto (the "Business").

1.6. Principal Office. The principal office of the Company shall be at 500 Northwest Plaza Drive, Suite 500, St. Ann, MO 63074, or such other location as may be hereafter determined by the Manager.

1.7. Registered Office and Registered Agent. The name of the Company's registered agent for service of process in Tennessee and the address of the Company's registered office in Tennessee shall be as provided in the Articles of Organization. The Manager may in his sole discretion and from time to time change the address of the registered office and the registered agent by filing the documents required by law.

1.8. Articles of Organization and Other Instruments. The Member has executed or has authorized the execution of the Articles of Organization in accordance with the Act, and shall execute such other documents and instruments and take all such other actions as may be deemed by the Manager to be necessary or appropriate to effectuate and permit the continuation of the Company under the laws of the State of Tennessee or the laws of any other state in any other state which the Member deems necessary or appropriate. The Manager shall, from time to time, take appropriate action, including the preparation and filing of such other amendments to the Articles of Organization and other certificates as may be required under the laws of the State of Tennessee or any other state, to enable the Company to do business in the State of Tennessee or any other state.

1.9. Additional Definitions. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine and neuter forms. The term "Person" includes individuals, partnerships, corporations, limited liability companies, trusts, and other associations and entities. The words "include," "includes," and "including" shall be deemed to be followed by the phrase

"without limitation." The words "herein," "hereof," "hereunder," and similar terms shall refer to this Agreement, unless the context otherwise requires.

## **ARTICLE II. CAPITAL CONTRIBUTIONS**

2.1. Initial Capital Contributions. The Member shall make the Capital Contribution to the Company as reflected on Exhibit A attached hereto and incorporated herein by reference.

## **ARTICLE III. DISTRIBUTIONS**

3.1. Distributions. Except as otherwise requested by the Member or required by law, cash distributions shall be made to the Member on the following bases at such time (but at least annually) and in such amounts as the Manager in his sole discretion shall determine:

(a) Distributions, other than from a Capital Contribution, shall be made in the following order of priority:

(i) To the payment of liabilities of the Company then due and owing to Persons other than the Member;

(ii) To the Member, in an amount equal to the unpaid balance of principal and accrued interest of any loan by the Member to the Company;

(iii) The balance, if any, shall be distributed to the Member.

(b) The proceeds of any Capital Transaction and the distribution upon liquidation under Section 10.2 shall be made in the following order of priority:

(i) To the payment of liabilities of the Company then due and owing to Persons other than the Member;

(ii) To establish such reserves as the Manager in his discretion determines to be reasonably necessary for any contingent or foreseeable liability or obligation of the Company; provided, however, that the balance of any such reserve remaining at such time as the Manager shall reasonably determine shall be distributed in accordance with subparagraphs (iii) through (v) of this Section 3.1(b);

(iii) To the payment to the Member of an amount equal to the unpaid balance of principal and accrued interest of any Loan by the Member;

(iv) To the Member, an amount equal to its Capital Contributions reduced (but not below zero) by the amount of all prior distributions to it under this Section 3.1;

(v) The balance, if any, shall be distributed to the Member.

3.2. Distributions to Be Made In Cash. Unless otherwise determined by the Member, all distributions to the Member shall be made in cash.

#### **ARTICLE IV. ALLOCATION OF NET PROFITS AND NET LOSSES**

4.1. Profits and Losses. Net Profits and Net Losses incurred and/or accrued shall be allocated to the Member.

#### **ARTICLE V. ACCOUNTING; RECORDS**

5.1. Accounting Methods. The Company books and records shall be prepared in accordance with generally accepted accounting principles, consistently applied. All Federal, state and local tax returns of the Company shall be prepared by the Company's certified public accountants, under the direction of the Manager.

5.2. Fiscal Year. The fiscal year of the Company shall be the twelve calendar month period ending December 31.

5.3. Tax Status. The Member shall elect such tax status that it deems appropriate for each tax year by notifying the Manager of such election.

#### **ARTICLE VI. POWERS, RIGHTS AND DUTIES OF THE MEMBER AND MANAGER**

6.1. Restriction of the Member's Rights to Participate in Management. Except as otherwise expressly provided herein, the Member shall have no voice in, take any part in, nor interfere with, the conduct, control, or management of the business of the Company in its capacity as the Member, nor shall the Member have any authority or power to act for, or on behalf of, the Company, or to bind the Company in any respect whatsoever.

6.2. Member Consent. (a) The affirmative vote, approval or consent of the Member shall be required to: (i) alter the primary purposes of the Company as set forth in Section 1.5; (ii) do any act in contravention of this Agreement or cause the Company to engage in any business not authorized by the Articles of Organization or the terms of this Agreement; (iii) do any act which would make it impossible to carry on the usual course of business of the Company; (iv) change or reorganize the Company into any other legal form; (v) amend this Agreement; (vi) issue an Interest in the Company to any Person and admit such Person as a Member; (vii) approve a merger or consolidation with another Person, (viii) change the status of the Company from one in which management is vested in the one or more Managers to one in which management is vested in the Member, or vice versa; (ix) possess any Company property or assign the rights of the Company in specific Company property for other than a Company purpose; (x) perform any act (other than an act required by this Agreement or any act taken in good faith reliance upon counsel's opinion) which would, at the time such act occurred, subject the Member to liability as a general

partner in any jurisdiction; (xi) operate the Company in such a manner as to have the Company classified as an "investment company" for purposes of the Investment Company Act of 1940; (xii) have an order for relief entered against the Company under applicable federal bankruptcy law; OR (xiii) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the Company in any bankruptcy, reorganization or insolvency proceeding.

(b) The Member shall have the right to replace a Manager of the Company and name its successor at any time by providing written notice to the Manager being replaced of such decision in which the successor Manager is also set forth.

### 6.3. Manager.

(a) The Manager shall have the power to do all things necessary or convenient to carry out the business affairs of the Company. The initial Manager shall be Central States Water Resources, Inc., a Missouri corporation.

(b) The Manager shall not have any contractual right to such position and shall serve until the earliest of (i) the withdrawal of the Manager, or (ii) the removal of the Manager. The Manager may be removed and replaced in accordance with the provisions of Section 6.2(b).

(c) Except to the extent provided herein, the Member hereby agrees that only the Manager and agents of the Company authorized by the Manager shall have the authority to bind the Company. The Member shall not take any action to bind the Company without notifying the Manager of such action. If the Member takes any action to bind the Company, it shall indemnify and hold harmless the Manager against any claim, loss, expense or liability (including, without limitation, attorneys' fees and expenses, whether or not litigation is commenced) incurred by the Manager as a result of the unauthorized action of such Member.

(d) The Manager's duty of care in the discharge of the duties of the Manager to the Company and the Member is limited to discharging his duties pursuant to this Agreement in good faith, with the care a corporate officer of like position would exercise under similar circumstances, in the manner he reasonably believes to be in the best interests of the Company. In discharging his duties, the Manager shall not be liable to the Company or to the Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred by this Agreement or by separate written instrument executed by the Member.

(e) The Manager's compensation shall be established by the Member, and the Manager shall be entitled to reimbursement of any general overhead expenses incurred in the regular course of his duties.



#### 6.4. Indemnification

(a) The Company, except as provided in Section 6.4(b), shall indemnify any Person who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether criminal, civil, administrative or investigative, including without limitation any action by or in the right of the Company, by reason of the fact that he/it was or is a Member or Manager of the Company or is or was a Member or Manager of the Company who is or was serving at the request of the Company as a member, manager, director, officer, agent, employee, partner or trustee of another limited liability company, corporation, partnership, joint venture, trust or other enterprise; against expenses, including attorneys' fees, judgments, fines, taxes and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding if such Person's conduct is not finally adjudged to be knowingly fraudulent, deliberately dishonest or willful misconduct. The right to indemnification conferred in this paragraph shall be a contract right and shall include the right to be paid by the Company expenses incurred in defending any actual or threatened civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding. Such right will be conditioned upon receipt of an undertaking by or on behalf of the Member or manager to repay such amount if it shall ultimately be determined that he/it is not entitled to be indemnified by the Company as authorized in this Article. Such right shall survive any amendment or repeal of this Article with respect to expenses incurred in connection with claims, regardless of when such claims are brought, arising out of acts or omissions occurring prior to such amendment or repeal. The Company may, by action of the Member, provide indemnification to employees and agents of the Company with the same scope and effect as the foregoing indemnification of Member and Manager.

(b) If a claim under Section 6.4(a) is not paid in full by the Company within thirty (30) days after a written claim has been received by the Company, the claimant may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense, including reasonable attorneys' fees and costs, of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Company) that the claimant has not met the standards of conduct which make it permissible under the limited liability company law of Tennessee for the Company to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Company. Neither the failure of the Company (including the Member or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he/it has met the applicable standard of conduct set forth in the limited liability company law of Tennessee, nor an actual determination by the Company (including its Member or independent legal counsel) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(c) The indemnification provided by this Section 6.4 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, consent of the Member or otherwise, both as to action in his/its official capacity and as to action in another capacity while holding such office, and shall continue as to a Person who has ceased to be a Member, Manager, employee, partner, trustee or agent and shall inure to the benefit of the heirs, executors and administrators of such a Person.

(d) The Company may purchase and maintain insurance on behalf of any Person who is or was a Member, Manager, employee or agent of the Company, or is or was serving at the request of the Company as a member, manager, director, officer, employee, partner, trustee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his/its status as such, whether or not the Company would have the power to indemnify him against such liability under the provisions of this Section 6.4.

(e) For the purposes of this Section 6.4, references to the Company includes the resulting or surviving entity in any merger or consolidation so that any Person who is or was a Member, Manager, employee or agent of such a constituent entity or is or was serving at the request of such constituent entity as a member, manager, director, officer, employee, partner, trustee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Section 6.4 with respect to the resulting or surviving entity as he/it would if he/it had served the resulting or surviving entity in the same capacity.

(f) For purposes of this Section 6.4, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a Person with respect to any employee benefit plan; and the term "serving at the request of the Company" shall include any service as a member, manager, director, officer, employee, partner, trustee or agent of, or at the request of, the Company which imposes duties on, or involves services by, such member, manager, director, officer, employee, partner, trustee or agent with respect to an employee benefit plan, its participants, or beneficiaries.

(g) In the event any provision of this Section 6.4 shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision of this Section 6.4 and any other provisions of this Section 6.4 shall be construed as if such invalid provision had not been contained in this Section 6.4. In any event, the Company shall indemnify any Person who is or was a Member or Manager of the Company, or is or was a Member or Manager of the Company who is or was serving at the request of the Company as a member, manager, director, officer, agent, employee, partner or trustee of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, to the full extent permitted under Tennessee law, as from time to time in effect.

6.5. Liability of the Member. The Member shall not be liable as such for the liabilities of the Company. The failure of the Company to observe any formalities or

requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Act shall not be grounds for imposing personal liability on the Member or a Manager for liabilities of the Company.

#### **ARTICLE VII. DETERMINATIONS BY THE MEMBER**

7.1. Actions by the Member. The Member shall have the right to take any action set forth herein in accordance with the terms of the Agreement. In addition, if the Member determines that it wants to take an action that is not expressly granted to it within this Agreement, it shall take such action only after notifying the Manager in writing of the intended action.

#### **ARTICLE VIII. ACTIONS OF THE MANAGER**

8.1. Actions by the Manager. The Manager shall decide any question related to the operations of the Company, unless the question is one upon which, by express provision of the Act, the Articles of Organization or this Agreement, the Member is required to consent, in which case such express provision shall govern and control the decision on such question.

#### **ARTICLE IX. TRANSFER OF MEMBER'S INTEREST**

9.1. Transfer of Member's Interest. The Member shall have the right to transfer all or part of its Interest to another Person upon such terms that the Member deems acceptable. Prior to the effective date of the transfer of all or part of the Interest, the Member must notify the Manager of the transfer in writing.

9.2. Effect of Assignment; Documents. All Interests in the Company transferred pursuant to the provisions of this Article shall be subject to the restrictions and obligations set forth in this Agreement. As a condition to any Person being admitted as an additional Member or a substituted Member, such Person must execute this Agreement and agree to be bound by all of its terms and provisions as a substituted Member or additional Member.

#### **ARTICLE X. DISSOLUTION OF THE COMPANY**

##### **10.1. Dissolution Acts.**

(a) No act, thing, occurrence, event or circumstance shall cause or result in the dissolution of the Company except that the happening of any one of the following events shall work as an immediate dissolution and termination of the Company:

(i) A determination by Member to dissolve and terminate the Company; and

(ii) The event of the death of the Member.

(b) Without limiting the other provisions hereof, the transfer of all or any part of a Member's Interest, in accordance with the provisions of this Agreement or the admission of a new Member, shall not work the dissolution of the Company.

10.2. Distribution of Proceeds on Dissolution; Reserves. Upon the dissolution and termination of the Company, a the Member or such other Person designated by the Member (the "Winding-Up Member") shall file a Notice of Winding Up pursuant to the Act and shall proceed with the liquidation and termination of the Company as promptly as possible, but in an orderly and businesslike manner so as not to involve undue sacrifice, and the proceeds therefrom and any other funds and assets of the Company (the "Dissolution Proceeds"), shall be applied and distributed pursuant to the provisions of Section 3.1.b.

## **ARTICLE XI. GENERAL**

11.1. Notices. Any notice, request, approval, consent, demand or other communication required or permitted hereunder shall be given in writing by (1) personal delivery, (2) expedited delivery service with proof of delivery, (3) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (4) email or facsimile (provided that such email or facsimile is confirmed as received), and shall be deemed to have been given and received either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the last known address, or in the case of email or facsimile, upon receipt.

11.2. Amendments. This Agreement may be amended by a written agreement of amendment executed by the Member.

11.3. Miscellaneous. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns. Captions contained in this Agreement in no way define, limit, or extend the scope or intent of this Agreement. If any provision of this Agreement or the application of such provision to any Person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to any other Persons or circumstances, shall not be affected thereby.

11.4. Remedies. If the Company or any party to this Agreement obtains a judgment against any other party by reason of breach of this Agreement or failure to comply with the provisions hereof, reasonable attorneys' fees as fixed by the court shall be included in such judgment. No remedy conferred upon the Company or the Member in this Agreement is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No waiver by the Member or the Company of any breach of this Agreement shall be deemed to be a waiver of any other breach of any kind or nature and no acceptance of payment or performance by a Member or the Company after any such

breach shall be deemed to be a waiver of any breach of this Agreement, whether or not such Member or the Company knows of such breach at the time it accepts such payment or performance. If the Member has the right herein to approve or consent to any matter or transaction, such approval or consent may be withheld in the sole discretion of the Member for any reason or no reason. No failure or delay on the part of the Member or the Company to exercise any right it may have shall prevent the exercise thereof by the Member or the Company at any time such other may continue to be so in default, and no such failure or delay shall operate as a waiver of any default.

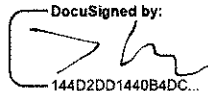
11.5. Compliance with Securities Laws. Notwithstanding anything herein contained to the contrary, no transfer or disposition of Interests in the Company pursuant to the terms hereof shall be made unless such transfer or disposition complies in all respects with the provisions of the Securities Act of 1933 and the securities laws of any and all states with jurisdiction over such transfer or disposition, and the rules and regulations promulgated thereunder.

11.6. Binding Effect. This Agreement and any amendment hereto made as provided herein shall be binding upon and inure to the benefit of the Company and its successors and assigns, and the Member, its heirs, executors, administrators, and legal or personal representatives.

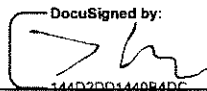
11.7. Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first above written.

**Limestone Water Utility  
Holding Company, LLC**

By:    
144D2DD1440B4DC...  
Josiah M. Cox, President of  
Central States Water Resources, Inc.,  
Manager

Agreed and Accepted by:

   
144D2DD1440B4DC...  
Josiah M. Cox, President of  
Central States Water Resources, Inc.,  
Manager

**EXHIBIT A  
INITIAL CAPITAL CONTRIBUTIONS**

<u>Member's Name and Address</u>	<u>Member's Interest</u>	<u>Capital Contribution</u>
Limestone Water Utility Holding Company, LLC	100%	Kept by Company Accountant

## **EXHIBIT 4**



**Tre Hargett**  
Secretary of State

**Division of Business Services**  
**Department of State**  
State of Tennessee  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102

LIMESTONE WATER UTILITY OPERATING COMPANY, LLC  
KRIS WHITTEN  
SUITE 303  
1650 DES PERES ROAD  
DES PERES, MO 63131

May 3, 2021

Request Type: Certificate of Existence/Authorization  
Request #: 0415492

Issuance Date: 05/03/2021  
Copies Requested: 1

Document Receipt

Receipt #: 006338914

Filing Fee: \$20.00

Payment-Credit Card - State Payment Center - CC #: 3806073067

\$20.00

Regarding: Limestone Water Utility Operating Company, LLC

Filing Type: Limited Liability Company - Domestic

Control #: 997814

Formation/Qualification Date: 12/04/2018

Date Formed: 12/04/2018

Status: Active

Formation Locale: TENNESSEE

Duration Term: Perpetual

Inactive Date:

Business County: KNOX COUNTY

**CERTIFICATE OF EXISTENCE**

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that effective as of the issuance date noted above

Limestone Water Utility Operating Company, LLC

\* is a Limited Liability Company duly formed under the law of this State with a date of incorporation and duration as given above;

\* has paid all fees, interest, taxes and penalties owed to this State (as reflected in the records of the Secretary of State and the Department of Revenue) which affect the existence/authorization of the business;

\* has filed the most recent annual report required with this office;

\* has appointed a registered agent and registered office in this State;

\* has not filed Articles of Dissolution or Articles of Termination. A decree of judicial dissolution has not been filed.

Tre Hargett  
Secretary of State

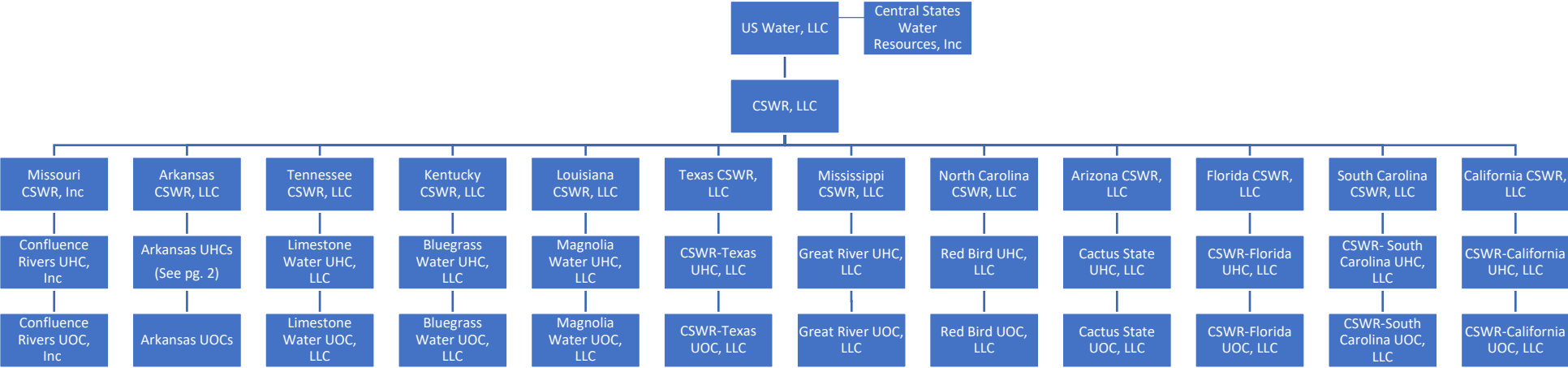
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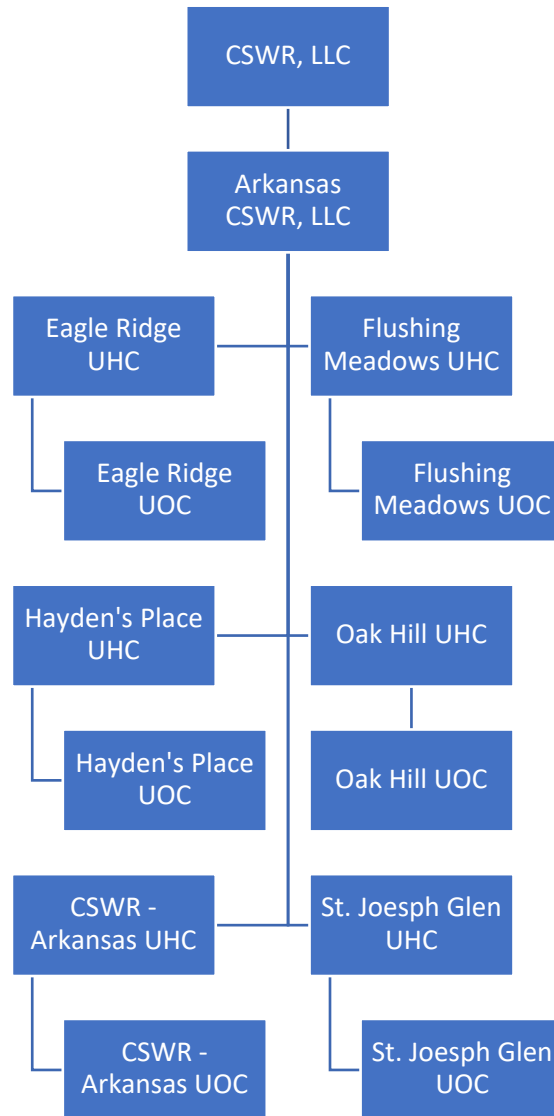


## **EXHIBIT 5**

**Central States Water Resources Corporate Entity Organizational Chart**



## Arkansas CSWR Organizational Chart Detail



## **EXHIBIT 6**

CSWR provides water and wastewater services to 15 utility operating companies in Missouri and Arkansas serving approximately 139,000 connections total. Below is a list of utilities served:

#### Missouri

Utility Operating Company	Service Provided	Connections (Total Services)
Confluence Rivers	Water & Wastewater	9,883

#### Arkansas

Utility Operating Company	Service Provided	Connections (Total Services)
Hayden's Place	Wastewater	121
St. Joseph's Glen	Wastewater	499
Sebastian Lake	Water & Wastewater	231
Oak Hill	Wastewater	198
Eagle Ridge	Wastewater	428
Flushing Meadows	Wastewater	294

#### Kentucky

Utility Operating Company	Service Provided	Connections (Total Services)
Bluegrass Water	Wastewater & Wastewater	3,588

#### Louisiana

Utility Operating Company	Service Provided	Connections (Total Services)
Magnolia Water	Wastewater & Wastewater	70,371

#### Texas

Utility Operating Company	Service Provided	Connections (Total Services)
CSWR-Texas	Wastewater & Wastewater	11,380

#### Tennessee

Utility Operating Company	Service Provided	Connections (Total Services)
Limestone Water	Wastewater & Wastewater	2,426

#### Arizona

Utility Operating Company	Service Provided	Connections (Total Services)
Cactus State	Wastewater & Wastewater	3,812

#### North Carolina

Utility Operating Company	Service Provided	Connections (Total Services)
Red Bird	Wastewater & Wastewater	251

**Florida**

Utility Operating Company	Service Provided	Connections (Total Services)
CSWR-Florida	Wastewater & Wastewater	17,425

**Mississippi**

Utility Operating Company	Service Provided	Connections (Total Services)
Great River	Wastewater & Wastewater	15,841

**South Carolina**

Utility Operating Company	Service Provided	Connections (Total Services)
CSWR-SC	Wastewater & Wastewater	2,432

## **EXHIBIT 7**

## AGREEMENT FOR SALE OF UTILITY SYSTEM

**THIS AGREEMENT** ("*Agreement*"), is made and entered into this 21 day of June, 2022, by and between CENTRAL STATES WATER RESOURCES, INC., a Missouri corporation, or its assigns ("*Buyer*"), and INTEGRATED RESOURCE MANAGEMENT, INC. d/b/a/ IRM Utility, Inc. a Tennessee corporation qualified and registered to transact business in the State of Tennessee ("*Seller*"), collectively ("*Parties*").

**WHEREAS**, Seller has developed and operates, as a regulated sewer corporation, sewer facilities in the area more particularly described and depicted in the documents attached hereto as **EXHIBIT A**, situated in Decatur 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 corporation, 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, both real and personal, 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; and

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

**NOW, THEREFORE**, it is mutually agreed that:

1. **SALE OF PROPERTY**. For and in consideration of the receipt of the Purchase Price, as set forth below, and the covenants and promises hereinafter set forth, including but not limited to the independent consideration of Buyer expending funds to review the feasibility of this purchase, Seller agrees to provide Buyer with the rights set forth in Section 8 herein and elsewhere, and Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, all of the following described property (the "*Property*"):

A. The land, improvements thereon, easements, rights of way, permits, and leases, and other real property interests used or useful for operation of a sewer system in the System area depicted on **EXHIBIT A** and/or generally described in **EXHIBIT B**, attached hereto, located in Decatur County, Tennessee;

B. All of Seller's sewer service facilities, including but not limited to: All sewer lines, pipes, lagoon(s), treatment plant(s), pump/lift station(s), tanks, meters, valves, manholes, and any other appurtenances of the sewer system, and all machinery, equipment, supplies and other tangible items used in connection with the sewer system;

C. Any additional tools, devices, vehicles, mobile work equipment, furniture, fixtures, machinery, supplies and other tangible items, if any, located in Decatur County, Tennessee, and used or held for use in connection with the System as described in **EXHIBIT C**, attached hereto;

D. All of Seller's rights, title and interest in and to those agreements set out and described in **EXHIBIT D**, attached hereto;

E. All of Seller's rights, title and interest in and to any and all warranties, bonds or other financial assurances or guaranties, pertaining to, allocable to or arising out of the provision of sewer service and/or the System;

F. All of Seller's inventory, merchandise, and supplies pertaining to sewer service; and



G. All assets not described which are located in Decatur County, Tennessee, and used or useful to operate the System, expressly excepting therefrom, and from any other assets described in the paragraphs above of this Section, any and all cash, cash equivalents and banking deposits in existence prior to the Closing, any and all accounts receivable accrued prior to the Closing, and any customer deposits held by Seller.

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 Title Examination Standards of The Tennessee Bar ("*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.** Seller and Buyer 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. Buyer and Seller agree to assist the other in this process when requested to do so.

4. **PURCHASE PRICE.** Buyer agrees to pay to Seller at the Closing **Twenty-One Thousand and 00/100 Dollars (\$21,000.00)** for purchase of the Property ("*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 Property 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 Property to be sold hereunder, and will assist Buyer in the collection or reduction to possession of such Property. 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 Property 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 Property to be conveyed hereunder and Buyer shall assume liability, and become responsible, for all obligations in connection with the Property going forward, excepting responsibility for any liabilities and/or obligations of Seller in connection with the Property 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 corporation, organized and existing under the constitution and laws of the State of Tennessee in good standing with the Tennessee Secretary of State and Seller has all the requisite power and authority to sell the Property pursuant to the terms of this Agreement.

B. **Liabilities.** All liabilities or obligations of Seller, whether accrued, absolute, contingent or otherwise pertaining to or arising out from the Property 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 Property, there shall not be:

i. Any material change in the use of the Property 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 Property.

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 Property. To the best of Seller's knowledge, unless Seller has disclosed any information in writing to the Buyer to the contrary, Seller owns the Property 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 Property to be sold hereunder.

Notwithstanding, but not in limitation of, the foregoing, Seller agrees to work with Buyer's surveyor prior to closing 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 Decatur 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 Property, 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. Seller agrees that from the Effective Date until either the termination of this Agreement or until after the Closing that Seller will not file any notices, requests, compliance documents, pleadings, or any other documents with any governmental or quasi-governmental authority that has jurisdiction over Seller in the operation, regulation or oversight of the System or any other endeavors of Seller (whether related to the System or not) without first providing at least ten (10) days prior notice to the Buyer for review and comment on such filing.

F. **Litigation.** There is no litigation or proceeding pending, or to the knowledge of Seller threatened, against or relating to Seller, the Property, 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 Property, 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, existing under the constitution and laws of the State of Missouri in good standing, and has the requisite power to purchase the Property 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 Property 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.** The TPUC and TRA shall have, if necessary, authorized or approved the sale, transfer or disposition of the Property to Buyer from Seller, the proposed financing, and any schedule of compliance for proposed utility improvement projects for regulatory compliance deemed necessary by Buyer, each in form and substance (including without limitation with respect to the terms and conditions contained in such approval) acceptable to Buyer in Buyer's sole and absolute discretion. 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 date of the Closing, to include TPUC assessments.

D. **Feasibility.** Completion of Buyer's examination, testing and inspection of the Property, the securing of any and all licenses, permits or governmental approvals Buyer deems necessary for Buyer's proposed uses of the Property, and any other due diligence determined by the Buyer as necessary in order to determine the feasibility of this acquisition, the results of any of the foregoing to be satisfactory to Buyer, in its sole and absolute 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 Property; 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 Property as intended by Buyer.

E. **No Casualty.** The Property 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.

Seller shall reimburse Buyer, on demand, for any payment involuntarily made, required by law to be made, or with the consent of Seller made by Buyer at any time after the date of closing in respect of any liability, obligation or claim to which the indemnity and hold harmless by Seller contained in this section relates.

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 Property until the Closing. The risk of loss to the Property shall pass to Buyer upon delivery of possession of the Property to Buyer. If an event of casualty occurs to the Property 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 Property 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 is being delivered and is intended to be performed in the State of Tennessee, and shall be construed and enforced in accordance with the laws of such state.

