

**Utility Management, LLC
P.P. Box 43823
Birmingham, Alabama 35243
Phone (205) 967-9968 Facsimile (205) 967-8158**

October 6, 2011

Mr. Walter Thomas, Secretary
Alabama Public Service Commission
100 North Union Street, Suite 850
Montgomery, AL 36104



**RE: Application to Modify Certificate of Financial Viability
of Utility Management, LLC (31187) to add:
Point William Wastewater System**

Dear Mr. Thomas;

Pursuant to APSC Interim WasteWater Rule WW-3(B) Utility Management, LLC (UMLLC - Docket 31187) is submitting this certification modification application requesting that Point William Wastewater System be added to the list of wastewater systems Utility Management, LLC is certified to own, operate and maintain.

Point William is a private subdivision Smith Lake, Winston County Alabama with 36 potential houses on the wastewater system. The Winston County Health Department has reviewed the design and has approves the soil, and the system for the development. Upon modification of the Utility Management , LLC Alabama Public Service Commission Certificate of Economical Viability, Winston County and the Alabama Department of Public Health are prepared to issue the necessary permit.

The Wastewater System is a STEP system with a septic tank and pump at each house which will pump to a common collection system connected to a five module AQUA AIRE AA 1500 for treatment of up to 7,500 gallons per day (GPD) of wastewater.

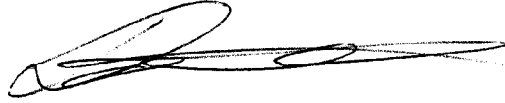
Attached is a copy of the Master Agreement between the developer, Point William Development Company, LLC and Utility Management, LLC, an analysis of the estimated revenue the system will generate, the estimated construction cost of the system less the individual lot septic tanks and pumps, a system layout, the executed easements and covenants for the system the Winston County Health Department approval and the permit application to the Alabama Department of Public Health.

The lots will have an Unoccupied Residential Lot rate and the lake houses will have the Residential rate for service in Utility Management, LLC's approved tariff.

All other items required by WasteWater Rule WW-3(B) of the APSC Interim WasteWater Rules have been previously provided to the commission.

Also included herewith is a check for the required fee of Three Hundred (\$300.00) dollars.

Sincerely;

A handwritten signature in black ink, appearing to read 'Donald N. Guthrie', with a long horizontal flourish extending to the right.

Donald N. Guthrie
Legal Counsel/Member
Utility Management, LLC

Attachments

POINT WILLIAM WASTEWATER SYSTEM EXHIBITS

1. MASTER AGREEMENT WITH EXHIBITS:

EXHIBIT "A" LEGAL DESCRIPTIONS OF REAL PROPERTY
SUBJECT TO AGREEMENT AND/OR
SUBDIVISION PLAT

EXHIBIT "B" SUBORDINATION, NON-DISTURBANCE AND
ATTORNMENMENT AGREEMENT (SNDA)

EXHIBIT "C" TRANSFER OF SYSTEM

EXHIBIT "D" WARRANTY LANGUAGE IN CONTRACTS

EXHIBIT "E" SEWER SERVICE ADDENDUM TO SALES
CONTRACT WITH BUILDER

EXHIBIT "F" SEWER SERVICE ADDENDUM TO USER/OWNER
SALES CONTRACT

EXHIBIT "G" SEWER CONTRACT BUILDER PURCHASER

EXHIBIT "H" SERVICE CONTRACT USER/OWNER
PURCHASER

EXHIBIT "I" EASEMENT

EXHIBIT "J" COVENANTS

2. Easement.

3. Covenants

4. Estimated Budget & Fees

5. Maps

6. Areal Photo

EXHIBIT 1

MASTER AGREEMENT WITH EXHIBITS

UTILITY MANAGEMENT, LLC
SEWER AGREEMENT
POINT WILLIAM
WINSTON COUNTY

THIS AGREEMENT, herein referred to as the “Agreement”, made and entered into this the date last indicated below, by and between **UTILITY MANAGEMENT, LIMITED LIABILITY COMPANY**, a Winston County, Alabama Limited Liability Company and an Alabama Public Service Commission Certified Financially Viable Wastewater Management Entity regulated by the laws of the State of Alabama, (herein referred to as the “Utility”); and **POINT WILLIAM DEVELOPMENT COMPANY, LLC**, a Delaware limited liability company registered to do business in Alabama, (herein referred to as “Developer”); being one and the same as the titleholder.

When used herein the term “Department” shall mean the Governmental Authority with oversight jurisdiction, this could include, but is not limited to, the Winston County Health Department, (“herein referred to as “County Health Department”) Alabama Department of Public Health (herein referred to as “ADPH”), the Alabama Department of Environmental Management (herein referred to as “ADEM”), any municipal department of inspections services or department of health, any county department of inspection services or department of health or any combination of these or any other department, agency or subdivision of the State of Alabama as their jurisdiction may apply.

WITNESSETH

WHEREAS, Developer owns and is the title holder to that certain parcel of real property described on **EXHIBIT “A”** attached hereto and made a part hereof (herein referred to as the “Property”); and,

WHEREAS, the Developer needs sewer service to serve 36 lots and parcels of real property in two phases including a swimming pool with restrooms, which swimming pool will not discharge into the subject wastewater system . For the first phase of the development of the Property, Developer is willing to construct for the Property a seventy-five hundred gallon per day **(7500 GPD)** decentralized wastewater system utilizing field-line disposal as more particularly set forth in the plans and specifications designated herein (herein referred to as the “Sewer System”), subject to Utility’s assumption of title to the components thereof and management of the Sewer System and the Utility’s performance of its obligations all as set forth herein. In the event the Developer develops the second phase, Developer shall be under like reasonable obligations as set forth herein.

WHEREAS, **Robert W. Easley, IV, PC, Alabama Engineering Company, Inc., 2 Office Park Circle, Suite 11, Birmingham, AL 35223** a professional engineer licensed by the State of Alabama (herein referred to as “Engineer”) who is acceptable to the Developer and the Utility and who shall design the Sewer System to the Minimum

Construction and Testing Standards For Cluster and Community Systems adopted June 22, 2011. The Developer is solely responsible for the cost of engineering.

NOW THEREFORE, for and in consideration of the recitals, and the covenants, and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

REPRESENTATIONS AND WARRANTIES OF UTILITY

Utility represents and warrants that any and all tariffs, rates, charges and fees established by the Utility are subject to the approval of the Alabama Public Service Commission (herein referred to as "PSC") and may only be modified with the approval of the PSC. Utility further represents and warrants that none of the value of the Contribution in Aid of Construction pursuant to IRC 118(c) of the Sewer System components and easements by Developer to Utility upon such contribution shall be included in the Utility's rate base for ratemaking purposes.

MORTGAGE

The Property is presently **not subject to a mortgage** to but in the event it becomes subject to a mortgage, the Developer agrees to cause the lender, (herein referred as the "Bank") to enter into a Subordination, Non-Disturbance and Attornment Agreements (herein referred to as the "SNDA") with respect to its mortgage as set forth in **EXHIBIT "B"** or in a form mutually agreeable to each of the Bank, Developer, Utility, and the PSC. If a SNDA is not approved by all of the Developer, Utility and Bank, then Utility cannot accept the Sewer System until a SNDA is executed and the Utility cannot provide sewer service.

THE COST

Subject to the terms and conditions hereof:

1. Developer shall tender herewith unto the Utility for permitting, oversight, inspection, coordination of the process of purchase construction and permitting the sum of **One-Thousand Dollars (\$1,000.00)**.
2. Developer shall cause the Sewer System components to be purchased, constructed and installed at Developer's sole cost and expense.
3. If necessary, the parties hereto consent to the Developer completing the subdivision of the Property in phases (herein referred to as "Additions"), each of which shall be subject to this Agreement.
4. For the first 36 Lots, upon execution of this Agreement, the Developer shall pay Donald N. Guthrie, Esq., the Utility's attorney, for document preparation and governmental filings. a sum equal to Three Thousand Dollars (\$3,000.00).
5. Upon Developer adding additions lots over the first 36 to the system, additional fees are due as set forth in these Paragraphs 1 and 4 of this section "THE COST" is required to be paid Utility and Donald N. Guthrie, Attorney at Law per lot platted and to be served by the Sewer System or an expansion to this Sewer System according the above formulas with the execution of this Agreement. Any Addition in excess of thirty-six (36) Lots shall be at the rate of \$100.00 per Lot up to a maximum of Ten-Thousand Dollars per addition.

6. In the event developer wishes to add such additional lots to the system or to an expansion of the system, the similar initial fees as set forth in the above section titled "THE COST" Paragraphs 1 and 4 shall be due and payable at that time if the Maximum has not been achieved, in which event the Developer shall pay the Utility an additional sum to be agreed upon for processing the amendments to the permits and other necessary documentation.

DEVELOPMENT PROCESS FOR SEWER SYSTEM

The approved Engineer has submitted or shall submit the necessary installation and Discharge Permit Application(s), together with the sum of the Application Fee to the Department with jurisdiction for such Permit. Developer shall hire the necessary soils scientist or other person acceptable to the Engineer and governmental authorities with jurisdiction (herein referred to as "Soil Scientist") to evaluate and prepare necessary soil reports for disposal of effluent.

The Soil Scientist shall conduct or has conducted necessary test to evaluate the soil for effluent disposal and prepare the appropriate reports for the Engineer to size and design the system. The Engineer shall design or has designed the Sewer System and the Collection System and shall coordinate the design of the Treatment, Disposal and Collection System including such plans and specifications necessary for permitting and construction.

As required by the appropriate Department, the Developer, Engineer and Utility shall submit the application for necessary installation, discharge and operating permit for the Sewer System with the appropriate governmental entities with jurisdiction. Performance Permit Application fees shall be paid by the Utility from the sums tendered to the Utility by the Developer as set forth herein.

The Utility and the Utility's Attorney shall apply to the PSC add the Sewer System to the Utility's Certificate of Financial Viability. The Application Fee to add the system shall be paid from the sums tendered to the Utility pursuant the above section titled THE COST Paragraphs 1.

The Engineer shall provide construction drawings showing the location of all other utilities with their depth below grade and the final grade of the road or easement in which the wastewater collection lines shall be installed.

Where necessary, Utility shall execute the plat map.

The parties will work with the Engineer to make application to the governmental authority for issuing an Installation Permit, Discharge Permit, Amendment to the Certificate of Financial Viability.

Utility and Developer shall negotiate with the equipment supplier (herein referred to as the "Supplier") for the equipment and supplies and with an appropriately licensed installer (herein referred to as the "Installer") and such other duly licensed contractors (herein referred to as the "Contractor") acceptable to the parties and shall award and execute the appropriate contracts and/or purchase orders.

To protect the system area from damage, prior to any construction in the area, Developer, at Developer's cost, shall protect the treatment and disposal areas and upon completion of installation to protect the treatment system area

with a minimum six foot (6') chain link or wooden fence and the disposal area with a canine proof fence acceptable to the parties hereto.

The Sewer System and Collection System shall be installed and constructed according to the manufactured specifications with the Engineer' and governmental authority's approval and standards.

The plans and specifications shall depict a profile for each line indicating and its diameter and depth as to finish grade. Any change caused by a change in such approved plans and specifications, not the fault of Utility, shall be at Developer's expense.

Neither the Installer nor the Contractor shall cover up any component without inspection by the appropriate governmental authority, Engineer and the Utility.

Upon completion of the installation of the Sewer System and the Collection System serving the Property, the Installer/Contractor and Utility shall test all components of the Sewer System including, but not limited to, the collection lines, pumps, filters and drip irrigation or other disposal system (but not the individual lot laterals, filters, pumps and septic tanks which shall be the property of the Lot Owner). The test results shall be forwarded to the Developer, Utility, Engineer, County Health Department, ADPH, ADEM and any and all other governmental authorities according to their jurisdiction.

TRANSFER SYSTEM TO UTILITY

Upon successful completion of the tests of the Sewer System acceptable to the Utility and necessary governmental authorities with jurisdiction, and the Developer and upon receipt of any and all certifications and any approvals necessary for operation of the Sewer System from all applicable governmental authorities, and subject to the conditions of conveyance set forth herein, the Developer shall convey the Sewer System collection, treatment and disposal components to the Utility along with the necessary easements as a Contribution in Aid of Construction pursuant to 26 U.S.C. 118(c) and the Internal Revenue Service Regulations promulgated thereunder. Developer shall cause the Sewer System to be conveyed, free and clear of all claims, liens, encumbrances or interests of third parties (except for such permitted encumbrances as set forth herein). **(EXHIBIT "C")**

Except as set forth in the section hereof titled "Warranty Language in Contract", after transfer of title pursuant to the Contribution in Aid of Construction, the Utility shall be solely responsible for all operation, repairs, maintenance and replacement cost of said Sewer System and each component thereof.

SEWER SYSTEM REAL PROPERTY

Developer may convey the real property upon which the Sewer System is situated to the Homeowners Association or may keep the Sewer System Property or convey it to the Utility. Because of the property being for a utility, Utility hereby informs the Developer that the Ad Valorem tax on utility property, including that owned by Developer or Utility is at 30% assessment, however most tax assessors treat the utilities in Common Areas more favorably. In any event the proper and necessary easements are to be granted the Utility.

UTILITIES FOR SEWER SYSTEM

Developer agrees that the electricity, phone water and gas service required for operation of the Sewer System shall be in the Utility's name. The Developer shall pay all cost of bringing utilities as needed to install or operate the Sewer System until the conveyance of the system to the Utility, and Developer shall pay the monthly service expense of utilities until the Sewer System is conveyed to the Utility. The utilities shall be prorated between the Developer and the Utility for the billing month effective the date of closing of the Contribution in Aid of Construction. Utility shall pay for the utility services thereafter.

GENERATORS & WATER

~~Unless otherwise agreed in writing, Developer shall provide adequate natural gas or LP gas backup generator(s) to serve each component of the Sewer System requiring electricity to operate. The Engineer shall specify the generation capacity of the unit.~~

NOTE: The parties to this Agreement hereby agreed for the Developer to only install an electrical plug to allow a generator to be brought to the site and hooked up as needed. Such plug will require a protection to prevent the generator from damaging the Public Electrical Grid or components thereof in the event the power comes on before the generator is shut off.

Developer shall have public water brought to the treatment site to provide public water service for the Utility. Utility shall pay for the water service it utilizes.

LOT COMPONENTS

The individual lot owner shall be responsible for all installation and maintenance of laterals, septic tanks, other tanks, pumps, filters, controls and any other component of the system exclusively for the enjoyment of the lot owner. Such installations shall be to the approved standards of the Utility and the Utility shall have the authority to reject any component which does not conform to such standards. All components on the lot shall be purchased, installed and maintained at lot owner's sole expense. **Each lot shall have a separate lockable shut off valve on the lot side of the potable water service so that in the event of non payment the water not the sewer can be shut off for reasons of pollution avoidance and health and safety.**

NOTICES

When a notice is to be sent to a party hereto it shall be sent via certified U.S. Mail, return receipt requested, postage prepaid, with a facsimile copy transmitted to the below number, properly addressed to the party as set forth below unless the party has provided a written notice of a change of address:

WHEN TO THE UTILITY:
UTILITY MANAGEMENT, LLC
P.O. Box 43823
BIRMINGHAM, AL 35243
FAX: (205) 967-8178

WHEN TO DEVELOPER:
POINT WILLIAM DEVELOPMENT
COMPANY, LLC
701 37th Street South
Suite # 7
Birmingham, AL 35223

WITH COPY TO:

DONALD N. GUTHRIE, ESQ.
P.O. Box 43521
Birmingham, AL 35243

WITH COPY TO:

Stephen R. Monk, Esq.
Bradley Arant Boult Cummings, LLP
1819 Fifth Ave. North
Birmingham, AL 35243

**PURCHASE OF TREATMENT SYSTEM AND DISPOSAL MATERIALS AND
INSTALLATION**

The Developer agrees that all materials and equipment for treatment and disposal of effluent shall be purchased pursuant to a written purchase agreement between the Developer and Suppliers of the equipment. Developer further agrees that the installation shall be by a properly licensed installer acceptable to Utility. All system components must be as approved by Utility and all installation providers must be approved by Utility.