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, 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

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, 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.  
1630 Des Peres Road, Suite 140  
St. Louis, MO 63131  
Facsimile: (314) 238-7201

With a Copy to:

James A. Beckemeier  
Beckemeier LeMoine Law  
13421 Manchester Rd., Suite 103  
Saint Louis, Missouri 63131  
Phone: (314) 965-2277  
Facsimile: (314) 965-0127  
E-mail: jim@bl-stl.com

If to Seller:

Integrated Resource Management, Inc. d/b/a IRM Utility, Inc.  
Jeffrey W. Cox, Jr. **IRM**  
~~P.O. Box 642~~ **PO Box 71526**  
~~White Pine, TN 37890~~ **Knoxville, TN 37938**  
Phone: **(865) 712-4307**  
Facsimile: **(865) 674-2352**  
Email: **IRMUtility@gmail.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.

28. **CONFIDENTIALITY.** Buyer and Seller shall keep confidential this Agreement, this transaction, and all information learned in the course of this transaction, except to the extent disclosure is required by law or court order or to enable third parties to advise or assist Buyer to conduct its due diligence or either party to close this transaction.

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

INC.

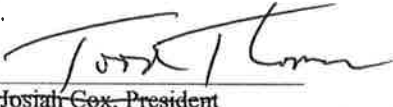

**SELLER:**

INTEGRATED RESOURCE MANAGEMENT,

By:   
Jeffrey W. Cox, Jr., President

**BUYER:**

CENTRAL STATES WATER RESOURCES,  
INC.

By:   
Josiah Cox, President  
  
Todd Thomas, SR VICE PRESIDENT

**EXHIBIT A**

**Service Area Description**

**[SERVICE AREA MAP & LEGAL DESCRIPTION TO BE FINALIZED PRIOR TO CLOSING]**



**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).

**[TO BE FINALIZED PRIOR TO CLOSING]**

The following described lots, tracts or parcels of land, lying, being and situate in the County of Decatur State of Tennessee:

All interests in land used or useful in operation of the Sewer System that services the area set forth on **EXHIBIT A**, including but not limited to easements, rights of way and permits, and including the real property described in Commitment File No. **[FILE NUMBER]**, issued by **[TITLE COMPANY]**, as agent for **[UNDERWRITER]**.

**EXHIBIT C**

**Personal Property and Equipment**

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

**[TO BE FINALIZED PRIOR TO CLOSING]**

All Property set forth herein shall be transferred to Buyer free and clear of all liens, pledges, leases, options, rights of first refusal, conditional sales agreements or any other such encumbrances.

All personal property comprising the Sewer System that services the area set forth on **EXHIBIT A**, including but not limited to, the sewer lines, pipes, lagoon(s), treatment plant(s), pump/lift station(s), tanks, meters, valves, and any other appurtenances of the Sewer System, and all machinery, equipment, supplies and other tangible items used in connection with the Sewer System.

<b>Additional Personal Property</b>

**EXHIBIT D**

Rights Via Agreements, Contracts, Misc.

**[TO BE FINALIZED PRIOR TO CLOSING]**

## **EXHIBIT 8**

### **ASSIGNMENT OF CONTRACT RIGHTS**

This Assignment of Contract Rights ("Assignment") is executed as of the 6<sup>th</sup> day of January, 2023, by CENTRAL STATES WATER RESOURCES, INC., a Missouri corporation ("Assignor"), in favor of LIMESTONE WATER UTILITY OPERATING COMPANY, LLC, a Tennessee limited liability company ("Assignee").

**WHEREAS**, on June 21, 2022, Assignor entered into that certain Agreement for Sale of Utility System ("Purchase Agreement") with INTEGRATED RESOURCE MANAGEMENT, INC. d/b/a IRM UTILITY, INC., a Tennessee corporation ("Seller");

**WHEREAS**, Section 18 of the Purchase Agreement provides that Assignor may assign its rights to the Purchase Agreement to an entity affiliated with Assignor and controlled by Assignor upon notice to Seller, but without the need for Seller's consent;

**WHEREAS**, Assignee is an entity affiliated with Assignor that Assignor controls;

**NOW, THEREFORE**, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Assignor and Assignee hereby agree:

As of the date of this Assignment, Assignor hereby assigns, conveys, transfers and sets over unto Assignee all of Assignor's right, title and interest in and to the Purchase Agreement, and any amendments or addendums thereto.

**IN WITNESS WHEREOF**, the parties have executed this Assignment as of the date first set forth above.

#### **ASSIGNOR:**

CENTRAL STATES WATER RESOURCES,  
INC., a Missouri corporation

By: \_\_\_\_\_  
Josiah M. Cox, President

#### **ASSIGNEE:**

LIMESTONE WATER UTILITY OPERATING  
COMPANY, LLC, a Tennessee limited liability  
company

By: CENTRAL STATES WATER RESOURCES,  
INC., its manager

By: \_\_\_\_\_  
Josiah M. Cox, President

## **EXHIBIT 9**

**DIRECT TESTIMONY**

**OF JOSIAH COX**

**LIMESTONE WATER UTILITY OPERATING COMPANY, LLC**

**WITNESS INTRODUCTION**

**Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A. My name is Josiah Cox. My business address is 1630 Des Peres Road, Suite 140, St. Louis Missouri, 63131.

**Q. WHAT IS YOUR POSITION WITH LIMESTONE WATER UTILITY OPERATING COMPANY, LLC (“LIMESTONE” OR “COMPANY”)?**

A. I am President of Limestone. I also am President of CSWR, LLC (“CSWR”), a Limestone affiliate. Later in my testimony I will describe CSWR's relationship to Limestone and discuss the role CSWR would play in Limestone's future operations if the Tennessee Public Utility Commission (the “Commission” or “TPUC”) approves the application at issue in this case.

**Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL EXPERIENCE.**

A. I received a Bachelor of Science with a major in Environmental Science from the University of Kansas. Professionally I have worked at the Kansas state biological survey, where I performed a wildlife habitat study. I then worked at a civil engineering firm where I was involved in various facets of the land development process including permitting, entitlement, civil design, project management, and construction management. I focused mainly on the water and wastewater side of the civil engineering business and participated in every part of that business from waste-load allocation studies (now known as the anti-

1 degradation processes), design, permitting, project management, and construction  
2 management. I also ran the firm's environmental consulting division and was the second  
3 private consultant to submit a water quality impact study in the state of Missouri in 2003.  
4 I joined the engineering firm's executive leadership team and helped run all the firm's  
5 operations.

6 Beginning in 2005, I raised money from a group of investors and formed a full-  
7 service civil engineering, environmental consulting, general contracting, and construction  
8 management firm. I served as the Chief Operating Officer, and finally Chief Executive  
9 Officer. I obtained extensive experience with rural communities in every facet of the water  
10 and wastewater compliance process, including environmental assessment, permitting,  
11 design, construction, operation, and community administration of the actual water and  
12 wastewater (sewerage) systems. The firm performed stream sampling and built waste-load  
13 allocation models to determine receiving water-body protective permit-able effluent  
14 pollutant loads. We have done full engineering design of multiple whole community  
15 wastewater and water infrastructure systems including wells, water distribution, water  
16 treatment, water storage, wastewater conveyance, and wastewater treatment plants and  
17 taken these designs through federal and state administered permitting processes in  
18 Missouri. The firm also administered the construction of these water and wastewater  
19 systems from green field site selection all the way through system startup and final  
20 engineering sign-off.

21 During this time, I began the Master of Business Administration (MBA) program  
22 at Washington University in St. Louis, from which I graduated in 2007. In addition, starting  
23 in 2008, I took over the operations of an existing rural sewer district, and I still operate a



1 system managing the functioning, testing, and maintenance of the system. I also act as the  
2 administrator for this municipal system performing all the billing, emergency response,  
3 accounts payable/accounts receivable, collections, budgeting, customer service, and public  
4 town meetings required to service the community.

5 In late 2010, after working on several small, failing water and wastewater systems,  
6 I created a business plan to acquire failing systems and to recapitalize and operate those  
7 systems as investor-owned regulated water and wastewater utility companies. In early  
8 2011, I went to the capital markets to raise money to implement my plan. Over a period of  
9 approximately three years, I met with over fifty-two infrastructure investment groups  
10 trying to raise necessary financing. In February 2014, I achieved my goal, and I used the  
11 debt and equity capital I was able to raise to start CSWR. In 2018, I was able to attract an  
12 additional large institutional private equity investor, which allowed me to expand the scope  
13 of my business plan. This new investor is allowing CSWR to form companies for the  
14 purpose of acquiring water and wastewater systems in additional states. Since its formation,  
15 CSWR's affiliates have acquired, and currently are operating, approximately 800 water or  
16 wastewater systems in Missouri, Kentucky, Louisiana, Texas, Tennessee, Mississippi,  
17 North Carolina, South Carolina, Florida, Arizona, and Arkansas. In Missouri, those  
18 systems are regulated by the Missouri Public Service Commission; in Kentucky they are  
19 regulated by the Kentucky Public Service Commission; in Louisiana they are regulated by  
20 the Louisiana Public Service Commission; in Texas they are regulated by the Public Utility  
21 Commission of Texas; in Tennessee they are regulated by the Tennessee Public Utility  
22 Commission; in Mississippi they are regulated by the Mississippi Public Service  
23 Commission; in North Carolina they are regulated by the North Carolina Utilities

Commission; in South Carolina they are regulated by the South Carolina Public Service Commission; in Arizona they are regulated by the Arizona Corporation Commission; in Florida they are regulated by the Florida Public Utilities Commission; and in Arkansas, the systems are outside the Arkansas Public Service Commission's jurisdiction due to the fact each system falls below annual revenue thresholds that trigger regulation in that state.

**Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS CASE?**

A. The purpose of my testimony is to support the application ("Joint Application") submitted in this matter by both Limestone and Integrated Resources Management, Inc. ("IRM" or, collectively, "Joint Applicants"), which seeks Commission authority for Limestone to acquire all assets currently used by IRM to provide wastewater utility service to customers in Decatur County, Tennessee. My testimony describes the proposed transaction and explains why both Limestone and IRM believe authorizing consummation of the transaction is in the public interest. I also describe Limestone's relationship to CSWR, the role CSWR would play in Limestone's operation of the wastewater systems at issue in this case, and the benefits Limestone's relationship with CSWR would bring to customers served by those systems. Finally, I provide the Commission information required by Commission rules applicable to the Joint Application. In this testimony, I also verify that all information included in the Joint Application is true and correct to the best of my information and belief.

**BACKGROUND INFORMATION REGARDING**  
**LIMESTONE AND ITS AFFILIATES**

**Q. PLEASE PROVIDE SOME BACKGROUND INFORMATION ABOUT LIMESTONE AND CSWR.**

A. Limestone is a Tennessee limited liability company formed to acquire water and wastewater assets in Tennessee and to operate those assets as a regulated public utility. In its Docket No. 19-00062, the Commission authorized Limestone to acquire and operate water and wastewater systems previously owned by Aqua Utilities Company, Inc.<sup>1</sup> Likewise, the Commission granted Limestone the authority to acquire and operate other systems, as well, including those of Cartwright Creek, LLC, Shiloh Falls Utilities, Inc., Candlewood Lakes, and Chapel Woods Home Owners Association.<sup>2</sup> Currently, Limestone serves approximately 450 water customers and 1,900 wastewater customers in Tennessee. If the Commission grants the requests the Joint Applicants have made in this case, Limestone would acquire, own, and operate the wastewater system currently owned by IRM (the “System”).

Limestone is an indirect subsidiary of CSWR, a Missouri limited liability company formed to provide managerial, technical, and financial support to Limestone and its utility

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<sup>1</sup> See *Order Approving Sale of Assets, Property, and Real Estate and Certificate of Public Convenience of Aqua Utilities Company, LLC Subject to Conditions and Requirements of the Tennessee Public Utility Commission*, TPUC Docket No. 19-00062 (Dec. 7, 2020).

<sup>2</sup> See *Order Approving Settlement Agreement and Transfer of Systems and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00053 (Jan. 24, 2022) (acquisition of wastewater system previously owned by Cartwright Creek, LLC); *Order Approving Settlement Agreement and Transfer of Systems and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00055 (Dec. 2, 2022) (acquisition of water and wastewater system previously owned by Shiloh Falls Utilities, Inc.); *Order Approving Petition for Reconsideration of Commission Order Approving Settlement Agreement and Transfer of Systems, Granting Certificate of Convenience and Necessity, and Disallowing Continuance of Candlewood Lakes POA’s Water Availability Fee*, TPUC Docket No. 21-00059 (May 1, 2023 (presiding panel granting petition for reconsideration, approving of settlement agreement on acquisition and granting of CCN for acquisition of Candlewood Lakes’ system); and *Order Approving Settlement Agreement and Transfer of System and Granting Certificate of Convenience and Necessity*, TPUC Docket No. 21-00060 (Dec. 2, 2022) (acquisition of wastewater system previously owned by Chapel Woods).

1 operating affiliates. A corporate organization chart illustrating that relationship is attached  
2 as **Exhibit 5** to the Joint Application.

3 To date, CSWR-affiliated utility operating companies, such as Limestone in  
4 Tennessee, have acquired and are operating water or wastewater systems in Missouri,  
5 Kentucky, Louisiana, Texas, Tennessee, Mississippi, North Carolina, South Carolina,  
6 Florida, Arizona, and Arkansas. Our affiliated group has additional applications pending  
7 in many of those states and California to acquire even more such systems.

8 **Q. WHAT IS CSWR'S BUSINESS PLAN WITH REGARD TO THE ACQUISITION**  
9 **AND OPERATION OF SMALL AND DISTRESSED WATER AND**  
10 **WASTEWATER SYSTEMS?**

11 A. CSWR's business plan is to pursue the purchase and recapitalization of small water and  
12 wastewater systems and to operate those systems as investor-owned regulated utilities.  
13 Many of those systems are not currently regulated. Of those that are regulated, many, if not  
14 most, are out of compliance with utility commission rules and with federal or state pollution  
15 and safety laws and regulations. Indeed, many systems we acquire do not even have federal  
16 or state permits required to lawfully operate those systems. We also have found that many  
17 regulated systems we acquire have not increased their rates for a decade or more and, as a  
18 result, lack the financial resources necessary to build, maintain, and replace assets used to  
19 provide safe and reliable service or bring their operations into compliance with rapidly  
20 changing environmental and water quality regulations. Some systems we acquire are in  
21 receivership and, therefore, lack the ability to raise capital necessary to improve their  
22 systems. However, because it has found investors willing to make investments and take  
23 risks necessary to bring small water and wastewater systems into compliance with current

1 statutes, rules, and regulations, CSWR, through its affiliates, has been able to acquire  
2 distressed systems, invest capital necessary to upgrade or repair physical facilities, and  
3 operate those systems in a way that serves the public interest and satisfies customers,  
4 regulators, and investors alike.

5 CSWR's business plan and the expertise its personnel provide to affiliates have  
6 convinced regulators in Tennessee, Missouri, Arkansas, Kentucky, Louisiana, Texas,  
7 Mississippi, North Carolina, South Carolina, Florida, and Arizona to permit Limestone to  
8 acquire and operate numerous small water and wastewater systems in those states, and we  
9 expect to be authorized to acquire additional systems in those and other states in the future.  
10 If the Commission authorizes Limestone to acquire IRM's assets, they would be added to  
11 the portfolio of systems the Company currently operates in Tennessee. We hope the  
12 Commission will give us the same opportunity in this case it gave us in the previous Aqua  
13 Utilities, Cartwright Creek, Shiloh Falls Utilities, Candlewood Lakes and Chapel Woods  
14 acquisition cases so we can continue in Tennessee the record of success our affiliated group  
15 has achieved elsewhere.

16 **Q. PLEASE DESCRIBE YOUR AFFILIATES' EXPERIENCE WITH WATER AND**  
17 **WASTEWATER SYSTEMS.**

18 A. Limestone and its affiliates have the financial, technical, and managerial ability to acquire,  
19 own, and operate IRM's wastewater systems in a manner that fully complies with  
20 applicable health, safety, and environmental protection laws and regulations and provides  
21 reliable, safe, and adequate service to customers. Limestone demonstrated this to the  
22 Commission in TPUC Docket Nos. 19-00062, 21-00053, 21-00055, 21-00059 and 21-  
23 00060. Limestone is part of an affiliated group that currently owns and operates wastewater

1 systems serving more than 200,000 customers and drinking water systems serving more  
2 than 127,000 customers in Missouri, Arkansas, Kentucky, Louisiana, Texas, Mississippi,  
3 North Carolina, South Carolina, Florida, Arizona, and Tennessee.

4 The overall business plan of our affiliate group is to purchase and recapitalize small  
5 water and wastewater systems and operate those systems as public utilities. We currently  
6 rank as one of the five (5) largest owner/operators of small water and wastewater systems  
7 in the United States, and as of the end of 2022, the CSWR-affiliated group of utilities  
8 became the single largest owner/operator of individual wastewater treatment plants in the  
9 United States. In addition to the systems our affiliate group currently owns and operates,  
10 we have additional acquisition applications pending in Missouri, Texas, Kentucky,  
11 Louisiana, North Carolina, Arizona, Mississippi, Florida, and California. For our affiliate  
12 group, water and wastewater utility service providers are not legacy businesses we want to  
13 abandon. Rather, they represent the current and future businesses we want to pursue and  
14 expand.

15 Because we are one of the largest individual water and wastewater systems owners  
16 in the United States committed to providing safe and reliable service that complies with all  
17 applicable regulations, we have on staff, or can efficiently engage skilled professionals  
18 who have the most recent, up-to-date knowledge and experience necessary to operate our  
19 water and wastewater systems. Our in-house workforce also has the most relevant recent  
20 experience refurbishing small, distressed utilities in the country, and we routinely  
21 supplement those in-house resources with qualified, third-party contractors with whom we  
22 work on a regular basis. Having sufficient qualified personnel to operate the System we  
23 propose to acquire will not be a problem for Limestone or CSWR.

1           On the wastewater side of the business, our affiliate group has purchased  
2           wastewater treatment plants with associated sewer pumping stations, gravity force mains,  
3           and gravity conveyance lines. With the approval of state wastewater regulatory authorities,  
4           since March 2015, CSWR-affiliated companies have designed, permitted, and completed  
5           construction of numerous sanitary sewer system improvements. These improvements  
6           include wastewater line repairs to remove infiltration and inflow, building sewer main  
7           extensions, the repair of multiple lift stations, the construction of lift stations, the closure  
8           of an existing regulatory impaired wastewater system, building two fully activated sludge  
9           plants, constructing moving bed bio-reactor plants (“MBBR”), converting multiple failing  
10          wastewater systems into sludge storage/flow equalization and treatment basins, converting  
11          failed mechanical systems to I-Fast systems, and constructing various other wastewater  
12          supporting improvements.

13          On the water side of the business, since March 2015, affiliates have designed,  
14          permitted, and completed construction – with the approval of state regulatory authorities –  
15          of upgrades and improvements to numerous drinking water systems. Those upgrades and  
16          improvements include constructing ground water storage tanks and drinking water  
17          pressurization pump assemblies, drilling water wells, erecting or rehabilitating well houses,  
18          closing failed wells, blasting/coating water storage tanks, replacing meter pits with new  
19          meters, replacing or repairing numerous water distribution lines, installing numerous  
20          isolation valve systems, installing multiple flush hydrants, repairing hundreds of leaking  
21          lines, and constructing or rehabilitating various other improvements to existing drinking  
22          water systems.

1   **Q.     DOES CSWR HAVE PERSONNEL QUALIFIED TO PERFORM THE SERVICES**  
2       **YOU IDENTIFIED IN YOUR PRECEDING ANSWER?**

3   A.    Yes, it does, as evidenced by the fact CSWR already is providing those and other similar  
4       services for water and wastewater systems in Missouri, Arkansas, Kentucky, Louisiana,  
5       Texas, Mississippi, North Carolina, South Carolina, Florida, Arizona, and Tennessee. I  
6       already described my background and experience in the water and wastewater utility  
7       industry. Additionally, as outlined in the Joint Application, the resumes of the other key  
8       members of CSWR's senior team who would be involved in Limestone's operations show  
9       that we are all well-qualified to meet the demands of Limestone and its customers and to  
10      satisfy the rules, regulations, and requirements of this Commission and other regulators  
11      charged with overseeing Limestone's operations. The types and quality of services CSWR  
12      provides Limestone are not usually available to small systems like IRM. However,  
13      CSWR's business model was developed to provide that expertise and experience to  
14      affiliates and to do so while achieving economies of scale attributable to CSWR's  
15      centralized management structure. Not only would CSWR and Limestone provide current  
16      IRM customers expertise and professional depth not generally available to small water and  
17      wastewater systems, our affiliate group can realize economies of scale that would not be  
18      possible if Limestone had to acquire or provide such expertise and support on a company-  
19      or system-specific basis. The unique availability of these efficiencies and resources will  
20      result in the customers served by the System obtaining the benefit of the very best in  
21      technological advances, national experience and industry exposure.



1   **Q.   HAS YOUR GROUP OF AFFILIATED COMPANIES TAKEN STEPS TO**  
2   **IMPROVE SERVICES AT THE SYSTEMS IT NOW OPERATES?**

3   A.   Yes. In addition to the capital improvements made on systems our affiliate group has  
4   acquired, we have built from scratch customer service systems that meet or exceed  
5   regulatory commission rules and provide numerous benefits to the customers.

6           If the Joint Application is approved, Limestone would implement operational  
7   changes to improve and enhance service to IRM's current customers. For example, those  
8   customers would have access to a 24-hour phone line to report any utility service issues.  
9   Those calls would then be transferred into the computerized maintenance management  
10   system and converted into work orders, which creates a historical record of all reported  
11   service issues. The work order also will ensure contracted customer service personnel can  
12   commence work required to deal quickly and efficiently with any customer service issues.  
13   Second, Limestone would ensure customers have access to customer service  
14   representatives during normal business hours to talk about any customer concerns and  
15   would establish a utility-specific webpage and dedicated email address to keep customers  
16   informed about their utility service. Information available on the website would include  
17   dissemination of state-mandated information, up-to-date website bulletins about service  
18   issues, and procedures for service initiation or discontinuance. Mirroring relevant utility  
19   homepage information, Limestone would provide a dedicated social media page to offer  
20   another avenue of communication with customers about utility matters. The social media  
21   account is manned by customer service representatives that can answer customer questions.  
22   Finally, Limestone offers online bill paying options to customers, including e-checks, debit  
23   card, and credit cards.

1   **Q.    WHAT EVIDENCE CAN YOU PROVIDE TO SUPPORT YOUR CLAIMS ABOUT**  
2       **THE ABILITY OF LIMESTONE’S AFFILIATES TO PROVIDE THESE**  
3       **SERVICES OUTSIDE TENNESSEE?**

4    A.   In each acquisition case filed by one of Limestone’s utility operating affiliates the  
5       regulatory commission considering the application expressly found the state affiliate and  
6       the CSWR-affiliated group has the financial, technical, and managerial ability necessary to  
7       provide reasonable service to the public. And in several states where our affiliate group  
8       currently operates, regulatory agencies – both public utility and environmental – have  
9       encouraged us to acquire especially troubled systems, which sometimes includes a request  
10      to serve as the temporary operator while acquisition applications were pending.

11   **Q.    DO LIMESTONE AND CSWR HAVE THE FINANCIAL CAPACITY TO**  
12      **ACQUIRE, OWN, AND OPERATE THE SYSTEMS YOU PROPOSE TO**  
13      **PURCHASE FROM IRM?**

14   A.   Yes, as was demonstrated to the Commission by Limestone in TPUC Docket Nos. 19-  
15      00062, 21-00053, 21-00055, 21-00059 and 21-00060. Limestone and CSWR have the  
16      financial capacity to finance, own, and operate the System we propose to acquire from  
17      IRM. The affiliated group of which Limestone is a member has been able to secure an  
18      ongoing commitment from a Wall Street private equity firm to provide capital necessary  
19      to purchase small, oftentimes distressed, water and wastewater systems and then make  
20      investments necessary to bring those systems into compliance with applicable health,  
21      safety, and environmental protection laws and regulations. This investment commitment  
22      also includes working capital necessary to operate until an application for compensatory  
23      rates, where and when appropriate, can be formally requested and approved. To date,

1 CSWR, through its affiliates, has invested almost \$400 million to purchase, upgrade, and  
2 operate water and wastewater systems. Although those investments have been almost  
3 exclusively in the form of equity, Limestone plans to pursue debt financing from non-  
4 affiliated commercial sources that would allow the company to balance its capital structure.  
5 Ultimately, Limestone's objective is a capital structure consisting of 50%-60% equity and  
6 40%-50% debt.

7 **Q. IF THE AUTHORIZATIONS REQUESTED IN THE JOINT APPLICATION ARE**  
8 **GRANTED, WOULD LIMESTONE HIRE CURRENT EMPLOYEES TO**  
9 **PROVIDE SERVICE IN THE AREAS SERVED BY IRM?**

10 A. No, Limestone does not plan to hire IRM's current employees to perform any services after  
11 closing.

12 **Q. AFTER CLOSING THE PENDING ACQUISITION TRANSITION, HOW DOES**  
13 **LIMESTONE PROPOSE TO PROVIDE SERVICE TO CUSTOMERS OF THOSE**  
14 **SYSTEMS?**

15 A. If the Joint Application is approved, Limestone intends to hire a local, non-affiliated third-  
16 party Operations and Maintenance ("O&M") firm that has knowledgeable and experienced  
17 personnel, carries required state licenses, and has insurance coverage necessary to manage  
18 daily wastewater operations at the Systems at issue in this case. This is what Limestone has  
19 efficiently and successfully done at the former Aqua Utilities, Cartwright Creek, Chapel  
20 Woods, and Shiloh Falls systems. It also is the approach that Limestone's affiliated utility  
21 operating companies have successfully employed at the water and wastewater systems they  
22 operate outside Tennessee.

1           In addition to its service obligations during normal business hours, the O&M firm  
2           would be required to have a 24-hour emergency service line to deal with customers  
3           experiencing service disruptions. However, notice of all service disruption calls would be  
4           forwarded to me, as CSWR's manager and the executive ultimately responsible for service  
5           in the areas served by each of CSWR's utility affiliates. CSWR has developed a centralized  
6           computerized maintenance management system (CCMS) that monitors the performance of  
7           our drinking water and wastewater systems and allows us to track the ongoing maintenance  
8           and testing work performed by the O&M contractors we employ at each of our facilities.  
9           In addition, CSWR uses geographic information system ("GIS") survey information to  
10          accurately map all infrastructure assets, which allows the Company to specifically target  
11          ongoing infrastructure re-investment as part of the overall managerial and technical support  
12          CSWR provides each of its utility operating affiliates.

13          Limestone also would use a non-affiliated third-party billing and customer service  
14          firm to send out bills and handle service-related billing questions. The billing firm, which  
15          is used by all CSWR's utility affiliates, has in place an online billing system to receive  
16          credit cards and e-checks from customers. The billing firm also would establish a  
17          Limestone-specific customer service email account to field ongoing customer interactions.  
18          Customer service representatives employed by the billing firm would be available during  
19          normal business hours, would take messages twenty-four hours a day, and all customer  
20          correspondence would be recorded and logged to consumers' accounts to ensure the highest  
21          level of service.

22          While day-to-day operational, billing, and customer service functions would be  
23          provided by non-employee contractors, all management, financial reporting, underground

1 utility safety and location services, Commission regulatory reporting, environmental  
2 regulatory reporting and management, operations oversight, utility asset planning,  
3 engineering planning, ongoing utility maintenance, utility record keeping, and final  
4 customer dispute management would be performed by personnel at CSWR's corporate  
5 office, with a proportional share of costs for those services passed down to Limestone.  
6 CSWR personnel also would monitor the activities of the non-employee contractors to  
7 make sure the systems are being operated and maintained properly and customers' needs  
8 are being met. The resumes of CSWR personnel who, in addition to me, would be  
9 responsible for providing services or oversight to Limestone's operation, are attached to  
10 the Joint Application as **Exhibit 12**.

11 **DESCRIPTION OF THE PROPOSED TRANSACTION**

12 **Q. PLEASE DESCRIBE THE WATER AND WASTEWATER SYSTEMS**  
13 **LIMESTONE PROPOSES TO ACQUIRE FROM IRM.**

14 A. The IRM wastewater system serves the Riverstone Estates Community. The System  
15 consists of a low-pressure collection system, with Plytok STEP (Septic Tank and Effluent  
16 Pump) units at each home, conveying wastewater to two lift stations which pump via force  
17 main to a partially aerated lagoon with a secondary settling cell and separate settling tank,  
18 UV disinfection, and a 3.7-acre drip irrigation system. The facility is also equipped with  
19 an emergency discharge to the Tennessee River. The existence of this emergency discharge  
20 requires this facility to be regulated by a NPDES (National Pollutant Discharge Elimination  
21 System) permit (TN0078379) as an intermittent discharging point source, which requires  
22 testing against permit limits that is reported to the state and through them the federal  
23 environmental regulatory system. This is somewhat novel, in that during normal operations  
24 the facility does not discharge and would typically be regulated only by the state through

1 the Tennessee State Operating Permit (SOP) system, but the existence of the intermittent  
2 discharge requires regulation through the federal NPDES system under the Clean Water  
3 Act. Rather than issuing a separate SOP permit regulating the non-discharging function of  
4 the System at the state level and a NPDES permit regulating the intermittent discharge at  
5 the state and federal level, the state of Tennessee includes the regulatory requirements that  
6 would normally appear on an SOP permit as an additional section on the NPDES permit.  
7 This means the facility's NPDES permit includes testing requirements for the drain field  
8 which would not normally appear in an intermittent discharge NPDES permit. It also means  
9 that the testing requirements related to the drain field and normal operations as a non-  
10 discharging system are only reported to the state, while testing on any intermittent  
11 discharges are reported to the state and through the state to the federal regulatory databases.