INSTALLATION

The parties hereto agree that the equipment supplier and installer shall be:

**White Systems, Inc.
2800 18th Street
Bessemer, Alabama.**

The Developer shall coordinate the installation of the Sewer System and the Collection System with the other infrastructure and utilities within the Property. Utility shall be a consultant with authority to stop work until the Developer can cause it to be performed by the Contractor to the satisfactory of the Utility, the Developer and the Engineer, as necessary to serve the Property in accordance with the Plans and Specifications.

The scheduling of the installation shall be in such an order that no installation shall commence until all final grades are completed for roads and easements; all other utilities are designed and appropriately approved by the proper authorities, and where any other utilities are or are to be in close proximity to and/or below the sewer lines in elevation such shall be installed with locators prior to the installation of the sewer Collection System.

All construction begun, continued and completed with respect to the Sewer System shall be subject to the inspection and approval of the appropriate Governmental Authority with jurisdiction, the Developer, the Engineer, and the Utility, each of whom shall have a continuous access to the site and right of inspection throughout the progress of the work.

No pipe, fittings, components, equipment, tanks or connection shall be covered by any warranty or agreement of Utility until inspected and approved by the Utility, the Engineer, if necessary the Utility's Engineer and the Governmental Authorities having jurisdiction thereof, with such approval not to be unreasonably withheld or delayed. Notwithstanding anything contained herein to the contrary, upon conveyance of the Sewer System to Utility, all pipe, fittings, components and parts of the Sewer System

shall be conclusively deemed inspected and approved for all purposes hereunder and Utility shall thereafter be obligated to repair and maintain the same except as set forth in the Developer's Warranty.

CHANGE ORDERS

All change orders shall be in writing and approved in writing by Developer, Engineer and Utility which approval shall not be unreasonably withheld or cause an unnecessary delay. Where appropriate the change order shall be approved by the applicable governmental authority.

WARRANTY LANGUAGE IN CONTRACTS

The Utility and Developer shall include or cause to be included the substance of the warranty language set forth in **EXHIBIT "D"** attached hereto and made a part hereof, into any contract or sub-contract entered into after the date hereof involving any purchase or installation of component of the Sewer System or Collection System which is the subject of this contract:

DEVELOPER SEWER LOT FEE

Once the Sewer System is conveyed to and accepted by the Utility, and prior to the sale to a third party by the Developer of the Lot(s) to be is connected to the system and discharge therefrom into the system is approved by the Utility; of a platted lot within the Property that is available for connection to the Sewer System, whether the lot is connected or not, Developer (or the builder or title holder to whom the undeveloped or under development Lot was sold) shall pay the Utility a service fee equal to **Ten Dollars (\$10.00)** per month per Lot (herein referred to as the "**Unsold Vacant Lot Fee**" or "**Vacant Lot Fee**"), or such other subsequent fee as the PSC shall approve for each platted lot to which a collection line is available to serve the lot. The Unsold Vacant Lot Fee will be due and payable monthly in advance by the Developer to the Utility for each platted lot in the Property as it comes available for connection to the Sewer System, after a collection line is placed to the lot and which shall be due until such time as the lot is sold to a third party of whom the Utility has been properly notified.

SALES CONTRACT LANGUAGE

The Developer will include in each of the real estate sales contracts for a lot which are entered into from and after the date hereof, a notice as set forth in **EXHIBIT "E" for builders or EXHIBIT "F" for homeowners or other sewer user** attached hereto and made a part hereof, to each purchaser of a vacant lot to be built on and ultimately connected to the Sewer System, with the provision that the terms of the notice shall survive closing.

SEWER SERVICE CONTRACT

Upon transfer of title to a builder, the Developer shall cause the builder to execute the **Builder Sewer Service Application/Agreement ("EXHIBIT "G")**. The Developer shall instruct the builder to cause its purchaser to execute the applicable Consumer Sewer Service Application/Agreement .

For any structure connected to the system for which service is available, at the closing of transfer of title to such sewer user, the Developer shall cause or shall cause the builder/owner to execute the **Homeowner Sewer Service Application/Agreement (“EXHIBIT “H”)**. The Developer shall instruct the builder to cause its purchaser to execute the applicable Consumer Sewer Service Application/Agreement.

SEWER RATES

The sewer service rates charged by the Utility are subject to the approval of the Alabama Public Service Commission and any change requires their approval. **The present dwelling rate is \$44.07 plus applicable government taxes and fees, and vacant lot/builder fee is \$10.00 plus applicable government taxes and fees.**

NON-ASSIGNMENT

This Agreement shall inure to the benefit of and be binding upon the Utility and Developer and may not be assigned by any party hereto prior to conveyance without the prior written consent of the other parties and the appropriate governmental authorities with jurisdiction including but not limited to the sewer system permitting agency and the Alabama Department of Public Health.

SERVICE TO OTHER PROPERTY

With the consent of the Utility, the Developer may connect additional service to the Sewer System up to the system's available capacity. The Developer at Developer's sole expense, may expand the existing system or construct an additional system on the same terms and conditions set forth herein subject to reasonable cost adjustments. Developer agrees to give the Utility the first right of refusal to be the system's Management Entity, if declined by Utility then Developer may select another Certified Financially Viable Management Entity.

The Utility shall have the right, at no cost to the Developer, to extend sewers lines beyond the limits of the subject Property and to expand the Sewer System to serve other properties but only if such expansion is non-damaging to the Developer or the subject development.

EASEMENTS

By the execution of this Agreement, the Developer and/or Owner hereby represents and warrants that said Sewer System will be installed in accordance with the foregoing provisions and the Plans, and that utility easements with rights of ingress and egress will be provided six feet (6') in width on each side of the center line of all sewer lines and other components installed hereunder except sewer lines and other components within the public right-of-way. Where the installation in the public right-of-way is not reasonable feasible an easement shall be conveyed to the Utility adjacent to said public right-of-way as necessary to create access for maintenance and excavation a minimum of six feet (6') adjacent to the actual location of the sewer line or other components of the Sewer System installed in the right-of way. In such case, Developer shall provide adequate easements along public Right-of-Ways where the governmental authority with jurisdiction denies installation is the Right-of-Way. Developer shall convey Utility an easement in the Recorded plat or by form set forth in **EXHIBIT “I”**.

INSTALLATION IN RIGHT-OF-WAY

Any installation of system components within the public right-of-way shall be submitted by the Developer or its engineer to and receive approval from the governmental authority having jurisdiction over the right-of-way, and any line or component of the Sewer System to be located in an easement which is not a non-exclusive utility easement to Utility shall be submitted to and approved by the appropriate dominant and subservient tenancies of that easement.

OTHER UTILITIES AND SETBACKS

Sewer lines shall neither be located in such a manner as to interfere with any other utility installation or service nor shall the lines or easements be situated in such a manner as to negatively affect any construction setback requirements. The Construction Drawings shall reflect such utilities location and depth as well as the finish grade of the road, right-of-way or easement.

UTILITY LIABILITY HOLD HARMLESS

Except as set above in Developers Warranty; upon acceptance by the Utility of any or all of the components of the Sewer System from the Developer or Owner or from a subsequent owner of property including his/her/their/its heirs, successors or assigns connected to, or to be connected to, the Sewer System, except where caused by the Developer, the Utility shall hold such party harmless from any damage or financial loss arising from the management and operation of the Sewer System and shall defend all claims brought against it arising from the operation, maintenance, repair, permit(s), license(s) or compliance with statutes or regulations of any Governmental Authority which shall now, or in the future, have jurisdiction over such matters involving any portion or component of the Sewer System once title to which has been accepted by the Utility.

Utility's Alabama Public Service Commission Certificate of Financial Viability is DOCKET 31187

UTILITIES INSURANCE REQUIREMENTS

Utility shall maintain continuously throughout the operation of the Sewer System, at Utility's expense, a policy of general liability insurance with a company licensed to do business in the State of Alabama with an A.M. Best Rating of A+ or better, in an amount not less than \$1,000,000 for personal injury to the death of one or more persons per occurrence or for damage to property in the amount of \$1,000,000 per occurrence and \$1,000,000 aggregate, insuring Utility against any and all liability that may accrue against Utility on account of operation of the Sewer System. Utility shall in addition carry worker's compensation insurance in the amounts and at the times required by the applicable laws of the State of Alabama. Such insurance shall name Developer as an additional insured so long as Developer owns a lot in Property if there is no additional cost for naming the Developer as an additional insured or, if there is an additional cost, such additional cost is approved and paid for by Developer, and in all events such policy

shall provide that such policy or policies may not be canceled or otherwise terminated without giving Developer thirty (30) days advance written notice. Utility shall provide to Developer, upon execution of this Agreement, certificates of insurance required under this Agreement and at such other times as are requested by Developer hereunder.

Prior to the conveyance of the Sewer System to the Utility the Developer shall maintain a like policy of insurance.

COVENANTS

Developer and Utility shall execute the covenants set forth in **EXHIBIT "J"**.

CONDITIONS TO CONVEYANCE

On the date on which Developer is to convey or cause to be conveyed the Sewer System to the Utility, if requested, Utility shall establish to the satisfaction of Developer and Developer's legal counsel the following:

1. Utility remains in good standing with the PSC and ADPH.
2. Utility shall have received all permits, approvals, licenses and authorizations required by all applicable governmental authorities to operate the Sewer System after conveyance including.

ENCUMBRANCES OF TITLE

The conveyance to the Utility shall be free of all encumbrances except as permitted in this Agreement.

Developer represents to Utility that it has herewith revealed to Utility and provided copies of all such encumbrances known to Developer.

RIGHTS AND REMEDIES

Any rights and remedies provided to Developer or Utility herein shall be in addition to and cumulative with all other rights and remedies provided to Developer or Utility at law or in equity. Developer's and Utility's rights and remedies to seek remedy for any breach hereof shall not be affected by the termination of this Agreement but shall survive the termination hereof indefinitely.

HOLD HARMLESS

The Parties hereto agree that in the event the enforcement of this Agreement results in litigation the losing party shall hold the prevailing party harmless by paying a reasonable attorney's fee court cost and expense of discovery and other direct cost of the litigation.

GENERAL PROVISIONS

- A. Should any provision of this Agreement be deemed unenforceable by a court of competent jurisdiction, that determination will not affect the enforceability of the remaining portions.
- B. This Agreement shall be binding upon the Developer and the Utility, and their respective successors and assigns.
- C. This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama.
- D. The use of one gender shall include all other genders, the use of singular shall include the plural, and the use of the plural shall include the singular, all as may be appropriate to the context in which they are used.
- E. An executed photocopy or facsimile of this Agreement shall serve as an original for all purposes.
- F. In the closing of this transaction, the parties shall comply with all Foreign Investment in Real Property Tax Act (FIRPTA) and the regulations promulgated thereunder by the Internal Revenue Service.

IN WITNESS WHEREOF, the parties hereto, being duly authorized, have executed these presents and have entered into this Agreement this 28th day of September, 2011.

**UTILITY:
UTILITY MANAGEMENT, LLC**


By: Tommy Bright
Its: General Manager

**DEVELOPER:
POINT WILLIAM DEVELOPMENT
COMPANY, LLC by J & W
Management Corporation, its
Manager**


By: JOHN HAGEFSTRATION
Its: President

**INDEX TO EXHIBITS
POINT WILLIAM
Wastewater Sewer System**

**[Due to Labeling Exhibits the final executed documents may vary in
format.]**

EXHIBIT "A"	LEGAL DESCRIPTIONS OF REAL PROPERTY SUBJECT TO AGREEMENT AND/OR SUBDIVISION PLAT
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EXHIBIT "J"	COVENANTS

EXHIBIT "A"

LEGAL DESCRIPTIONS OF REAL PROPERTY SUBJECT TO AGREEMENT AND/OR SUBDIVISION OR CONDOMINIUM PLAT AS APPLICABLE

LEGAL DESCRIPTION OF PROPERTY BOUNDARY – EXHIBIT "A"

Point William Legal

A parcel of land situated in the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama being more particularly described as follows:

BEGIN at the Southeast corner of the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama; thence run North $00^{\circ}47'36''$ West along the east line of Section 25 for a distance of 1175 feet, more or less, to the 510 elevation contour, said 510 elevation being the normal summer full pool of Lewis Smith Lake; thence leaving said east line of Section 25 run along said 510 elevation contour in a westerly, then southerly, then southeasterly direction for a distance of 2,848 feet, more or less, to a point on the south line of said Section 25; thence run North $88^{\circ}57'14''$ East for a distance of 174 feet, more or less, to the POINT OF BEGINNING.

Containing 21.6 acres, more or less.

EXHIBIT "B"

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT POINT WILLIAM WASTEWATER SYSTEM

This Agreement entered into this the ____ day of _____, _____ between Developer, POINT WILLIAM DEVELOPMENT COMPANY, LLC, a Delaware limited liability company herein referred to as "Developer", _____, herein referred to as "Bank", and UTILITY MANAGEMENT, Limited Liability Company a Winston County limited liability company, herein referred to as "Utility, to insure a continuous and uninterrupted waste water sewer service in the event the Bank shall by foreclosure, deed in lieu of foreclosure or by such other event that shall result in the Bank replacing the Developer pursuant to that certain financing provided to develop the real property more particularly set forth in the attached **Exhibit "A"** or as recorded in the office of the Probate Judges Office of Winston County, Alabama, herein referred to as the "Property".

Utility is certified as a Financially Viable Wastewater Management Entity by the Alabama Department of Public Health pursuant to Code of Alabama 22-25B 1 et seq. The Utility's Alabama Public Service Commission certificate number is DOCKET 31187. Such certification requires the institution financing a property served or to be served by a wastewater system to agree to the following:

The Property is described in the legal description of the Mortgage or other financing instrument is subject to, or will be subject to, a loan and/or a Mortgage or other security instrument for which wastewater sewer service is provided by Utility's Wastewater Sewer System for the Property financed by "Bank", who, by executing this agreement, subordinates its interest and mortgage to the terms and conditions of this Agreement. If the Wastewater Sewer System is not complete and the Bank chooses not to complete the Wastewater Sewer System, the Bank shall not be liable to Utility pursuant to any of the terms and conditions arising from the agreement between the Developer and the Utility or for any damages arising from the Wastewater Sewer System. If the Bank elects to complete the Wastewater Sewer System, the Bank shall provide money and as necessary to complete the contractual obligations necessary to convey the Wastewater Sewer System components to the Utility as a Contribution in Aid of Construction with a clear title subject to encumbrances acceptable to the Utility. Except for the Bank's obligations arising hereunder, in the event of a foreclosure of the Property or deed for the Property in lieu of foreclosure, or other such event, the Utility shall defend and hold the Bank harmless from any loss arising from Utilities obligations arising hereto. In the event of a foreclosure or deed in lieu of foreclosure, or other such event, Bank shall replace the party upon whom they foreclosed for all purposes of this Agreement, will complete any uncompleted obligations arising pursuant to the Developer's agreement with the Utility for sewer wastewater sewer service as though the Bank were the Developer/Mortgagor, and shall convey the Property or a lot to any subsequent purchaser subject to the applicable terms and conditions of the agreement between Developer and Utility for wastewater sewer service as though the purchaser were the Mortgagor or, and shall convey the Property or a lot therein to any subsequent purchaser subject to the applicable terms and conditions of the contract agreement between the Developer and the Utility as assigned to or assumed by the Bank as though the purchaser of the subdivision were dealing with the Developer or as in the case of individual lot or

lots purchases, to insure the builder purchaser or homeowner purchaser executes the proper agreement at closing for Utility to provide wastewater service.