12 A review of the compliance history of the System shows several significant issues.  
13 First, on March 27, 2018, the System was issued a "notice of warning letter" when the  
14 permittee failed to timely submit permit renewal application materials for the permit, which  
15 was set to expire. This indicates a general failure in operational and managerial practices.

16 More recently, on January 4, 2022, the System was issued a "Notice of Violation"  
17 ("NOV") following a compliance evaluation inspection that included citations for  
18 noncompliance. The NOV cited the System for failing to complete any of the required  
19 monitoring/testing since calendar year 2017. Furthermore, the NOV also cited several  
20 maintenance deficiencies. Specifically, it was noted that the influent drop pipe was broken,  
21 that there was excessive vegetation overgrowth around the perimeter of the lagoon, and  
22 finally that a thick layer of duckweed was noted on the lagoon, indicating the aeration was  
23 not very effective and potentially adversely affecting treatment. There are no indications

1 in the file that any of these issues has been resolved to date or that the IRM's current owners  
2 formally responded to the NOV.

3 In addition, CSWR's third party review of the System highlighted several areas that  
4 must be addressed to ensure the System can provide safe, reliable, and environmentally  
5 compliant service. First, no remote monitoring equipment is present at the utility sites.  
6 Remote monitoring should be installed at the treatment plant and at both of the lift stations.  
7 Next, the existing flow measurement system is not functioning properly, so Limestone  
8 proposes to install a new V-notch weir with ultrasonic flow meter, which can continuously  
9 record flow and report through the remote monitoring system. The existing UV/filtration  
10 building also was found to be cluttered throughout with debris and also has no lighting to  
11 illuminate the building. The building must be cleaned out and repaired, and backup UV  
12 bulbs purchased to ensure resiliency in disinfection.

13 The deficiencies highlighted in the NOV must also be addressed. These include  
14 repair of the influent piping, trash and debris removal throughout the site, and clearing  
15 vegetation from around lagoon berms. In addition, there currently is no fencing around lift  
16 stations or lift station controls, which is necessary to establish proper site protection.  
17 CSWR's inspection also showed the System was designed to collect flow at an intermediate  
18 pumping station, which would allow the facility to regulate flow to the plant. However,  
19 rather than completing the necessary repairs the owners allowed the System to fail,  
20 bypassed the System, and allowed the lift stations to flow directly into the lagoon. This is  
21 likely what caused damage to the influent piping. The intermediate station should be  
22 repaired to allow for greater operational control. Finally, valving in the drain fields can  
23 only be operated manually, thereby reducing operational control of the System and

1 encouraging lax maintenance. An automated solenoid valve system and control panel  
2 should be installed to allow for greater operational control.

3 Limestone proposes to acquire from IRM all of the assets it currently owns and uses  
4 to provide service to customers located in Decatur County. Maps and aerial photographs  
5 showing the location of the System are attached as **Exhibit 1** to the Joint Application. The  
6 System currently serves approximately 33 customers.

7 Terms of the proposed asset sale are governed by the June 21, 2022, *Agreement for*  
8 *the Sale of Utility System* ("Agreement") between IRM and Central States Water Resources,  
9 Inc. ("Central States"). A copy of the Agreement is attached as **Exhibit 7** to the Joint  
10 Application.

11 No closing date for the transaction has been set, but the Agreement identifies  
12 various conditions precedent, including obtaining all required regulatory approvals, that  
13 must be satisfied before the transaction can close. Section 18 of the Agreement also  
14 authorizes Central States to assign all its rights to the acquired assets to an affiliated entity.  
15 In accordance with that section, at closing Central States will transfer to Limestone all  
16 sewer system assets acquired from IRM. A copy of the document assigning Central States'  
17 interests in IRM's assets to Limestone is attached as **Exhibit 8** to the Joint Application.

18 **Q. IF THE COMMISSION APPROVES THE JOINT APPLICATION, IS**  
19 **LIMESTONE WILLING AND ABLE TO MAKE ANY IMPROVEMENTS**  
20 **NECESSARY TO BRING IRM'S WASTEWATER SYSTEMS UP TO STANDARD**  
21 **AND INTO COMPLIANCE WITH APPLICABLE REGULATIONS?**

22 A. Yes. If the Commission grants Limestone the authority it seeks in the Joint Application,  
23 Limestone and CSWR are willing and able to invest capital necessary to bring the System



1 up to standard and into compliance with applicable law. As I described previously, the  
2 affiliate group of which Limestone and CSWR are part has access to capital adequate to  
3 make necessary upgrades and improvements to the System and to continue to operate that  
4 system in a manner that is in the public interest and complies with applicable statutes, rules,  
5 and regulations.

6 **Q. WHAT RATES, RULES, AND REGULATIONS WOULD BE IN EFFECT FOR**  
7 **THE IRM SYSTEMS AT ISSUE IN THIS CASE?**

8 A. Initially, Limestone proposes to adopt the tariffs, rules, and rates currently in effect for the  
9 System. However, if the revenue requirement for the System increases in the future  
10 Limestone may petition the Commission to increase rates or change certain operating  
11 regulations. Limestone may also seek authority to consolidate rates of the systems it  
12 proposes to acquire in this case with those of other wastewater systems it operates in  
13 Tennessee.

14 **Q. ARE LIMESTONE AND CSWR FAMILIAR WITH THE COMMISSION'S RULES**  
15 **AND REGULATIONS GOVERNING WASTEWATER UTILITIES AND DO**  
16 **THOSE COMPANIES PLEDGE TO OPERATE THE FOUR SYSTEMS AT ISSUE**  
17 **IN THIS CASE IN A MANNER THAT COMPLIES WITH THOSE RULES AND**  
18 **REGULATIONS?**

19 A Yes, CSWR and Limestone are familiar with the Commission's rules and regulations and  
20 pledges to operate all its Tennessee systems in a manner that complies with all Commission  
21 requirements and all applicable state statutes and regulations.

1   **Q.   HOW DOES LIMESTONE PROPOSE TO SATISFY THE FINANCIAL**  
2       **SECURITY REQUIREMENTS IMPOSED BY TPUC RULES 1220-04-13-.07 AND**  
3       **1220-04-13-.08?**

4   A.   To demonstrate financial security as required by the Commission's rules, Limestone has  
5       secured a corporate surety bond in the amount of \$300,000 in a form that complies with  
6       TPUC Rule 1220-04-13-.08. A copy of that surety bond is attached to the Joint Application  
7       as **Exhibit 14**.

8   **Q.   DO YOU BELIEVE THE PROPOSED TRANSACTION IS IN THE PUBLIC**  
9       **INTEREST?**

10  A    Yes. While that support need not be repeated here, I have outlined above the many reasons  
11       that this acquisition will best serve IRM's current customers and the public interest.  
12       Consistent with my testimony and the Joint Application, I believe Limestone's proposed  
13       acquisition of the wastewater system currently owned and operated by IRM would be  
14       consistent with and would promote the public interest. Limestone and CSWR are fully  
15       qualified, in all respects, to own and operate that system and to otherwise provide safe,  
16       reliable, and adequate service. Our industry experience, professionalism and successful  
17       track record across the county evidence our unique capability to ensure that efficiencies  
18       benefiting the customers are captured and that the resources required to upgrade  
19       infrastructure and satisfy regulatory and environmental requirements are available and  
20       invested.

1   **Q.   DO YOU HAVE ANYTHING TO ADD WITH RESPECT TO THE JOINT**  
2       **APPLICATION?**

3   A.   Yes. I verify that the Joint Application and the supporting documentation submitted with  
4       it are true and correct to the best of my information and belief. Furthermore, Limestone is  
5       aware of and will abide by all applicable Tennessee statutes, rules and regulations,  
6       including TPUC Rules.

7   **Q.   DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

8   A.   Yes, it does.

**PUBLIC VERSION**

**EXHIBIT 10**

**CSWR Consolidated Financial Statements**

## **EXHIBIT 11**

# INCOME STATEMENT - IRM/LIMESTONE

	Year 1	Year 2	Year 3
<b>OPERATING REVENUE</b>			
Metered service revenue	\$ 103,359	\$ 103,359	\$ 103,359
Flat rate service revenue	\$ 901,694	\$ 901,694	\$ 901,694
EPA testing surcharge	\$ -	\$ -	\$ -
Re-connect fees	\$ 21,159	\$ 21,159	\$ 21,159
Returned check charge	\$ 10,580	\$ 10,580	\$ 10,580
Late payment charge	\$ 21,159	\$ 21,159	\$ 21,159
Other operating revenue	\$ -	\$ -	\$ -
Total Operating Revenue	\$ 1,057,950	\$ 1,057,950	\$ 1,057,950
<b>OPERATING EXPENSES</b>			
Total salaries and wages (employees only)	\$ -	\$ -	\$ -
Outside labor expenses (non-employees)	\$ 536,480	\$ 536,480	\$ 536,480
Administrative and office expense	\$ 113,012	\$ 113,012	\$ 113,012
Maintenance and repair expense	\$ 41,058	\$ 41,058	\$ 41,058
Purchased water	\$ 38,235	\$ 38,235	\$ 38,235
Purchased sewage treatment	\$ -	\$ -	\$ -
Electric power expense (exclude office)	\$ 116,302	\$ 116,302	\$ 116,302
Chemicals expense	\$ 31,065	\$ 31,065	\$ 31,065
Testing fees	\$ -	\$ -	\$ -
Transportation expense	\$ -	\$ -	\$ -
Other operating expense	\$ 50,957	\$ 50,957	\$ 50,957
Total Operating Expenses	\$ 927,109	\$ 927,109	\$ 927,109
Annual Depreciation Expense	\$ 156,865	\$ 219,539	\$ 219,539
Interest Expense	\$ 200,186	\$ 277,374	\$ 277,374
Total Expenses	\$ 1,284,160	\$ 1,424,022	\$ 1,424,022
<b>INCOME TAXES</b>			
Total Income Taxes	\$ 90,783	\$ 69,388	\$ 69,388
Net income (Loss)	\$ (316,993)	\$ (435,460)	\$ (435,460)

# **BALANCE SHEET - IRM/LIMESTONE**

	Year 1	Year 2	Year 3
<b>ASSETS</b>			
Cash	\$ (0)	\$ 13,893	\$ 17,971
Accounts Recievable	\$ 130,432	\$ 130,432	\$ 130,432
Total Current Assets	\$ 130,432	\$ 144,325	\$ 148,404
Property, Plant, and Equipment	\$ 5,032,849	\$ 6,272,531	\$ 6,272,531
Preliminary Survey	\$ -	\$ -	\$ -
Total Long-Term Assets	\$ 5,032,849	\$ 6,272,531	\$ 6,272,531
<b>Total Assets</b>	<b>\$ 5,163,282</b>	<b>\$ 6,416,856</b>	<b>\$ 6,420,935</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 76,201	\$ 76,201	\$ 76,201
Accrued Interest	\$ 200,186	\$ 430,000	\$ 650,000
Total Current Liabilities	\$ 276,386	\$ 506,201	\$ 726,201
Notes Payable	\$ -	\$ -	\$ -
Working Capital Transfer from Parent	\$ 171,039	\$ 390,577	\$ 610,116
Total Long-Term Liabilities	\$ 171,039	\$ 390,577	\$ 610,116
<b>Total Liabilities</b>	<b>\$ 447,425</b>	<b>\$ 896,778</b>	<b>\$ 1,336,317</b>
<b>EQUITY</b>			
Equity Capital Contributed	\$ 5,032,849	\$ 6,272,531	\$ 6,272,531
Retained Earnings	\$ (316,993)	\$ (752,453)	\$ (1,187,913)
<b>Total Equity</b>	<b>\$ 4,715,856</b>	<b>\$ 5,520,078</b>	<b>\$ 5,084,618</b>
<b>Total Liabilities and Equity</b>	<b>\$ 5,163,282</b>	<b>\$ 6,416,856</b>	<b>\$ 6,420,935</b>

## **EXHIBIT 12**



### **Josiah Cox – President**

Mr. Cox is President of Red Bird Utility Operating Company, LLC, Red Bird Utility Holding Company, LLC, and also of, Central States Water Resources, LLC, (“CSWR”). Both companies are part of an affiliated group that provides water and/or wastewater utility services to more than 300 customers in 11 states.

Mr. Cox received a Bachelor of Science degree with a major in Environmental Science from the University of Kansas where he was also a student-athlete. Professionally he has worked at the Kansas state biological survey, where he performed a wildlife habitat study. He then worked at a civil engineering firm where he was involved in various facets of the land development process including permitting, entitlement, civil design, project management, and construction management. He focused mainly on the water and wastewater side of the civil engineering business and participated in every aspect of that business from waste-load allocation studies (now known as the anti-degradation processes), to design, permitting, project management, and construction management. He also ran the firm's environmental consulting division and was the second private consultant to submit a Water Quality Impact Assessment in the state of Missouri in 2003. He later joined the engineering firm's executive leadership team and helped run all the firm's operations.

Beginning in 2005, he formed a full-service civil engineering, environmental consulting, general contracting, and construction management firm. He gained extensive experience with rural communities in every facet of the water and wastewater compliance process, including environmental assessment, permitting, design, construction, operation and community administration of the actual water and wastewater (sewerage) systems. The firm performed stream sampling and built waste-load allocation models to determine receiving water-body protective permit-able effluent pollutant loads. They did full engineering design of multiple whole community water and wastewater infrastructure systems including wells, water distribution, water treatment, water storage, wastewater conveyance, and wastewater treatment plants and delivered these designs through federal and state administered permitting processes in Missouri. The engineering firm also administered the construction of these water and wastewater systems from green field site selection all the way through system startup and final engineering sign-off. During this time, Mr. Cox also began the Master of Business Administration (MBA) program at Washington University in St. Louis, from which he earned his advanced degree and graduated in 2007.

Additionally beginning in 2008, Mr. Cox took over the operations of an existing rural sewer district and to date he still operates a system, managing the functioning, testing, and maintenance of this system. He also acts as the administrator for this municipal system, performing all the billing, emergency response, accounts payable/accounts receivable, collections, budgeting, customer service, and public town meetings required to service the community.

In late 2010, after working on several small, distressed water and wastewater systems, Mr. Cox created a business plan to acquire and recapitalize failing systems as investor-owned, regulated water and wastewater utility companies. In early 2011, he went to the capital markets to raise money to implement his plan, and over a period of approximately three years met with more than fifty- two infrastructure investment groups in an attempt to raise necessary financing. In February 2014, he was able to raise sufficient debt and equity capital to start CSWR. In 2018, he attracted an additional large institutional private equity investor, which allowed CSWR to expand the scope of its business plan. Since its formation, CSWR has acquired, and is currently operating more than 800 water and/or wastewater systems in Arizona, Arkansas, Florida, Kentucky, Louisiana, Missouri, Mississippi, North Carolina, South Carolina, Tennessee, and Texas.

### **Marty Moore – Chief Financial Officer**

Marty Moore is the Chief Financial Officer of CSWR, LLC, and has held this position since April 2020. As CFO, Mr. Moore provides leadership, direction, and oversight of the finance and accounting teams, managing the process for financial forecasting, budgeting, and reporting in addition to overseeing the human resources and risk management functions.

After receiving a Bachelor of Business Administration in Accounting from Abilene Christian University, Mr. Moore gained a wide range of financial management experience. Moore's extensive senior-level finance and operational expertise includes serving as CFO of international automation equipment manufacturer Baldwin Technology Co., a company he helped Barry-Wehmiller/Forsyth Capital take private in 2012. Prior to that, Mr. Moore held senior leadership positions with Summit Marketing, Consolidated Terminals, Barnhill's Buffet Inc., and Global Materials Services. He began his career at Arthur Andersen. Moore most recently led finance and corporate services as CFO of Gardner Capital, a national affordable housing and renewable energy developer, investor, and tax credit syndicator. He has an extensive background in mergers and acquisitions and works alongside Mr. Cox in accelerating the company's already rapid growth trajectory.

### **Todd Thomas – Vice President**

Todd Thomas holds the office of Senior Vice President of CSWR. Mr. Thomas received his Bachelor of Science in Civil Engineering from The Missouri University of Science and Technology, and a Master of Business Administration from Washington University in St. Louis.

Before joining CSWR, Mr. Thomas was President of Brotcke Well and Pump, Vice President of Operations and Business Development of the Midwest for American Water Contract Operations, and General Manager of Midwest Operations for Environmental Management Corporation. Mr. Thomas currently serves on the Technical Advisory Team for the Public Water Supply District 2 of St. Charles County, MO.

Mr. Thomas's past positions in related industries has provided him with extensive experience in water and sewer utilities. He has in depth, firsthand knowledge about the amount of damage resulting from the lack of maintenance on a well system, and he understands how much money and effort are required to restore a well system after neglect.

In his position as Senior Vice President at CSWR, Mr. Thomas's primary responsibilities include utility operations along with the acquisition, development, and rate stabilization of CSWR- affiliated utilities. Those duties include operations, maintenance, capital planning, and regulatory compliance for all affiliate-owned facilities. He is responsible for the management of all operations and maintenance service providers, and engineering firms.

### **Mike Duncan –Vice President**

Mike Duncan is the Vice President of CSWR and was promoted to that position in October 2020. As Vice President, he has played an integral role in researching, preparing, filing, and processing acquisition applications in Missouri, Kentucky, Tennessee, Louisiana, Texas, North Carolina, and Mississippi. He also has taken a leading role in preparing and filing rate cases in Missouri, Kentucky, and Louisiana.

After receiving his Bachelor of Arts degree from Washington University in St. Louis, the first eleven years of his career were spent as an administrator and later director at a non-profit organization in St. Louis, Missouri. As Executive Director, Mr. Duncan oversaw accounting, finance, human resources, IT, and communications for the organization. During his employment he earned his Master of Business Administration from the Olin School of Business at Washington University. Prior to joining CSWR, he spent two years as Director of Operations with NAPA Auto Tire & Parts, a partner-owned chain of auto parts stores, overseeing projects related to distribution, logistics, IT, and general management.

### **Jake Freeman – Director of Engineering**

Jake Freeman is the Director of Engineering of CSWR and has held this position since January 2019. As Director of Engineering, he oversees the engineering, surveying, and facility construction upgrades for all newly acquired CSWR water and wastewater utilities including those in Arizona, Arkansas, Florida, Kentucky, Louisiana, Missouri, Mississippi, North Carolina, South Carolina, Tennessee, and Texas. He also oversees ongoing capital upgrade projects on all CSWR affiliated and operated facilities.

After receiving a Bachelor of Science degree in Mechanical Engineering from the University of Missouri – Columbia, Mr. Freeman spent the first two years of his career working for Corrigan Mechanical, a design-build mechanical contractor in St. Louis, where he designed, estimated, and managed plumbing, HVAC and process piping construction projects in Missouri and southern Illinois. He then spent eleven years performing similar tasks for Brotcke Well & Pump, a well and pump service contractor servicing water wells and water treatment equipment throughout Missouri, Illinois, Kentucky, and Kansas. Prior to his employment with CSWR, he held the position of Vice President of Brotcke Well & Pump and Principal for their engineering services and managed their newly opened office in Kansas City.

### **Jo Anna McMahon - Vice President of Government Affairs**

Jo Anna McMahon is the Vice President of Government Affairs for CSWR. Ms. McMahon holds several top water and wastewater certifications throughout the country. She received her Bachelor of Business Administration degree from the University of Arkansas at Little Rock, and will be graduating in May 2023 with a Master of Business Administration degree at from Washington University in St. Louis, Missouri.

Before joining CSWR, Ms. McMahon worked for both public and private utilities, respectively serving a both municipality and military installations. Ms. McMahon has extensive experience as both an Operations Coordinator and as a Specification Specialist.

In her previous position as Director for Environmental Health and Safety at CSWR, her responsibilities included managing daily operations of wastewater and water treatment facilities of various sizes ranging from 3,600 gallons per day (gpd) to 64,000,000 gpd. Throughout that time, Ms. McMahon led teams of operators in creating and executing infrastructure improvement plans, managing and developing employees, and providing a standard of excellence in customer service while keeping facilities and operations within regulatory compliance throughout Louisiana, Kansas, and Arkansas.

Ms. McMahon's previous employment equipped her with invaluable experience in water and sewer utilities. She has a wide range of firsthand experience in managing water and wastewater treatment facilities safely and in a financially and operationally sound manner.

### **Chelsie Carter - Director of Customer Experience**

Chelsie Carter is the Director of Customer Experience at CSWR. Ms. Carter joined CSWR in 2021 as Customer Experience Manager and was promoted to Director level within seven months, leading an overhaul of the CSWR's customer service functions during a period of dramatic growth.

Ms. Carter first earned a Bachelor of Science degree followed by her Master of Business Administration from Lindenwood University. She has a strong background in training and management as well as extensive experience with utility providers. Prior to joining CSWR, she led the Accounts Receivable division at the St. Louis Metropolitan Sewer District, where she also served as the point of contact for dozens of major accounts. Areas of oversight included billing \$34M per month in customer invoices, customer service for 430k customers, processing an average of \$1M in payment remittance per day and collecting more than \$92M in delinquent accounts. Ms. Carter also spent 16 years with American Water, starting as the supervisor for the Customer Call Center and working her way up to Business Services Specialist. In this role she was the point of contact for the Public Service Commission on customer-related issues and resolutions. She has provided direction and support for several rate cases, acquisitions, and software implementations.

Since joining CSWR, Ms. Carter continues to oversee the entire customer life cycle, focusing on improving the customer experience in the areas of self-service, software systems and processes.

for several rate cases, acquisitions, and software implementations.

Since joining CSWR, Ms. Carter continues to oversee the entire customer life cycle, focusing on improving the customer experience in the areas of self-service, software systems and processes.

## **EXHIBIT 13**

**Customer Notification Letter Draft**

March xx, 2023

Dear Current Customer of Integrated Resource Management, Inc. d/b/a/ IRM Utility, Inc.,

Limestone Water Utility Operating Company, LLC. (Limestone Water) and Integrated Resource Management, Inc. d/b/a/ IRM Utility, Inc. (IRM) have filed a joint application with the Tennessee Public Utility Commission (TPUC) seeking Commission authorization for IRM to sell to Limestone Water its sewer system assets. IRM is currently serving approximately 97 connections in Decatur County.

If the proposal is approved by the TPUC, Limestone Water be subject to the jurisdiction of the TPUC in the following service areas:

- IRM - Riverstone Estates

Limestone Water proposes to adopt the existing rate structure for all customers.

After completing the proposed acquisition of these service areas, Limestone Water plans to construct numerous improvements to the systems to address degradation due to age and environmental compliance issues.

Those wishing to comment should contact the TN Public Utility Commission at:

502 Deaderick Street  
4th Floor  
Nashville, TN 37243  
(800) 342-8359  
675-747-2904  
contact.tpuc@tn.gov

Refer to TPUC Docket Number \_\_\_\_\_ in all correspondence.

If you have questions, please contact Limestone Water at 314-736-4672 or the above public office of the Tennessee Public Utility Commission.

Sincerely,

Josiah Cox

Limestone Utility Operating Company, LLC



## **EXHIBIT 14**

**TENNESSEE PUBLIC UTILITY COMMISSION**  
**PUBLIC UTILITY SERVICE PROVIDER'S SURETY BOND**  
**Limestone Utility Operating Company, LLC**

Bond #: RCB0036021

**WHEREAS**, Limestone Utility Operating Company, LLC ("Principal"), holds a Certificate of Public Convenience and Necessity ("CCN") with amendments to operate public wastewater utilities in each extended territory approved by the Tennessee Public Utility Commission, subject to the laws of the State of Tennessee and rules and regulations of the Tennessee Public Utility Commission ("Commission") relating to the operation of a public wastewater utility; and

**WHEREAS**, under the provisions of Title 65, Chapter 4, Section 201 (e) of the Tennessee Code Annotated, a public utility providing wastewater service is required to post a bond in order to maintain such authority and to ensure the proper operation and maintenance of the public utility, conditioned as prescribed in Tenn. Comp. R. & Regs. Chapter 1220-4-13; and

**WHEREAS** RLI Insurance Company ("Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 201 of the Tennessee Code Annotated and Tenn. Comp. R. & Regs. Chapter 1220-4-13.

**NOW THEREFORE, BE IT KNOWN**, that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 201 and Tenn. Comp. R. & Regs. Chapter 1220-4-13 in the full amount of Three Hundred Thousand and 00/100 (\$300,000.00) lawful money of the United States of America to be used to enable the continued operation of the public wastewater utility 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 Title 65 of Tennessee Code Annotated or by Tenn. Comp. R. & Regs. Chapter 1220-4-13 on behalf of the TPUC, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

This bond shall become effective on the 19<sup>th</sup> of January, 2022, and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed Three Hundred Thousand and 00/100 (\$300,000.00). The Surety may cancel this bond by giving sixty (60) days written notice of such cancellation to the Commission and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

**PRINCIPAL**

Limestone Utility Operating Company, LLC  
Name of Company authorized by the TPUC

1650 Des Peres Rd., Suite 303, St. Louis, MO 63131  
Address of Principal

SIGNATURE OF PRINCIPAL

Name:  
Title:

**SURETY**

RLI Insurance Company  
Name of Surety

9025 N. Lindbergh Drive, Peoria, IL 61615  
Address of Surety

SIGNATURE OF SURETY AGENT

Name: Trudy Whitrock  
Title: Attorney-in-Fact

Address of Surety Agent:  
Charles L. Crane Agency  
100 N. Broadway, Suite 900  
St. Louis, MO 63102

**THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 201, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AND TENN. COMP. R. & REGS. CHAPTER 1220-4-13. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)**

# ACKNOWLEDGMENT OF PRINCIPAL

STATE OF ~~TENNESSEE~~ Missouri  
COUNTY OF St. Louis

Before me, a Notary Public of the State and County aforesaid, personally appeared Josiah Cox  
with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed  
the foregoing bond on behalf of Limestone Utility Operating Co, and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 20th day of January, 2022.

My Commission Expires:

May 4th, 2024

Daniel Ryan Janowiak  
Notary Public



# ACKNOWLEDGMENT OF SURETY

STATE OF MISSOURI  
COUNTY OF St. Louis

Before me, a Notary Public of the State and County aforesaid, personally appeared Trudy Whitrock with whom I am  
personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on  
behalf of RLI Insurance Company, the within named Surety, a corporation licensed to do business in the State of Tennessee  
and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title  
56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so, executed the  
foregoing bond, by signing the name of the corporation by himself and as such individual.

WITNESS my hand and seal this 19th day of January, 2022.

My Commission Expires:

April 9th, 2022

David Christopher James  
Notary Public



# APPROVAL AND ENDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the  
sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Public Utility  
Commission, State of Tennessee, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Name:

Title:

# POWER OF ATTORNEY

## RLI Insurance Company Contractors Bonding and Insurance Company

9025 N. Lindbergh Dr. Peoria, IL 61615  
Phone: 800-645-2402

### Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes executed, but may be detached by the approving officer if desired.

That **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, each an Illinois corporation, (separately and together, the "Company") do hereby make, constitute and appoint:

Theresa A. Hunziker, Gregory L. Stanley, Michael T. Reedy, Linda McCarthy, Gerald M. Rogers, Harold F. James, Stephen J. Alabach,  
Joel Karsten, Karen Speckhals, Cindy Rohr, Terri Hunziker, Christopher J. O Hagan, Brandi L. Bullock, Don K. Ardolino, Kimberly  
Ann Connell, Trudy Whitrock, Michelle Wilson, jointly or severally

in the City of Saint Louis, State of Missouri its true and lawful Agent(s) and Attorney(s) in Fact, with full power and authority hereby conferred, to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds and undertakings in an amount not to exceed Twenty Five Million Dollars (\$25,000,000.00) for any single obligation.

The acknowledgment and execution of such bond by the said Attorney in Fact shall be as binding upon the Company as if such bond had been executed and acknowledged by the regularly elected officers of the Company.

**RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, as applicable, have each further certified that the following is a true and exact copy of a Resolution adopted by the Board of Directors of each such corporation, and is now in force, to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, as applicable, have caused these presents to be executed by its respective Vice President with its corporate seal affixed this 19th day of February, 2021.



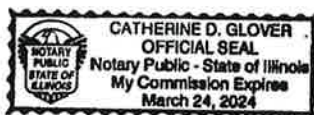
**RLI Insurance Company**  
**Contractors Bonding and Insurance Company**

By: Barton W. Davis  
Barton W. Davis Vice President

State of Illinois }  
County of Peoria } SS

On this 19th day of February, 2021, before me, a Notary Public, personally appeared Barton W. Davis, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** and acknowledged said instrument to be the voluntary act and deed of said corporation.

By: Catherine D. Glover  
Catherine D. Glover Notary Public



### CERTIFICATE

I, the undersigned officer of **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** this 19th day of January, 2022.