Bank hereby agrees to release its lien as to the sewer system components at the time of transfer of the sewer system to Utility Management, Limited Liability Company.

IN WITNESS WHEREOF, we the undersigned in our duly authorized set our hand and seal this the ____ day of _____, 20__.

BANK:

DEVELOPER:
POINT WILLIAM DEVELOPMENT
COMPANY, LLC

By: _____
Its: _____

By: **JOHN HAGEFSTRATION**
Its: **President**

UTILITY:
UTILITY MANAGEMENT, LLC

By: **TOMMY G. BRIGHT**
Its: **GENERAL MANAGER**

ACKNOWLEDGMENT

STATE OF ALABAMA)
_____ **COUNTY)**

Before me, _____, a Notary Public for said County, in said State, hereby certify that _____, whose name as _____ of _____, an Alabama licensed Bank corporation is signed to the foregoing instrument, and who is known to me, acknowledged before me, voluntarily for and as the act of said corporation, acting in its capacity as said capacity on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____, 20__.

SEAL

NOTARY PUBLIC
My Commission expires: _____

STATE OF ALABAMA)
_____ **COUNTY)**

Before me, _____, a Notary Public for said County, in said State, hereby certify that **JOHN HAGEFSTRATION**, whose name as President of J & W Management Corporation, an Alabama corporation is signed to the foregoing instrument, as in its capacity Manager of **Point William Development Company, LLC**, a Delaware limited liability company and who is known to me, acknowledged before me, voluntarily for and as the act of said corporation, acting in its capacity as said Manager on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____, 2011.

SEAL

NOTARY PUBLIC
My Commission expires: _____

STATE OF ALABAMA)
_____ **COUNTY)**

Before me, _____, a Notary Public for said County, in said State, hereby certify that Tommy G. Bright, whose names is signed to the foregoing instrument, as General Manager of Utility management Limited Liability Company and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____, 20__.

SEAL

NOTARY PUBLIC
My Commission expires: _____

EXHIBIT “C”

STATE OF ALABAMA)
 :
 WINSTON COUNTY)

Prepared by: Donald N. Guthrie
Attorney at Law
Birmingham, Alabama
© DONALD N. GUTHRIE 2007

TRANSFER OF WASTEWATER SEWER SYSTEM COMPONENTS
"A Contribution in Aid of Construction" pursuant to 25 U.S.C. 118(c)

KNOW ALL MEN BY THESE PRESENTS, that in consideration of the covenants and recitals set forth herein:

WHEREAS, **POINT WILLIAM DEVELOPMENT COMPANY, LLC**, a Delaware limited liability company registered to do business in Alabama, (herein referred to as “Grantor”), is the owner of record of all the components necessary to collect, treat and dispose of the wastewater sewage generated in the Point William, a subdivision recorded at _____ in the Office of the Judge of Probate of Winston County, Alabama.

WHEREAS, Grantor is hereby transferring all the components of said Subdivision's Wastewater Sewer System to **UTILITY MANAGEMENT, LIMITED LIABILITY COMPANY**, a Winston County Alabama limited liability company (herein after referred to as "Grantee").

WHEREAS, included in the development of the Subdivision, there has been constructed a sanitary sewage wastewater treatment facility, together with sanitary sewage wastewater collection, treatment and disposal facility including but not limited to collection lines, pumps, filters, tanks, laterals, disposal lines, valves and rights in easements and right-of-ways (herein individually and collectively referred to as the "Sewer System") for the purpose of supplying adequate wastewater sewer service to all properties connected to or to be connected to the Sewer System; and,

WHEREAS, it is the intention and purpose of the Grantor that such Sewer System shall be used and operated to provide adequate disposal of sewage for each of the properties connected thereto, regardless of the ownership of the individual properties, and that the Sewer System shall be properly maintained to assure the continuance of the operation and maintenance of said system for the benefit of the present and future owners of properties connected thereto; and,

WHEREAS, the sewer treatment facility and the disposal area are, or are to be, situated on certain easements (Easements) and real property as shown in the recorded plat or as granted and recorded of record in the Office of the Judge of Probate of the subject County and to the standards of the Alabama Department of Public Health and the County Health Department Alabama standards; and,

WHEREAS, Grantor has entered into an assignment of its operation agreement for the Subdivision (the "Agreement") to Grantee, for the operation and maintenance of the Sewer System.

NOW THEREFORE, for and in consideration of the assumption and undertakings by the Grantee to provide and assure the maintenance and operation of the Sewer System as set forth in the Agreement and as a conveyance as "A Contribution in Aid of Construction" pursuant to 25 U.S.C. 118(c) and the Internal Revenue Service Regulations promulgated thereunder of the entire Sewer System by Grantor to Grantee receipt and sufficiency of which is hereby acknowledged by Grantee, the Grantor does by these presents Grant, Bargain, Sell and Convey unto the Grantee all its rights, interest and title to:

All Grantor's rights, title and interest in the Sewer System and personal property comprising the components thereof, including but not limited to, all wastewater sanitary sewage controls, collection lines, treatment and disposal facility, pumps, filters, tanks, laterals, disposal lines, valves drip field, field lines, or other necessary components of collection, treatment and disposal or as necessary to the operation or maintenance; whether heretofore constructed or to be constructed,

Grantor hereby warrants that to the best of its knowledge there are no existing judgments, encumbrances, liens, or other indebtedness to the title of the easements, or the Sewer System conveyed hereunder.

This conveyance is for the benefit of the present and future owners of all and of each of the properties now or hereafter connected to the said utility system as well as the holders of the mortgages covering each of the said properties

This conveyance is subject to any mineral, mining, or oil or gas, rights and titles previously conveyed and of record, if any, and any reservations contained therein, if any.

TO HAVE AND TO HOLD to said Grantee, its successors and assigns forever.

And Grantor does for itself, its successors and assigns covenant with the said Grantee, its successors and assigns, that it is lawfully the owner of the Sewer System components conveyed hereby and that such are free from all encumbrances, unless otherwise noted above; that it has good right to sell and convey the same as aforesaid; that it and its successors and assigns will warrant and defend the same to said Grantee, its successors and assigns forever against the lawful claims of all persons.

IN WITNESS WHEREOF, the said Grantor, by its _____, who is duly authorized to execute this conveyance, has set his signature and seal, this ____ day of _____, 20____.

GRANTOR
POINT WILLIAM DEVELOPMENT
COMPANY, LLC by J & W Management Corporation,
Its manager

By: JOHN HAGEFSTRATION
Its: President

ACCEPTED BY GRANTEE
UTILITY MANAGEMENT, LIMITED
LIABILITY COMPANY

By: _____
TOMMY G. BRIGHT
Its: GENERAL MANAGER

ACKNOWLEDGMENT

STATE OF ALABAMA)
_____ **COUNTY)**

Before me, _____, a Notary Public for said County, in said State, hereby certify that **JOHN HAGEFSTRATION**, whose name as President of J & W Management Corporation, an Alabama corporation is signed to the foregoing instrument, as in its capacity Manager of **Point William Development Company, LLC**, a Delaware limited liability company and who is known to me, acknowledged before me, voluntarily for and as the act of said corporation, acting in its capacity as said Manager on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____, 20__.

SEAL

NOTARY PUBLIC
My Commission expires: _____

STATE OF ALABAMA)
_____ **COUNTY)**

Before me, _____, a Notary Public for said County, in said State, hereby certify that Tommy G. Bright, whose names is signed to the foregoing instrument, as General Manager of Utility management Limited Liability Company and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____, 20__.

SEAL

NOTARY PUBLIC
My Commission expires: _____

EXHIBIT "D"

WARRANTY LANGUAGE IN CONSTRUCTION CONTRACTS POINT WILLIAM WASTEWATER SYSTEM

The Contractor will immediately repair, or will immediately cause to be repaired, at its sole cost and expenses, all equipment or structural failures, breaks, leaks or defects of any type whatsoever arising from any cause whatsoever occurring within twelve (12) months from the date said equipment, structures, lines, mains, valves, fittings, and other components of the Sewer System are accepted by the Utility, and that upon failure of the Contractor to take immediate steps to make such repairs, the Developer or the Utility is authorized to make such repairs or to have such repairs made at the cost and expense of the Contractor.

Developer will, or will cause its contractor to, guarantee and warrant that the work will be completed in accordance with industry standards and Developer or its contractor guarantees and warrants against defects in the quality of work and materials for a *limited* period of twelve (12) months from the date of its completion. This warranty does not cover damage or defects that are the result of characteristics common to the materials used. Developer and Utility hereby acknowledge and agree that they understand that there is only a twelve (12) month warranty on the work performed by Developer or its contractor. The parties understand that this twelve (12) month warranty period shall not in any way limit any manufacturer warranty on any materials and equipment incorporated in such construction pursuant to this Agreement. All warranties shall be assigned to and inure to the benefit of the Utility.

Contractor guarantees that the work will be completed in accordance with industry standards and Contractor guarantee and warrants against defects in the quality of work and materials for a limited period of twelve (12) months from the date of its completion. This warranty does not cover damage or defects that are the result of characteristics common to the materials used. Developers and Utility hereby acknowledge and agree that they understand that there is only a twelve (12) month warranty on the work performed by Contractor. The parties understand that this twelve (12) month warranty period shall not in any way limit any manufacturer warranty on any materials and equipment incorporated in such construction pursuant to this Agreement. All warranties shall inure to the benefit of the Utility.

Agreed this the _____ day of _____, _____.

CONTRACTOR:

DEVELOPER:

**POINT WILLIAM DEVELOPMENT
COMPANY, LLC by J & W Management
Corporation, its Manager**

BY: _____

ITS: _____

BY: _____

**JOHN HAGEFSTRATION
ITS: President**

EXHIBIT "E"

BUILDER

SEWER SYSTEM ADDENDUM TO SALES CONTRACT BUILDER

UTILITY MANAGEMENT, LLC **POINT WILLIAM WASTEWATER SEWER SYSTEM**

The parties to that certain Real Estate Sales and Purchase Agreement for the property situated at _____, Alabama _____ and dated the ____ day of _____, _____, between: _____, "Seller", and the undersigned "Purchaser" shall be subject to this Addendum.

Purchasers are hereby placed on notice that the subject property is served by a sanitary sewer system owned, operated and managed by **Utility Management, LLC**. The connection and discharge into the system requires a written contract between the property owner and Utility Management, LLC. The Purchaser acknowledges that the sewer service contract and certain covenants subject the property owner to certain restrictions and regulations.

The builder will pay the sum of **\$10.00 per month per lot/unit plus government fees and taxes** from the date of closing until the closing of the sale of the lot to a third party. Sewer rates are approved by The Alabama Department of Public Health with review by the Alabama Public Service Commission and the system performance is subject to the jurisdiction of the Alabama Department of Health or Alabama Department of Environmental Management or the County Department of Health according to their jurisdiction.

Builder and Builder's Purchaser shall each pay Utility Management, LLC, at the closing, a \$25.00 processing fee

Purchaser acknowledges receipt of a copy of the recorded covenants and the contract for sewer service that the Purchaser will execute at closing. Upon request additional copies are available from your agent or Utility Management, LLC

Prior to the construction of a residence, or other building on the lot, an individual plot plan must and will be submitted by the property owner to the Utility and as may be required to the County Health Department depicting the proposed location of underground utility lines, driveways, sewage lines, septic tank, house and other structures, location of all surface waters, water storage or flood easements, existing or proposed wells and all setbacks per applicable laws, ordinances, rules and regulations of any governmental having jurisdiction including but not limited to Onsite Rules Chapter 420-3-1. The plan must be drawn to scale, show all drainage plans and other applicable information required by applicable laws, ordinances, rules and regulations of any governmental having jurisdiction including but not limited to Onsite Rules Chapter 420-3-1-.17

SELLER:

By: _____
Its: _____

BUILDER/PURCHASER:

By: _____
& or Its: _____

CLOSING ATTORNEY, PLEASE HAVE SEWER CONTRACT EXECUTED

You may contact Donald N. Guthrie, attorney for Utility Management, LLC at 205-967-0399,

Fax 205-967-8178, email – dnqlaw@bellsouth.com, P.O. Box 43521, Birmingham, Alabama 35243 OR Utility Management, LLC at (205) 967- 9968 P.O. Box _____

Please send us or Utility Management, LLC an original executed contract.

EXHIBIT "F"

USER/OWNER ADDENDUM TO REAL ESTATE SALES CONTRACT
POINT WILLIAM WASTE WATER SEWER SYSTEM
UTILITY MANAGEMENT, LLC

The parties to that certain Real Estate Sales and Purchase Agreement for the property situated at _____, Alabama _____ and dated the ____ day of _____, _____ between the undersigned "Seller" and the undersigned "Purchaser" shall be subject to this Addendum.

Purchaser is hereby placed on notice that the subject property is served by a sanitary sewer system owned, operated and managed by **Utility Management, LLC**. The connection and discharge into the system requires a written contract between the property owner and Utility Management, LLC. The contract and certain covenants subject the property owner to certain restrictions and regulations.

The present rate for sewer service is **\$44.07 per month plus government fees and taxes and a Connection Fee of \$25.00**. Sewer rates are approved by The Alabama Department of Public Health with review by the Alabama Public Service Commission. The system performance is subject to the jurisdiction of the Alabama Department of Health or Alabama Department of Environmental Management (ADEM) or the County Department of Health according to their jurisdiction.

Purchaser acknowledges receipt of a copy of the recorded covenants and the form of the Contract for Sewer Service that Purchaser which will execute at closing. In the event the contract is not executed at closing the Purchaser agrees to execute it as soon as possible. Upon request additional copies are available from your real estate agent or Utility Management, LLC

SELLERS:

BY _____, ITS _____

PURCHASERS:

_____ & or its _____

CLOSING ATTORNEY, PLEASE HAVE SEWER CONTRACT EXECUTED

You may contact Donald N. Guthrie, attorney for Utility Management, LLC at 205-967-0399, Fax 205-967-8178, email – dnlgaw@bellsouth.com, P.O. Box, 35243 Birmingham, Alabama 35243 **OR** Utility Management, LLC at (205) 967- 9968 P.O. Box 43521 Birmingham, AL 35243

Please send Utility Management, LLC an original executed contract.

UTILITY MANAGEMENT, LLC BUILDER APPLICATION/AGREEMENT

(205) 967-9968 or 1 (877) 967-9968

UTILITY MANAGEMENT, LLC RULES

PROHIBITED SUBSTANCES DO NOT FLUSH

Coffee grinds	Dental floss	kitty liter	Tampons
Disposal diapers	sanitary napkins	Cigarette butts	Condoms
Fats, grease or oil	Paper towels	Paints	Varnishes
Thinners	Motor oil	Pesticides	Fuels
	Photographic solutions		

NO GARBAGE DISPOSALS SHALL DISCHARGE INTO THE SYSTEM

DO NOT DISCHARGE POOL OR SPA INTO SYSTEM

GENERAL:

- A. No storm water from pavements, area roads and ways, roof runoff water, foundation drains, subsurface drains, water from springs, cooling water, basement sump pump discharge, photographic developing or processing chemicals, unpolluted industrial or commercial process water, or other sources shall be admitted to the Utility's sewer system.
- B. The discharge of garbage to the Utility's sewer system is expressly prohibited.