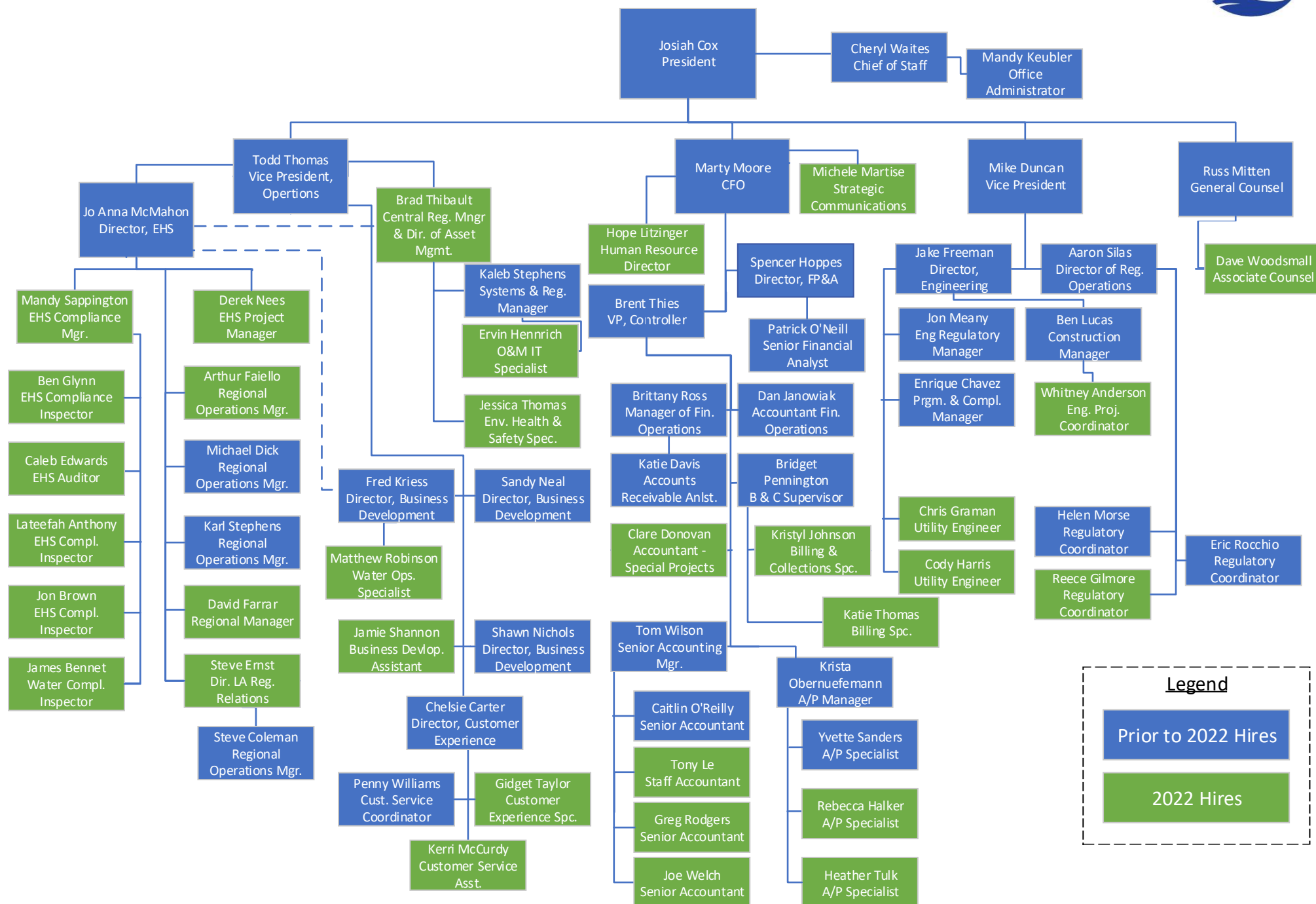
**RLI Insurance Company**  
**Contractors Bonding and Insurance Company**

By: Jeffrey D. Fick  
Jeffrey D. Fick Corporate Secretary

## **EXHIBIT 15**

# ORGANIZATION CHART 11/30/2022

67 Full Time Employees



## **EXHIBIT 16**



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

June 1, 2018

Mr. Jeffrey W. Cox, Sr.  
President  
e-copy: envsoilconsulting@charter.net  
IRM Utility, Inc.  
PO Box 642  
3444 Saint Andrews Dr.  
White Pine, TN 37890

Subject: **NPDES Permit No. TN0078379**  
**IRM Utility, Inc - Riverstone Estates Wastewater Treatment Plant**  
**Bath Springs, Decatur County, Tennessee**

Dear Mr. Cox:

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 NPDES Permit. The continuance and/or reissuance of this NPDES 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 Quality, Oil and Gas 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 Jackson 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](mailto:Hari.Akunuri@tn.gov).

Sincerely,

Vojin Janjić  
Manager, Water-Based Systems

Enclosure

cc: Permit File  
Jackson Environmental Field Office  
Ms. Michelle Ramsey, Utilities Division, Tennessee Regulatory Authority, [michelle.ramsey@tn.gov](mailto:michelle.ramsey@tn.gov)  
Ms. Patsy Fulton, Utility Rate Specialist, Tennessee Regulatory Authority, [Patsy.Fulton@tn.gov](mailto:Patsy.Fulton@tn.gov)  
Mrs. Sharon Reeves, Vice President of the Homeowners Association, Riverstone Estates Wastewater Treatment, PO Box 625, Clifton, TN 38425  
Mrs. Jennifer Ray, Riverstone Estates Wastewater Treatment, 890 Pickwick Street, Savannah, TN 38372  
Mr. Cecil Brown, Operator, BB&H Wastewater Systems, [cb138724@gmail.com](mailto:cb138724@gmail.com)



# STATE OF TENNESSEE



## NPDES PERMIT

No. TN0078379

Authorization to discharge under the  
National Pollutant Discharge Elimination System

Issued By

State of Tennessee  
Department of Environment and Conservation  
Division of Water Resources  
William R. Snodgrass - Tennessee Tower  
312 Rosa L. Parks Avenue, 11<sup>th</sup> Floor  
Nashville, Tennessee 37243-1102

Under authority of the Tennessee Water Quality Control Act of 1977 (T.C.A. 69-3-101 et seq.) and the delegation of authority from the United States Environmental Protection Agency under the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977 (33 U.S.C. 1251, et seq.)

Discharger: **IRM Utility, Inc - Riverstone Estates Wastewater Treatment Plant**

is authorized to discharge: treated domestic wastewater from Outfall 001

from a facility located: Bath Springs, Decatur County, Tennessee


to receiving waters named: Tennessee River at mile 161.6

in accordance with effluent limitations, monitoring requirements and other conditions set forth herein.

This permit shall become effective on: September 1, 2018

This permit shall expire on: August 31, 2023

Issuance date: June 1, 2018

  
for Jennifer Dodd  
Director

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**PART 1****A. EFFLUENT LIMITATION AND MONITORING REQUIREMENTS**

Discharge 001 consists of domestic wastewater from a treatment facility with a design capacity of .033 MGD. Discharge 001 shall be limited and monitored by the permittee as specified below.

**Description : External Outfall, Number : 001, Monitoring : Effluent Gross, Season : All Year**

<u>Code</u> Ascending	<u>Parameter</u>	<u>Qualifier</u>	<u>Value</u>	<u>Unit</u>	<u>Sample Type</u>	<u>Monitoring Frequency</u>	<u>Statistical Base</u>
00300	Oxygen, dissolved (DO)	>=	1.0	mg/L	Grab	Five Per Week	Daily Minimum
00310	BOD, 5-day, 20 C	<=	30	mg/L	Grab	Twice Every Month	Monthly Average
00310	BOD, 5-day, 20 C	<=	45	mg/L	Grab	Twice Every Month	Daily Maximum
00400	pH	>=	6.0	SU	Grab	Two Per Week	Minimum
00400	pH	<=	9.0	SU	Grab	Two Per Week	Daily Maximum
00530	Total Suspended Solids (TSS)	<=	45	mg/L	Grab	Twice Every Month	Daily Maximum
00530	Total Suspended Solids (TSS)	<=	30	mg/L	Grab	Twice Every Month	Monthly Average
00545	Settleable Solids	<=	1.0	mL/L	Grab	Two Per Week	Daily Maximum
50050	Flow	Report	-	Mgal/d	Instantaneous	Five Per Week	Daily Maximum
50050	Flow	Report	-	Mgal/d	Instantaneous	Five Per Week	Monthly Average
50060	Chlorine, total residual (TRC)	<=	1.0	mg/L	Grab	Five Per Week	Daily Maximum
51040	E. coli	<=	126	CFU/100mL	Grab	Twice Every Month	Monthly Average
51040	E. coli	<=	487	CFU/100mL	Grab	Twice Every Month	Daily Maximum

The acceptable methods for analysis of TRC are any methods specified in Title 40 CFR, Part 136 as amended. The method detection level (MDL) for TRC shall not exceed 0.05 mg/l unless the permittee demonstrates that its MDL is higher. The permittee shall retain the documentation that justifies the higher MDL and have it available for review upon request.

**B. EFFLUENT LIMITATION AND MONITORING REQUIREMENTS FOR DRIP IRRIGATION**

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

<u>Parameter</u>	<u>Sample Type</u>	<u>Daily Maximum</u>	<u>Measurement Frequency</u>
Flow *	Totalizer		1/month
BOD <sub>5</sub>	Grab	45 mg/l	Once/year
<i>E. Coli</i>	Grab	941 (colonies/100 ml)	1/quarter

\* Report average daily flow for each calendar month.

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

This permit allows the operation of a wastewater collection, treatment, and storage system with disposal of treated wastewater through approved land application areas. There shall be no discharge of wastewater to any surface waters or to any location where it is likely to enter surface waters. There shall be no discharge of wastewater to any open throat sinkhole. In addition, the drip irrigation system shall be operated in a manner preventing the creation of a health hazard or a nuisance.

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

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

The permittee must disinfect the wastewater in order to meet the above *E. Coli* limit.

All drip lines shall be buried and maintained 6 to 10 inches below the ground surface.

The site shall be inspected by the certified operator or his/her designee, at a minimum, once per fourteen days (default) OR in accordance with an operating and maintenance inspection schedule in the permit administrative file record. The default inspection frequency will apply if an operating and maintenance inspection schedule is not submitted to be a part of the permit administrative file record. The operating

and maintenance inspection schedule shall at a minimum evaluate the following via onsite visits or telemetry monitoring or a combination of the two:

- 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)
- the condition of the land application area including the location of any ponding
- the name of the inspector
- the description of any corrective actions

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

The wastewater discharge must be disinfected to the extent that viable coliform organisms are effectively eliminated. The concentration of the *E. coli* group after disinfection shall not exceed 126 cfu per 100 ml as the geometric mean calculated on the actual number of samples collected and tested for *E. coli* within the required reporting period. The permittee may collect more samples than specified as the monitoring frequency. Samples may not be collected at intervals of less than 12 hours. For the purpose of determining the geometric mean, individual samples having an *E. coli* group concentration of less than one (1) per 100 ml shall be considered as having a concentration of one (1) per 100 ml. In addition, the concentration of the *E. coli* group in any individual sample shall not exceed a specified maximum amount. A maximum daily limit of 487 colonies per 100 ml applies to lakes and exceptional Tennessee waters. A maximum daily limit of 941 colonies per 100 ml applies to all other recreational waters.

There shall be no distinctly visible floating scum, oil or other matter contained in the wastewater discharge.

The wastewater discharge must result in no other materials in concentrations sufficient to be hazardous or otherwise detrimental to humans, livestock, wildlife, plant life, or fish and aquatic life in the receiving stream.

Sludge or any other material removed by any treatment works must be disposed of in a manner which prevents its entrance into or pollution of any surface or subsurface waters.

The wastewater discharge must not cause an objectionable color contrast in the receiving stream.

## **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):

- nearest accessible point after final treatment but prior to actual discharge to or mixing with the receiving waters.

Appropriate flow measurement devices and methods consistent with accepted scientific practices shall be selected and used to insure the accuracy and reliability of measurements of the volume of monitored discharges. The devices shall be installed, calibrated and maintained to insure that the accuracy of the measurements is consistent with accepted capability of that type of device. Devices selected shall be capable of measuring flows with a maximum deviation of less than plus or minus 10% from the true discharge rates throughout the range of expected discharge volumes.

## **2. Test Procedures**

- a. Test procedures for the analysis of pollutants shall conform to regulations published pursuant to Section 304 (h) of the Clean Water Act, as amended, under which such procedures may be required.
- b. Unless otherwise noted in the permit, all pollutant parameters shall be determined according to methods prescribed in Title 40, CFR, Part 136, as amended, promulgated pursuant to Section 304 (h) of the Act.

## **3. Sampling Frequency**

- a. Where the permit requires sampling and monitoring of a particular effluent characteristic(s) at a frequency of less than once per day or daily, the permittee is precluded from marking the "No Discharge" block on the Discharge Monitoring Report if there has been any discharge from that particular outfall during the period which coincides with the required monitoring frequency; i.e. if the required monitoring frequency is once per month or 1/month, the monitoring period is one month, and if the discharge occurs during only one day in that period then the permittee must sample on that day and report the results of analyses accordingly.

## **4. Recording of Results**

For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:

- a. The exact place, date, and time of sampling;
- b. The exact person(s) collecting samples;
- c. The dates and times the analyses were performed;
- d. The person(s) or laboratory who performed the analyses;
- e. The analytical techniques or methods used, and;
- f. The results of all required analyses.

## **5. Records Retention**

All records and information resulting from the monitoring activities required by this permit including all records of analyses performed and calibration and maintenance of instrumentation shall be retained for a minimum of three (3) years, or longer if requested by the Division of Water Resources.

## **C. DEFINITIONS**

The "instantaneous concentration" is a limitation on the concentration, in milligrams per liter, of any pollutant contained in the wastewater discharge determined from a grab sample taken of the discharge at any point in time.

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" is the arithmetic mean of all samples collected in a one-month period. If only one sample is required per month, the permittee is required to report compliance against the monthly average limit other than *E coli*.

For the purpose of this permit a "calendar day" is defined as any 24-hour period.

A "composite sample" is a combination of not less than 8 influent or effluent portions, of at least 100 ml, collected over a 24-hour period. Under certain circumstances a lesser time period may be allowed, but in no case, less than 8 hours.

## **D. REPORTING**

### **1. Monitoring Results**

Monitoring results shall be recorded monthly and submitted monthly using Monthly Operation Report Forms (MOR) supplied by the Division of Water Resources. 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. Monthly Operation Reports and any communication regarding compliance with the conditions of this permit must be sent to:

**Attention: Division of Water Resources  
Jackson Environmental Field Office  
1625 Hollywood Drive  
Jackson, TN 38305**

The first MOR is due on the 15<sup>th</sup> of the month following permit effectiveness.

Monthly Operation Report must be signed and certified by a responsible corporate officer, as defined at 40 CFR 122.22, or a general partner or proprietor, or a principal municipal executive officer or ranking elected officer, or a duly authorized representative. Such authorization must be submitted in writing and must explain the duties and responsibilities of the authorized representative.

### **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 above, the results of such monitoring shall be included in the calculation and reporting of the values required in the Monthly Operation Report Form (MOR). Such increased frequency shall also be indicated. The Permittee is also required to perform and report influent and operation tests in accordance with the schedule listed on the Monthly Operation Report/Schedule for Analysis for Package Sewage Treatment Facilities or as developed by the design engineer.

### **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 309 of the Federal Water Pollution Control Act, as amended, and in Section 69-3-115 of the Tennessee Water Quality Control Act.

### **4. Reporting Less Than Detection; Reporting Significant Figures**

A permit limit may be less than the accepted detection level. If the samples are below the detection level, then report "BDL" or "NODI =B" on the DMRs. The permittee must use the correct detection levels in all analytical testing required in the permit. The required detection levels are listed in the Rules of the Department of Environment and Conservation, Division of Water Resources, Chapter 0400-40-03-.05(8).

For example, if the limit is 0.02 mg/l with a detection level of 0.05 mg/l and detection is shown; 0.05 mg/l must be reported. In contrast, if nothing is detected reporting "BDL" or "NODI =B" is acceptable.

Reported results are to correspond to the number of significant figures (decimal places) set forth in the permit conditions. The permittee shall round values, if allowed by the method of sample analysis, using a uniform rounding convention adopted by the permittee.

#### **E. SCHEDULE OF COMPLIANCE**

Full operational level shall be attained from the effective date of this permit.

### **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, the Regional Administrator of the U.S. Environmental Protection Agency, or their authorized representatives, upon the 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**

Except for data determined to be confidential under Section 308 of the Federal Water Pollution Control Act, as amended, 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. As required by the Federal Act, effluent data shall not be considered confidential.

##### **4. Proper Operation and Maintenance**

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



- b. Dilution water shall not be added to comply with effluent requirements to achieve BCT, BPT, BAT and/or other technology based effluent limitations such as those in State of Tennessee Rule 0400-40-05-.03.

**5. Treatment Facility Failure (Industrial Sources)**

The permittee, in order to maintain compliance with this permit, shall control production, all discharges or both, upon reduction, loss, or failure of the treatment facility, until the facility is restored or an alternative method of treatment is provided. This requirement applies in such situations as the reduction, loss, or failure of the primary source of power.

**6. 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.

**7. 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.

**8. 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. Notice is required only when:

- a. The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in 40 CFR 122.29(b); or
- b. The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under 40 CFR 122.42(a)(1).

**2. Permit Modification, Revocation, or Termination**

- a. This permit may be modified, revoked and reissued, or terminated for cause as described in 40 CFR 122.62 and 122.64, Federal Register, Volume 49, No. 188 (Wednesday, September 26, 1984), 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.

- c. If any applicable effluent standard or prohibition (including any schedule of compliance specified in such effluent standard or prohibition) is established for any toxic pollutant under Section 307(a) of the Federal Water Pollution Control Act, as amended, the Director shall modify or revoke and reissue the permit to conform to the prohibition or to the effluent standard, providing that the effluent standard is more stringent than the limitation in the permit on the toxic pollutant. The permittee shall comply with these effluent standards or prohibitions within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified or revoked and reissued to incorporate the requirement.
- d. The filing of a request by the permittee for a modification, revocation, reissuance, termination, or notification of planned changes or anticipated noncompliance does not halt any permit condition.

### **3. Change of Ownership**

This permit may be transferred to another party (provided there are neither modifications to the facility or its operations, nor any other changes which might affect the permit limits and conditions contained in the permit) 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.

Pursuant to the requirements of 40 CFR 122.61, concerning transfer of ownership, the permittee must provide the following information to the division in their formal notice of intent to transfer ownership: 1) the NPDES permit number of the subject permit; 2) the effective date of the proposed transfer; 3) the name and address of the transferor; 4) the name and address of the transferee; 5) the names of the responsible parties for both the transferor and transferee; 6) a statement that the transferee assumes responsibility for the subject NPDES permit; 7) a statement that the transferor relinquishes responsibility for the subject NPDES permit; 8) the signatures of the responsible parties for both the transferor and transferee pursuant to the requirements of 40 CFR 122.22(a), "Signatories to permit applications"; and, 9) a statement regarding any proposed modifications to the facility, its operations, or any other changes which might affect the permit limits and conditions contained in 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

All discharges shall be consistent with the terms and conditions of this permit. Any permit noncompliance constitutes a violation of applicable State and Federal 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 Division of Water Resources in the appropriate Environmental Field Office within 24 hours from the time the permittee becomes aware of the circumstances. (The Environmental Field Office should be contacted for names and phone numbers of environmental response team.)

A written submission must be provided within five days of the time the permittee becomes aware of the circumstances unless the Director on a case-by-case basis waives this requirement. 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 noncomplying 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 Monthly operation report. The report shall contain all information concerning the steps taken, or planned, to reduce, eliminate, and prevent recurrence of the violation and the anticipated time the violation is expected to continue.

### 3. Overflow

- a. "**Overflow**" means the discharge to land or water 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 bypass 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 flow measurement industry and reported in an attachment to a Monthly Operating Report submitted to the local TDEC Environmental Field Office. 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 been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

## 6. Bypass

- a. **"Bypass"** is the intentional diversion of wastewater away from any portion of a treatment facility. **"Severe property damage"** means substantial physical damage to property, damage to the treatment facilities which would cause them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.
- b. Bypasses are prohibited unless all of the following three (3) conditions are met:
  - i. The bypass is unavoidable to prevent loss of life, personal injury, or severe property damage;
  - ii. There are not feasible alternatives to bypass, such as the construction and use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment down-time or preventative maintenance;
  - iii. The permittee submits notice of an unanticipated bypass to the Division of Water Resources in the appropriate Environmental Field Office within 24 hours of becoming aware of the bypass (if this information is provided orally, a written submission must be provided within five days). When the need for the bypass is foreseeable, prior notification shall be submitted to the Director, if possible, at least ten (10) days before the date of the bypass.
- c. Bypasses not exceeding permit limitations are allowed **only** if the bypass is necessary for essential maintenance to assure efficient operation. All other bypasses are prohibited. Allowable bypasses not exceeding limitations are not subject to the reporting requirements of 6.b.iii, above.

## 7. Washout

- a. For domestic wastewater plants only, a "washout" shall be defined as loss of Mixed Liquor Suspended Solids (MLSS) of 30.00% or more. This refers to the MLSS in the aeration basin(s) only. This does not include MLSS decrease due to solids wasting to the sludge disposal system. A washout can be caused by improper operation or from peak flows due to infiltration and inflow.
- b. A washout is prohibited. If a washout occurs the permittee must report the incident to the Division of Water Resources in the appropriate Environmental Field Office within 24 hours by telephone. A written submission must be provided within five days. The washout must be noted on the Monthly operation report. Each day of a washout is a separate violation.

## D. LIABILITIES

### 1. Civil and Criminal Liability

Except as provided in permit conditions or **"Bypass," "Overflow," "Upset," "Diversion,"** and **"Treatment Facility Failures,"** nothing in this permit shall be construed to relieve the permittee from civil or criminal

penalties for noncompliance. Notwithstanding this permit, the permittee shall remain liable for any damages sustained by the State of Tennessee, including but not limited to fish kills and losses of aquatic life and/or wildlife, as a result of the discharge of wastewater to any surface or subsurface waters. Additionally, notwithstanding this Permit, it shall be the responsibility of the permittee to conduct its wastewater treatment and/or discharge activities in a manner such that public or private nuisances or health hazards will not be created.

## **2. Liability Under State Law**

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable State law or the Federal Water Pollution Control Act, as amended.

### **PART III OTHER REQUIREMENTS**

#### **A. CERTIFIED OPERATOR**

The waste treatment facilities shall be operated under the supervision of a certified wastewater treatment operator and the collection system shall be operated under the supervision of a certified collection system operator in accordance with the Water Environmental Health Act of 1984.

#### **B. PLACEMENT OF SIGNS**

The permittee shall place and maintain a sign at each outfall. The sign(s) should be clearly visible to the public from the bank and the receiving stream. The minimum sign size should be two feet by two feet (2' x 2') with one inch (1") letters. The sign should be made of durable material and have a white background with black letters.

The sign(s) are to provide notice to the public as to the nature of the discharge and in the case of the permitted outfalls, that the discharge is regulated by the Tennessee Department of Environment and Conservation, Division of Water Resources. The following is given as an example of the minimal amount of information that must be included on the sign:

NPDES permitted domestic outfall:

<p align="center"> <b>TREATED DOMESTIC WASTEWATER</b>  <b>(PERMITTEE'S NAME)</b>  <b>(PERMITTEE'S PHONE NUMBER)</b>  <b>NATIONAL POLLUTANT DISCHARGE ELIMINATION</b>  <b>SYSTEM PERMIT # _____</b>  <b>TENNESSEE DIVISION OF WATER RESOURCES</b>  <b>Jackson Environmental Field Office</b>  <b>PHONE NUMBER : 1-888-891-8332</b> </p>
--

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

<p align="center"> <b>RECLAIMED WASTEWATER</b>  <b>DRIP IRRIGATION</b>  <b>(PERMITTEE'S NAME)</b>  <b>(PERMITTEE'S PHONE NUMBER)</b>  <b>TENNESSEE DIVISION OF WATER RESOURCES</b>  <b>Jackson Environmental Field Office</b>  <b>PHONE NUMBER: 1-888-891-8332</b> </p>
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**C. ADDITION OF WASTE LOADS**

The permittee may not add wasteloads to the existing treatment system without the knowledge and approval of the division.

**D. SLUDGE MANAGEMENT PRACTICES**

The permittee must comply with the provisions of 40 CFR Part 503. If the sludge is transported to another POTW for disposal, the permittee shall note on the monthly operation report the amount of sludge wasted in gallons, % solids of sludge wasted and the name of the facility to which the sludge was taken.

**E. ANTIDEGRADATION**

Pursuant to the Rules of the Tennessee Department of Environment and Conservation, Chapter 0400-40-03-.06, titled "Tennessee Antidegradation Statement," which prohibits the degradation of high quality surface waters and the increased discharges of substances that cause or contribute to impairment, the permittee shall further be required, pursuant to the terms and conditions of this permit, to comply with the effluent limitations and schedules of compliance required to implement applicable water quality standards, to comply with a State Water Quality Plan or other state or federal laws or regulations, or where practicable, to comply with a standard permitting no discharge of pollutants.

**E. OWNERSHIP OF THE TREATMENT FACILITIES**

- a. The permittee shall own the treatment facilities (and the land upon which they are constructed) including the land to be utilized for drip or spray irrigation. A perpetual easement (properly recorded) may be accepted in lieu of ownership. If the permittee elects to make the treated wastewater available for reuse (irrigation of a golf course for example) a backup dedicated land application site must be provided or a perpetual easement must be obtained for the property where reuse is to take place. The perpetual easement must allow year-round application of the wastewater except where the permittee has provided (and the division has approved) storage facilities for periods when reuse is not available. Evidence of ownership of the treatment facility land application site(s) and/or a copy of the perpetual easement(s) must be furnished to the division for approval prior to construction of the wastewater collection and treatment system.
- b. Where the treatment facility serves private homes, condominiums, apartments, retirement homes, nursing homes, trailer parks, or any other place where the individuals being served have property ownership, rental agreements, or other agreements that would prevent their being displaced in the event of abandonment or noncompliance of the sewerage system, ownership of the treatment facilities must be by a municipality, a public utility, a wastewater authority, or a privately owned public utility (having a Certificate of Convenience and Necessity from the Tennessee Regulatory Authority), or another public agency.

Attachment  
STATE OF TENNESSEE  
**DEPARTMENT OF ENVIRONMENT AND CONSERVATION**  
**DIVISION OF WATER RESOURCES-LAND BASED SYSTEMS UNIT**  
William R. Snodgrass Tennessee Tower  
312 Rosa L. Parks Avenue  
Nashville, Tennessee 37243

**MEMORANDUM**

TO: Brad Harris, P.E. Land Based Systems Unit

FROM: Allen Rather, DWR- Land Based Systems Unit

DATE: 5/29/2018

SUBJECT: LCSS/SFDS (Class V Injection) Approval  
Riverstone Estates Subdivision  
Bath Springs, Decatur County, Tennessee  
UIC File DEC 0000003 NPDES TN 0078379

The Division of Water Resources has reviewed the submittal of an Application for Authorization to Operate a Class V Underground Injection Well (Large Capacity Septic System/Subsurface Fluid Disposal System) utilizing drip dispersal for the waste water at the Riverstone Estates Subdivision located at Bath Springs, Decatur County, Tennessee. This Division approves the application dated 3/29/2018.

If at any time the Division learns that a ground water discharge system may be in violation of The Tennessee Water Quality Control Act, the Division shall:

- a. require the injector to apply for an individual permit;
- b. order the injector to take such actions including, where required, closure of the injection well as may be necessary to prevent the violation; or
- c. take enforcement action.

All groundwater discharge activities must operate in such a manner that they do not present a hazard to groundwater.

In accordance with Underground Injection Control (UIC) Rule 0400-45-06-.14 (3) "The owner of a Class V well shall be responsible for notifying the Department of change in ownership." This notification must be made to this Division within thirty (30) days of the change in ownership.

Also note that according to Underground Injection Control (UIC) Rule 0400-45-6-.14 (8)(d) "Upon completion of the well, the owner or operator must certify to the Department that the well has been completed in accordance with the approved construction plan, and must submit any other additional information required". The certification must be submitted to the UIC Program within thirty (30) days upon the completion/closure of the Class V well.

**This Division will require a minimum of seven (7) working days advance notice before the construction on the drip system is to begin to allow for a witness from this Division to be present.**

**No drip emitters are to discharge directly into an open throat or crevice in the subsurface. All drip lines are to be installed on contour.**

Our concurrence with your approach does not imply that this procedure is exempt from future changes or restrictions in the Underground Injection Control (UIC) Regulations, or any additional requirements set forth by the Division in order to protect the groundwater of Tennessee.



A copy of this authorization must be kept on site until the development has been completed and must be made available to inspection personnel.

Should you have any questions or comments please feel free to contact me at (615) 532-5819 or [allen.rather@tn.gov](mailto:allen.rather@tn.gov).

c: file

**RATIONALE SHEET****NPDES PERMIT No. TN0078379****Permit Writer: HVA**

April 2018

**I. DISCHARGER**

NAME: IRM Utility, Inc - Riverstone Estates Wastewater Treatment Plant

REPRESENTATIVE: Mr. Jeffrey Cox

LOCATION: Bath Springs, COUNTY: Decatur, PHONE NUMBER: 865- 674-0828

WASTEWATER:

Discharge number: 001 type: Domestic

WATERSHED: Tennessee Western Valley-Beech HUC: 06040001

Average design flow: .033 MGD

PRESENT TREATMENT: Lagoon

STATUS: Reissuance

CERTIFIED OPERATOR GRADES: STP: BNS; CS: I; Date Rated: 07/11/2014

**II. RECEIVING WATERS**

STREAM: Tennessee River at mile 161.6

CLASSIFICATION: Domestic and industrial water supplies, fish and aquatic life, recreation, irrigation, livestock watering and wildlife uses.

LOW FLOW: 1Q10= 6000 CFS

ESTABLISHED FROM: USGS Water-Resource Investigations Report 95-4293; Gage #03593500.

WATER QUALITY STATUS: According to the division's most recent assessment of water quality, the Tennessee River at mile 161.6 is considered fully supportive of its designated use classifications.

WATER QUALITY DESIGNATION: Exceptional Tennessee Waters.