DISCHARGE:

No person shall cause or permit to be discharged into the Utility's wastewater sewage system any toxic substance or waste having any of the following characteristics:

- A. Waste containing any gasoline, naphtha, fuel, oil or other liquids, solids or gases which by reason of their nature or quality may cause fire or explosion or be in any other way injurious to persons, the structures of the wastewater sewage system or its operation.
- B. Wastewater containing any photographic developing or processing fluids or chemicals.
- C. Waste having a temperature in excess of 120 Degrees Fahrenheit or lower than 20 Degrees Fahrenheit.
- D. Washes having a PH lower than 6.0 or higher than 9.0 having any corrosive property capable of causing damage or hazards to structures, components, equipment or personnel of the wastewater sewage system.
- E. Waste containing any noxious or malodorous gas or substance that either singly or by interaction with sewage or other waste is likely, in the opinion of the appropriate governmental authority or the Utility, to create a public nuisance or hazard to life or prevent entry to sewers for their maintenance or repair.
- F. Waste containing ashes, cinders, sand, mud, straw, shavings, metal, paint, glass, rags, feathers, tar, plastic, wood, cotton or other fibers, lime, slurry or any other solid or viscous material of such character or in such quantity as in the opinion of the Utility may cause an obstruction to the flow in sewers or otherwise interfere with the proper operation of the sewer system.
- G. Waste containing insoluble, non-flocculent substances having a specific gravity in excess of 2.65.
- H. Waste water containing soluble substances in such concentrations as to cause the specific gravity to be greater than 1.1.
- I. Waste containing any of the following substances in concentrations exceeding those shown in the following tables as measured by an acceptable method:

SUBSTANCE	MAXIMUM PERMISSIBLE CONCENTRATIONS (mg per 1000 gallons)
Phenolic Compounds, e.g.,	
As C ₆ H ₅ OH	1.00
Cyanides as CN	0.00
Cyanates as CNO	0.00
C.B.O.D. (5 day)	300.00
Iron as FE	3.00
Trivalent Chromium as CR plus three	0.05
Hexavalent Chromium as CR plus six	0.05
Nickel as Ni	0.05
Copper as Cu	0.50
Lead as Pb	0.50
Zinc as Zn	0.50
Mercury as Hg	0.00

- J. Waste containing other matter detrimental to the operation of a sewage treatment plant or sanitary sewers causing erosion, corrosion or deterioration in sewers, equipment and structures of a sanitary or sewer plant.
- K. Waste containing more than 100 mg per 1000 gallons by weight of tar, fat, oil or grease.
- L. Waste containing more than 10 mg per 100 gallons of any of the following gases: hydrogen sulfide, sulfur dioxide, nitrous oxide, or any of the halogens.
- M. Waste containing toxic substances in quantities sufficient to injure or interfere with any sewage treatment process, constitute a hazard humans or animals or create any hazard in the sewer system operation and such toxic waste shall include, but not be limited to, waste containing cyanide, chromium and/or copper ions.
- N. Any waste containing toxic substances in quantities sufficient to interfere with biochemical processes of the sewage treatment works or that will pass through the sewage treatment works and exceed the local, state and/or federal requirements in respect thereof.
- O. Any waste containing radioactive isotopes.

**Notify Utility Management, LLC before doing any digging, grading or construction
or if you see a leak or hear/see the system alarm.**

(205) 967-9968 or 1 (877) 967-9968

EXHIBIT "H"

**UTILITY MANAGEMENT, LLC
CUSTOMER SEWER SERVICE APPLICATION & CONTRACT
POINT WILLIAM**

Utility Management, LLC, is an Alabama Certified Financially Viable Wastewater Management Entity which as such operates the wastewater system serving the following real property:

POINT WILLIAM: UNIT/LOT #: ____

Crain Hill, AL 35053

____ ("Customer") hereby contract for wastewater sewer services for the above property at a payable in advance rate of:

Service Transfer Fee \$ 25.00 to new customer

Service Charge \$ 44.07 per month plus \$2.73 state and local taxes and fees

Total Monthly Due \$ 46.80 until such time as different rate is approved by the State of

Alabama Public Service Commission.

Customer mailing address for the monthly invoice if different shall be:

_____, ____

Remit payment to: **Utility Management, LLC**
P.O. Box 43823
Birmingham, AL 35243
Phone: (205) 967-9968
Toll Free: 1 (877) 967-9968

The above Parties acknowledge that the Management Entity is and Applicant/Customer are subject to the rate filing approved by the Alabama Public Service Commission. Applicant/Customer agrees to abide by applicable rules of the Management Entity and shall hold Utility Management, LLC harmless from the expense of any damage to the system caused by the actions of the Applicant/Customer including but not limited to those listed on the Prohibited Substances list on the reverse of this application

NOTICE: For the protection of the environment and the public health & safety, the tariff and rules as approved by the Alabama Public Service Commission ("APSC") allows Utility Management, LLC, at its sole option, to cut off potable water service to the property for non-payment or any other breach of the Rules. The reconnection charge is \$25.00. Such tariffs and rules are available upon request from APSC or Utility Management, LLC. We the customer, do consent to the installation of the necessary valve.

Entered into and agreed this the ____ day of _____, _____.

UTILITY MANAGEMENT, LLC

APPLICANT/CUSTOMER(S)

**Notify Utility Management, LLC before doing any digging, grading or construction
or if you see a leak or hear/see the system alarm.**

(205) 967-9968 or 1 (877) 967-9968

By: _____
Its Authorized Representative

By: _____

Its or & _____

PROHIBITED SUBSTANCES DO NOT DISPOSE INTO SYSTEM

Coffee grinds
Disposal diapers
Fats, grease or oil
Thinners

Dental floss
sanitary napkins
Paper towels
Motor oil

kitty liter
Cigarette butts
Paints
Pesticides

Tampons
Condoms
Varnishes
Fuels

Photographic solutions

DO NOT DISCHARGE SWIMMING POOLS OR SPAS INTO SYSTEM

NO GARBAGE DISPOSALS SHALL DISCHARGE INTO THE SYSTEM

GENERAL:

- C. No storm water from pavements, area roads and ways, roof runoff water, foundation drains, subsurface drains, water from springs, cooling water, basement sump pump discharge, photographic developing or processing chemicals, unpolluted industrial or commercial process water, or other sources shall be admitted to the Utility's sewer system.
- D. The discharge of garbage to the Utility's sewer system is expressly prohibited.

DISCHARGE:

No person shall cause or permit to be discharged into the Utility's wastewater sewage system any toxic substance or waste having any of the following characteristics:

- P. Waste containing any gasoline, naphtha, fuel, oil or other liquids, solids or gases which by reason of their nature or quality may cause fire or explosion or be in any other way injurious to persons, the structures of the wastewater sewage system or its operation.
- Q. Wastewater containing any photographic developing or processing fluids or chemicals.
- R. Waste having a temperature in excess of 120 Degrees Fahrenheit or lower than 20 Degrees Fahrenheit.
- S. Washes having a PH lower than 6.0 or higher than 9.0 having any corrosive property capable of causing damage or hazards to structures, components, equipment or personnel of the wastewater sewage system.
- T. Waste containing any noxious or malodorous gas or substance that either singly or by interaction with sewage or other waste is likely, in the opinion of the appropriate governmental authority or the Utility, to create a public nuisance or hazard to life or prevent entry to sewers for their maintenance or repair.
- U. Waste containing ashes, cinders, sand, mud, straw, shavings, metal, paint, glass, rags, feathers, tar, plastic, wood, cotton or other fibers, lime, slurry or any other solid or viscous material of such character or in such quantity as in the opinion of the Utility may cause an obstruction to the flow in sewers or otherwise interfere with the proper operation of the sewer system.
- V. Waste containing insoluble, non-flocculent substances having a specific gravity in excess of 2.65.
- W. Waste water containing soluble substances in such concentrations as to cause the specific gravity to be greater than 1.1.
- X. Waste containing any of the following substances in concentrations exceeding those shown in the following tables as measured by an acceptable method:

<u>SUBSTANCE</u>	<u>MAXIMUM PERMISSIBLE CONCENTRATIONS (mg per 1000 gallons)</u>
Phenolic Compounds, e.g.,	
As C6H5OH	1.00
Cyanides as CN	0.00
Cyanates as CNO	0.00
C.B.O.D. (5 day)	300.00
Iron as FE	3.00
Trivalent Chromium as CR plus three	0.05
Hexavalent Chromium as CR plus six	0.05
Nickel as Ni	0.05
Copper as Cu	0.50
Lead as Pb	0.50
Zinc as Zn	0.50
Mercury as Hg	0.00

- Y. Waste containing other matter detrimental to the operation of a sewage treatment plant or sanitary sewers causing erosion, corrosion or deterioration in sewers, equipment and structures of a sanitary or sewer plant.
- Z. Waste containing more than 100 mg per 1000 gallons by weight of tar, fat, oil or grease.

**Notify Utility Management, LLC before doing any digging, grading or construction
or if you see a leak or hear/see the system alarm.
(205) 967-9968 or 1 (877) 967-9968**

- AA. Waste containing more than 10 mg per 100 gallons of any of the following gases: hydrogen sulfide, sulfur dioxide, nitrous oxide, or any of the halogens.
- BB. Waste containing toxic substances in quantities sufficient to injure or interfere with any sewage treatment process, constitute a hazard humans or animals or create any hazard in the sewer system operation and such toxic waste shall include, but not be limited to, waste containing cyanide, chromium and/or copper ions.
- CC. Any waste containing toxic substances in quantities sufficient to interfere with biochemical processes of the sewage treatment works or that will pass through the sewage treatment works and exceed the local, state and/or federal requirements in respect thereof.
- DD. Any waste containing radioactive isotopes.

DO NOT FLUSH

Coffee grinds	Dental floss	kitty liter	Tampons
Disposal diapers	Sanitary napkins	Cigarette butts	Condoms
Fats, grease or oil	Paper towels	Paints	Varnishes
Thinners	Motor oil	Pesticides	Fuels
	Photographic solutions		

Notify Utility Management, LLC before doing any digging, grading or construction or if you see a leak or hear/see the system alarm.
(205) 967-9968 or 1 (877) 967-9968

EXHIBIT "I"

STATE OF ALABAMA)
 :
COUNTY OF WINSTON)

SEWER EASEMENT

KNOW ALL MEN BY THESE PRESENTS, POINT WILLIAM DEVELOPMENT COMPANY, LLC, a Delaware limited liability company registered to do business in Alabama (herein known as "Grantor"), for and in consideration of the sum of Ten & 00/100 Dollars (\$10.00) other good and valuable consideration, to us in hand paid by **Utility Management, Limited Liability Company**, an Alabama limited liability company (herein known as "Grantee"), the receipt whereof is acknowledged, does hereby bargain, grant, sell, and convey unto said Grantee, its successors or assigns, an easement to install, maintain, operate, remove, replace and utilize a sewer main line or lateral within and all other necessary activities, over and across the following described real property to wit:

Legal Description attached hereto as **EXHIBIT "A"** and made a part hereof.

This conveyance is subject to all mortgages, previous conveyances, easements, covenants, restrictions and reservations of record.

And, as shall be reasonable and necessary to install, maintain, operate, remove, replace and utilize a sewer main line or lateral the Grantor further grants bargains and sells Grantee rights of ingress and egress over along and across the above described and rights to excavate within the above described easement.

And, Together with all the rights and privileges necessary or convenient for the full enjoyment or use thereof, including the right to maintain, to cut and keep clear all vegetation growing on or above said easement and to keep clean other obstructions that may restrict the quiet enjoyment of said easement.

TO HAVE AND TO HOLD to the said Grantee, its successors and assigns forever.

And we do for our elf and for our successors and assigns covenant with the said Grantee, its successors and assigns, that we are lawfully seized in Fee Simple of said premises; that they are free from all encumbrances, unless otherwise noted above; that we have good right to sell and convey the same as aforesaid; that we will and our successors and assigns shall and defend the same to said Grantee, its successors and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, I being duly authorized, have set our hand and seal
this the ____ day of _____, _____.

GRANTOR:
POINT WILLIAM DEVELOPMENT COMPANY, LLC
By J & W Management Corporation, Its Manager

BY: _____
JOHN HAGEFSTRATION
Its: President

ACKNOWLEDGMENT

STATE OF ALABAMA)
_____ **COUNTY)**

Before me, _____, a Notary Public for said County,
in said State, hereby certify that **JOHN HAGEFSTRATION** , whose name as
President of J & W Management Corporation, an Alabama corporation is signed to
the foregoing instrument, as in its capacity Manager of **Point William Development
Company, LLC**, a Delaware limited liability company and who is known to me,
acknowledged before me, voluntarily for and as the act of said corporation, acting in
its capacity as said Manager on this day, that, being informed of the contents of the
instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____, 20__.

SEAL

NOTARY PUBLIC
My Commission expires: _____

EASEMENT – EXHIBIT "A"

System & Drip Area Legal

A parcel of land situated in the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama being more particularly described as follows:

Commence at the Southeast corner of the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama; thence run North 00°47'36" West along the east line of Section 25 for a distance of 240.48 feet to the POINT OF BEGINNING; thence leaving said east line run South 89°12'24" West for a distance of 305.79 feet; thence run North 60°48'35" West for a distance of 83.59 feet; thence run North 25°57'44" West for a distance of 64.31 feet to the southeasterly margin of Point William Lane (a private road, right-of-way width varies) and to a non-tangent curve to the left having a radius of 130.00 feet and a chord bearing North 49°13'42" East for a distance of 18.33 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 18.35 feet; thence run North 45°11'04" East along said southeasterly margin for a distance of 24.49 feet to a curve to the right having a radius of 70.00 feet and a chord bearing North 49°34'31" East for a distance of 10.72 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 10.73 feet; thence run North 53°57'58" East along said southeasterly margin for a distance of 140.07 feet to a curve to the left having a radius of 80.00 feet and a chord bearing North 37°10'33" East for a distance of 46.22 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 46.89 feet; thence run North 20°23'08" East along said southeasterly margin for a distance of 36.54 feet to a curve to the right having a radius of 25.00 feet and a chord bearing North 55°59'38" East for a distance of 29.11 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 31.07 feet to a reverse curve to the left having a radius of 50.00 feet and a chord bearing North 79°50'32" East for a distance of 20.38 feet; thence run in a easterly direction along said southeasterly to southwesterly margin and along the arc of said curve for a distance of 20.52 feet to a reverse to curve to the right having a radius of 25.00 feet and a chord bearing South 83°01'59" East for a distance of 24.15 feet; thence run in an easterly direction along said southwesterly margin and along the arc of said curve for a distance of 25.21 feet; thence run South 54°08'54" East along said southwesterly margin for a distance of 17.55 feet to a curve to the left having a radius of 115.00 feet and a chord bearing South 67°36'04" East for a distance of 53.51 feet; thence run in a southeasterly direction along said southwesterly margin and along the arc of said curve for a distance of 54.00 feet to a reverse curve to the right having a radius of 875.12 feet and a chord bearing South 78°26'30" East for a distance of 79.77 feet;

thence run in a southeasterly direction along said southwesterly margin and along the arc of said curve for a distance of 79.80 feet to the aforementioned east line of Section 25; thence leaving said southwesterly margin run South 00°47'36" East along said east line for a distance of 254.34 feet to the POINT OF BEGINNING.

Containing 2.08 acres, more or less.

EXHIBIT "J"

STATE OF ALABAMA)
 :
WINSTON COUNTY)

Prepared by:
Donald N. Guthrie, Esq.
Birmingham, AL

COVENANTS CLUSTER SEWER SYSTEM POINT WILLIAM

KNOW ALL MEN BY THESE PRESENTS: that in consideration of herein providing for the collection, transport, treatment and disposal of the wastewater from each lot connected onto the Utility's system obligates the lot owner (herein referred to as "Customer(s)") to comply with all local, state and federal laws and in accordance with Utility's Rules and Regulations as approved by the Alabama Public Service Commission and attached to the subject wastewater sewer system by law; the Grantee which is a privately owner utility and management entity operating under the laws of the State of Alabama, the covenants, agreements and conditions set forth herein for the benefit of the Customer and **UTILITY MANAGEMENT, LIMITED LIABILITY COMPANY**, an Alabama Wastewater Management Entity pursuant to Code of Alabama 22-25B-1 *et seq.* limited liability company (herein referred to as "Grantee"), and of the covenants, agreements and conditions of Grantor set forth herein, we the undersigned owner of the subject real property, **POINT WILLIAM DEVELOPMENT COMPANY, LLC** a Delaware limited liability company registered to do business in Alabama, (herein referred to as "Grantor"), does hereby covenant, agree and bind ourselves and our heirs, personal representatives, successors and assigns, to each covenant and agreement set forth herein, for the real property, situated in Winston County, Alabama, and known as Point Williams as recorded (herein referred to as the "Subdivision") being more particularly described in **EXHIBIT "A"** attached hereto and made a part hereof.]