**III. PREVIOUS PERMIT**

ISSUANCE: 01-SEP-14

EXPIRATION: 31-AUG-18

PARAMETERS	MONTHLY AVERAGE CONCENTRATION (MG/L)	MAXIMUM CONCENTRATION (MG/L)
BOD <sub>5</sub>	30	45
Total Suspended Solids	30	45
Dissolved Oxygen	1.0 (daily minimum)	
Total Chlorine Residual		1.0 (daily maximum)
<i>E. coli</i>	126	487/100 ml
Settleable Solids (ml/l)		1.0 (daily maximum)
pH (standard units)	6.0-9.0	
Flow (MGD):		
Effluent	Report	Report

#### **IV. PROPOSED EFFLUENT LIMITS & RATIONALE**

##### **A. NEW CONDITIONS**

The conditions under which this permit was issued 01-SEP-14 have changed. Other than that, the permit will be reissued with existing permit conditions.

##### **B. TEST METHOD FOR *E. COLI***

Disinfection of wastewater is required to protect the receiving stream from pathogenic microorganisms. *E. Coli* are indicator organisms used as a measure of bacteriological health of a receiving stream and the effectiveness of disinfection.

As of September 30, 2004, the criterion for fecal coliform has been removed from the State's Water Quality Standards. Thus, the division imposes an *E. coli* limit on discharges of treated sewage for the protection of recreational use of the stream in lieu of the fecal coliform limit.

Unless otherwise noted in the permit, all pollutant parameters shall be determined according to methods prescribed in Title 40, CFR, Part 136, as amended, promulgated pursuant to Section 304 (h) of the Act.

#### **V. OTHER REQUIREMENTS & CONDITIONS**

##### **A. Certified Wastewater Treatment Operator**

The waste treatment facilities shall be operated under the supervision of a Grade BNS certified wastewater treatment operator in accordance with the Water Environmental Health Act of 1984. Operator grades are under jurisdiction of the Water and Wastewater Operators Certification Board. This NPDES permit is under jurisdiction of the Tennessee Board of Water Quality, Oil and Gas. Operator grades are rated and recommended by the Division of Water Resources pursuant to Rule 0400-49-01 (formerly 1200-05-03) and are included in this fact sheet for reference. The grades are intentionally not specified in the permit so that the operation certification board can authorize changes in grade without conflicting with this permit.

The collection system shall be operated under the supervision of a Grade I certified collection system operator in accordance with the Water Environmental Health Act of 1984.

B. The permittee is required to install a sign notifying the public of its permitted discharge point.

##### **C. PERMIT TERM**

This permit is being reissued for 5 years in order to coordinate its reissuance with other permits located within the Tennessee Western Valley-Beech Watershed.

#### **VI. ANTIDegradation STATEMENT/WATER QUALITY STATUS**

Tennessee's Antidegradation Statement is found in the Rules of the Tennessee Department of Environment and Conservation, Chapter 0400-40-03-.06. It is the purpose of Tennessee's standards to fully protect existing uses of all surface waters as established under the Act.

Stream determinations for this permit action are associated with the waterbody segment identified by the division as segment ID# TN06040001001\_1000.

The Department has made a determination of the receiving waters associated with the subject discharge(s) and has found the (stream or river) to be an exceptional Tennessee water. No permanent degradation of water quality will be allowed unless the applicant demonstrates to the Department that the degradation is for necessary economic or

social development and will not interfere with or become injurious to any existing uses. The specific requirements for this demonstration are described in the Rules of the Tennessee Department of Environment and Conservation, Chapter 0400-40-03-.06(4).

TMDLs have been developed and approved for this waterbody segment on the following parameters and dates:  
None

## VII. COMPLIANCE SCHEDULE SUMMARY

<u>Section</u>	<u>Description</u>
I. D 1	DMR/MOR Reports, monthly
III. B	Placement of Sign(s), within 60 days from the effective date of this permit
III F	Ownership of the treatment facilities.

## **EXHIBIT 17**

**WATER AND WASTEWATER  
OPERATOR CERTIFICATION BOARD**

NAME AND MAILING ADDRESS

**Jeffrey W. Cox  
7709 Edwards Place Blvd  
Corryton Tennessee 37721**

STATE OF TENNESSEE  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
WATER AND WASTEWATER OPERATOR CERTIFICATION BOARD

LD. NO.  
**3505**

EXPIRATION DATE  
**12/31/2023**

THIS IS TO CERTIFY THAT

**Jeffrey W. Cox**

IS IN GOOD STANDING WITH THE BOARD FOR THE CLASSIFICATIONS  
LISTED:

**CS1**



WHEN CORRESPONDING ALWAYS REFER TO YOUR LD. NUMBER  
AND SEND NOTIFICATION OF ADDRESS CHANGE

## **EXHIBIT 18**

## **CSWR, LLC - Limestone UOC**

### **Chart of Accounts**

#### **Account Name**

106.000-05-013 - Utility Plant Purchased/Sold (TN, Limestone)  
107.001-05-013 - CIP (Plant) (TN, Limestone)  
107.002-05-013 - CIP (Engineering) (TN, Limestone)  
107.003-05-013 - CIP (Legal) (TN, Limestone)  
107.004-05-013 - CIP (Startup) (TN, Limestone)  
107.005-05-013 - CIP (Debt Carry) (TN, Limestone)  
108.000-05-013 - AccumDepre Plant in Service (TN, Limestone)  
108.100-05-013 - Accum Deprec Salvage Reserve (TN, Limestone)  
108.300-05-013 - Accum Amort Plant in Service (TN, Limestone)  
114.000-05-013 - Utility Plant Acq Adj (TN, Limestone)  
123.000-05-013 - Investment in Associated Companies (TN, Limestone)  
131.100-05-013 - Cash Operating (TN, Limestone)  
131.200-05-013 - Cash Receipts (TN, Limestone)  
141.000-05-013 - Customer AR (TN, Limestone)  
143.000-05-013 - AR Other (TN, Limestone)  
144.000-05-013 - Accum Prov for Uncoll Accts (TN, Limestone)  
145.000-05-013 - N/R from Assoc Companies (TN, Limestone)  
146.000-05-013 - A/R from Assoc Companies (TN, Limestone)  
166.000-05-013 - Prepayments (TN, Limestone)  
181.000-05-013 - Unamortized Debt Disc/Exp (TN, Limestone)  
183.000-05-013 - Preliminary Survey and Investigation Charges (TN, Limestone)  
183.001-05-013 - PSI - Engineering (TN, Limestone)  
183.002-05-013 - PSI - Legal (TN, Limestone)  
186.000-05-013 - Misc Deferred Debits (TN, Limestone)  
201.000-05-013 - Common Stock Issued (TN, Limestone)  
204.000-05-013 - Preferred Stock Issued (TN, Limestone)  
211.000-05-013 - APIC (TN, Limestone)  
215.000-05-013 - Retained Earnings (TN, Limestone)  
216.000-05-013 - Unappropriated Retained Earnings (TN, Limestone)  
218.000-05-013 - Capital (TN, Limestone)  
221.000-05-013 - Bonds (TN, Limestone)  
224.000-05-013 - LT Debt (Other) (TN, Limestone)  
231.000-05-013 - Notes Payable (TN, Limestone)  
232.000-05-013 - Accounts Payable (TN, Limestone)  
233.000-05-013 - Notes Payable Associated Companies (TN, Limestone)  
235.000-05-013 - Customer Deposits (TN, Limestone)  
236.000-05-013 - Taxes Payable (TN, Limestone)  
242.000-05-013 - Misc Current & Accrued Liab (TN, Limestone)  
242.001-05-013 - LT Debt (Current Portion) (TN, Limestone)  
265.000-05-013 - Misc Operating Reserves (TN, Limestone)  
271.000-05-013 - CIAC (TN, Limestone)  
272.000-05-013 - CIAC Accum Amort (TN, Limestone)  
283.000-05-013 - Accumulated Deferred Income Taxes (TN, Limestone)



304.000-05-013 - Structures & Improvements (TN, Limestone)  
305.000-05-013 - Collecting & Impound Reservoirs (TN, Limestone)  
306.000-05-013 - Lake, River & Other Intakes (TN, Limestone)  
307.000-05-013 - Wells and Springs (TN, Limestone)  
308.000-05-013 - Infiltration Galleries & Tunnels (TN, Limestone)  
309.000-05-013 - Supply Mains (TN, Limestone)  
310.000-05-013 - Power Generating Equipment (TN, Limestone)  
311.000-05-013 - Pumping Equipment (TN, Limestone)  
320.000-05-013 - Water Treatment Equipment (TN, Limestone)  
330.000-05-013 - Distb'n Reservoirs & Standpipes (TN, Limestone)  
331.000-05-013 - Transmission & Distbution Mains (TN, Limestone)  
333.000-05-013 - Services (TN, Limestone)  
334.000-05-013 - Meter & Meter Installations (TN, Limestone)  
335.000-05-013 - Hydrants (TN, Limestone)  
339.000-05-013 - Other Plant & Misc. Equipment (TN, Limestone)  
340.000-05-013 - Office Furniture & Equipment (TN, Limestone)  
341.000-05-013 - Transportation Equipment (TN, Limestone)  
342.000-05-013 - Stores Equipment (TN, Limestone)  
343.000-05-013 - Tools, Shop & Garage Equipment (TN, Limestone)  
344.000-05-013 - Laboratory Equipment (TN, Limestone)  
345.000-05-013 - Power Operated Equipment (TN, Limestone)  
346.000-05-013 - Communication Equipment (TN, Limestone)  
347.000-05-013 - Miscellaneous Equipment (TN, Limestone)  
348.000-05-013 - Other Tangible Plant (TN, Limestone)  
351.000-05-013 -Organization (TN, Limestone)  
352.000-05-013 - Franchises (TN, Limestone)  
353.000-05-013 - Land & Land Rights (TN, Limestone)  
354.000-05-013 - Structures & Improvements (TN, Limestone)  
360.000-05-013 - Collection Sewers-Force (TN, Limestone)  
361.000-05-013 -Collection Sewers-Gravity (TN, Limestone)  
362.000-05-013 -Special Collection Structures (TN, Limestone)  
363.000-05-013 -Services to Customers (TN, Limestone)  
364.000-05-013 - Flow Measuring Devices (TN, Limestone)  
365.000-05-013 - Flow Measuring Installations (TN, Limestone)  
370.000-05-013 - Receiving Wells (TN, Limestone)  
371.000-05-013 - Puming Equipment (TN, Limestone)  
380.000-05-013 - Treatment & Disposal Equipment (TN, Limestone)  
381.000-05-013 - Plant Sewers (TN, Limestone)  
382.000-05-013 - Outfall Sewer Lines (TN, Limestone)  
389.000-05-013 - Other Plant & Miscellaneous Equipment (TN, Limestone)  
390.000-05-013 -Office Furniture & Equipment (TN, Limestone)  
391.000-05-013 - Transportation Equipment (TN, Limestone)  
392.000-05-013 - Stores Equipment (TN, Limestone)  
393.000-05-013 - Tools, Shop & Garage Equipment (TN, Limestone)  
394.000-05-013 - Laboratory Equipment (TN, Limestone)  
395.000-05-013 - Power Operated Equipment (TN, Limestone)  
396.000-05-013 - Communication Equipment (TN, Limestone)

397.000-05-013 - Miscellaneous Equipment (TN, Limestone)  
398.000-05-013 - Other Tangible Plant (TN, Limestone)  
403.000-05-013 - Depreciation Expense (TN, Limestone)  
403.100-05-013 - Depreciation Expense CIAC (TN, Limestone)  
403.200-05-013 - Depreciation Expense Salvage Reserve (TN, Limestone)  
405.000-05-013 - Amortization Expense (TN, Limestone)  
408.100-05-013 - Taxes (Other) (TN, Limestone)  
408.120-05-013 - Taxes SS & Med (TN, Limestone)  
408.140-05-013 - Taxes Unemployment (TN, Limestone)  
408.160-05-013 - Taxes Property (TN, Limestone)  
409.000-05-013 - Taxes Income (TN, Limestone)  
410.000-05-013 - Provision for Deferred Income Tax (TN, Limestone)  
414.000-05-013 - Gains(Losses) on Disposal of Utility Property (TN, Limestone)  
420.000-05-013 - AFUDC (TN, Limestone)  
426.000-05-013 - Miscellaneous Income Deductions (TN, Limestone)  
427.000-05-013 - Interest Long (TN, Limestone)  
428.000-05-013 - Amortization of Debt Discount & Expense (TN, Limestone)  
433.000-05-013 - Extraordinary Income (TN, Limestone)  
434.000-05-013 - Extraordinary Expense (TN, Limestone)  
461.100-05-013 - Water Revenue Residential (TN, Limestone)  
461.200-05-013 - Water Revenue Commercial (TN, Limestone)  
461.300-05-013 - Water Revenue Industrial (TN, Limestone)  
461.400-05-013 - Water Revenue Multi-Family (TN, Limestone)  
470.000-05-013 - Late Fees Water (TN, Limestone)  
471.000-05-013 - Miscellaneous Service Revenues (TN, Limestone)  
471.100-05-013 - Tap Fees (TN, Limestone)  
521.100-05-013 - Sewer Revenue Residential (TN, Limestone)  
521.200-05-013 - Sewer Revenue Commercial (TN, Limestone)  
521.300-05-013 - Sewer Revenue Industrial (TN, Limestone)  
521.400-05-013 - Sewer Revenue Multi-Family (TN, Limestone)  
532.000-05-013 - Late Fees Sewer (TN, Limestone)  
536.000-05-013 - Miscellaneous Service Revenues (TN, Limestone)  
536.100-05-013 - Tap Fees (TN, Limestone)  
600.000-05-013 - Operation Supervision and Engineering (TN, Limestone)  
601.000-05-013 - Salaries & Wagers - Employees (TN, Limestone)  
603.000-05-013 - Miscellaneous (TN, Limestone)  
603.000-05-013 - Salaries & Wagers - Officers, Directors & Stockholders (TN, Limestone)  
604.000-05-013 - Employee Pension & Benefits (TN, Limestone)  
610.000-05-013 - Purchased Water (TN, Limestone)  
611.000-05-013 - Maintenance S&I (TN, Limestone)  
612.000-05-013 - Maintenance Collecting and Impounding Reservoirs (TN, Limestone)  
613.000-05-013 - Maintenance Lake, River and Other Intakes (TN, Limestone)  
614.000-05-013 - Maintenance Wells and Springs (TN, Limestone)  
615.000-05-013 - Purchased Power (TN, Limestone)  
616.000-05-013 - Fuel for Power PRoduction (TN, Limestone)  
618.000-05-013 - Chemicals (TN, Limestone)  
620.000-05-013 - Materials & Supplies (TN, Limestone)

621.000-05-013 - Fuel for Power Production (TN, Limestone)  
622.000-05-013 - Power Production Labor and Expense (TN, Limestone)  
623.000-05-013 - Fuel/Power Purchased for Pump (TN, Limestone)  
624.000-05-013 - Pumping Labor and Expense (TN, Limestone)  
626.000-05-013 - Miscellaneous Expenses Water Pumping (TN, Limestone)  
630.000-05-013 - Contractual Services (TN, Limestone)  
631.000-05-013 - Maintenance S&I (TN, Limestone)  
632.000-05-013 - Maintenance Power Production Equipment (TN, Limestone)  
633.000-05-013 - Maintenance Pumping Equipment (TN, Limestone)  
640.000-05-013 - Rents (TN, Limestone)  
641.000-05-013 - Chemicals (TN, Limestone)  
642.000-05-013 - Operation Labor and Expense (TN, Limestone)  
643.000-05-013 - Miscellaneous Expenses Wtr Trtm (TN, Limestone)  
650.000-05-013 - Transportation Expense (TN, Limestone)  
652.000-05-013 - Maintenance Equipment (TN, Limestone)  
655.000-05-013 - Insurance Expense (TN, Limestone)  
660.000-05-013 - Operation Supervision and Engineering (TN, Limestone)  
661.000-05-013 - Storage Facilities Expense (TN, Limestone)  
662.000-05-013 - Transm and Distr Lines Expenses (TN, Limestone)  
663.000-05-013 - Meter Expenses (TN, Limestone)  
664.000-05-013 - Customer Installations Expenses (TN, Limestone)  
665.000-05-013 - Regulatory Commission Expense (TN, Limestone)  
670.000-05-013 - Bad Debt Expense (TN, Limestone)  
671.000-05-013 - Maintenance Structures and Improvements (TN, Limestone)  
672.000-05-013 - Miscellaneous Expense (TN, Limestone)  
673.000-05-013 - Maintenance Transmission & Distribution Mains (TN, Limestone)  
674.000-05-013 - Maintenance Fire Mains (TN, Limestone)  
675.000-05-013 - Maintenance Services (TN, Limestone)  
676.000-05-013 - Maintenance Meters (TN, Limestone)  
677.000-05-013 - Maintenance Hydrants (TN, Limestone)  
678.000-05-013 - Maintenance Miscellaneous Plant (TN, Limestone)  
700.000-05-013 - Collection Supervision and Engineering (TN, Limestone)  
701.000-05-013 - Salaries & Wages - Employees (TN, Limestone)  
702.000-05-013 - Services to Customers (TN, Limestone)  
703.000-05-013 - Salaries & Wages - Officers, Directors & Stockholders (TN, Limestone)  
704.000-05-013 - Employee Pensions & Benefits (TN, Limestone)  
710.000-05-013 - Sludge Removal Expense (TN, Limestone)  
711.000-05-013 - Maintenance Collection Structures and Improvements (TN, Limestone)  
712.000-05-013 - Maintenance Collection Sewers (TN, Limestone)  
713.000-05-013 - Maintenance Services to Cust (TN, Limestone)  
714.000-05-013 - Maintenance Flow Measuring Devices (TN, Limestone)  
715.000-05-013 - Purchased Power (TN, Limestone)  
716.000-05-013 - Fuel for Power Production (TN, Limestone)  
720.000-05-013 - Materials & Supplies (TN, Limestone)  
721.000-05-013 - Fuel and Power Purchased for Pumping (TN, Limestone)  
722.000-05-013 - Pumping Labor & Expenses (TN, Limestone)  
724.000-05-013 - Miscellaneous Expenses (TN, Limestone)

730.000-05-013 - Contractual Services (TN, Limestone)  
731.000-05-013 - Maintenance Pumping Structures and Improvements (TN, Limestone)  
732.000-05-013 - Maintenance Sewer Pump Equip (TN, Limestone)  
740.000-05-013 - Rents (TN, Limestone)  
741.000-05-013 - Sewer Treatment Chemicals (TN, Limestone)  
742.000-05-013 - Treatment Labor & Expense (TN, Limestone)  
743.000-05-013 - Fuel & Power Sewage T&P (TN, Limestone)  
744.000-05-013 - Miscellaneous Expense (TN, Limestone)  
750.000-05-013 - Transportation Expense (TN, Limestone)  
751.000-05-013 - Maintenance T&D Structures & Improvements (TN, Limestone)  
752.000-05-013 - Maintenance T&D Plant (TN, Limestone)  
753.000-05-013 - Maintenance T&D Other (TN, Limestone)  
755.000-05-013 - Insurance Expense (TN, Limestone)  
765.000-05-013 - Regulatory Commission Expense (TN, Limestone)  
770.000-05-013 - Bad Debt Expense (TN, Limestone)  
775.000-05-013 - Miscellaneous Expense (TN, Limestone)  
903.100-05-013 - Cust Record Collect (Billing) (TN, Limestone)  
903.200-05-013 - Cust Record Collect (Postage) (TN, Limestone)  
903.280-05-013 - Cust Record Collect (Bank Fees) (TN, Limestone)  
904.000-05-013 - Uncollectible Accounts (TN, Limestone)  
905.000-05-013 - Miscellaneous Customer Accounts Expense (TN, Limestone)  
907.000-05-013 - Cust Service & Inform Ex (TN, Limestone)  
920.000-05-013 - Salaries Admin & General (TN, Limestone)  
921.000-05-013 - Office Supp Exp (TN, Limestone)  
921.110-05-013 - Office Supp Exp (Meals, Travel) (TN, Limestone)  
921.500-05-013 - Office Supp Exp (Communication) (TN, Limestone)  
921.800-05-013 - Office Supplies Expense (TN, Limestone)  
922.000-05-013 - Administrative Expenses Transferred (TN, Limestone)  
923.100-05-013 - Outside Services (Bank Fees) (TN, Limestone)  
923.300-05-013 - OutsideService (Eng Consult) (TN, Limestone)  
923.400-05-013 - OutsideService (Legal Fees) (TN, Limestone)  
923.500-05-013 - OutsideService (Audit/Accounting) (TN, Limestone)  
923.600-05-013 - OutsideService (Manage Consult) (TN, Limestone)  
923.800-05-013 - Outside Services (Payroll Fees) (TN, Limestone)  
923.900-05-013 - Outside Services (IT) (TN, Limestone)  
924.000-05-013 - Property Insurance (TN, Limestone)  
924.200-05-013 - Property Insurance Environmental (TN, Limestone)  
924.300-05-013 - Property Insurance Worker's Comp (TN, Limestone)  
924.400-05-013 - Property Insurance Commercial (TN, Limestone)  
926.100-05-013 - EE Benefits Keyman (TN, Limestone)  
926.200-05-013 - EE Benefits Healthcare (TN, Limestone)  
926.300-05-013 - EE Benefits Retirement (TN, Limestone)  
926.400-05-013 - EE Benefits Life/STD/LTD/ADD (TN, Limestone)  
928.100-05-013 - Regulatory Expense DNR (TN, Limestone)  
928.200-05-013 - Regulatory Expense PSC (TN, Limestone)  
928.400-05-013 - Regulatory Expense Business License (TN, Limestone)  
930.200-05-013 - Misc General Expense (TN, Limestone)

931.000-05-013 - Rents Admin & General (TN, Limestone)

## **EXHIBIT 19**

**Limestone Water Utility Operating Company**  
**DSH & Associates, LLC**

GL Account	Account Name	Balance
351	Organization	\$ -
352	Franchises	\$ -
353	Land & Land Rights	\$ 363,269.00
354	Structures & Improvements	\$ 535,925.00
360	Collection Sewers - Force	\$ 343,443.00
361	Collection Sewers - Gravity	\$ 853,905.00
362	Special Collecting Structures	\$ -
363	Services to Customers	\$ -
364	Flow Measuring Devices	\$ 16,538.00
365	Flow Measuring Installations	\$ 12,236.00
370	Receiving Wells	\$ 217,903.00
371	Pumping Equipment	\$ 562,802.00
380	Treatment and Disposal Equipment	\$1,717,821.00
381	Plant Sewers	\$ 11,158.00
382	Outfall Sewer Lines	\$ 21,758.00
389	Other Plant & Miscellaneous Equipment	\$ 36,908.00
390	Office Furniture & Equipment	\$ 3,155.00
391	Transportation Equipment	\$ 74,098.00
392	Stores Equipment	\$ -
393	Tools, Shop, & Garage Equipment	\$ 15,541.00
394	Laboratory Equipment	\$ -
395	Power Operated Equipment	\$ -
396	Communication Equipment	\$ -
397	Miscellaneous Equipment	\$ -
398	Other Tangible Plant	\$ 636,406.00

## **EXHIBIT 20**


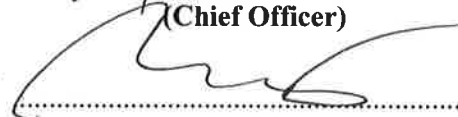


# STATE OF Missouri

## COUNTY OF St Louis

We the undersigned     Marty Moore, CFO  
and                             Brent Thies, Corporate Controller  
of                                Limestone Water Utility Operating Company

on our oath do severally say that the foregoing return has been prepared,  
under our direction, from the original books, papers and records of said  
utility; that we have carefully examined the same, and declare the same to be  
a correct statement of the business and affairs of said utility for the period  
covered by the return in respect to each and every matter and thing therein  
set forth, to the best of our knowledge, information and belief.

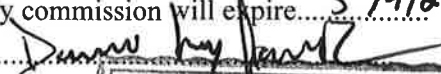
  
.....  
(Chief Officer)  
  
.....  
(Officer in charge of accounts)

Subscribed and sworn to before me this 31st  
day of March....., 2022

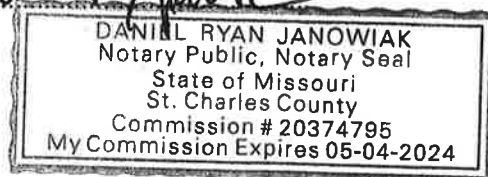
Daniel Ryan Janowiak

Notary Public, St Louis County, MO

My commission will expire 5/14/24



(Seal)



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[illegible]

Name of Respondent		This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Co		(1) <input checked="" type="checkbox"/> An Original		(Mo, Da, Yr) 3/29/2022	2021
		(2) <input type="checkbox"/> A Resubmission			
INCOME STATEMENT					
Account Name (a)	Ref Page (b)	Water (c)	Sewer (d)	Other (e)	Total (f)
<b>Gross Revenue:</b>					
Residential		112,600	87,740	-	200,340
Commercial		1,415	1,970	-	3,385
Industrial		-	-	-	-
Multi-Family		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Gross Revenue</b>		<b>114,015</b>	<b>89,710</b>	<b>-</b>	<b>203,724</b>
Operation & Maint. Expense	W3/S3	157,963	91,997	-	249,959
Depreciation Expense	F-5	21,384	40,889	-	62,273
Amortization Expense				-	-
Other Expense (Gen & Admin Expense)		31,587	81,340	-	112,927
Other Expense (Insurance)		4,316	5,915	-	10,231
Taxes Other Than Income	F-7	137	460	-	597
Income Taxes	F-7			-	-
<b>Total Operating Expenses</b>		<b>215,386</b>	<b>220,601</b>	<b>-</b>	<b>435,987</b>
<b>Net Operating Income</b>		<b>(101,372)</b>	<b>(130,891)</b>	<b>-</b>	<b>(232,263)</b>
<b>Other Income:</b>					
Nonutility Income		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Other Income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Deductions:</b>					
Misc. Nonutility Expenses		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
Other (Please Specify)		-	-	-	-
<b>Total Other Deductions</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income</b>		<b>(101,372)</b>	<b>(130,891)</b>	<b>-</b>	<b>(232,263)</b>

Name of Respondent	This Report is:	Date of Report	Year of Report
Limestone Water Utility Operating Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission	3/29/2022	2021

## COMPARATIVE BALANCE SHEET

Account Name (a)	Ref Page (b)	Current Year (c)	Previous Year (d)
<b>ASSETS</b>			
Utility Plant in Service (101-105)	F5/W1/S1	10,967,489	0
Accum. Depreciation and Amortization (108)	F5/W2/S2	2,429,425	0
<b>Net Utility Plant</b>		<b>8,538,064</b>	<b>0</b>
Cash		654,776	0
Customer Accounts Receivable (141)		37,527	0
Other Assets (Special Deposits)		9,100	0
Other Assets (Prepayments)		5,197	0
Other Assets (Other Current Assets)		153,067	0
Other Assets (Deferred Debits)		10,430	0
<b>Total Assets</b>		<b>9,408,161</b>	<b>0</b>
<b>LIABILITIES AND CAPITAL</b>			
Common Stock Issued (201)	F-6	3,823,524	0
Preferred Stock Issued (204)	F-6	0	0
Other Paid-In Capital (211)		0	0
Retained Earnings (215)	F-6	(232,262)	0
Capital (Proprietary & Partnership-218)	F-6	0	0
<b>Total Capital</b>		<b>3,591,262</b>	<b>0</b>
Long-Term Debt (224)	F-6	0	0
Accounts Payable (231)		69,628	0
Notes Payable (232)		449,947	0
Customer Deposits (235)		0	0
Accrued Taxes (236)		0	0
Other Liabilities (Misc Liabilities)		22,175	0
Other Liabilities (Capital Improvement Reserve)		110,754	0
Other Liabilities (Sales Tax Payable)		810	0
Other Liabilities (Please Specify)		0	0
Other Liabilities (Please Specify)		0	0
Advances for Construction		0	0
Contributions In Aid Of Const.-Net (271-2)	F-8	5,163,584	0
<b>Total Liabilities</b>		<b>5,816,899</b>	<b>0</b>
<b>Total Liabilities &amp; Capital</b>		<b>9,408,161</b>	<b>0</b>

Name of Respondent	This Report is:	Date of Report	Year of Report	
Limestone Water Utility Operating C	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 3/29/2022	2021	
<b>NET UTILITY PLANT</b>				
Plant Accounts (101-107) Inclusive (a)	Water (c)	Sewer (d)	Other (e)	Total (f)
Utility Plant in Service (101)	1,670,735	7,608,428	0	9,279,163
Construction Work in Progress (105)	37,595	410,453	0	448,048
Other (Utility Plant Acq Adj)	0	1,240,278	0	1,240,278
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
Other (Please Specify)	0	0	0	0
<b>Total Utility Plant</b>	<b>1,708,330</b>	<b>9,259,159</b>	<b>0</b>	<b>10,967,489</b>
<b>ACCUMULATED DEPRECIATION AND AMORTIZATION OF UTILITY PLANT</b>				
Account 108 (a)	Water (c)	Sewer (d)	Other (e)	Total (f)
<b>Balance First of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Credits During Year:</b>				
Accruals charged to Depreciation Account	579,073	1,850,352	0	2,429,425
Salvage	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
Other Credits (Please Specify):	0	0	0	0
<b>Total Credits</b>	<b>579,073</b>	<b>1,850,352</b>	<b>0</b>	<b>2,429,425</b>
<b>Debits During Year:</b>				
Book/Historical Cost of Plant Retired	0	0	0	0
Cost of Removal	0	0	0	0
Other Debits (Please Specify):	0	0	0	0
Other Debits (Please Specify):	0	0	0	0
Other Debits (Please Specify):	0	0	0	0
Other Debits (Please Specify):	0	0	0	0
<b>Total Debits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance End of Year</b>	<b>579,073</b>	<b>1,850,352</b>	<b>0</b>	<b>2,429,425</b>



<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>CAPITAL STOCK (201 - 204)</b>			
	<b>Common Stock</b>	<b>Preferred Stock</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	
Par or stated value per share	3,823,524	-	
Shares Authorized	1	-	
Shares issued and outstanding	1	-	
Total par value of stock issued	3,823,524	-	
Dividends declared per share for year	0	0	
<b>RETAINED EARNINGS (215)</b>			
<b>(a)</b>	<b>Appropriated (b)</b>	<b>Unappropriated (c)</b>	
Balance first of year	-	-	
Changes during year NET INCOME/(NET LOSS)	(232,263)	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Balance end of year	(232,263)	0	
<b>PROPRIETARY CAPITAL (218)</b>			
<b>(a)</b>	<b>Proprietor (b)</b>	<b>Partner (c)</b>	
Balance first of year	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Changes during year (Please Specify)	-	-	
Balance end of year	0	0	
<b>LONG-TERM DEBT (224)</b>			
<b>Obligation including Issue &amp; Maturity Dates</b>	<b>Interest Rate</b>	<b>Year End Balance</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	
Debt #1	0.00%	-	
Debt #2	0.00%	-	
Debt #3	0.00%	-	
Debt #4	0.00%	-	
Debt #5	0.00%	-	
Debt #6	0.00%	-	
Debt #7	0.00%	-	
Debt #8	0.00%	-	
Debt #9	0.00%	-	
Debt #10	0.00%	-	
Debt #11	0.00%	-	
Debt #12	0.00%	-	
<b>Total Long-Term Debt</b>		<b>0</b>	

[illegible]



<b>Name of Respondent</b> Limestone Water Utility Operating Company	<b>This Report is:</b> (1) <u>X</u> An Original (2) A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (271)</b>			
<b>Description (a)</b>	<b>Water (b)</b>	<b>Sewer (c)</b>	<b>Total (d)</b>
<b>Balance First of Year</b>	-	-	-
Add Credits During Year	237,431	5,177,951	5,415,382
Less Charges During Year		-	-
<b>Balance End of Year</b>	<b>0</b>	<b>5,177,951</b>	<b>5,415,382</b>
Less Accumulated Amortization	113,811	137,987	251,798
<b>Net Contributions in Aid of Construction</b>	<b>(113,811)</b>	<b>5,039,964</b>	<b>5,163,584</b>
<b>ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)</b>			
<b>Report below all developers or contractors agreements from which cash or property was received during the year (a)</b>	<b>Indicate "Cash" or "Property" (b)</b>	<b>Water (c)</b>	<b>Sewer (d)</b>
Customer Tap On	Cash	2,850	-
Customer Tap On	Cash		2,850
Customer Tap On	Cash	713	-
Customer Tap On	Cash		713
Purchase Aqua	Property	234,253	-
Purchase Aqua	Property	-	270,011
Purchase Cartwright Creek	Property	-	4,903,993
Contractor or Developer #8		-	-
Contractor or Developer #9		-	-
Contractor or Developer #10		-	-
Contractor or Developer #11		-	-
Contractor or Developer #12		-	-
Contractor or Developer #13		-	-
Contractor or Developer #14		-	-
Contractor or Developer #15		-	-
Contractor or Developer #16		-	-
Contractor or Developer #17		-	-
Contractor or Developer #18		-	-
Contractor or Developer #19		-	-
Contractor or Developer #20		-	-
Contractor or Developer #21		-	-
Contractor or Developer #22		-	-
Contractor or Developer #23		-	-
Contractor or Developer #24		-	-
Contractor or Developer #25		-	-
Contractor or Developer #26		-	-
Contractor or Developer #27		-	-
Contractor or Developer #28		-	-
Contractor or Developer #29		-	-
Contractor or Developer #30		-	-
<b>Total Credits During Year</b>		<b>237,816</b>	<b>5,177,567</b>

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<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (271)</b>			
<b>Description</b> (a)	<b>Water</b> (b)	<b>Sewer</b> (c)	<b>Total</b> (d)
<b>Balance First of Year</b>	-	-	-
Add Credits During Year	237,431	5,177,951	5,415,382
Less Charges During Year		-	-
<b>Balance End of Year</b>	<b>237,431</b>	<b>5,177,951</b>	<b>5,415,382</b>
Less Accumulated Amortization	113,811	137,987	251,798
<b>Net Contributions in Aid of Construction</b>	<b>123,620</b>	<b>5,039,964</b>	<b>5,163,584</b>
<b>ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)</b>			
<b>Report below all developers or contractors agreements from which cash or property was received during the year</b> (a)	<b>Indicate "Cash" or "Property"</b> (b)	<b>Water</b> (c)	<b>Sewer</b> (d)
Customer Tap On	Cash	2,850	-
Customer Tap On	Cash		2,850
Customer Tap On	Cash	713	-
Customer Tap On	Cash		713
Purchase Aqua	Property	234,253	-
Purchase Aqua	Property	-	270,011
Purchase Cartwright Creek	Property	-	4,903,993
Contractor or Developer #8		-	-
Contractor or Developer #9		-	-
Contractor or Developer #10		-	-
Contractor or Developer #11		-	-
Contractor or Developer #12		-	-
Contractor or Developer #13		-	-
Contractor or Developer #14		-	-
Contractor or Developer #15		-	-
Contractor or Developer #16		-	-
Contractor or Developer #17		-	-
Contractor or Developer #18		-	-
Contractor or Developer #19		-	-
Contractor or Developer #20		-	-
Contractor or Developer #21		-	-
Contractor or Developer #22		-	-
Contractor or Developer #23		-	-
Contractor or Developer #24		-	-
Contractor or Developer #25		-	-
Contractor or Developer #26		-	-
Contractor or Developer #27		-	-
Contractor or Developer #28		-	-
Contractor or Developer #29		-	-
Contractor or Developer #30		-	-
<b>Total Credits During Year</b>		<b>237,816</b>	<b>5,177,567</b>

Name of Respondent		This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Company		(1) <u>  X  </u> An Original		(Mo, Da, Yr)	
		(2) <u>      </u> A Resubmission		3/29/2022	3/29/2022
SEWER UTILITY PLANT ACCOUNTS					
Acct No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization	-	-	-	-
352	Franchises	-	-	-	-
353	Land & Land Rights	-	598,377	-	598,377
354	Structures & Improvements	-	1,987,317	-	1,987,317
360	Collection Sewers - Force	-	343,443	-	343,443
361	Collection Sewers - Gravity	-	1,109,839	-	1,109,839
362	Special Collecting Structures	-	-	-	-
363	Services to Customers	-	-	-	-
364	Flow Measuring Devices	-	16,538	-	16,538
365	Flow Measuring Installations	-	12,236	-	12,236
370	Receiving Wells	-	217,903	-	217,903
371	Pumping Equipment	-	801,702	-	801,702
380	Treatment & Disposal Equipment	-	1,722,049	-	1,722,049
381	Plant Sewers	-	11,158	-	11,158
382	Outfall Sewer Lines	-	21,758	-	21,758
389	Other Plant & Miscellaneous Equipment	-	36,908	-	36,908
390	Office Furniture & Equipment	-	3,155	-	3,155
391	Transportation Equipment	-	74,098	-	74,098
392	Stores Equipment	-	-	-	-
393	Tools, Shop & Garage Equipment	-	15,541	-	15,541
394	Laboratory Equipment	-	-	-	-
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	-	636,406	-	636,406
	<b>Total Sewer Plant</b>	<b>-</b>	<b>7,608,428</b>	<b>-</b>	<b>7,608,428</b>
</					

Name of Respondent		This Report is:			Date of Report		Year of Report	
Limestone Water Utility Operating Company		(1) X_ An Original			(Mo, Da, Yr)		3/29/2022	
		(2) A Resubmission						
ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - SEWER								
Account Number (a)	Account (b)	Average Service Life in Years (c)	Average Salvage Value in Percent (d)	Depreciation Rate Applied* (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accumulated Depreciation Balance End of Year (i)
354	Structures & Improvements	40	0.00%	2.50%	-	-	858,940	858,940
360	Collection Sewers - Force	50	0.00%	2.00%	-	-	-	-
361	Collection Sewers - Gravity	50	0.00%	2.00%	-	-	194,258	194,258
362	Special Collecting Structures	-	0.00%	0.00%	-	-	-	-
363	Services to Customers	-	0.00%	0.00%	-	-	-	-
364	Flow Measuring Devices	10	0.00%	10.00%	-	-	13,500	13,500
365	Flow Measuring Installations	30	0.00%	3.33%	-	-	-	-
370	Receiving Wells	25	0.00%	4.00%	-	-	105,383	105,383
371	Pumping Equipment	10	0.00%	10.00%	-	-	191,178	191,178
380	Treatment & Disposal Equipment	20	0.00%	5.00%	-	-	423,664	423,664
381	Plant Sewers	40	0.00%	2.50%	-	-	10,973	10,973
382	Outfall Sewer Lines	50	0.00%	2.00%	-	-	21,395	21,395
389	Other Plant & Miscellaneous Equipment	20	0.00%	5.00%	-	-	28,889	28,889
390	Office Furniture & Equipment	20	0.00%	5.00%	-	-	-	-
391	Transportation Equipment	10	0.00%	10.00%	-	-	-	-
392	Stores Equipment	-	0.00%	0.00%	-	-	-	-
393	Tools, Shop & Garage Equipment	20	0.00%	5.00%	-	-	-	-
394	Laboratory Equipment	-	0.00%	0.00%	-	-	-	-
395	Power Operated Equipment	-	0.00%	0.00%	-	-	-	-
396	Communication Equipment	-	0.00%	0.00%	-	-	-	-
397	Miscellaneous Equipment	-	0.00%	0.00%	-	-	-	-
398	Other Tangible Plant	10	0.00%	10.00%	-	-	2,171	2,171
Totals					0	0	1,850,352	1,850,352
*State basis used for perctages used in schedule.								

<b>Name of Respondent</b> Limestone Water Utility Operating Com		<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>SEWER OPERATION &amp; MAINTENANCE EXPENSE</b>					N/A
<b>Acct No.</b>	<b>Description (a)</b>	<b>Amount (b)</b>			
701	Salaries & Wages - Employees	-			
703	Salaries & Wages - Officers, Directors & Stockholders	-			
704	Employee Pensions & Benefits	-			
710	Purchased Sewage Treatment	-			
711	Sludge Removal Expense	775			
715	Purchased Power	20,378			
716	Fuel for Power Production	-			
718	Chemicals	-			
720	Materials & Supplies	209			
730	Contractual Services	70,557			
740	Rents	-			
750	Transportation Expense	-			
755	Insurance Expense	-			
765	Regulatory Commission Expense	-			
770	Bad Debt Expense	-			
775	Miscellaneous Expenses	78			
<b>Total Sewer Operation &amp; Maintenance Expense</b>		<b>91,997</b>			
<b>SEWER CUSTOMERS</b>					
<b>Description (a)</b>	<b>Customers First of Year (b)</b>	<b>Additions (c)</b>	<b>Disconnections (d)</b>	<b>Customers End of Year (e)</b>	
Metered Customers:					
5/8 Inch	-	-	-	-	
3/4 Inch	-	-	-	-	
1.0 Inch	-	-	-	-	
1.5 Inch	-	-	-	-	
2.0 Inch	-	-	-	-	
2.5 Inch	-	-	-	-	
3.0 Inch	-	-	-	-	
4.0 Inch	-	-	-	-	
6.0 Inch	-	-	-	-	
8.0 Inch	-	-	-	-	
Other (Please Specify)	-	-	-	-	
Other (Please Specify)	-	-	-	-	
Other (Please Specify)	-	-	-	-	
Unmetered Customers	-	1,558	-	1,558	
<b>Total Customers</b>	<b>0</b>	<b>1,558</b>	<b>0</b>	<b>1,558</b>	

<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
<b>PUMPING EQUIPMENT</b>				
<b>Description*** (a)</b>	<b>Lift Station #1 (b)</b>	<b>Lift Station #2 (c)</b>	<b>Lift Station #3 (d)</b>	<b>Lift Station #4 (e)</b>
Make, Model, or Type of Pump	Hydromatic Submer	romatic Submer	E-One DH071 (2	Sta-Rite 2000 (2
Year Installed	1998	1998	2010-2020	2020
Rated Capacity (GPM)	45gpm	115pgm	11gpm	10gpm
Size (HP)	5 HP	5 HP	1 HP	1/2 HP
Power (Electric/Mechanical)	Electric	Electric	Electric	Electric
Make, Model or Type of Motor	Unknown	Unknown	E/One Extreme	Sta-Rite
<b>SERVICE CONNECTIONS</b>				
<b>Description*** (a)</b>	<b>Service Connection #1 (b)</b>	<b>Service Connection #2 (c)</b>	<b>Service Connection #3 (d)</b>	<b>Service Connection #4 (e)</b>
Size (Inches)	Varies	1.5	2	1.5
Type (PVC, VCP, etc)	PVC/Clay	PVC	PVC	PVC
Average Length (Feet)	Varies	50	50	50
Connections-Beginning of Year	-	-	-	-
Connections-Added during Year	-	-	-	-
Connection-Retired during Year	-	-	-	-
<b>Connections-End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Number of Inactive Connections	-	-	-	-
<b>COLLECTING MAINS, FORCE MAINS, &amp; MANHOLES</b>				
<b>Description (a)</b>	<b>Collecting Mains (b)</b>	<b>Force Mains (c)</b>	<b>Manholes (d)</b>	
Size (Inches)	6 to 18"		n/a	
Type	PVC/DI/Clay	PVC	n/a	
Length/Number-Beginning of Year	40,000	53,595	150	
Length/Number-Added During Year	-	2,500	-	
Length/Number-Retired During Year	-	-	-	
Length/Number-End of Year	<b>40000</b>	<b>56095</b>	<b>150</b>	

\*\*\*If more space is needed to list equipment please attach additional sheets as necessary.



<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
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**TREATMENT PLANT**

<b>Description*** (a)</b>	<b>Treatment Facility #1 (b)</b>	<b>Treatment Facility #2 (c)</b>	<b>Treatment Facility #3 (d)</b>	<b>Treatment Facility #4 (e)</b>
Manufacturer	Clow Aeroflow	Sheaffer System	Sheaffer System	Recirc Sand
Type	Extend Aeration	Deep Cell	Deep Cell	Fixed Film
Steel or Concrete	Steel	Lined Earthen	Lined Earthen	Lined Earthen
Total Capacity	.250 MGD	75,000 gpd	60,000 gpd	336,000 gpd
Average Daily Flow				
Effluent Disposal				
Total Gallons of Sewage Treated				

**MASTER LIFT STATION PUMPS**

<b>Description*** (a)</b>	<b>Master Pump #1 (b)</b>	<b>Master Pump #2 (c)</b>	<b>Master Pump #3 (d)</b>	<b>Master Pump #4 (e)</b>
Manufacturer	Clow Aeroflow	Clow Aeroflow		
Capacity (GPM)	400	400		
Size (HP)	20	20		
Power (Electric/Mechanical)	Electric	Electric		
Make, Model, or Type of Motor	Unknown	Unknown		

**OTHER SEWER SYSTEM INFORMATION**

Present Number of Equivalent Residential Customer's * being served	
Maximum Number of Equivalent Residential Customer's * that the system can efficiently serve	
Estimated Annual Increase in Equivalent Residential Customers *	
* Equivalent Residential Customers = (Total Gallons Treated / 365 Days) / 275 Gallons Per Day. Total Gallons Treated includes both sewage treated and purchased sewage treatment.	

State any plans and estimated completion dates for any enlargements of this system:

\_\_\_\_\_

\_\_\_\_\_

If the present systems do not meet environmental requirements, please submit the following:

A. An evaluation of the present plant or plants in regard to meeting the requirements.

B. Plans for funding and construction of the required upgrading.

C. The date construction will begin.

What is the percent of the certificated area that have service connections installed?

\_\_\_\_\_

\_\_\_\_\_

Name of Respondent		This Report is:		Date of Report	Year of Report
Limestone Water Utility Operating Company		(1) <u>X</u> An Original	(2) A Resubmission	(Mo, Da, Yr) 3/29/2022	2021
<b>WATER UTILITY PLANT ACCOUNTS</b>					
Acct No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	-	-	-	0
302	Franchises	-	-	-	0
303	Land & Land Rights	-	221,530	-	221,530
304	Structures & Improvements	-	1,237,397	-	1,237,397
305	Collecting & Impounding Reservoirs	-	-	-	0
306	Lake, River & Other Intakes	-	-	-	0
307	Wells & Springs	-	-	-	0
308	Infiltration Galleries & Tunnels	-	-	-	0
309	Supply Mains	-	-	-	0
310	Power Generation Equipment	-	-	-	0
311	Pumping Equipment	-	-	-	0
320	Water Treatment Equipment	-	-	-	0
330	Distribution Reservoirs & Standpipes	-	-	-	0
331	Transmission & Distribution Mains	-	205,842	-	205,842
333	Services	-	-	-	0
334	Meters & Meter Installations	-	-	-	0
335	Hydrants	-	-	-	0
339	Other Plant & Miscellaneous Equipment	-	-	-	0
340	Office Furniture & Equipment	-	-	-	0
341	Transportation Equipment	-	-	-	0
342	Stores Equipment	-	-	-	0
343	Tools, Shop & Garage Equipment	-	-	-	0
344	Laboratory Equipment	-	-	-	0
345	Power Operated Equipment	-	-	-	0
346	Communication Equipment	-	-	-	0
347	Miscellaneous Equipment	-	5,966	-	5,966
348	Other Tangible Plant	-	-	-	0
<b>Total Water Plant</b>		<b>0</b>	<b>1,670,735</b>	<b>0</b>	<b>1,670,735</b>



Name of Respondent Limestone Water Utility Operating Company				This Report is: (1) <u>  X  </u> An Original (2) <u>      </u> A Resubmission		Date of Report (Mo, Da, Yr) 3/29/2022	Year of Report 2021	
ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER								
Account Number (a)	Account (b)	Average Service Life in Years (c)	Average Salvage Value in Percent (d)	Depreciation Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accumulated Depreciation Balance End of Year (i)
304	Structures & Improvements	40	0.00%	2.50%	-	-	576,320	576,320
305	Collecting & Impounding Reservoirs	-	0.00%	0.00%	-	-	-	-
306	Lake, River & Other Intakes	-	0.00%	0.00%	-	-	-	-
307	Wells & Springs	-	0.00%	0.00%	-	-	-	-
308	Infiltration Galleries & Tunnels	-	0.00%	0.00%	-	-	-	-
309	Supply Mains	-	0.00%	0.00%	-	-	-	-
310	Power Generating Equipment	-	0.00%	0.00%	-	-	-	-
311	Pumping Equipment	-	0.00%	0.00%	-	-	-	-
320	Water Treatment Equipment	-	0.00%	0.00%	-	-	-	-
330	Distribution Reservoirs & Standpipes	-	0.00%	0.00%	-	-	-	-
331	Transmission & Distribution Mains	50	0.00%	2.00%	-	-	2,519	2,519
333	Services	-	0.00%	0.00%	-	-	-	-
334	Meter & Meter Installations	-	0.00%	0.00%	-	-	-	-
335	Hydrants	-	0.00%	0.00%	-	-	-	-
339	Other Plant & Miscellaneous Equipment	-	0.00%	0.00%	-	-	-	-
340	Office Furniture & Equipment	-	0.00%	0.00%	-	-	-	-
341	Transportation Equipment	-	0.00%	0.00%	-	-	-	-
342	Stores Equipment	-	0.00%	0.00%	-	-	-	-
343	Tools, Shop & Garage Equipment	-	0.00%	0.00%	-	-	-	-
344	Laboratory Equipment	-	0.00%	0.00%	-	-	-	-
345	Power Operated Equipment	-	0.00%	0.00%	-	-	-	-
346	Communication Equipment	-	0.00%	0.00%	-	-	-	-
347	Miscellaneous Equipment	50	0.00%	2.00%	-	-	234	234
348	Other Tangible Plant	-	0.00%	0.00%	-	-	-	-
Totals					-	-	579,073	579,073
*State basis used for perctages used in schedule.								

Name of Respondent	This Report is:	Date of Report	Year of Report
Limestone Water Utility Operating Company	(1) <u>X</u> An Original	(Mo, Da, Yr)	
	(2) A Resubmission	3/29/2022	2021

### WATER OPERATION & MAINTENANCE EXPENSE

Acct No.	Description (a)	Amount (b)
601	Salaries & Wages - Employees	-
603	Salaries & Wages - Officers, Directors & Stockholders	-
604	Employee Pensions & Benefits	-
610	Purchased Water	101,270
615	Purchased Power	-
616	Fuel for Power Production	-
618	Chemicals	-
620	Materials & Supplies	150
630	Contractual Services	55,573
640	Rents	-
650	Transportation Expense	-
655	Insurance Expense	-
665	Regulatory Commission Expense	-
670	Bad Debt Expense	-
672	Miscellaneous Expenses	970
	<b>Total Water Operation &amp; Maintenance Expense</b>	<b>157,963</b>

### WATER CUSTOMERS

Description (a)	Customers First of Year (b)	Additions (c)	Disconnections (d)	Customers End of Year (e)
Metered Customers:				
5/8 Inch	-	415	-	415
3/4 Inch	-	-	-	-
1.0 Inch	-	-	-	-
1.5 Inch	-	1	-	1
2.0 Inch	-	2	-	2
2.5 Inch	-	-	-	-
3.0 Inch	-	-	-	-
4.0 Inch	-	-	-	-
6.0 Inch	-	-	-	-
8.0 Inch	-	-	-	-
Other (Please Specify)	-	-	-	-
Other (Please Specify)	-	-	-	-
Other (Please Specify)	-	-	-	-
Unmetered Customers	-	37	-	37
<b>Total Customers</b>	<b>0</b>	<b>455</b>	<b>0</b>	<b>455</b>

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4		<b>Water</b>	<b>Water</b>	<b>Total Water</b>	<b>Water Sold</b>
5		<b>Purchased for</b>	<b>Pumped from</b>	<b>Pumped and</b>	<b>To</b>
6	<b>Description (1)</b>	<b>Resale</b>	<b>Wells</b>	<b>Purchased</b>	<b>Customers</b>
7	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
8		<b>in thousands</b>	<b>in thousands</b>	<b>in millions</b>	
9	January	-	-	-	-
10	February	-	-	-	-
11	March	-	-	-	-
12	April	1,503,900	-	-	699,379
13	May	1,732,100	-	-	786,224
14	June	2,633,900	-	-	1,547,470
15	July	2,925,000	-	-	1,502,932
16	August	3,139,300	-	-	1,435,011
17	September	2,669,500	-	-	1,346,619
18	October	2,212,100	-	-	1,183,724
19	November	2,582,900	-	-	799,408
20	December	1,510,300	-	-	470,340
21	<b>Total for the Year</b>	<b>20,909,000</b>	<b>-</b>	<b>-</b>	<b>9,771,107</b>

<b>Name of Respondent</b> Limestone Water Utility Operating Company	<b>This Report is:</b> (1) <u> X </u> An Original (2) <u> </u> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
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**WELLS AND WELL PUMPS**

<b>Description***</b> (a)	<b>Well #1</b> (b)	<b>Well #2</b> (c)	<b>Well #3</b> (d)	<b>Well #4</b> (e)
Year Constructed				
Type of Well Construction				
Type of Well Casing				
Depth of Well (Feet)				
Diameter of Well (Feet)				
Pumping Capacity (GPM)				
Motor Size (HP)				
Yields of Well (GPD)				
Auxiliary Power				

**RESERVOIRS**

<b>Description***</b> (a)	<b>Reservoir #1</b> (b)	<b>Reservoir #2</b> (c)	<b>Reservoir #3</b> (d)	<b>Reservoir #4</b> (e)
Construction (Steel, Concrete, Pneumatic)				
Capacity (Gallons)				
Ground or Elevated				

**HIGH SERVICE PUMPING**

<b>Motor Description***</b> (a)	<b>Motor #1</b> (b)	<b>Motor #2</b> (c)	<b>Motor #3</b> (d)	<b>Motor #4</b> (e)
Manufacturer				
Type				
Rated Horsepower				
<b>Pump Description***</b> (a)	<b>Pump #1</b> (b)	<b>Pump #2</b> (c)	<b>Pump #3</b> (d)	<b>Pump #4</b> (e)
Manufacturer				
Type				
Capacity in Gallons per Minute				
Average Number of Hours Operated Per Day				
Auxiliary Power				

\*\*\*If more space is needed to list equipment please attach additional sheets as necessary.

<b>Name of Respondent</b> Limestone Water Utility Operating Com	<b>This Report is:</b> (1) <u>X</u> An Original (2) A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 3/29/2022	<b>Year of Report</b> 2021
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<b>SOURCE OF SUPPLY</b>				
List for each source of supply:				
Description	Source #1	Source #2	Source #3	Source #4
Gallons per day of source				
Type of Source				

<b>WATER TREATMENT FACILITIES</b>				
List for each water treatment facility:				
Description	Facility #1	Facility #2	Facility #3	Facility #4
Type				
Make				
Gallons per day capacity				
Method of Measurement				

<b>OTHER WATER SYSTEM INFORMATION</b>	
Furnish information below for each system not physically connected with another facility.	
Present Equivalent Residential Customer's * now being served	76
Maximum Equivalent Residential Customer's * that the system can efficiently serve	
Estimated annual increase in Equivalent Residential Customers *	
* Equivalent Residential Customer= (Total Gallons Sold / 365 days) / 350 Gallons Per Day	

List fire fighting facilities and capacities:	
_____	
_____	
List percent of certificated area where service connections are installed	
_____	
_____	
What are the current needs and plans for system upgrading and/or expansion	
_____	
_____	
State the name and address of any engineers that plans for system upgrading and/or expansion have been discussed with	
_____	
_____	

Name of Respondent	This Report is:	Date of Report	Year of Report
Limestone Water Utility Operating Com	(1) <u>X</u> An Original (2) A Resubmission	(Mo, Da, Yr) 3/29/2022	2021
<b>SUPPLEMENTAL FINANCIAL DATA TO THE ANNUAL REPORT</b>			
<b>Rate Base</b>			
Additions:			
Plant In Service			
Construction Work in Progress			
Property Held For Future Use			
Materials & Supplies			
Working Capital Allowance			
Other Additions - Common Plant Alloc from Parent Company			
Other Additions (Please Specify)			
<b>Total Additions to Rate Base</b>		<b>0</b>	
Deductions:			
Accumulated Depreciation			
Accumulated Deferred Income Taxes			
Pre 1971 Unamortized Investment Tax Credit			
Customer Deposits			
Contributions in Aid of Construction			
Other Deductions (Please Specify)			
Other Deductions (Please Specify)			
<b>Total Deductions to Rate Base</b>		<b>0</b>	
<b>Rate Base</b>		<b>0</b>	
<b>Adjusted Net Operating Income</b>			
Operating Revenues:			
Residential			
Commercial			
Industrial			
Public Authorities			
Multiple Family			
Fire Protection			
All Other			
<b>Total Operating Revenues</b>		<b>0</b>	
Operating Expenses:			
Operation			
Depreciation			
Amortization			
Taxes Other Than Income Taxes			
Income Taxes			
<b>Total Operating Expense</b>		<b>0</b>	
<b>Net Operating Income</b>		<b>0</b>	
Other (Please Specify)			
Other (Please Specify)			
<b>Adjusted Net Operating Income</b>		<b>0</b>	
<b>Rate of Return (Line 49 / Line 25)</b>		<b>0.00%</b>	
All amounts should be calculated in a manner consistent with the last Rate Order issued by the Commission for this Company.			

Company Name:	Westone Water Utility Operating Company
Report Period:	7/14/1909
Report Date:	3/29/2022

BALANCE SHEET:

	Amount for 1st Reference	Amount for 2nd Reference	Difference
1. Line 10 on F4, col. "C" agrees w/line 16 on F5, col. "F".	10,967,489	10,967,489	(0)
2. Line 10 on F4, col. "C" agrees w/lines 34, W1, col. "F" & 32, S1, col. "F".	10,967,489	9,279,163	1,688,326
3. Line 11 on F4, col. "C" agrees w/line 52 on F5, col. "F".	2,429,425	2,429,425	0
4. Line 11 on F4, col. "C" agrees w/lines 32, W2, col. I & 30, S2, col. I	2,429,425	2,429,425	0
5. Line 27 on F4, col. "C" agrees w/line 10 on F6, col. "B".	3,823,524	3,823,524	0
6. Line 28 on F4, col. "C" agrees w/line 10 on F6, col. "C".	-	-	0
7. Line 30 on F4, col. "C" agrees w/line 24 on F6, cols. "B" & "C".	(232,262)	(232,263)	1
8. Line 31 on F4, col. "C" agrees w/line 37 on F6, cols. "B" & "C".	-	-	0
9. Line 37 on F4, col. "C" agrees w/line 55 on F6, col. "C".	-	-	0
10. Line 41 on F4, col. "C" agrees w/line 32 on F7, col. "E".	-	-	0
11. Line 48 on F4, col. "C" agrees w/line 13 on F8, col. "D".	5,163,584	5,163,584	0
12. Line 8 on F8, col. "D" agrees w/line 55 on F8, cols. "C & D".	5,415,382	5,415,382	0



**Limestone Utility Operating Company**  
**2021 Tap Escrow & Capital Recovery Detail**

	<b>Balance 12/31/2021</b>
<b>Tap Escrow Bank Account</b>	509,730.01
<b>Capital Recovery Surcharge</b>	110,754.31
<b>Total</b>	<b>620,484.32</b>

## **EXHIBIT 21**

Wastewater Utility Service

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20160013

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**	List of Required Practices	Attachment No. 2	

**Wastewater Utility Service**

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**	List of Required Practices	Attachment No. 2

**Wastewater Utility Service**

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**CHECK SHEET**

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The sheets of this tariff are effective as of the date shown at the bottom of the respective sheet. Original and revised sheets as listed herein comprise all changes from the original tariff and are currently in effect as of the date listed on the bottom of this sheet.