RECITALS

As used herein "Lot" shall refer to a platted parcel of the above describes parcel of real property, within the Subdivision.
As used herein the terms "Grantee", "Utility" or "Grantee Utility" shall each mean Utility Management, LLC or its successors or assigns.
As used herein "Lot Owner" shall refer to the owner of record of an individual lot or parcel within the Subdivision.
As used herein the Utility's sanitary sewer system being installed or installed in the above-described Subdivision is herein referred to as the "Wastewater Sewer System".
As used herein "Property" shall refer to all parcels of real property served by the Wastewater Sewer System.
These Covenants shall be binding upon the Grantor and the Grantee, and their respective successors, assigns, heirs, or personal representatives.
These Covenants shall be governed by, and construed in accordance with, the laws of the State of Alabama.
The use of one gender shall include all other genders, the use of singular shall include the plural, and the use of the plural shall include the singular, all as may be appropriate to the context in which they are used.
Should any provision of these Covenants be deemed unenforceable by a court of competent jurisdiction, that determination will not affect the enforceability of the remaining portions.

COVENANTS

1. **Notice** is hereby given to Grantor and each of Grantor's heirs, personal representatives, successors and assigns as purchaser of or owner of a Lot connected to or to be connected to the Wastewater Sewer System owned and operated, or to be owned and operated by Grantee Utility, that prior to the construction of a residence or other structure requiring sewer service upon being constructed upon the Lot, an individual plot plan must be, and will be, submitted by the Lot Owner to the Utility (and if required, to the County Health Department) showing the location or proposed location of underground utility lines, driveways, sewage lines, septic tank, house and other structures, location of all surface waters, water storage or flood easements, existing or proposed wells and all setbacks per Onsite Rules Chapter 420-3-1. The plan must be drawn to scale, show all drainage plans and other applicable information required by 420-3-1-.17.
2. No part of the Onsite Sewer System or the Utility's Wastewater Sewer System for the Lot may be covered or used until the Utility, and if required, the County Health Department is afforded an opportunity to inspect the system per 420-3-1-.20. No major modification shall be made onsite without the prior approval of the design engineer, Utility, and if required, with conference with the County Health Department.
3. Any installation of any component of the Lot's Onsite Sewer System or of the Wastewater Sewer System to be situated in the Public Right-of-Way shall be submitted to, and approved by, the governmental authority having jurisdiction over the Right-of-Way, and any line or component of the Lot's Onsite Sewer System or Wastewater Sewer System situated in an easement, not a non-exclusive easement, shall be submitted to and approved by the appropriate dominant and subservient tenancies of that easement.
4. If required by the engineered design of the Wastewater Sewer System, the Lot Owner shall provide; (a) a watertight septic tank , (b) a filter at the septic tank, (c) a sewer service out-fall line from the septic tank to the point of connection to the common sewer line of the Cluster System, (d) any pumps or force mains required to discharge effluent from the septic tank to the Wastewater Sewer System common collection lines, all of which must be acceptable to the Utility, and (e) a lockable shutoff valve on the Lot side of the water meter to which the Utility is hereby granted access for the purpose of shutting off the water service to the Lot pursuant to Utility's Tariff on file with the Alabama Public Service Commission

5. Prior to discharging into the Wastewater Sewer System, the Lot Owner and the Lot Owner's tenant, if any, must enter into a written sewer service contract with the Grantee Utility setting forth the terms and conditions upon which the sewer service will be provided by the Utility. Once a sewer service contract is entered into between the Utility and the Lot Owner, the regular monthly or annual sewer service fee shall commence. If the structure is new construction then the sewer service fee shall commence upon the first to occur of; the issuing of a Certificate of Occupancy by the appropriate Governmental Authority, or the connection is made for permanent water and electricity utility service to the Lot.

6. The Lot Owner shall have installed, or cause to be installed, the components of the Onsite Sewer System along with any connection to the Wastewater Sewer System at no expense to the Utility, including but not limited to; (a) a watertight septic tank that is approved by the Utility and the Governmental Authority having jurisdiction thereof, (b) a filter at the septic tank of a type that is approved by the Utility and the Governmental Authority having jurisdiction thereof, (c) a sewer service out-fall line from the septic tank to the point of connection to the common sewer line of the Wastewater Sewer System, (d) any pumps or force mains required to discharge effluent from the septic tank to the Wastewater Sewer System sewer lines, and (e) a lockable shut off valve on the Lot side of the water meter to which the Utility is hereby granted access for the purpose of shutting off the water service to the Lot for any breach of the sewer service agreement between the Utility and the Lot Owner.

7. The Grantor for itself and for, successors and assigns expressly grant the Utility and its successors and assigns the right to shut off and deny water service to the Lot in the event the agreement for sewer service is not entered into or is breached by no fault of the Utility.

The Grantee Utility retains exclusive right to extend sewers lines beyond the limits of the Property and Wastewater Sewer System to serve other real property so long as such extensions cause no additional expense to the Grantor.

9. Grantor grants Grantee Utility, or its agents, contractors, sub-contractors and their personnel access over and across the Property and any Lot therein to inspect, test maintain, repair, replace or remove the Onsite or Wastewater Sewer System components situated thereon. Grantor acknowledges and agrees that the Lot's septic tank, if any, should be pumped every third to fifth year or such other interval of time as shall be required by the appropriate governmental authority. Grantor instructs and grants Utility or its personnel, contractors or subcontractors access to timely pump the Lot's septic tank, if any.

10. All sewer lines installed in public Right-of-Way, whether by the Grantor or its contractors, the Utility or the Lot Owner, shall comply with the standards, directives and regulations of the Governmental Authority having jurisdiction over such Right-of-Way, regardless of whether the Right-of-Way has been dedicated or is proposed to be dedicated.

11. In all future conveyance documents, including but not limited to any deed and mortgage(s), for a Lot subject to these Covenants, shall be conveyed subject to these and the following Covenants running with the land, whether by reference to the recording of this instrument, or by setting forth therein substantially the following language:

"Each Lot attached to or to be connector to the subject Wastewater Sewer System is subject to an agreement between, Utility Management, LLC, herein referred to as the "Utility", and the County Department of Health and/or the Alabama Department of Public Health, and/or the Alabama Department of Environmental Management and the Alabama Public Service Commission; for the Utility or its successors and assigns to provide sewage disposal service for the subject Lot in consideration of a sewer service fee due to and established by the Utility and subject to change from time to time by the Utility pursuant to the regulations of the State of Alabama of the Wastewater Management Entities Act (Code of Alabama §22-25B-1 et seq. and the rules and regulations adopted thereunder) and the Utility's Certificate of Financial Responsibility. The sewer service fee is payable annually or monthly by the Lot Owner in advance to the Utility for such services. The Lot Owner does hereby for himself/herself/themselves/itself and for his/hers/theirs/its heirs, personal representatives, successors and assigns Covenant to timely pay said sewer fee and for himself/herself/themselves/itself and for his/her/its heirs, personal representatives, successors and assigns, further acknowledges that the failure to timely pay said fee shall result in a lien on the subject Lot enforceable according to the laws of the State of Alabama, and the possible termination of water and/or sewer service to the Lot.

'In the event of any breach of the sewer service agreement between the Utility or the Lot Owner, or in the event any sewer fee or charges due Utility from the Lot Owner remains unpaid for thirty (30) calendar days, the Lot Owner/purchaser/owner/grantee, as the case may be, of the subject real property does for himself/herself/themselves/itself and for his/hers/theirs/its heirs, personal representatives, successors and assigns grant unto the Utility the absolute right to shut off the water and/or the sewer service to the subject Lot with ten (10) days prior written notice to the Lot Owner. The Lot Owner shall hold the Utility harmless from any loss, claim, cost, expense, judgment, legal expenses, damage injury or illness arising from the Utility shutting off the water or sewer service to the Lot; and the Lot Owner shall defend and hold harmless the Utility from all such loss, claim, cost, expense, judgment, legal expenses, damage, injury or illness arising from the Utility shutting off the water or sewer service to the Lot.

'Until such time as a Governmental Authorities having jurisdiction, or a court of competent jurisdiction, shall terminate the Utility's exclusive right to provide the sewer service, the Lot Owner agrees that the Utility has the exclusive right to provide sewer service to the subject property and will enter into a written contracts for such service and do hereby agree to be bound by the terms and conditions of the Utility's standard contract in the event the parties fail to execute a contract for sewer service. Lot Owner agrees to pay all cost and legal expenses of Utility arising from Utility enforcing its exclusive right to provide the Lot Owner sewer service for the subject Lot."

12. Grantor, its heirs, personal representatives, successors and assigns, shall refrain from constructing, planting or placing structures, fences, trees, shrubs or landscaping improvements, except grass or mulch, on or over any easement utilized by the Utility and if any structures, fences, trees, shrubs or landscaping improvements is constructed, planted or placed on or over the Utility's easements shall be disturbed or destroyed by the Utility or its personnel, agents, subcontractors or sub-contractors, Grantor, its heirs, personal representatives, successors and assigns, shall hold Utility, its personnel, agents, subcontractors or sub-contractors, harmless from any claim of damage or loss arising from installation maintenance, repair, testing or servicing any component of the Wastewater Sewer System except the planting of grass or replacing mulch. In the event the grass, trees, shrubs, structures, and landscaping of the Lot is disturbed by the Utility, the Utility will at the Utility's expense, restore same except that mature trees and shrubs may be replaced with young potted examples of similar species.
13. Upon acceptance by the Grantee Utility of any or all of the components of the Lot's onsite components of Wastewater Sewer System, if any, whether from the Grantors or from a subsequent owner of the Lot connected to, or to be connected to, the Wastewater Sewer System, or his/her/their/its heirs, personal representatives, successors or assigns, the Utility or its successors or assigns, shall hold such party harmless from any damage or financial loss and shall defend all claims brought against it arising from the operation, maintenance, repair, permit(s), license(s) or compliance with statutes or regulations of any Governmental Authority which shall now, or in the future, have jurisdiction over such matters involving any portion or component of the Wastewater Sewer System.
14. The Lot Owner builder shall protect the sewer system from damage during the course of constructing on or about the Lot and shall hold the Utility harmless from any financial loss including court cost and attorney's fee arising from such activity.
15. Lot Owner agrees that if the Lot owner discovers a defect or failure of any component, line, filter, pump control or Septic Tank or other component of the Wastewater Sewer System, the Lot Owner shall immediately notify the Utility. In the event the Utility does not respond in a timely manner, the Utility hereby agrees and grants unto the Lot Owner the right to correct the condition and charge the cost thereof to the Utility.
16. The Lot Owner agrees to pay Utility, herewith, a fee for connecting to the Wastewater Sewer System (herein referred to as the "Connection Fee") as set forth on page one hereof.
17. Prior to connecting to the Utility's Wastewater Sewer System, Lot Owner, at its sole cost, shall contract with a licensed contractor approved by the Utility and the appropriate Governmental Authorities to install the on-site components or to make all necessary improvements and installations to the Lot Owner's present onsite sewer system as required by the Utility and the appropriate Governmental Authorities.
18. All plans and specifications required by the any Governmental Authority having jurisdiction shall be prepared by a licensed engineer approved by the Utility and the cost of same shall be the sole responsibility of the Lot Owner.
19. The Lot Owner shall not discharge any effluent into the system prior to completion of construction of the Wastewater Sewer System. "Completion" will occur when the Utility and Governmental or Regulatory authority having jurisdiction thereof, approves the Wastewater Sewer System for use as a sanitary sewer system and certifies same in writing.
20. NOW, THEREFORE: **Public Notice** is hereby given that the Subdivision Property described herein is subject to an on-site sewage disposal permit issued by the appropriate governmental authority. The permit may restrict the use of the Owner's lot or obligate the Owners of the Lots and the Utility to special maintenance and reporting requirements and the permit may restrict the Utility to special maintenance and reporting requirements and penalties.
21. The Grantor for itself its purchasers, heirs, personal representatives, successors and assigns as owner of a Lot connected to or to connected to the Wastewater Sewer System owned and operated, or to be owned and operated by Grantee Utility does Covenant and agree to abide by the following rules and prohibitions:

PROHIBITED SUBSTANCES

DO NOT FLUSH

Coffee grinds	Dental floss	kitty liter	Tampons
Disposal diapers	sanitary napkins	Cigarette butts	Condoms
Fats, grease or oil	Paper towels	Paints	Varnishes
Thinners	Motor oil	Pesticides	Fuels
Photographic solutions			

NO GARBAGE DISPOSALS SHALL DISCHARGE INTO THE SYSTEM

SWIMMING POOLS SHALL NOT DISCHARGE INTO THE SYSTEM

GENERAL:

- A. No storm water from pavements, area roads and ways, roof runoff water, foundation drains, subsurface drains, water from springs, cooling water, basement sump pump discharge, photographic developing or processing chemicals, unpolluted industrial or commercial process water, or other sources shall be admitted to the Utility's sewer system.
- B. The discharge of garbage to the Utility's sewer system is expressly prohibited.

DO NOT DISCHARGE:

- A. No person shall cause or permit to be discharged into the Utility's wastewater sewage system any toxic substance or waste having any of the following characteristics:
- B. . Waste containing any gasoline, naphtha, fuel, oil or other liquids, solids or gases which by reason of their nature or quality may cause fire or explosion or be in any other way injurious to persons, the structures of the wastewater sewage system or its operation.
- C. Wastewater containing any photographic developing or processing fluids or chemicals.
- D. Waste having a temperature in excess of 120 Degrees Fahrenheit or lower than 20 Degrees Fahrenheit.

- E. Washes having a PH lower than 6.0 or higher than 9.0 having any corrosive property capable of causing damage or hazards to structures, components, equipment or personnel of the wastewater sewage system.
- F. Waste containing any noxious or malodorous gas or substance that either singly or by interaction with sewage or other waste is likely, in the opinion of the appropriate governmental authority or the Utility, to create a public nuisance or hazard to life or prevent entry to sewers for their maintenance or repair.
- G. Waste containing ashes, cinders, sand, mud, straw, shavings, metal, paint, glass, rags, feathers, tar, plastic, wood, cotton or other fibers, lime, slurry or any other solid or viscous material of such character or in such quantity as in the opinion of the Utility may cause an obstruction to the flow in sewers or otherwise interfere with the proper operation of the sewer system.
- H. Waste containing insoluble, non-flocculent substances having a specific gravity in excess of 2.65.
- . Waste water containing soluble substances in such concentrations as to cause the specific gravity to be greater than 1.1.
- E.□.□.□. Waste containing any of the following substances in concentrations exceeding those shown in the following tables as measured by an acceptable method:

SUBSTANCE	MAXIMUM PERMISSIBLE CONCENTRATIONS (mg per 1000 gallons)
Phenolic Compounds, e.g.,	
As C6H5OH	1.00
Cyanides as CN	0.00
Cyanates as CNO	0.00
C.B.O.D. (5 day)	300.00
Iron as FE	3.00
Trivalent Chromium as CR plus three	0.05
Hexavalent Chromium as CR plus six	0.05
Nickel as Ni	0.05
Copper as Cu	0.50
Lead as Pb	0.50
Zinc as Zn	0.50
Mercury as Hg	0.00

- E. Waste containing other matter detrimental to the operation of a sewage treatment plant or sanitary sewers causing erosion, corrosion or deterioration in sewers, equipment and structures of a sanitary or sewer plant.
- F. Waste containing more than 100 mg per 1000 gallons by weight of tar, fat, oil or grease.
- G. Waste containing more than 10 mg per 100 gallons of any of the following gases: hydrogen sulfide, sulfur dioxide, nitrous oxide, or any of the halogens.
- H. Waste containing toxic substances in quantities sufficient to injure or interfere with any sewage treatment process, constitute a hazard humans or animals or create any hazard in the sewer system operation and such toxic waste shall include, but not be limited to, waste containing cyanide, chromium and/or copper ions.
- I. Any waste containing toxic substances in quantities sufficient to interfere with biochemical processes of the sewage treatment works or that will pass through the sewage treatment works and exceed the local, state and/or federal requirements in respect thereof.
- K.