SECTION	SHEET	REVISION	
1	1	Original	
1	2	1 <sup>st</sup> Revised	
1	3	5 <sup>th</sup> Revised	T
1	4	Original	
1	5	Original	
1	6	Original	
1	7	1 <sup>st</sup> Revised	T
2	1	Original	
2	2	1 <sup>st</sup> Revised*	T
2	3	2 <sup>nd</sup> Revised*	T
2	4	Original	
2	5	1 <sup>st</sup> Revised*	T
2	6	Original	
2	7	2 <sup>nd</sup> Revised*	T
3	1	3 <sup>rd</sup> Revised	
4	1	2 <sup>nd</sup> Revised	
4	2	3 <sup>rd</sup> Revised	C
5	1	3 <sup>rd</sup> Revised	
5	2	1 <sup>st</sup> Revised	
6	1	2 <sup>nd</sup> Revised	
6	1.1	Original	
6	1.2	Original	
6	2	2 <sup>nd</sup> Revised	
6	2.1	Original	
6	2.2	Original	
6	2.3	Original	
6	3	1 <sup>st</sup> Revised	

Issued: September 15, 2017

Effective: October 15, 2017

**Wastewater Utility Service**

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**SYMBOL KEY**

The following symbols are used to signify the purposes indicated as follows:

- C To signify a changed regulation or rate structure.
- I To signify a rate increase.
- M To signify a move in the location of text.
- N To signify a new rate or regulation.
- R To signify a reduced rate.
- T To signify a change in text, but no change in rate or regulation.

## Wastewater Utility Service

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### TARIFF FORMAT

**A. Sheet Numbering.** Sheet numbers appear in the upper right hand corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. By way of example, a new sheet added between sheets 5 and 6 already in effect, would be numbered 5.1.

**B. Sheet Revision Numbers Other Than Original.** Revision numbers will also appear in the upper right hand corner of the sheet unless that sheet is an original. In the case of an original, it will be denoted in the same location on the sheet. Revision numbers are used to determine the most current sheet version on file with the TRA. To illustrate, the 4<sup>th</sup> Revised Sheet 12 replaces and cancels 3<sup>rd</sup> Revised Sheet 12. Due to various periods of tariff suspensions or deferrals of the TRA during their tariff approval process, the most current sheet number on file with the TRA may not always be the sheet in effect. Please consult the Check Sheet for the current sheet in effect.

**C. Paragraph Numbering Sequence.** There are 9 levels of paragraph coding. Each level of coding is subservient to the next higher level. An illustration is as follows:

2  
2.1  
2.1.1  
2.1.1.A  
2.1.1.A.1  
2.1.1.A.1.(a)  
2.1.1.A.1.(a).1  
2.1.1.A.1.(a).1.(i)  
2.1.1.A.1.(a).1.(i).1

**D. Check Sheets.** When a tariff is made with the TRA, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff along with a cross-reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk, i.e. (\*). There will be no other symbols used on this sheet if these are the only changes. The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current sheet on file with the TRA.

**Wastewater Utility Service**

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**DEFINITIONS**

When used in this tariff, the following terms shall have the meanings set forth next to the same as follows:

1. "Collector Line" shall mean the line from the Service Line to the Main Line.
2. "Commercial Property" shall mean the real property that is used for commercial, overnight rental, transient, or institutional purposes.
3. "Company" shall mean Integrated Resource Management, Inc. d/b/a IRM Utility, Inc.
4. "Customer" shall mean any person, firm, limited liability company, partnership, corporation, association, company, or governmental entity furnished sewage services by the Company.
5. "Engineer" shall mean the consulting or design engineer employed by or retained by the Company.
6. "Facilities/Components" shall mean all equipment owned and operated by the Company, and easements, land, and properties required for the operation of the sewer system.
7. "Main Line" shall mean the line from the Collector Line to the treatment facility.
8. "Premises" shall mean the Customer's private property.
9. "Pumping Station" shall mean a tank with pumps and receives effluent from a STEG/STEP Tank or Collector Lines.
10. "Residential Property" shall mean the real property that is an established residence for a single family intended solely for such family's use or a long term lessee—i.e. 12 months or more.
11. "Service Line" shall mean the line from the STEG/STEP Tank to the Collector Line.
12. "STEG Tank" shall mean any tank located near a Customer's building containing an effluent filter for the purposes of accepting sewage waste.



**Wastewater Utility Service**

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**DEFINITIONS (CONTINUED)**

13. "STEP Tank" shall mean any tank located near a Customer's building containing a pump vault for the purposes of accepting sewage waste.

14. "Stub-out Line" shall mean the line that carries the sewage waste from the building to the STEG/STEP Tank.

15. "TRA" shall mean the Tennessee Regulatory Authority or the Tennessee Public Utilities Commission.

T

16. "Tap" shall mean the junction of the Service Line with the sewer collection system.

**Wastewater Utility Service**

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**RULES AND REGULATIONS**

**Statement of Purpose:**

The general purpose of these rules and regulations is as follows:

1. To establish measures and procedures for providing sewage collection and treatment services on a uniform basis within the Company's service area.
2. To provide standards and procedures for the following:
  - a. Establishing sewer characteristics acceptable for the treatment systems;
  - b. Establishing the criteria for protecting the integrity of the water-tight system—a system free of inflow and infiltration ("I & I");
  - c. Required design standards;
  - d. Construction and material standards;
  - e. Inspection requirements; and
  - f. Quality of materials.

**Authorization of Rules and Regulations:**

Integrated Resource Management, Inc. d/b/a IRM Utility, Inc. is a corporation validly organized and in good standing with the State of Tennessee as a privately-owned, public utility. The Company operates under the authority of a Certificate of Convenience and Necessity ("CCN") as initially approved by the TRA on November 10, 2003 and by TRA Order issued March 16, 2004 in Docket No. 03-00467 and subsequently issued CCNs.

**Effect of Rules and Regulations:**

All provisions of these rules and regulations shall be incorporated in each Sewer Subscription Agreement [Attachment No. 1] with each Customer of the Company.

**Wastewater Utility Service**

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**RULES AND REGULATIONS (CONTINUED)**

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**Utility Facilities on Private Property:**

The Company shall own and maintain all STEG and STEP Tanks, control systems, and service lines required to provide sewer service on the Customer's premises. Any problems arising from construction issues by the developer or the builder such as improper material, settlement of tanks, erosion/slippage, etc. will be the owner's responsibility. The Customer shall execute an agreement granting an easement to the Company for maintenance of the sewer system. The building, plumbing, and Stub-out Line shall be maintained by the Customer.

T

**Service Disconnection:**

Service under any application may be discontinued due to the following:

1. Non-payment of bill;
2. Misrepresentation;
3. Adding to the property or fixtures without notice to the Company;
4. Tampering with any service pipe, tank, control system, filter, or any other facilities of the Company;
5. Violation of any Company rules and regulations;
6. Disconnecting or reconnecting service by a party other than a duly authorized agent of the Company without the Company's express consent; and
7. Failure to execute the "Sewer Access Agreement"

T

**Non-payment Penalties:**

A non-payment penalty of 5% of the balance due will be owed if the bill is paid after the due date shown on the bill. If payment is not received within 15 days after being due, written notice will be sent to the Customer via the U.S. Postal Service. If payment is not received within 30 days after being due, sewer service will be discontinued from the Customer's property pursuant to the terms of the Sewer Subscription Agreement executed by the Customer and the Company with no additional notice. No service shall be reconnected if discontinued for non-payment until all charges have been paid, including, without limitation, penalties, disconnection fees and reconnection fees. The disconnection fee is \$10.00 and the reconnection fee is \$15.00.

C

**Returned Checks or Instruments:**

The Company will charge the Customer \$20.00 for all checks or instruments returned by the bank

**Wastewater Utility Service**

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**RULES AND REGULATIONS (CONTINUED)**

**Changes in Ownership, Tenancy, or Services:**

A new application and agreement must be made and approved by the Company on any change in ownership of property, in tenancy, or in the services as described in the application. In the event a new owner or tenant fails to submit a new application, the company shall have the right to discontinue service until a new application is made and approved.

**Security Deposits:**

Each new Customer, before connection or reconnection of the service, will be required to make a refundable deposit to secure payment of sewage service bills in the amount of \$60.00. Deposits will be held by the Company as long as required to insure payment of bill.

T

**Sewer System Access Fee:**

A Sewer Subscription Agreement Fee will be charge in advance for the upcoming year. The owner of each property parcel which is provided a tap or the availability of a tap, when the sewer system is built, will be required to pay a sewer system access fee of \$160.00 per year. This fee will be billed and payable semi-annually. Owners of record as of June 1 will be billed and payable semi-annually. Owners of record as of June 1 will be billed for one-half of the total access fee or \$80.00 in June, and owners of record as of December 1 will be billed for one-half of the total access fee or \$80.00 in December. As each Customer connects to the sewer and signs up for service, they will be credited on a pro-rated basis until that time. Thereafter the fee will not be charged. Any access fees not used within the paid year will be credited to the monthly billing for permanent service.

**Wastewater Utility Service**

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**RULES AND REGULATIONS (CONTINUED)**

**Engineering, Materials and Construction Standards:**

1. General – This specification covers the type of sewer system required for various design conditions of sewers constructed by developers. The requirements called for are minimum standards in all cases. Bedding conditions, material specifications, sealing requirements and installation methods are the responsibility of the Engineer and must be approved by the Company. Design and construction of sewer lines shall meet the requirements of the Tennessee Department of Environment and Conservation ("TDEC"), in addition to this specification. Any conflicts between the Company and TDEC requirements shall be resolved in favor of the more restrictive requirement.
2. All sewage collection system components are to be water-tight and free of I&I. This includes Stub-out lines, all tanks, Collector Lines, Service Lines, and Main Lines. Collector Lines and Main Lines are to be tested to 100 pounds per square inch of water pressure. Risers and lids are to be water-tight.
3. STEP and STEG Tanks are to be installed near the building to be served. The tanks are to be set in a level condition and tested for water tightness before backfilling.
4. All pipe is to be PVC, classes and sizes will be pursuant to the Engineer's design and in all cases SDR-21 class 2000 will be the minimum allowable class.
5. 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 Pre-treatment Sewage Requirements:**

For all sewage connections, the Company reserves the right to require any commercial property customer 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, commercial or industrial waste, and may impose 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, treatment, and disposal capacity at the Customer's expense. All Customers will be required to follow the List of Required Practices (Biological Systems Users Manual—Attachment No. 2) for an effluent collection system, supplied to them by the Company.

## Wastewater Utility Service

### RULES AND REGULATIONS (CONTINUED)

These requirements prohibit the dumping of any toxic chemicals, non-biodegradable detergents, whitening agents, or other non-environmentally friendly compounds that kill tank bacteria. Also prohibited is the disposal of an excessive amount of grease, paints, pesticides or other typical household items that consumers introduce into sanitary sewer and storm drains. A copy of the Company's list of Required Practices is attached hereto as Attachment No. 2.

#### Damages:

The Company will pump STEP or STEG systems for Residential Customers that comply with the Company's list of Required Practices, following an inspection by the company, which indicates in the Company's sole determination, may be required as routine maintenance. 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 wastewater system is liable to pay the full cost of cleanup and the repair of any damage caused.

T

The Company shall in no event be responsible: for maintaining any Stub-out Line owned by the customer; for the damages created by sewage escaping therefrom; or for defects in the Customer's building lines or fixtures. The Customer shall at all times comply with all regulations of the TRA and the Company.

#### Inspection:

All pipes, valves, and fixtures, shall at all reasonable hours, be subject to inspection by the Company or its duly authorized agents.

#### 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 or stoppage beyond the reasonable control of the Company. In the case of an emergency, please call 865-674-0828 or other provided service number.

#### Service Area:

The Company will provide Service within its current service area. The TRA must approve additions to the service area.

**Wastewater Utility Service**

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**RULES AND REGULATIONS (CONTINUED)**

**Extension Plan:**

The Company may furnish sewer service to property owners whose lands abut the Main Line of existing Company sewer systems. The sewer service charges listed in the sewer billing structure do not include costs for constructing the sewer system. Any sewer system facility/components required to service such abutting properties shall be constructed at the cost of those parties desiring same, and these facility/components shall become the property of the Company to be credited to the account for Contributions In Aid of Construction. In addition, treatment system component costs will be paid by the Customer desiring to connect to 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 facility/components furnished by the developers and landowners to the Company will be recognized as contributions in aid of construction in the amount of actual construction. Capital contributions from the developers will be treated in a like manner.

**Contracts for Services:**

Each Customer, before installation of service, shall be required to execute a Sewer Subscription Agreement with the Company.

**Customer Billing:**

Customer billing may be different from area to area. If the area is serviced by a utility water service, the water provider will be requested to provide billing services. For flat fee areas, a coupon book may be provided on an annual basis with monthly statements. Water bill comparisons or metering may be employed if higher water use than typical is suspected. Typically, monthly statements will be sent to Customers.

In cases where pass-through treatment costs and commercial customers are involved, a monthly bill will be sent to the customer and be based on the gallons of water used. Where water use is from a utility, the Company may request water use data from the water provider.

**Wastewater Utility Service**

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**RULES AND REGULATIONS (CONTINUED)**

C

**Public Contact:**

Jeffrey W. Cox, Sr.  
P.O. Box 642  
White Pine, Tennessee 37890  
Phone: 865-674-0828

**Tennessee Regulatory Authority Regulations:**

The Company, in its operation, shall conform to all applicable rules and regulations promulgated by the TRA. The TRA may be contacted by telephone at: 1-800-342-8359.



Wastewater Utility Service

RESIDENTIAL SEWER SERVICE TERRITORIES

<u>Service Territory</u>	<u>County</u>	<u>TRA Docket No.</u>	<u>Rate Class</u>	
Emory Pointe	Roane	04-00101	Rate Class 1	
Wild Pear Shores	Jefferson	04-00153	Rate Class 1	
Compass Pointe	Blount	04-00266	Rate Class 1	
Wild Briar Ridge★	Sevier	05-00056	Rate Class 1	
Sterling Springs★	Sevier	05-00055	Rate Class 1	
Mountain Shangrila★	Sevier	06-00156	Rate Class 1	
Flat Hollow★	Campbell	07-00009	Rate Class 1	
Ashley Meadows	Blount	07-00008	Rate Class 1	T
Riverstone Estates★	Decatur	09-00099	Rate Class 1	T
★Combined residential and commercial territories.				T

**Wastewater Utility Service**

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**RESIDENTIAL RATES SHEET EXPLANATION**

Rate per month..... \$58.11 T/I

Effective October 22, 2007, \$10.13 of the residential rate will be placed in the Company's escrow account.

T  
T  
T

Wastewater Utility Service

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RESIDENTIAL RATES SHEET EXPLANATION

Rate per month: .....\$58.11

**Fees:** Non-payment – 5% of total bill

Disconnection - \$10.00

Reconnection - \$15.00

Returned Check (NSF) - \$20.00

Access Fees - \$160.00 per year billed in two equal installments (*See Rules and Regulations for explanation*).

Financial Security Surcharge - \$2.87/ month or \$34.44 total for 2014/2015 until true up.

C

**Wastewater Utility Service**

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**COMMERCIAL SEWER SERVICE TERRITORIES**

<u>Service Territory</u>	<u>County</u>	<u>TRA Docket No.</u>	
Cove Mountain Realty	Sevier	03-00467	
Valley Mart Exxon	Sevier	03-00467	
Lot 23—The River Club	Knox	04-00152	
Wild Briar Ridge★	Sevier	05-00056	
Sterling Springs★	Sevier	05-00055	
Lost Creek Campground	Union	07-00010	
Mountain Shangrila★	Sevier	06-00156	
Flat Hollow★	Campbell	07-00009	
			T
Riverstone Estates★	Decatur	09-00099	
Cove Creek	Sevier	10-00122	T
★These Service Territories contain a mix of both commercial and residential properties.			T

**Wastewater Utility Service**

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**T**

**Wastewater Utility Service**

**COMMERCIAL RATE (WITH OUT FOOD SERVICE)**

This rate is designed for systems that treat wastewater with typical domestic waste quality characteristics. Any facility that is operated as a business or rental property will be considered commercial. Examples are applications such as an office building, insurance office, transient rental properties, motels without food services, or auto sales office.

**T**

**Overnight/Transient Rental Properties:**

The sewer bill will be charged on a monthly basis. The customer will be billed on the Bedroom Counts listed below in the Overnight Rental column and not by water use. These units have bedroom counts but typically sleep and/or are occupied by more persons than a typical residential bedroom count. Effluent production from these units has a higher degree of foreign material, grease, and items not permitted in the Biological Systems Manual. There is considerably higher maintenance on the Septic Tank Effluent Pumping System with filter cleaning, pumping, pump replacement, emergency calls, etc.

**T**

The customer will provide a system that will treat the expected design flow and typical domestic waste quality characteristics. These systems special conditions such as high treatment requirement or high peak flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

Billing rates are based on design flow as required. The monthly charges in the table below will apply based on the expected design flow.

**T**

Overnight Rental	Expected Design Flow	Service Charge	Escrow Charge	Total Charge
3 bedrooms or less	300 gallons or less	\$93.00	\$21.64	\$114.64
4 bedrooms	301 to 400 gallons	\$119.00	\$25.97	\$144.97
5 bedrooms	401 to 500 gallons	\$144.00	\$30.29	\$174.29
6 bedrooms	501 to 600 gallons	\$169.00	\$34.62	\$203.62
7 bedrooms	601 to 700 gallons	\$199.00	\$38.95	\$237.95
8 bedrooms	701 to 800 gallons	\$229.00	\$43.28	\$272.28
9 bedrooms	801 to 900 gallons	\$259.00	\$47.60	\$306.60
10 bedrooms	901 to 1,000 gallons	\$289.00	\$51.93	\$340.93
11 bedrooms	1,001 to 1,100 gallons	\$320.50	\$55.97	\$376.47
12 bedrooms	1,101 to 1,200 gallons	\$352.00	\$60.00	\$412.00
13 bedrooms	1,201 to 1,300 gallons	\$383.50	\$64.05	\$447.55
14 bedrooms	1,301 to 1,400 gallons	\$415.00	\$68.09	\$483.09
15 bedrooms	1,401 to 1,500 gallons	\$446.25	\$72.13	\$518.38
16 bedrooms	1,501 to 1,600 gallons	\$477.50	\$76.14	\$553.64

**C/I**

**Wastewater Utility Service**

**COMMERCIAL RATE (WITH OUT FOOD SERVICE)—Continued**

17 bedrooms	1,601 to 1,700 gallons	\$508.75	\$80.20	\$588.95	<b>M</b>
18 bedrooms	1,701 to 1,800 gallons	\$540.00	\$84.24	\$624.24	
19 bedrooms	1,801 to 1,900 gallons	\$571.25	\$88.28	\$659.53	
20 bedrooms	1,901 to 2,000 gallons	\$602.50	\$92.32	\$694.82	

For design daily flows over 2,000 gallons, the monthly charge on all system configurations will be the 1,901 to 2,000 gallon rates plus an additional monthly charge of \$255.00 per 1,000 gallons or prorated portion thereof. **C/I**

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply: **M**

<b>Excess Water Usage Surcharge</b>			<b>M</b>
1 gallon to 1,000 gallons above expected design flow		\$175.00	
1,001 gallons to 2,000 gallons above expected design flow		\$200.00	
Over 2,000 gallons above expected design flow		\$200.00/1000 gals	

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer. **M**

Fees: Nonpayment – 5% Disconnection - \$10.00 Reconnection - \$15.00 Returned Check - \$20.00 – Financial Security Surcharge \$2.87 per Month. **M**

**Wastewater Utility Service**

**COMMERCIAL RATE (CAMPGROUNDS)**

This rate is designed for systems serving commercial campgrounds with expected daily design flows of 5,000 gallons per day.

Rate per month.....\$824.64 | **C/I**

Effective October 22, 2007, \$199.64 of the commercial campground rate will be placed in the Company's escrow account.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply: | **C**

Excess Water Usage Surcharge	
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gals

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer. | **C**

Fees: Nonpayment – 5% Disconnection - \$10.00 Reconnection - \$15.00 Returned Check - \$20.00 – Financial Security Surcharge \$2.87 per Month. | **C**



**Wastewater Utility Service**

**COMMERCIAL RATE (WITH FOOD SERVICE)**

This rate is designed for systems that treat wastewater with high strength waste or require special maintenance schedules. Examples are applications such as restaurants, snack bars, cafeterias, food processing or catering, other commercial application that does not produce typical domestic waste quality characteristics.

**T**

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

**T**

Billing rates are based on design flow as required. The monthly charges in the table below shall apply based on the expected design flow.

**T**

Expected Design Flow	Service Charge	Escrow Charge	Total Charge
300 gallons or less	\$ 112.92	\$ 28.85	\$ 141.77
301 to 400 gallons	\$ 144.49	\$ 34.04	\$ 178.53
401 to 500 gallons	\$ 174.84	\$ 39.24	\$ 214.08
501 to 600 gallons	\$ 205.20	\$ 44.43	\$ 249.63
601 to 700 gallons	\$ 241.63	\$ 49.62	\$ 291.25
701 to 800 gallons	\$ 278.05	\$ 54.82	\$ 332.87
801 to 900 gallons	\$ 314.48	\$ 60.01	\$ 374.49
901 to 1000 gallons	\$ 350.90	\$ 65.20	\$ 416.10
1001 to 1100 gallons	\$ 389.15	\$ 70.11	\$ 459.26
1101 to 1200 gallons	\$ 427.40	\$ 75.01	\$ 502.41
1201 to 1300 gallons	\$ 465.65	\$ 79.91	\$ 545.56
1301 to 1400 gallons	\$ 503.89	\$ 84.82	\$ 588.71
1401 to 1500 gallons	\$ 541.84	\$ 89.72	\$ 631.56
1501 to 1600 gallons	\$ 579.78	\$ 94.63	\$ 674.41
1601 to 1700 gallons	\$ 617.72	\$ 99.53	\$ 717.26
1701 to 1800 gallons	\$ 655.67	\$ 104.44	\$ 760.11
1801 to 1900 gallons	\$ 693.61	\$ 109.34	\$ 802.95
1901 to 2000 gallons	\$ 731.56	\$ 114.25	\$ 845.80

**T/I**

**Wastewater Utility Service**

**COMMERCIAL RATE (WITH FOOD SERVICE)—Continued**

For design daily flows over 2,000 gallons, the monthly charge on all system configurations will be the 1,901 to 2,000 gallon rates plus and additional \$310.00 per 1,000 gallons or prorated portion thereof.

**T/I**

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

**M**

**Excess Water Usage Surcharge**

1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gals

**M**

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

**M**

Fees: Nonpayment – 5% Disconnection - \$10.00 Reconnection - \$15.00 Returned Check - \$20.00 – Financial Security Surcharge \$2.87 per Month.

**M**

**Wastewater Utility Service**

**COMMERCIAL RATE (COMBINED SERVICES or HIGH STRENGTH WASTE)**

This rate is designed for systems that treat wastewater with high strength waste or require special maintenance schedules.

Combined Services: This rate service is for facilities that may have more than one wastewater flow that is made up of different types of effluent discharge quality. Each independent use that contributes to the wastewater production will be characterized. Rates will be evaluated based on equipment needed for treatment and the level of management required for treatment. Examples are a facility with offices, food service, locker/shower rooms, swimming pools, buildings with laundry facilities, distilleries, breweries, medical or dental offices, car washes, recreational vehicle campgrounds, truck and/or auto plazas or any other commercial application that does not produce typical domestic waste quality characteristics.

High Strength Waste: This rate service is for facilities that produce wastes that require treatment of unique effluents. High Strength Waste can be described as effluents that have high Chemical Oxygen Demand (COD), High Biochemical Oxygen Demand (BOD), High Nitrogen components such as Ammonia, Nitrates, high Total Suspended Solids (TSS), heavy metals, or other factors that affect treatment plant configurations. Rates will be evaluated based on equipment needed for treatment and the level of management required for treatment. Examples are distilleries, breweries, medical or dental offices, car washes, truck and/or auto plazas, industrial or industrial pretreatment applications, or any other commercial application that does not produce typical domestic waste quality characteristics.

The sewer bill will be charged on a monthly basis. The customer will provide a system that has an expected design flow and quality characteristics. Special conditions such as high treatment requirement or high flows may make other systems than addressed in this initial petition necessary. IRM Utility, Inc. will need to petition for rates on a case by case basis for such systems.

The monthly charges in the following rate schedule shall apply:

<u>Combined Services or High Strength Customer</u>	<u>Service Charge</u>	<u>Escrow Charge</u>	<u>Total Charge</u>
Sterling Springs HOA (700 GPD)	\$151.51	\$50.49	\$205.00
Jakes Creek Distillery (1,000 GPD)	\$190.80	\$65.20	\$256.00
Valley Mart Exxon (2,000 GPD)	\$311.75	\$114.25	\$426.00

**Wastewater Utility Service**

**COMMERCIAL RATE (COMBINED SERVICES or HIGH STRENGTH WASTE)-- T  
Continued**

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

**C**

**Excess Water Usage Surcharge**

1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gals

**C**

If the water meter readings exceed the design flow or analysis indicates that effluent characteristics are not as indicated by the customer's design engineer, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system or upgrading the treatment for the greater loading will be paid by the customer.

**C**

Fees: Nonpayment – 5% Disconnection - \$10.00 Reconnection - \$15.00 Returned Check - \$20.00 – Financial Security Surcharge \$2.87 per Month.

**C**

**Wastewater Utility Service**

---

**T**

**Attachment No. 1**

## SEWER SUBSCRIPTION AGREEMENT

Printed Name \_\_\_\_\_

Address of Property \_\_\_\_\_

Mailing Address \_\_\_\_\_

Telephone Number \_\_\_\_\_

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

1. I understand that facilities/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 IRM. I warrant that any connection to and/or subsequent use to this system by the facilities/components on my property shall be in accordance with the Rules and Regulations and Plans of IRM including all required standardized equipment requirement. Regarding my usage of the system facilities/components on my property, which are owned or occupied by me, I covenant to follow the guidelines set forth in the Biological System Users Manual (List of Required Practices). Should I violate these Rules and/or abuse or damage my facilities/components, I understand that I must bear the expense to repair or replace the same in accordance with the Plans of IRM.
2. I acknowledge IRM, 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 facilities/components of the sewer system on my property, including but not limited to the septic tank, the STEG (Septic Tank Effluent Gravity) or STEP (Septic Tank Effluent Pumping) system. I further grant IRM 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 out fall line to the septic tank, I agree that I am responsible for all operation and repair thereof.
4. I hereby authorize IRM to purchase and install a cutoff valve on my side of my water meter and grant IRM exclusive right to use such valve in accordance with its Rules and Regulations. However, the use of this valve does not in any way relieve me of my obligation to pay for water service to the service provider.
5. I understand and agree to pay a security deposit of \$60.00, to promptly pay for service at the then current schedule of rates and fees and agree to abide by and be subject to IRM's billing and cutoff procedures. Should I not pay in accordance with IRM's Rules, I agree to pay all costs of collection, including attorney fees.
6. I accept the current Rules and Regulations and the Rates and Fees Schedule and agree to abide by any amendments to such Schedules.
7. For existing STEP/STEG Systems applying for connection, the system will need to be upgraded to Tennessee Department of Environment & Conservation standards for such systems at the customer's expense.
8. 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 IRM at least thirty (30) days in advance of my vacating the property.

☐ Residential ☐ Rental(Commercial) \_\_\_\_\_

Number of Bedrooms (1, 2, 3, or 4) \_\_\_\_\_

Gallons Per Day \_\_\_\_\_ OFFICE USE ONLY

Subscribers Signature \_\_\_\_\_

Date \_\_\_\_\_

**Attachment No. 2**





**TRA Tariff No. 1**  
**Attachment No. 2**

P.O. Box 642  
3444 Saint Andrews Drive  
White Pine, Tennessee 37890  
Phone (Vol) 674-0828  
Facsimile (Vol) 674-2352  
Toll Free (877) 746-2910

## **List of Required Practices**

### **BIOLOGICAL SYSTEM USERS MANUAL**

The ability of your natural and biological systems performance is affected by the materials introduced into the system. The following is a summary of some of the items that are bad management and good management practices. A knowledgeable user can prevent premature failures and eliminate costly repairs.

#### **Items that cause problems and failure of this system are:**

- Garbage disposal use
- Excessive sludge or scum accumulation in septic tank
- Improper fabric softeners and whiteners
- Grease and oils from cooking and washing
- Hair
- Disposable and non-disposable diapers, rags, cigarette butts, coffee grounds, feminine hygiene products, plastic and rubber products, condoms, and chemical cleaners
- Any non-biologically degradable substances
- Water usage over design limits

A properly maintained septic tank provides a high degree of treatment and yields an effluent that is relatively free of grease and solids that can clog the effluent. The best practice is not to discharge anything into a septic system that is poisonous or that may inhibit the abilities of the biologically functioning septic tank. A good rule of thumb should be to not discharge anything into the system that can not be ingested. This would not include toilet paper and mild detergents.