TO HAVE AND TO HOLD to said Grantee, its successors and assigns forever.

And we do for our self and for our successors and assigns covenant with the said Grantee, its successors and assigns, that we are lawfully seized in Fee Simple of said premises; that they are free from all encumbrances, unless otherwise noted above; that we have good right to sell and convey the same as aforesaid; that we will and our successors and assigns shall and defend the same to said Grantee, its successors and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, I being duly authorized, have set our hand and seal this the ____ day of _____, ____.

GRANTOR:
POINT WILLIAM DEVELOPMENT
COMPANY, LLC By J & W
Management Corporation, Its
Manager

BY: _____
JOHN HAGEFSTRATION
Its: President

**GRANTEE:
UTILITY MANAGEMENT,
LIMITED LIABILITY COMPANY**

**By: _____
TOMMY G. BRIGHT
ITS: GENERAL MANAGER**

ACKNOWLEDGMENTS

**STATE OF ALABAMA)
_____ COUNTY)**

Before me, _____, a Notary Public for said County, in said State, hereby certify that **JOHN HAGEFSTRATION**, whose name as President of J & W Management Corporation, an Alabama corporation is signed to the foregoing instrument, as in its capacity Manager of **Point William Development Company, LLC**, a Delaware limited liability company and who is known to me, acknowledged before me, voluntarily for and as the act of said corporation, acting in its capacity as said Manager on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____, 20__.

SEAL

NOTARY PUBLIC
My Commission expires: _____

**STATE OF ALABAMA)
COUNTY OF JEFFERSON)**

Before me, Donald N. Guthrie, a Notary Public for said County, in said State, hereby certify that **TOMMY G. BRIGHT**, whose name is signed to the foregoing as General Manager of **UTILITY MANAGEMENT, LLC**, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this ____ day of _____,
201__.

NOTARY PUBLIC
My Commission Expires

EXHIBIT "2"
POINT WILLIAM WASTEWATER EASEMENT

STATE OF ALABAMA)
 :
COUNTY OF WINSTON)

SEWER EASEMENT

KNOW ALL MEN BY THESE PRESENTS, POINT WILLIAM DEVELOPMENT COMPANY, LLC, a Delaware limited liability company registered to do business in Alabama (herein known as "Grantor"), for and in consideration of the sum of Ten & 00/100 Dollars (\$10.00) other good and valuable consideration, to us in hand paid by **Utility Management, Limited Liability Company**, an Alabama limited liability company (herein known as "Grantee"), the receipt whereof is acknowledged, does hereby bargain, grant, sell, and convey unto said Grantee, its successors or assigns, an easement to install, maintain, operate, remove, replace and utilize a sewer main line or lateral within and all other necessary activities, over and across the following described real property to wit:

Legal Description attached hereto as **EXHIBIT "A"** and made a part hereof.

This conveyance is subject to all mortgages, previous conveyances, easements, covenants, restrictions and reservations of record.

And, as shall be reasonable and necessary to install, maintain, operate, remove, replace and utilize a sewer main line or lateral the Grantor further grants bargains and sells Grantee rights of ingress and egress over along and across the above described and rights to excavate within the above described easement.

And, Together with all the rights and privileges necessary or convenient for the full enjoyment or use thereof, including the right to maintain, to cut and keep clear all vegetation growing on or above said easement and to keep clean other obstructions that may restrict the quiet enjoyment of said easement.

TO HAVE AND TO HOLD to the said Grantee, its successors and assigns forever.

And we do for our elf and for our successors and assigns covenant with the said Grantee, its successors and assigns, that we are lawfully seized in Fee Simple of said premises; that they are free from all encumbrances, unless otherwise noted above; that we have good right to sell and convey the same as aforesaid; that we will and our successors and assigns shall and defend the same to said Grantee, its successors and assigns forever, against the lawful claims of all persons.

28th IN WITNESS WHEREOF, I being duly authorized, have set our hand and seal this the 28 day of Sept, 2011.

GRANTOR:
POINT WILLIAM DEVELOPMENT COMPANY, LLC
By J & W Management Corporation, Its Manager

BY: 
JOHN HAGEFSTRATION
Its: President

ACKNOWLEDGMENT

STATE OF ALABAMA)
Jefferson COUNTY)

Before me, Donald N. Guthrie, a Notary Public for said County, in said State, hereby certify that **JOHN HAGEFSTRATION**, whose name as President of J & W Management Corporation, an Alabama corporation is signed to the foregoing instrument, as in its capacity Manager of **Point William Development Company, LLC**, a Delaware limited liability company and who is known to me, acknowledged before me, voluntarily for and as the act of said corporation, acting in its capacity as said Manager on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this 28th day of Sept, 2011.

SEAL



NOTARY PUBLIC

My Commission expires: 11/22/12

EASEMENT – EXHIBIT "A"
System & Drip Area Legal

A parcel of land situated in the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama being more particularly described as follows:

Commence at the Southeast corner of the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama; thence run North 00°47'36" West along the east line of Section 25 for a distance of 240.48 feet to the POINT OF BEGINNING; thence leaving said east line run South 89°12'24" West for a distance of 305.79 feet; thence run North 60°48'35" West for a distance of 83.59 feet; thence run North 25°57'44" West for a distance of 64.31 feet to the southeasterly margin of Point William Lane (a private road, right-of-way width varies) and to a non-tangent curve to the left having a radius of 130.00 feet and a chord bearing North 49°13'42" East for a distance of 18.33 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 18.35 feet; thence run North 45°11'04" East along said southeasterly margin for a distance of 24.49 feet to a curve to the right having a radius of 70.00 feet and a chord bearing North 49°34'31" East for a distance of 10.72 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 10.73 feet; thence run North 53°57'58" East along said southeasterly margin for a distance of 140.07 feet to a curve to the left having a radius of 80.00 feet and a chord bearing North 37°10'33" East for a distance of 46.22 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 46.89 feet; thence run North 20°23'08" East along said southeasterly margin for a distance of 36.54 feet to a curve to the right having a radius of 25.00 feet and a chord bearing North 55°59'38" East for a distance of 29.11 feet; thence run in a northeasterly direction along said southeasterly margin and along the arc of said curve for a distance of 31.07 feet to a reverse curve to the left having a radius of 50.00 feet and a chord bearing North 79°50'32" East for a distance of 20.38 feet; thence run in a easterly direction along said southeasterly to southwesterly margin and along the arc of said curve for a distance of 20.52 feet to a reverse to curve to the right having a radius of 25.00 feet and a chord bearing South 83°01'59" East for a distance of 24.15 feet; thence run in an easterly direction along said southwesterly margin and along the arc of said curve for a distance of 25.21 feet; thence run South 54°08'54" East along said southwesterly margin for a distance of 17.55 feet to a curve to the left having a radius of 115.00 feet and a chord bearing South 67°36'04" East for a distance of 53.51 feet; thence run in a southeasterly direction along said southwesterly margin and along the arc of said curve for a distance of 54.00 feet to a reverse curve to the right having a radius of 875.12 feet and a chord bearing South 78°26'30" East for a distance of 79.77 feet; thence run in a southeasterly direction along said southwesterly margin and along the arc of said curve for a distance of 79.80 feet to the aforementioned east line of Section 25; thence leaving said southwesterly margin run South 00°47'36" East along said east line for a distance of 254.34 feet to the POINT OF BEGINNING.

Containing 2.08 acres, more or less.

EXHIBIT "3"
POINT WILLIAM WASTEWATER COVENANTS

STATE OF ALABAMA)
 :
WINSTON COUNTY)

Prepared by:
Donald N. Guthrie, Esq.
Birmingham, AL

COVENANTS
CLUSTER SEWER SYSTEM
POINT WILLIAM

KNOW ALL MEN BY THESE PRESENTS: that in consideration of herein providing for the collection, transport, treatment and disposal of the wastewater from each lot connected onto the Utility's system obligates the lot owner (herein referred to as "Customer(s)") to comply with all local, state and federal laws and in accordance with Utility's Rules and Regulations as approved by the Alabama Public Service Commission and attached to the subject wastewater sewer system by law; the Grantee which is a privately owner utility and management entity operating under the laws of the State of Alabama, the covenants, agreements and conditions set forth herein for the benefit of the Customer and **UTILITY MANAGEMENT, LIMITED LIABILITY COMPANY**, an Alabama Wastewater Management Entity pursuant to Code of Alabama 22-25B-1 *et seq.* limited liability company (herein referred to as "Grantee"), and of the covenants, agreements and conditions of Grantor set forth herein, we the undersigned owner of the subject real property, **POINT WILLIAM DEVELOPMENT COMPANY, LLC** a Delaware limited liability company registered to do business in Alabama, (herein referred to as "Grantor"), does hereby covenant, agree and bind ourselves and our heirs, personal representatives, successors and assigns, to each covenant and agreement set forth herein, for the real property, situated in Winston County, Alabama, and known as Point Williams as recorded (herein referred to as the "Subdivision") being more particularly described in **EXHIBIT "A"** attached hereto and made a part hereof.]

RECITALS

As used herein "Lot" shall refer to a platted parcel of the above describes parcel of real property, within the Subdivision.
As used herein the terms "Grantee", "Utility" or "Grantee Utility" shall each mean Utility Management, LLC or its successors or assigns.
As used herein "Lot Owner" shall refer to the owner of record of an individual lot or parcel within the Subdivision.
As used herein the Utility's sanitary sewer system being installed or installed in the above-described Subdivision is herein referred to as the "Wastewater Sewer System".
As used herein "Property" shall refer to all parcels of real property served by the Wastewater Sewer System.
These Covenants shall be binding upon the Grantor and the Grantee, and their respective successors, assigns, heirs, or personal representatives.
These Covenants shall be governed by, and construed in accordance with, the laws of the State of Alabama.
The use of one gender shall include all other genders, the use of singular shall include the plural, and the use of the plural shall include the singular, all as may be appropriate to the context in which they are used.
Should any provision of these Covenants be deemed unenforceable by a court of competent jurisdiction, that determination will not affect the enforceability of the remaining portions.

COVENANTS

1. **Notice** is hereby given to Grantor and each of Grantor's heirs, personal representatives, successors and assigns as purchaser of or owner of a Lot connected to or to be connected to the Wastewater Sewer System owned and operated, or to be owned and operated by Grantee Utility, that prior to the construction of a residence or other structure requiring sewer service upon being constructed upon the Lot, an individual plot plan must be, and will be, submitted by the Lot Owner to the Utility (and if required, to the County Health Department) showing the location or proposed location of underground utility lines, driveways, sewage lines, septic tank, house and other structures, location of all surface waters, water storage or flood easements, existing or proposed wells and all setbacks per Onsite Rules Chapter 420-3-1. The plan must be drawn to scale, show all drainage plans and other applicable information required by 420-3-1-.17.
2. No part of the Onsite Sewer System or the Utility's Wastewater Sewer System for the Lot may be covered or used until the Utility, and if required, the County Health Department is afforded an opportunity to inspect the system per 420-3-1-.20. No major modification shall be made onsite without the prior approval of the design engineer, Utility, and if required, with conference with the County Health Department.
3. Any installation of any component of the Lot's Onsite Sewer System or of the Wastewater Sewer System to be situated in the Public Right-of-Way shall be submitted to, and approved by, the governmental authority having jurisdiction over the Right-of-Way, and any line or component of the Lot's Onsite Sewer System or Wastewater Sewer System situated in an easement, not a non-exclusive easement, shall be submitted to and approved by the appropriate dominant and subservient tenancies of that easement.
4. If required by the engineered design of the Wastewater Sewer System, the Lot Owner shall provide; (a) a watertight septic tank, (b) a filter at the septic tank, (c) a sewer service out-fall line from the septic tank to the point of connection to the common sewer line of the Cluster System, (d) any pumps or force mains required to discharge effluent from the septic tank to the Wastewater Sewer System common collection lines, all of which must be acceptable to the Utility, and (e) a lockable shutoff valve on the Lot side of the water meter to which the Utility is hereby granted access for the purpose of shutting off the water service to the Lot pursuant to Utility's Tariff on file with the Alabama Public Service Commission
5. Prior to discharging into the Wastewater Sewer System, the Lot Owner and the Lot Owner's tenant, if any, must enter into a written sewer service contract with the Grantee Utility setting forth the terms and conditions upon which the sewer service will be provided by the Utility. Once a sewer service contract is entered into between the Utility and the Lot Owner, the regular monthly or annual sewer service fee shall commence. If the structure is new construction then the sewer service fee shall commence upon the

first to occur of; the issuing of a Certificate of Occupancy by the appropriate Governmental Authority, or the connection is made for permanent water and electricity utility service to the Lot.

6. The Lot Owner shall have installed, or cause to be installed, the components of the Onsite Sewer System along with any connection to the Wastewater Sewer System at no expense to the Utility, including but not limited to; (a) a watertight septic tank that is approved by the Utility and the Governmental Authority having jurisdiction thereof, (b) a filter at the septic tank of a type that is approved by the Utility and the Governmental Authority having jurisdiction thereof, (c) a sewer service out-fall line from the septic tank to the point of connection to the common sewer line of the Wastewater Sewer System, (d) any pumps or force mains required to discharge effluent from the septic tank to the Wastewater Sewer System sewer lines, and (e) a lockable shut off valve on the Lot side of the water meter to which the Utility is hereby granted access for the purpose of shutting off the water service to the Lot for any breach of the sewer service agreement between the Utility and the Lot Owner.

7. The Grantor for itself and for, successors and assigns expressly grant the Utility and its successors and assigns the right to shut off and deny water service to the Lot in the event the agreement for sewer service is not entered into or is breached by no fault of the Utility.

The Grantee Utility retains exclusive right to extend sewers lines beyond the limits of the Property and Wastewater Sewer System to serve other real property so long as such extensions cause no additional expense to the Grantor.

9. Grantor grants Grantee Utility, or its agents, contractors, sub-contractors and their personnel access over and across the Property and any Lot therein to inspect, test maintain, repair, replace or remove the Onsite or Wastewater Sewer System components situated thereon. Grantor acknowledges and agrees that the Lot's septic tank, if any, should be pumped every third to fifth year or such other interval of time as shall be required by the appropriate governmental authority. Grantor instructs and grants Utility or its personnel, contractors or subcontractors access to timely pump the Lot's septic tank, if any.

10. All sewer lines installed in public Right-of-Way, whether by the Grantor or its contractors, the Utility or the Lot Owner, shall comply with the standards, directives and regulations of the Governmental Authority having jurisdiction over such Right-of-Way, regardless of whether the Right-of-Way has been dedicated or is proposed to be dedicated.

11. In all future conveyance documents, including but not limited to any deed and mortgage(s), for a Lot subject to these Covenants, shall be conveyed subject to these and the following Covenants running with the land, whether by reference to the recording of this instrument, or by setting forth therein substantially the following language:

"Each Lot attached to or to be connected to the subject Wastewater Sewer System is subject to an agreement between, Utility Management, LLC, herein referred to as the "Utility", and the County Department of Health and/or the Alabama Department of Public Health, and/or the Alabama Department of Environmental Management and the Alabama Public Service Commission; for the Utility or its successors and assigns to provide sewage disposal service for the subject Lot in consideration of a sewer service fee due to and established by the Utility and subject to change from time to time by the Utility pursuant to the regulations of the State of Alabama of the Wastewater Management Entities Act (Code of Alabama §22-25B-1 et seq. and the rules and regulations adopted thereunder) and the Utility's Certificate of Financial Responsibility. The sewer service fee is payable annually or monthly by the Lot Owner in advance to the Utility for such services. The Lot Owner does hereby for himself/herself/themselves/itself and for his/hers/theirs/its heirs, personal representatives, successors and assigns Covenant to timely pay said sewer fee and for himself/herself/themselves/itself and for his/her/its heirs, personal representatives, successors and assigns, further acknowledges that the failure to timely pay said fee shall result in a lien on the subject Lot enforceable according to the laws of the State of Alabama, and the possible termination of water and/or sewer service to the Lot.

'In the event of any breach of the sewer service agreement between the Utility or the Lot Owner, or in the event any sewer fee or charges due Utility from the Lot Owner remains unpaid for thirty (30) calendar days, the Lot Owner/purchaser/owner/grantee, as the case may be, of the subject real property does for himself/herself/themselves/itself and for his/hers/theirs/its heirs, personal representatives, successors and assigns grant unto the Utility the absolute right to shut off the water and/or the sewer service to the subject Lot with ten (10) days prior written notice to the Lot Owner. The Lot Owner shall hold the Utility harmless from any loss, claim, cost, expense, judgment, legal expenses, damage injury or illness arising from the Utility shutting off the water or sewer service to the Lot; and the Lot Owner shall defend and hold harmless the Utility from all such loss, claim, cost, expense, judgment, legal expenses, damage, injury or illness arising from the Utility shutting off the water or sewer service to the Lot.

'Until such time as a Governmental Authorities having jurisdiction, or a court of competent jurisdiction, shall terminate the Utility's exclusive right to provide the sewer service, the Lot Owner agrees that the Utility has the exclusive right to provide sewer service to the subject property and will enter into a written contracts for such service and do hereby agree to be bound by the terms and conditions of the Utility's standard contract in the event the parties fail to execute a contract for sewer service. Lot Owner agrees to pay all cost and legal expenses of Utility arising from Utility enforcing its exclusive right to provide the Lot Owner sewer service for the subject Lot."

12. Grantor, its heirs, personal representatives, successors and assigns, shall refrain from constructing, planting or placing structures, fences, trees, shrubs or landscaping improvements, except grass or mulch, on or over any easement utilized by the Utility and if any structures, fences, trees, shrubs or landscaping improvements is constructed, planted or placed on or over the Utility's easements shall be disturbed or destroyed by the Utility or its personnel, agents, subcontractors or sub-contractors, Grantor, its heirs, personal representatives, successors and assigns, shall hold Utility, its personnel, agents, subcontractors or sub-contractors, harmless from any claim of damage or loss arising from installation maintenance, repair, testing or servicing any component of the Wastewater Sewer System except the planting of grass or replacing mulch. In the event the grass, trees, shrubs,

structures, and landscaping of the Lot is disturbed by the Utility, the Utility will at the Utility's expense, restore same except that mature trees and shrubs may be replaced with young potted examples of similar species.

13. Upon acceptance by the Grantee Utility of any or all of the components of the Lot's onsite components of Wastewater Sewer System, if any, whether from the Grantors or from a subsequent owner of the Lot connected to, or to be connected to, the Wastewater Sewer System, or his/her/their/its heirs, personal representatives, successors or assigns, the Utility or its successors or assigns, shall hold such party harmless from any damage or financial loss and shall defend all claims brought against it arising from the operation, maintenance, repair, permit(s), license(s) or compliance with statutes or regulations of any Governmental Authority which shall now, or in the future, have jurisdiction over such matters involving any portion or component of the Wastewater Sewer System.

14. The Lot Owner builder shall protect the sewer system from damage during the course of constructing on or about the Lot and shall hold the Utility harmless from any financial loss including court cost and attorney's fee arising from such activity.

15. Lot Owner agrees that if the Lot owner discovers a defect or failure of any component, line, filter, pump control or Septic Tank or other component of the Wastewater Sewer System, the Lot Owner shall immediately notify the Utility. In the event the Utility does not respond in a timely manner, the Utility hereby agrees and grants unto the Lot Owner the right to correct the condition and charge the cost thereof to the Utility.

16. The Lot Owner agrees to pay Utility, herewith, a fee for connecting to the Wastewater Sewer System (herein referred to as the "Connection Fee") as set forth on page one hereof.

17. Prior to connecting to the Utility's Wastewater Sewer System, Lot Owner, at its sole cost, shall contract with a licensed contractor approved by the Utility and the appropriate Governmental Authorities to install the on-site components or to make all necessary improvements and installations to the Lot Owner's present onsite sewer system as required by the Utility and the appropriate Governmental Authorities.

18. All plans and specifications required by the any Governmental Authority having jurisdiction shall be prepared by a licensed engineer approved by the Utility and the cost of same shall be the sole responsibility of the Lot Owner.

19. The Lot Owner shall not discharge any effluent into the system prior to completion of construction of the Wastewater Sewer System. "Completion" will occur when the Utility and Governmental or Regulatory authority having jurisdiction thereof, approves the Wastewater Sewer System for use as a sanitary sewer system and certifies same in writing.

20. NOW, THEREFORE: **Public Notice** is hereby given that the Subdivision Property described herein is subject to an on-site sewage disposal permit issued by the appropriate governmental authority. The permit may restrict the use of the Owner's lot or obligate the Owners of the Lots and the Utility to special maintenance and reporting requirements and the permit may restrict the Utility to special maintenance and reporting requirements and penalties.

21. The Grantor for itself its purchasers, heirs, personal representatives, successors and assigns as owner of a Lot connected to or to connected to the Wastewater Sewer System owned and operated, or to be owned and operated by Grantee Utility does Covenant and agree to abide by the following rules and prohibitions:

PROHIBITED SUBSTANCES

DO NOT FLUSH

Coffee grinds	Dental floss	kitty liter	Tampons
Disposal diapers	sanitary napkins	Cigarette butts	Condoms
Fats, grease or oil	Paper towels	Paints	Varnishes
Thinners	Motor oil	Pesticides	Fuels
	Photographic solutions		

NO GARBAGE DISPOSALS SHALL DISCHARGE INTO THE SYSTEM

SWIMMING POOLS SHALL NOT DISCHARGE INTO THE SYSTEM

GENERAL:

- A. No storm water from pavements, area roads and ways, roof runoff water, foundation drains, subsurface drains, water from springs, cooling water, basement sump pump discharge, photographic developing or processing chemicals, unpolluted industrial or commercial process water, or other sources shall be admitted to the Utility's sewer system. The discharge of garbage to the Utility's sewer system is expressly prohibited.

DO NOT DISCHARGE:

- A. No person shall cause or permit to be discharged into the Utility's wastewater sewage system any toxic substance or waste having any of the following characteristics:
- B. Waste containing any gasoline, naphtha, fuel, oil or other liquids, solids or gases which by reason of their nature or quality may cause fire or explosion or be in any other way injurious to persons, the structures of the wastewater sewage system or its operation.
- C. Wastewater containing any photographic developing or processing fluids or chemicals.
- D. Waste having a temperature in excess of 120 Degrees Fahrenheit or lower than 20 Degrees Fahrenheit.
- E. Washes having a PH lower than 6.0 or higher than 9.0 having any corrosive property capable of causing damage or hazards to structures, components, equipment or personnel of the wastewater sewage system.
- F. Waste containing any noxious or malodorous gas or substance that either singly or by interaction with sewage or other waste is likely, in the opinion of the appropriate governmental authority or the Utility, to create a public nuisance or hazard to life or prevent entry to sewers for their maintenance or repair.
- G. Waste containing ashes, cinders, sand, mud, straw, shavings, metal, paint, glass, rags, feathers, tar, plastic, wood, cotton or other fibers, lime, slurry or any other solid or viscous material of such character or in such quantity as in the opinion of the Utility may cause an obstruction to the flow in sewers or otherwise interfere with the proper operation of the sewer system.
- H. Waste containing insoluble, non-flocculent substances having a specific gravity in excess of 2.65.
- I. Waste water containing soluble substances in such concentrations as to cause the specific gravity to be greater than 1.1.

- I. Waste containing any of the following substances in concentrations exceeding those shown in the following tables as measured by an acceptable method:

<u>SUBSTANCE</u>	<u>MAXIMUM PERMISSIBLE CONCENTRATIONS (mg per 1000 gallons)</u>
Phenolic Compounds, e.g.,	
As C6H5OH	1.00
Cyanides as CN	0.00
Cyanates as CNO	0.00
C.B.O.D. (5 day)	300.00
Iron as FE	3.00
Trivalent Chromium as CR plus three	0.05
Hexavalent Chromium as CR plus six	0.05
Nickel as Ni	0.05
Copper as Cu	0.50
Lead as Pb	0.50
Zinc as Zn	0.50
Mercury as Hg	0.00

- J. Waste containing other matter detrimental to the operation of a sewage treatment plant or sanitary sewers causing erosion, corrosion or deterioration in sewers, equipment and structures of a sanitary or sewer plant.
- K. Waste containing more than 100 mg per 1000 gallons by weight of tar, fat, oil or grease.
- L. Waste containing more than 10 mg per 100 gallons of any of the following gases: hydrogen sulfide, sulfur dioxide, nitrous oxide, or any of the halogens.
- M. Waste containing toxic substances in quantities sufficient to injure or interfere with any sewage treatment process, constitute a hazard humans or animals or create any hazard in the sewer system operation and such toxic waste shall include, but not be limited to, waste containing cyanide, chromium and/or copper ions.
- N. Any waste containing toxic substances in quantities sufficient to interfere with biochemical processes of the sewage treatment works or that will pass through the sewage treatment works and exceed the local, state and/or federal requirements in respect thereof.
- O. Any waste containing radioactive isotopes.

TO HAVE AND TO HOLD to said Grantee, its successors and assigns forever.

And we do for our self and for our successors and assigns covenant with the said Grantee, its successors and assigns, that we are lawfully seized in Fee Simple of said premises; that they are free from all encumbrances, unless otherwise noted above; that we have good right to sell and convey the same as aforesaid; that we will and our successors and assigns shall and defend the same to said Grantee, its successors and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, I being duly authorized, have set our hand and seal this the 28th day of Sept, 2011.

GRANTOR:
POINT WILLIAM DEVELOPMENT
COMPANY, LLC By J & W
Management Corporation, Its Manager

BY: [Signature]

JOHN HAGEFSTRATION
Its: President

GRANTEE:
UTILITY MANAGEMENT,
LIMITED LIABILITY COMPANY

By: [Signature]
TOMMY G. BRIGHT
ITS: GENERAL MANAGER

ACKNOWLEDGMENTS

STATE OF ALABAMA)
Tallapoosa COUNTY)

Before me, Donald N. Guthrie, a Notary Public for said County, in said State, hereby certify that **JOHN HAGEFSTRATION**, whose name as President of J & W Management Corporation, an Alabama corporation is signed to the foregoing instrument, as in its capacity Manager of **Point William Development Company, LLC**, a Delaware limited liability company and who is known to me, acknowledged before me, voluntarily for and as the act of said corporation, acting in its capacity as said Manager on this day, that, being informed of the contents of the instrument he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this 28th day of Sept, 2011.


NOTARY PUBLIC

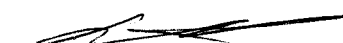
My Commission expires: 11/22/12

SEAL

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

Before me, Donald N. Guthrie, a Notary Public for said County, in said State, hereby certify that **TOMMY G. BRIGHT**, whose name is signed to the foregoing as General Manager of **UTILITY MANAGEMENT, LLC**, and who is known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance he voluntarily executed same on this the day the same bears date.

Given under my hand and official seal this 28th day of Sept, 2011.


NOTARY PUBLIC

My Commission Expires: 11/22/12

COVENANTS – EXHIBIT “A”

Point William Legal

A parcel of land situated in the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama being more particularly described as follows:

BEGIN at the Southeast corner of the Southeast Quarter of the Northeast Quarter of Section 25, Township 11 South, Range 6 West, Huntsville Meridian, Winston County, Alabama; thence run North 00°47'36" West along the east line of Section 25 for a distance of 1175 feet, more or less, to the 510 elevation contour, said 510 elevation being the normal summer full pool of Lewis Smith Lake; thence leaving said east line of Section 25 run along said 510 elevation contour in a westerly, then southerly, then southeasterly direction for a distance of 2,848 feet, more or less, to a point on the south line of said Section 25; thence run North 88°57'14" East for a distance of 174 feet, more or less, to the POINT OF BEGINNING.

Containing 21.6 acres, more or less.

EXHIBIT "4"

ESTIMATED BUDGET & FILING FEES

Utility Management, LLC
P.O. Box 43823
Birmingham, Alabama 35243
Phone (205) 967-9968 Facsimile (205) 967-8178

Utility Management, LLC

October 6, 2011

POINT WILLIAM SEWER SYSTEM ESTIMATED BUDGET

From Developer:

Year	Source	Annual Revenue
2011	One Time Contracting Fee	\$1,000.00

From Service Revenue:*

Year	Type Unit	Paying Units	Rate	Monthly Revenue	Annual Revenue
2011	Residence	-0-	\$44.07	\$ 0.00	\$ 0.00
	Unoccupied	-0-	\$25.00	\$ 0.00	\$
	Reconnect	-0-	\$25.00	\$ 0.00	\$ 0.00
	Total			\$ 0.00	\$ 0.00
2012	Residence	8	\$44.07	\$ 352.65	\$ 4,230.72
	Unoccupied	28	\$10.00	\$ 280.00	\$ 3,360.00
	Reconnect	-0-	\$ 25.00	\$ 0.00	\$ 0.00
	Total			\$ 462.21	\$ 7,590.72
2013	Residence	22	\$44.07	\$ 969.54	\$ 11,634.48
	Unoccupied	21	\$10.00	\$ 210.00	\$ 2,520.00
	Reconnect	-0-	\$25.00	\$ 0.00	\$ 0.00
	Total			\$1,179.54	\$ 14,154.48
2014	Residence	26	\$44.07	\$1,145.82	\$ 13,749.84
	Unoccupied	11	\$ 10.00	\$ 110.00	\$ 1,320.00
	Reconnect	-0-	\$25.00	\$ 0.00	\$ 0.00
	Total			\$1,255.82	\$ 15,069.84
2015	Residence	36	\$44.07	\$1,586.52	\$ 19,038.24
	Unoccupied	-0-	\$10.00	\$ 0.00	\$ 0.00
	Reconnect	0	\$25.00	\$ 0.00	\$ 0.00
	Total			\$1,586.52	\$ 19,038.24

*Based on Current Tariff rates and assumes no change during the period 2010-2014

POINT WILLIAM WASTEWATER SYSTEM FILING FEES

Utility Management, LLC Cost:

FILING FEES	COST
Alabama Public Service Commission Filing Fees	\$ 300.00
Alabama Department of Public Health Operating Permit Fee	\$ 250.00
Total	\$ 550.00

COMPONENT DESIGN, PURCHASE & INSTALLATION COST PER DEVELOPER

Cost of System installed and ready to operate per Developer:	\$150,000
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MAPS