The following management practices and recommendations should be followed:

### **GOOD MANAGEMENT PRACTICES**

- Communicate with the operator or the operator's assistant (Operator) if anything about your system is out of the ordinary. Upon the first indication of a visual or audible alarm, call the Operator.
- Contact IRM Utilities, Inc. prior to the installation of any new landscaping or the construction of permanent structures. It will be critical to coordinate any work to ensure that the integrity of the biological system and lines are protected.
- Maintain toilet bowl hardware so as to prevent leaky conditions and excess water use and waste.
- Collect grease in a container rather than pouring down the drain.

### **POOR MANAGEMENT PRACTICES**

- Don't connect rain gutters or storm drains or allow other surface water to get into your septic system.
- Don't use excessive quantities of water. Use water saving devices such as low flow shower heads and low volume flush toilets.
- Don't allow toilets to become a problem. Repair leaky toilets, faucets, or plumbing fixtures (leaky toilets can result in flows of 1,000 gallons or more per day),
- Don't dump recreational vehicle (RV) waste into your septic tank.
- Don't flush undesirable substances into the sewer. **Flushing flammable and toxic products is a dangerous practice.** Other materials such as paper towels, rags, newspapers, cigarettes, coffee grounds, egg shells, sanitary napkins, condoms, large amounts of hair, and cooking grease are a maintenance nuisance and will result in frequent pumping of septage from the tank.
- Don't use garbage disposal systems to dispose of non-biodegradable materials because they increase the amount of solids entering the septic tank and will increase the frequency required for septage pumping. **Do not pour grease down the drain.**
- **Don't drain water softener backwash into the tank.** The backwash brine contains high levels of chlorides that can destroy the balance of the biological system, affect soil performance, and break down components of the system. The brine solution also interferes with the solid's sedimentation that occurs in the tank.
- Don't use special additives in your tank. **Additives do not improve the performance of the septic tanks and can cause major damage to other areas in the collection and treatment system.**
- Don't flush cat litter box medium down the toilets.

## **EXHIBIT 22**

## **EXHIBIT 23**

## INCOME STATEMENT

	Year 1	Year 2	Year 3
<b>OPERATING REVENUE</b>			
Metered service revenue	\$ -	\$ -	\$ -
Flat rate service revenue	\$ 23,143	\$ 23,143	\$ 23,143
EPA testing surcharge	\$ -	\$ -	\$ -
Re-connect fees	\$ 487	\$ 487	\$ 487
Returned check charge	\$ 244	\$ 244	\$ 244
Late payment charge	\$ 487	\$ 487	\$ 487
Other operating revenue	\$ -	\$ -	\$ -
<b>Total Operating Revenue</b>	<b>\$ 24,361</b>	<b>\$ 24,361</b>	<b>\$ 24,361</b>
<b>OPERATING EXPENSES</b>			
Total salaries and wages (employees only)	\$ -	\$ -	\$ -
Outside labor expenses (non-employees)	\$ 161,951	\$ 161,951	\$ 161,951
Administrative and office expense	\$ 2,172	\$ 2,172	\$ 2,172
Maintenance and repair expense	\$ 11,568	\$ 11,568	\$ 11,568
Purchased water	\$ -	\$ -	\$ -
Purchased sewage treatment	\$ -	\$ -	\$ -
Electric power expense (exclude office)	\$ 34,704	\$ 34,704	\$ 34,704
Chemicals expense	\$ 23,136	\$ 23,136	\$ 23,136
Testing fees	\$ -	\$ -	\$ -
Transportation expense	\$ -	\$ -	\$ -
Other operating expense	\$ 893	\$ 893	\$ 893
<b>Total Operating Expenses</b>	<b>\$ 234,425</b>	<b>\$ 234,425</b>	<b>\$ 234,425</b>
Annual Depreciation Expense	\$ 3,494	\$ 11,410	\$ 11,410
Interest Expense	\$ 2,995	\$ 9,780	\$ 9,780
<b>Total Expenses</b>	<b>\$ 240,914</b>	<b>\$ 255,615</b>	<b>\$ 255,615</b>
<b>INCOME TAXES</b>			
Total Income Taxes	\$ -	\$ -	\$ -
<b>Net income (Loss)</b>	<b>\$ (216,553)</b>	<b>\$ (231,254)</b>	<b>\$ (231,254)</b>

# BALANCE SHEET

	Year 1	Year 2	Year 3
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Accounts Recievable	\$ 3,003	\$ 3,003	\$ 3,003
Total Current Assets	\$ 3,003	\$ 3,003	\$ 3,003
Property, Plant, and Equipment	\$ 99,833	\$ 326,000	\$ 326,000
Preliminary Survey	\$ 68,500	\$ -	\$ -
Total Long-Term Assets	\$ 168,333	\$ 326,000	\$ 326,000
<b>Total Assets</b>	<b>\$ 171,337</b>	<b>\$ 329,003</b>	<b>\$ 329,003</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 19,268	\$ 19,268	\$ 19,268
Accrued Interest	\$ 2,995	\$ 12,775	\$ 22,555
Total Current Liabilities	\$ 22,263	\$ 32,043	\$ 41,823
Notes Payable	\$ 49,917	\$ 163,000	\$ 163,000
Working Capital Transfer from Parent	\$ 197,293	\$ 418,767	\$ 640,241
Total Long-Term Liabilities	\$ 247,210	\$ 581,767	\$ 803,241
<b>Total Liabilities</b>	<b>\$ 269,473</b>	<b>\$ 613,810</b>	<b>\$ 845,063</b>
<b>EQUITY</b>			
Equity Capital Contributed	\$ 118,417	\$ 163,000	\$ 163,000
Retained Earnings	\$ (216,553)	\$ (447,806)	\$ (679,060)
Total Equity	\$ (98,136)	\$ (284,806)	\$ (516,060)
<b>Total Liabilities and Equity</b>	<b>\$ 171,337</b>	<b>\$ 329,003</b>	<b>\$ 329,003</b>

## **EXHIBIT 24**



COST ESTIMATE

**RIVERSTONE ESTATES WWTP FACILITY REPORT**

Central States Water Resources

Bath Springs, TN

Date: March 6, 2023

Project No.: CNAS220039

Prepared by: LD/CP

ITEM	DESCRIPTION	Unit	Unit Price	QTY	COST
<b>WASTEWATER TREATMENT FACILITY</b>					
<b>1.00 INITIAL IMPROVEMENTS</b>					
1.01	Install High Tide Remote Monitoring at WWTP	LS	\$ 15,000.00	1	\$15,000
1.02	Install High Tide Remote Monitoring at Lift Stations	EA	\$ 15,000.00	2	\$30,000
1.03	Install V-Notch Weir Structure	LS	\$ 25,000.00	1	\$25,000
1.04	Install Ultrasonic Meter in Flow Measurement Structure	LS	\$ 10,000.00	1	\$10,000
1.05	Clean Out UV/Filter Building + Replace Lighting	LS	\$ 10,000.00	1	\$10,000
1.06	Repair Broken Lagoon Drop-Pipe	LS	\$ 10,000.00	1	\$10,000
1.07	Clear Vegetation around the Whole Site	LS	\$ 15,000.00	1	\$15,000
1.08	Clear Trash, Miscellaneous Items around Whole Site	LS	\$ 10,000.00	1	\$10,000
1.09	Install Fencing Round Lift Stations	EA	\$ 15,000.00	2	\$30,000
1.10	Bring Intermediate Pumping Structure back Online	LS	\$ 20,000.00	1	\$20,000
1.11	Purchase Back Up UV Bulbs	LS	\$ 25,000.00	1	\$25,000
<b>2.00 SECONDARY IMPROVEMENTS</b>					
2.01	Install Automated Solenoid Valves and Control Panel at each Drip Field Location	EA	\$ 5,000.00	3	\$15,000
<b>COST ESTIMATE TOTAL</b>					<b>\$215,000</b>
<b>COST ESTIMATE CLASSIFICATION</b>					
Estimate Class: 5      Degree of Project Definition: 0% to 2%      Purpose: Concept      Expected Accuracy: Low: -20% to -50%   High: +30% to +100%					

Notes:

1. Cost does not include contractor general requirements or contingency (to be accounted for by CSWR).



## **EXHIBIT 25**

**IRM - Riverstone Estates**

Purchase/Acquisition Assets

Purchase Price	\$	21,000.00
Date of Annual Report Used		12/31/2021
In-Service Date		6/30/2023
estimated closing cost	\$	6,000.00

 System: **IRM-Riverstone Estates**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2021</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Land & Land Rights	353.000	6,877.15	0.0%	0.00	-	0.00	6,877.15
Services to Customers	363.000	3,461.54	2.0%	1,999.23	103.56	2,102.79	1,358.75
Flow Measuring Devices	364.000	282.00	10.0%	282.00		282.00	0.00
Treatment & Disposal Equipment	380.000	68,461.54	5.0%	34,501.85	5,120.55	39,622.39	28,839.14
Other Plant & Misc Equipment	389.000	763.69	10.0%	763.69		763.69	0.00
<b>Total</b>		<b>79,845.92</b>		<b>37,546.77</b>	<b>5,224.11</b>	<b>42,770.88</b>	<b>37,075.04</b>
 <b>CIAC-Sewer</b>	 271.000	 78,538.46	 3.33%	 37,546.77	 3,912.25	 41,459.02	 37,079.44

**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		27,000.00	Total closing consideration
Land & Land Rights	353.000	6,000.00		Transaction costs at closing (estimated)
Land & Land Rights	353.000	6,877.15		Forward from 2021 Annual Report
Services to Customers	363.000	3,461.54		Forward from 2021 Annual Report
Flow Measuring Devices	364.000	282.00		Forward from 2021 Annual Report
Treatment & Disposal Equipment	380.000	68,461.54		Forward from 2021 Annual Report
Other Plant & Misc Equipment	389.000	763.69		Forward from 2021 Annual Report
Accum Depr	108.000		42,770.88	Forward from 2021 Annual Report
CIAC-Sewer	271.000		78,538.46	Forward from 2021 Annual Report
Acc Amort-CIAC-Sewer	271.000	41,459.02		Forward from 2021 Annual Report
Acquisition Adjustment	114.000	21,004.40		Calculated-Acquisition Adjustment
		<b>148,309.34</b>	<b>148,309.34</b>	

Net Book Value	27,000.00
Legal Regulatory Cost	3,422.50
<b>Acquisition Date Rate Base</b>	<b>30,422.50</b>

*\*The financial information contained here in has historically been reporting by IRM on a consolidated basis for all 13 systems. As reflected in the application, Limestone is purchasing only 1 of those 13 systems. For lack of specific information regarding the amounts specific to the Riverstone Estates system, Limestone simply divided the consolidated amounts by 13.*

## **EXHIBIT 26**

### Rate Design Methodology

Although no determination of the methodology used to set revenue requirement is being sought in this docket, Limestone intends to propose using a Rate Base rate of return methodology to recover costs of post-acquisition capital improvements and regulatory, transaction, and closing costs. As described in the testimony of Josiah Cox, Limestone may petition the Commission to increase rates or change certain operating regulations if it is determined that the revenue requirement for the system at hand increases in the future. Also described in the testimony of Josiah Cox, Limestone may also seek authority to consolidate rates of the systems it proposes to acquire in this case with those of other wastewater systems it operates in Tennessee.

## **EXHIBIT 27**

**IRM - Riverstone Estates**

Purchase/Acquisition Assets

Purchase Price	\$	21,000.00
Date of Annual Report Used		12/31/2021
In-Service Date		6/30/2023
estimated closing cost	\$	6,000.00

 System: **IRM-Riverstone Estates**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2021</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Land & Land Rights	353.000	6,877.15	0.0%	0.00	-	0.00	6,877.15
Services to Customers	363.000	3,461.54	2.0%	1,999.23	103.56	2,102.79	1,358.75
Flow Measuring Devices	364.000	282.00	10.0%	282.00		282.00	0.00
Treatment & Disposal Equipment	380.000	68,461.54	5.0%	34,501.85	5,120.55	39,622.39	28,839.14
Other Plant & Misc Equipment	389.000	763.69	10.0%	763.69		763.69	0.00
<b>Total</b>		<b>79,845.92</b>		<b>37,546.77</b>	<b>5,224.11</b>	<b>42,770.88</b>	<b>37,075.04</b>
 <b>CIAC-Sewer</b>	 271.000	 78,538.46	 3.33%	 37,546.77	 3,912.25	 41,459.02	 37,079.44

**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		27,000.00	Total closing consideration
Land & Land Rights	353.000	6,000.00		Transaction costs at closing (estimated)
Land & Land Rights	353.000	6,877.15		Forward from 2021 Annual Report
Services to Customers	363.000	3,461.54		Forward from 2021 Annual Report
Flow Measuring Devices	364.000	282.00		Forward from 2021 Annual Report
Treatment & Disposal Equipment	380.000	68,461.54		Forward from 2021 Annual Report
Other Plant & Misc Equipment	389.000	763.69		Forward from 2021 Annual Report
Accum Depr	108.000		42,770.88	Forward from 2021 Annual Report
CIAC-Sewer	271.000		78,538.46	Forward from 2021 Annual Report
Acc Amort-CIAC-Sewer	271.000	41,459.02		Forward from 2021 Annual Report
Acquisition Adjustment	114.000	21,004.40		Calculated-Acquisition Adjustment
		<b>148,309.34</b>	<b>148,309.34</b>	

Net Book Value	27,000.00
Legal Regulatory Cost	3,422.50
<b>Acquisition Date Rate Base</b>	<b>30,422.50</b>

*\*The financial information contained here in has historically been reporting by IRM on a consolidated basis for all 13 systems. As reflected in the application, Limestone is purchasing only 1 of those 13 systems. For lack of specific information regarding the amounts specific to the Riverstone Estates system, Limestone simply divided the consolidated amounts by 13.*

## **EXHIBIT 28**

**IRM - Riverstone Estates**

Purchase/Acquisition Assets

Purchase Price	\$	21,000.00
Date of Annual Report Used		12/31/2021
In-Service Date		6/30/2023
estimated closing cost	\$	6,000.00

 System: **IRM-Riverstone Estates**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2021</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Land & Land Rights	353.000	6,877.15	0.0%	0.00	-	0.00	6,877.15
Services to Customers	363.000	3,461.54	2.0%	1,999.23	103.56	2,102.79	1,358.75
Flow Measuring Devices	364.000	282.00	10.0%	282.00		282.00	0.00
Treatment & Disposal Equipment	380.000	68,461.54	5.0%	34,501.85	5,120.55	39,622.39	28,839.14
Other Plant & Misc Equipment	389.000	763.69	10.0%	763.69		763.69	0.00
<b>Total</b>		<b>79,845.92</b>		<b>37,546.77</b>	<b>5,224.11</b>	<b>42,770.88</b>	<b>37,075.04</b>
 <b>CIAC-Sewer</b>	 271.000	 78,538.46	 3.33%	 37,546.77	 3,912.25	 41,459.02	 37,079.44

**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		27,000.00	Total closing consideration
Land & Land Rights	353.000	6,000.00		Transaction costs at closing (estimated)
Land & Land Rights	353.000	6,877.15		Forward from 2021 Annual Report
Services to Customers	363.000	3,461.54		Forward from 2021 Annual Report
Flow Measuring Devices	364.000	282.00		Forward from 2021 Annual Report
Treatment & Disposal Equipment	380.000	68,461.54		Forward from 2021 Annual Report
Other Plant & Misc Equipment	389.000	763.69		Forward from 2021 Annual Report
Accum Depr	108.000		42,770.88	Forward from 2021 Annual Report
CIAC-Sewer	271.000		78,538.46	Forward from 2021 Annual Report
Acc Amort-CIAC-Sewer	271.000	41,459.02		Forward from 2021 Annual Report
Acquisition Adjustment	114.000	21,004.40		Calculated-Acquisition Adjustment
		<b>148,309.34</b>	<b>148,309.34</b>	

Net Book Value	27,000.00
Legal Regulatory Cost	3,422.50
<b>Acquisition Date Rate Base</b>	<b>30,422.50</b>

*\*The financial information contained here in has historically been reporting by IRM on a consolidated basis for all 13 systems. As reflected in the application, Limestone is purchasing only 1 of those 13 systems. For lack of specific information regarding the amounts specific to the Riverstone Estates system, Limestone simply divided the consolidated amounts by 13.*



## **EXHIBIT 29**

\*CIAC has historically been reporting by IRM on a consolidated basis for all 13 systems. As reflected in the application, Limestone is purchasing only 1 of those 13 systems. For lack of specific information regarding the amount of CIAC specific to the Riverstone Estates system, Limestone simply divided the consolidated CIAC amount by 13.

F-8

Name of Respondent	This Report is:	Date of Report	Year of Report
IRM Utility	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 7/26/2022	12/31/2021
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION (271)</b>			
<b>Description (a)</b>	<b>Water (b)</b>	<b>Sewer (c)</b>	<b>Total (d)</b>
<b>Balance First of Year</b>	-	1,021,000	1,021,000
Add Credits During Year	-	-	-
Less Charges During Year	-	-	-
<b>Balance End of Year</b>	0	1,021,000	1,021,000
Less Accumulated Amortization	-	488,108	488,108
<b>Net Contributions in Aid of Construction</b>	0	532,892	532,892
<b>ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)</b>			
<b>Report below all developers or contractors agreements from which cash or property was received during the year</b>	<b>Indicate "Cash" or "Property"</b>	<b>Water</b>	<b>Sewer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
Contractor or Developer #1		-	-
Contractor or Developer #2		-	-
Contractor or Developer #3		-	-
Contractor or Developer #4		-	-
Contractor or Developer #5		-	-
Contractor or Developer #6		-	-
Contractor or Developer #7		-	-
Contractor or Developer #8		-	-
Contractor or Developer #9		-	-
Contractor or Developer #10		-	-
Contractor or Developer #11		-	-
Contractor or Developer #12		-	-
Contractor or Developer #13		-	-
Contractor or Developer #14		-	-
Contractor or Developer #15		-	-
Contractor or Developer #16		-	-
Contractor or Developer #17		-	-
Contractor or Developer #18		-	-
Contractor or Developer #19		-	-
Contractor or Developer #20		-	-
Contractor or Developer #21		-	-
Contractor or Developer #22		-	-
Contractor or Developer #23		-	-
Contractor or Developer #24		-	-
Contractor or Developer #25		-	-
Contractor or Developer #26		-	-
Contractor or Developer #27		-	-
Contractor or Developer #28		-	-
Contractor or Developer #29		-	-
Contractor or Developer #30		-	-
<b>Total Credits During Year</b>		0	0

## **EXHIBIT 30**

**IRM - Riverstone Estates**

Purchase/Acquisition Assets

Purchase Price	\$	21,000.00
Date of Annual Report Used		12/31/2021
In-Service Date		6/30/2023
estimated closing cost	\$	6,000.00

 System: **IRM-Riverstone Estates**

<u>Acct Name</u>	<u>Acct #</u>	<u>Plant Balance</u>	<u>Dep %</u>	<u>AccDep-12/31/2021</u>	<u>Dep Exp</u>	<u>AccDep-06/30/2023</u>	<u>NBV-06/30/2023</u>
Land & Land Rights	353.000	6,877.15	0.0%	0.00	-	0.00	6,877.15
Services to Customers	363.000	3,461.54	2.0%	1,999.23	103.56	2,102.79	1,358.75
Flow Measuring Devices	364.000	282.00	10.0%	282.00		282.00	0.00
Treatment & Disposal Equipment	380.000	68,461.54	5.0%	34,501.85	5,120.55	39,622.39	28,839.14
Other Plant & Misc Equipment	389.000	763.69	10.0%	763.69		763.69	0.00
<b>Total</b>		<b>79,845.92</b>		<b>37,546.77</b>	<b>5,224.11</b>	<b>42,770.88</b>	<b>37,075.04</b>
 <b>CIAC-Sewer</b>	 271.000	 78,538.46	 3.33%	 37,546.77	 3,912.25	 41,459.02	 37,079.44

**Journal Entry to transfer In-Service assets post acquisition**

<u>Acct Name</u>	<u>Acct #</u>	<u>Debit</u>	<u>Credit</u>	<u>Note</u>
Utility Plant Purchased	106.000		27,000.00	Total closing consideration
Land & Land Rights	353.000	6,000.00		Transaction costs at closing (estimated)
Land & Land Rights	353.000	6,877.15		Forward from 2021 Annual Report
Services to Customers	363.000	3,461.54		Forward from 2021 Annual Report
Flow Measuring Devices	364.000	282.00		Forward from 2021 Annual Report
Treatment & Disposal Equipment	380.000	68,461.54		Forward from 2021 Annual Report
Other Plant & Misc Equipment	389.000	763.69		Forward from 2021 Annual Report
Accum Depr	108.000		42,770.88	Forward from 2021 Annual Report
CIAC-Sewer	271.000		78,538.46	Forward from 2021 Annual Report
Acc Amort-CIAC-Sewer	271.000	41,459.02		Forward from 2021 Annual Report
Acquisition Adjustment	114.000	21,004.40		Calculated-Acquisition Adjustment
		<b>148,309.34</b>	<b>148,309.34</b>	

Net Book Value	27,000.00
Legal Regulatory Cost	3,422.50
<b>Acquisition Date Rate Base</b>	<b>30,422.50</b>

*\*The financial information contained here in has historically been reporting by IRM on a consolidated basis for all 13 systems. As reflected in the application, Limestone is purchasing only 1 of those 13 systems. For lack of specific information regarding the amounts specific to the Riverstone Estates system, Limestone simply divided the consolidated amounts by 13.*

## **EXHIBIT 31**

	Aqua Utilities Service Area	Chapel Woods HOA Service Area	Cartwright Creek Grassland Service Area	Cartwright Creek Arrington Service Area	Cartwright Creek Hideaway Service Area	DSH & Associates, LLC Service Area	Riverstone Estates Service Area
Monthly Recurring Charge - Pre Acquisition							
Minimum Charge - Water	\$19.65	N/A	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	\$19.65	\$29	\$42.00	\$55.25	\$55.25	\$43.37	\$58.11
Usage Rate - Sewer	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A	N/A
Monthly Capital Recover Surcharge	N/A	N/A	\$7.50	\$7.50	\$7.50	N/A	N/A
Monthly Recurring Charge - Post Acquisition							
Minimum Charge - Water	\$19.65	N/A	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	\$19.65	\$29	\$42.00	\$55.25	\$55.25	\$43.37	\$58.11
Usage Rate - Sewer	\$3.05 per 1,000 gallons	N/A	N/A	N/A	N/A	N/A	N/A
Monthly Capital Recover Surcharge	N/A	N/A	\$7.50	\$7.50	\$7.50	N/A	N/A
Non-Recurring Charges - Pre Acquisition							
Service Connection Charge	\$1,425	N/A	N/A	N/A	N/A	N/A	\$60.00
Late Fee	N/A	N/A	5%	5%	5%	5%	5%
Reconnect Charge - Seasonal	\$120	N/A	\$15	\$15	\$15	\$40	\$15.00
Reconnect Charge - Nonpayment	\$15	N/A	\$15	\$15	\$15	\$40	\$15.00
Reconnect Charge - Before 8am & after 5PM, Saturdays/Sundays, or less than 24 hours in advance	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Returned Check Charge	\$20	N/A	\$25	\$25	\$25	\$25	\$20.00
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	\$40	\$10.00
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	\$6,000	N/A
Tap Fee	N/A	N/A	\$10,000	\$10,000	\$10,000	\$3,750/lot	N/A
Access Fee	N/A	N/A	N/A	N/A	N/A	\$120/yr	\$160/yr
Security Deposit	N/A	N/A	N/A	N/A	N/A	N/A	\$60.00
Non-Recurring Charges - Post Acquisition							
Service Connection Charge	\$1,425	N/A	N/A	N/A	N/A	N/A	\$60.00
Late Fee	N/A	N/A	5%	5%	5%	5%	5%
Reconnect Charge - Seasonal	\$120	N/A	\$15	\$15	\$15	\$40	\$15.00
Reconnect Charge - Nonpayment	\$15	N/A	\$15	\$15	\$15	\$40	\$15.00
Reconnect Charge - Before 8am & after 5PM, Saturdays/Sundays, or less than 24 hours in advance	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Returned Check Charge	\$20	N/A	\$25	\$25	\$25	\$25	\$20.00
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	\$40	\$10.00
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	\$6,000	N/A
Tap Fee	N/A	N/A	\$10,000	\$10,000	\$10,000	\$3,750/lot	N/A
Access Fee	N/A	N/A	N/A	N/A	N/A	\$120/yr	N/A
Security Deposit	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Monthly Recurring Charge - Pre Acquisition Commercial							
Minimum Charge - Water	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	N/A	N/A	\$37.00	\$37.00	\$37.00	\$68.37	Calculated on an Individual Cost
Usage Rate - Sewer	N/A	N/A	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$15 per 100 gallons	Based on Expected Design Flow
Usage Rate - Sewer (Tier 2)	N/A	N/A	N/A	N/A	N/A	\$156.79 per 1,000 gal over 1,000 gal	N/A
Monthly Recurring Charge - Post Acquisition Commercial							
Minimum Charge - Water	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Usage Rate - Water	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Charge - Sewer	N/A	N/A	\$37.00	\$37.00	\$37.00	\$68.37	Calculated on an Individual Cost
Usage Rate - Sewer	N/A	N/A	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$8.75 per 1,000 gal	\$15 per 100 gallons	Based on Expected Design Flow
Usage Rate - Sewer (Tier 2)	N/A	N/A	N/A	N/A	N/A	\$156.79 per 1,000 gal over 1,000 gal	N/A
Non-Recurring Charges - Pre Acquisition Commercial							
Service Connection Charge	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Late Fee	N/A	N/A	5%	5%	5%	N/A	5%
Reconnect Charge - Seasonal	N/A	N/A	\$15	\$15	\$15	N/A	\$15.00
Reconnect Charge - Nonpayment	N/A	N/A	\$15	\$15	\$15	N/A	\$15.00
Returned Check Charge	N/A	N/A	\$25	\$25	\$25	N/A	\$20.00
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	N/A	\$10.00
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A	N/A
Tap Fee	N/A	N/A	\$10,000	\$10,000	\$10,000	N/A	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	Calculated on an Individual Cost	N/A
Financial Security Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	\$2.87 per month
Non-Recurring Charges - Post Acquisition Commercial							
Service Connection Charge	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Late Fee	N/A	N/A	5%	5%	5%	N/A	5%
Reconnect Charge - Seasonal	N/A	N/A	\$15	\$15	\$15	N/A	\$15.00
Reconnect Charge - Nonpayment	N/A	N/A	\$15	\$15	\$15	N/A	\$15.00
Returned Check Charge	N/A	N/A	\$25	\$25	\$25	N/A	\$20.00
Disconnection Charge	N/A	N/A	\$10	\$10	\$10	N/A	\$10.00
Construction Inspection Fees	N/A	N/A	\$250	\$250	\$250	N/A	N/A
Construction Reinspection Fee	N/A	N/A	\$50	\$50	\$50	N/A	N/A
Tap Fee	N/A	N/A	\$10,000	\$10,000	\$10,000	N/A	N/A
STEP System Installation	N/A	N/A	N/A	N/A	N/A	Calculated on an Individual Cost	N/A
Financial Security Surcharge	N/A	N/A	N/A	N/A	N/A	N/A	\$2.87 per month

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION  
NASHVILLE, TENNESSEE**

**IN RE:** )  
)  
**JOINT APPLICATION OF LIMESTONE** )  
**WATER UTILITY OPERATING** )  
**COMPANY, LLC, AND INTEGRATED** )  
**RESOURCE MANAGEMENT, INC.** )  
**D/B/A IRM UTILITY, INC., FOR** )  
**APPROVAL OF THE ACQUISITION OF** )  
**AND TO OPERATE THE** )  
**WASTEWATER SYSTEM OF** )  
**INTEGRATED RESOURCE** )  
**MANAGEMENT, INC. D/B/A IRM** )  
**UTILITY, INC., AND TO TRANSFER OR** )  
**ISSUE A CERTIFICATE OF PUBLIC** )  
**CONVENIENCE AND NECESSITY** )

**DOCKET NO. 23-** \_\_\_\_\_

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**VERIFICATION**

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STATE OF MISSOURI     )

COUNTY OF ST. LOUIS     )

I, Josiah Cox, being first duly sworn, am authorized to represent and warrant, on behalf of Limestone Water Utility Operating Company, LLC, in the above-referenced docket. To the best of my knowledge, the statements in the Application filed in this Docket are true and correct. Limestone will comply with all applicable laws, regulations, and Commission rules. I declare under the penalty of perjury that the foregoing is true and correct.

\_\_\_\_\_  
Josiah Cox

Sworn and subscribed before me this 3<sup>RD</sup> day of APRIL <sup>Rm</sup>~~March~~, 2023.

Reece Gilmore  
Notary Public

My Commission Expires: OCT 16<sup>th</sup>, 2026



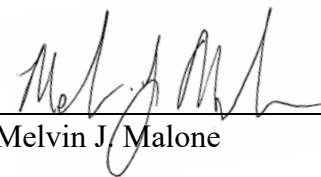
CERTIFICATE OF SERVICE

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](mailto:Vance.Broemel@ag.tn.gov)

Karen H. Stachowski, Esq.  
Senior Assistant Attorney General  
Office of the Tennessee Attorney General  
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P.O. Box 20207  
Nashville, TN 37202-0207  
[Karen.Stachowski@ag.tn.gov](mailto:Karen.Stachowski@ag.tn.gov)

This the 24<sup>th</sup> day of May 2023.



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Melvin J. Malone