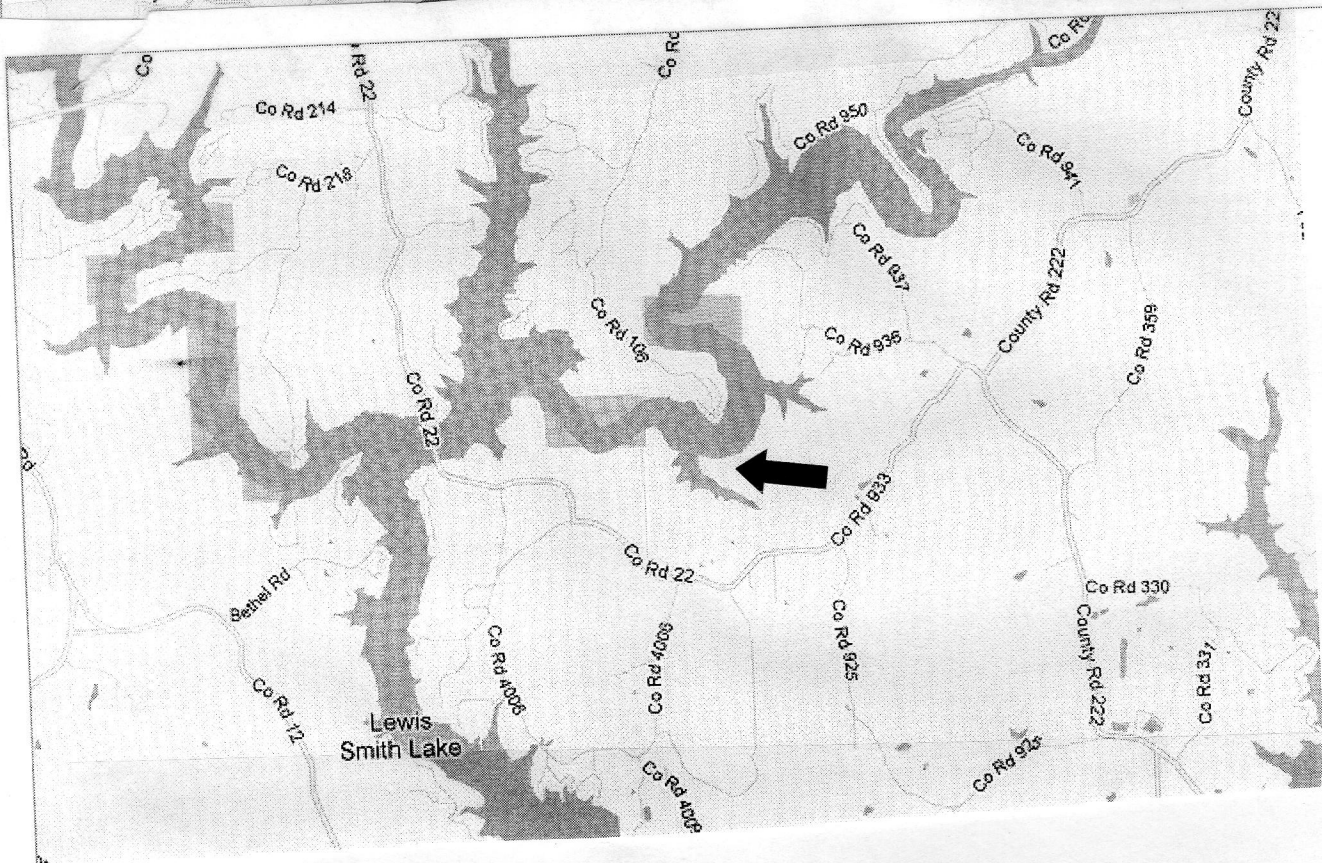
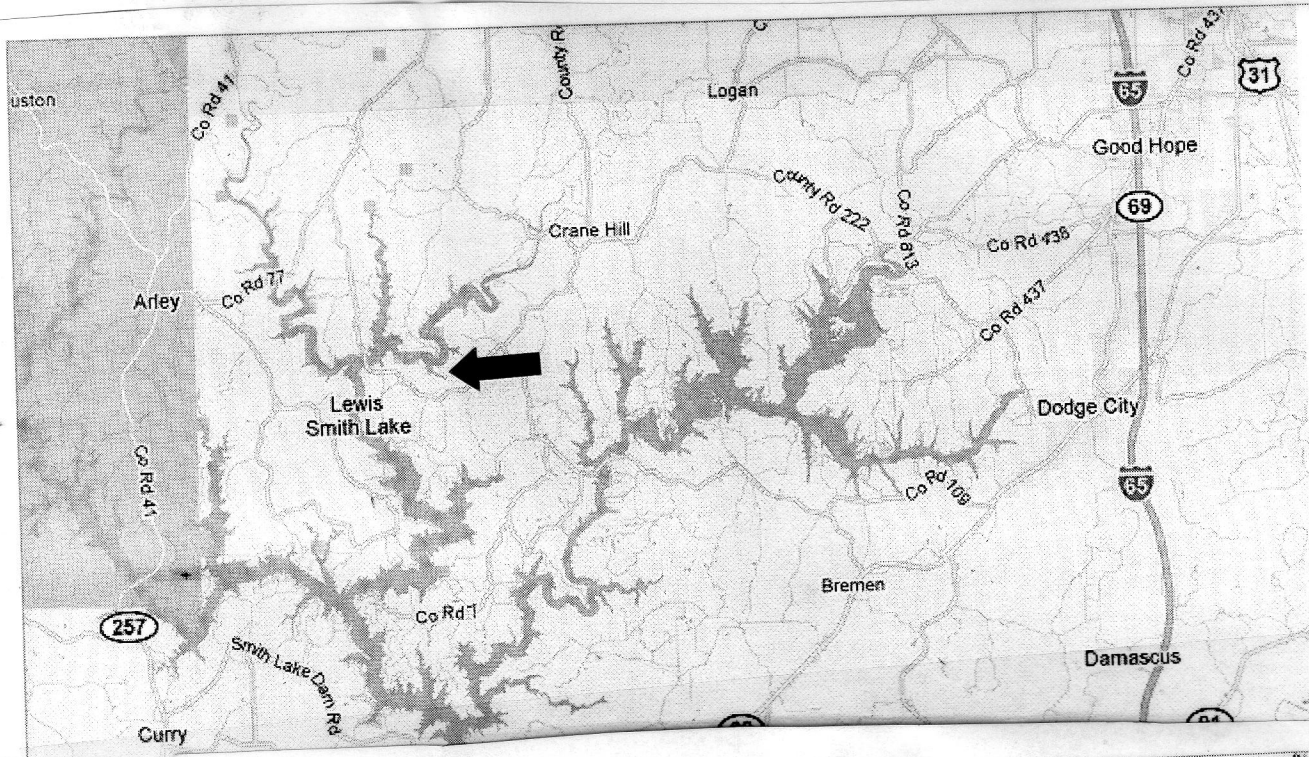


EXHIBIT "6"
AREAL PHOTO



Google - Image 2011 Data by GeoEye, USDA Farm Service Agency, Map Data ©2011 Google - -

PART B
APPLICATION FOR LARGE FLOW SYSTEM
 (A SYSTEM WITH A FLOW OVER 1,200 GPD or 9 BEDROOMS OR MORE)

For Department Use Only

NOTE: This is an application **ONLY**. Completion **does not** constitute an approval or permit to install or approval for use



ALABAMA DEPARTMENT
OF PUBLIC HEALTH
☐ New ☐ Repair

County Health Department	_____	Date Fee Paid	_____
Co. Health Dept. I.D. No	_____	Fee Amount	_____
Date Received	_____	Fee Code	_____
		Receipt No.	_____

SECTION A: GENERAL INFORMATION

System Name: Point William

Directions to system site: From Dodge City take Hwy 69 west, turn right on Co Rd 222 and go 10.6 miles, turn

left on Co Rd 933, the site is 0.9 miles on the right Section: 25 T 11S R 6W

Name of Development(s) or Establishment(s) Served: Point William Subdivision

Lots Served per Development: 36

- | | |
|--|---|
| <input type="checkbox"/> Condominium Trust | <input checked="" type="checkbox"/> Privately-owned Corporation |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Homeowners Association |
| <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Political Subdivision of the State |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> General Welfare Corp (pursuant to Chapter 6 of Title 37) |
| <input type="checkbox"/> Other (identify): _____ | |

If a corporation or other limited liability entity, a listing of corporate officers, their names and addresses, and the name and address of the agent designated by the corporation for purposes of service shall be provided as a separate attachment. If a partnership, the names and addresses of the general partners, and if a proprietorship, the name and address of the proprietor shall be provided as a separate attachment.

Utility Management, LLC	PO Box 43823	Birmingham
Owner	Address	City
AL	967-9968	
State	Zip	Telephone #
	205-531-9669	205-967-8178
		Fax #

PLEASE READ BEFORE SIGNING: By signing this application, I am stating that the OSS will be installed according to the design as approved by the ADPH and will be maintained according to the manufacturer's recommendation, the operation and maintenance plan, and the Permit. I understand that the property named in this application shall not be further divided, or the system thereon modified in any way, without approval by the Health Department. I do hereby give permission to the Health Department to enter onto the property, at reasonable hours, for the purpose of processing this application.

Owners Signature (if not individual see Rule 420-3-1.87)

Date

10/3/2011

CEP-3

System Name: Point William

SECTION B: SYSTEM DESIGN INFORMATION- TO BE COMPLETED BY ENGINEER

WASTEWATER

Provide a description of the collection, treatment and disposal plan, including the calculations on which it is based, the pollutants that will enter the treatment facility and the prediction of the pollutants that will be discharged from the treatment facility. Residential Waste shall be assumed equivalent to 2 people per bedroom at 0.2 lbs per person (0.4 lbs total).

Brief description of project: Decentralized wastewater system for 36 lot residential subdivision including swimming pool. Collection system shall consist of pressure sewer and step system on each lot. Disposal by drip irrigation installed 6-8 inches deep. See separate calculations for additional information.

☒ Sewage
of Dwellings: 36 Total # of bedrooms: _____ # of Spa/Hot Tubs: _____ other: _____

Total Flow 7088 gpd

☐ High Strength Sewage (if yes, characterize Influent below)

Influent

Average Daily Flow in gal/day _____ Max Daily flow in gal/day _____

Average Daily BOD in lbs/day _____ Max Daily BOD in lbs/day _____

Average Daily TSS in lbs/day _____ Max Daily TSS in lbs/day _____

Average Daily NH₄ in lbs/day _____ Max Daily NH₄ in lbs/day _____

Source of Information (Rationale) for Flow and Influent Characteristics: _____

Treatment (prior to disposal)

☐ Primary (Septic Tank) ☒ Secondary or better (Advanced)

Treatment System Description: 5 AquaAire AA1500 treatment units

Effluent

Average Daily BOD in lbs/day 1.76 Max Daily BOD in lbs/day 2.65

Average Daily TSS in lbs/day 1.76 Max Daily TSS in lbs/day 2.65

Average Daily NH₄ in lbs/day 1.76 Max Daily NH₄ in lbs/day 2.65

CEP-3

System Name: Point William

Placement

- ☐ Conventional Field (24" – 60" in original soil) ☐ Shallow Conventional (12 – 24" in original soil)
☐ Engineered Mound ☐ Engineered Controlled Fill
☒ Other: 6-8" deep in soil

☐ If available – Latitude (deg./min./sec.) _____ Longitude (deg./min./sec.) _____

Disposal Medium

- ☐ Gravel ☒ Drip ☐ Other _____

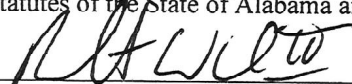
Provide field sizing calculations. Field size shall be calculated in accordance to 420-3-1-.37 Gravel Field Standard EDF Sizing for Dwellings through 420-3-1-.40 EDF Reductions for Establishments

OPERATOR (if known at this time)

_____ Name		_____ Title		
_____ Address	_____ City	_____ State	_____ ZIP	_____ Telephone #

ENGINEER'S SIGNATURE

I certify that the design features of the OSS at the address above have been designed, specified, or approved by me, and conform to design principles applicable to such projects. In my professional judgment, this system, when properly constructed, operated and maintained, will achieve the established performance standards and comply with applicable statutes of the State of Alabama and the ADPH.

 7/29/11
Signature Date

<u>2 Office Park Cir, Ste 11</u> Name	<u>21564</u> AL Registration #	<u>Alabama Engineering Co., Inc.</u> Eng Firm Name			
<u>2 Office Park Cir, Ste 11</u> Address	<u>Birmingham</u> City	<u>AL</u> State	<u>35223</u> ZIP	<u>205-803-2161</u> Telephone #	<u>205-803-2162</u> Fax #

OTHER PERMITS

List Permit numbers for applicant's previous NPDES permits issued by ADEM, State-Issued Performance-Based Permit issued by ADPH, and identification of any other state environmental permits presently held by the applicant or its parent corporation or subsidiary corporations within the state.

System Name: Point William

PLANS & SPECIFICATIONS

☒ Attach surveyed plat and detailed layout that includes:

- (a) Surveyed plat of the property that shows the following:
 1. Final lot dimensions, including total acreage or square footage of each lot;
 2. Final lot elevations and contours;
 3. Location and description of all the existing, and to the extent known, proposed structures, including, but not limited to, driveways, parking areas, sidewalks, walls, etc.; and
- (b) A detailed layout of the proposed OSS, including a plan view that locates the treatment tanks, traps, pump chambers, distribution boxes, other treatment devices, pipe sizes, lengths, spacing, and the primary and replacement EDF. The layout shall also include the following:
 1. A cross-section view of the EDF and the system as a whole;
 2. Sequence of connections;
 3. Maximum/minimum depth(s) of effluent lines, aggregate, cover, etc.
 4. Benchmark location and elevation;
 5. Elevations of trench bottoms, pipe inverts, top of EDF, top of original ground, top of fill (if applicable), tank inlet/outlet, and facility plumbing stub-out, etc., in relation to the established temporary bench mark;
 6. Plans for tanks, showing capacity, invert and elevations, access manholes, inlet and outlet details. Plans for built-in-place or precast tanks will include dimensions, reinforcement details, liquid depth and other pertinent construction features;
 7. Location and results of soil tests in both the primary and replacement EDF;
 8. Locations of surface waters, springs, wetlands, swamps, marshes, hydric soils, wells, surface and subsurface drainage systems, sinkholes, caves, landfills, covered or open dumps, and surface mining operations on the lot, and within a 200-foot radius of the center of the primary and replacement EDF, sanitary sewer systems within 500 feet, public water supply sources within 500 feet, private water supplies and surface water supplies within 200 feet, water lines serving the project and within 10 feet of system components, building foundations, basements, property lines, embankments or cuts of 2 feet or more in vertical height, swimming pools, storm sewers, interceptor drains, surface drainage systems, and adjacent EDFs.
 9. A surface contour map of the OSS area, compatible with the temporary benchmark, and with a maximum contour interval of 2 feet;
 10. Location and design of associated surface and groundwater drainage systems that could potentially impact the OSS;

11. An explanation of the system sizing, design treatment rationale. Performance levels shall be indicated in the design as primary, secondary, advanced, or tertiary.

(i) The volumes of sewage shall be computed from Rules 420-3-1-.36, Design Flow and Wastewater Concentrations.

(I) For a State-Issued Performance Permit application, the explanation should also state reasons for choosing the design and include suggested monitoring criteria (requirements, locations, methods, etc.), means for assuring the quality and integrity of the finished product, operation and maintenance procedures which address requirements for the system operator, inspection schedules, process and performance-monitoring schedules, and provisions for residuals management and maintenance of mechanical components, the EDF and the field vegetative cover. A contingency plan shall be provided for collection and disposal of effluent in the event of system failure or interruption of electrical power (if applicable). Treatment levels for performance-based systems shall be indicated as primary, secondary, advanced or tertiary. An operation and maintenance manual shall be prepared by the design engineer and/or product manufacturer, and provided as part of the original design. Changes to the operation and maintenance manual shall be approved and certified by the engineer.

(II) An application for a State-Issued Performance Permit shall be completed by the design engineer and signed by the individual meeting the requirements of Rule 420-3-1-.87, Signatories to a Permit Application and Report.

12. Plans shall include plan views for collection sewers, force mains, and supply lines, clean-outs and manhole locations, lateral connections, proximity to utilities, and pertinent features such as wells, water lines, storm drains, surface waters, structures, roads and other trafficked areas;

13. A contingency plan for effluent to be collected and disposed of or treated in the event of system failure or interruption of electrical power (if applicable);

14. An operation and maintenance manual shall be prepared by the design engineer and provided as part of the original design maintenance procedures addressing requirements for the system operator, inspection schedules, residuals management provisions, process and performance monitoring schedules, and provisions for maintaining mechanical components, the EDF, and its field vegetative cover.