

# BUTLER | SNOW

July 24, 2008

filed electronically in docket office 7/25/2008

## VIA FEDEX AND ELECTRONIC MAIL

Ms. Darlene Standley, Chief  
Utilities Division  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

Re: Docket No. 00-00511 – PETITION OF TOTAL ENVIRONMENTAL SOLUTIONS, INC. FOR THE CANCELLATION OF ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Dear Ms. Standley:

In response to your data request dated July 18, 2008, Total Environmental Solutions, Inc. (“TESI”) offers the following:

The Purchase and Sale Agreement (the “Purchase Agreement”) attached to the above-reference petition and previously provided to the Tennessee Regulatory Authority by letter dated April 8, 2008, is the fully executed original purchase and sale agreement that was delivered to Petitioner’s counsel by Candlewood Lakes Property Owners Association, Inc. (the “Association”) and TESI. The Association delivered its executed counterpart of the Purchase Agreement to Petitioner’s counsel on or about January 15, 2008. TESI executed its counterpart of the Purchase Agreement on or about January 31, 2008, and delivered it to Petitioner’s counsel in early February, 2008.

Your data request specifically requests for the Petitioner to be sure that all dates in the documents are complete. The blank on the first page of the Purchase Agreement for the date of the Purchase Agreement was not completed by either the TESI or the Association at the time the Purchase Agreement was executed by them. Because some of closing documents attached to the Purchase Agreement refer to the Purchase Agreement being dated as of a certain date, TESI and Candlewood needed to identify a date when the Purchase Agreement would be dated for the purpose of completing the closing documents. Upon the closing of the transaction, TESI and Candlewood agreed that the Purchase Agreement would be deemed to be dated January 31, 2008, for purposes of the closing, (i.e., the approximate date when the Purchase Agreement was fully executed by both TESI and Candlewood).

The blank for the “Expected Closing Date” in Section 2.1 of the Purchase Agreement has not been completed. Although the parties had hoped to close the transaction in February, 2008, TESI did not want to commit to a closing date until it had received same informal guidance from the Tennessee Regulatory Authority. Under the terms of Section 2.1 of the Purchase Agreement, the

Post Office Box 171443  
Memphis, TN 38187-1443

JASON G. YARBRO  
901.680.7306  
jason.yarbrosnow@butlersnow.com

Crescent Center  
6075 Poplar Avenue, 5th Floor  
Memphis, TN 38119

T 901.680.7200 • F 901.680.7201 • [www.butlersnow.com](http://www.butlersnow.com)

BUTLER, SNOW, O’MARA, STEVENS & CANNADA, PLLC

Ms. Darlene Standley, Chief  
July 24, 2008  
Page 2

Closing Date is the day on which the closing under the Purchase Agreement actually occurs. This transaction closed on May 21, 2008.

You also requested copies of the fully-executed closing documents. Please find enclosed the following fully executed closing documents:

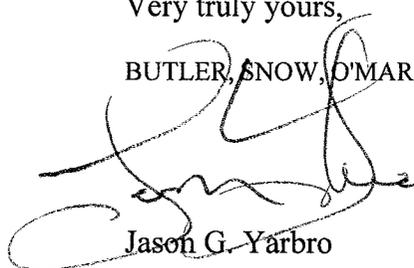
1. Quit Claim Deed;
2. Bill of Sale; and
3. Assignment & Assumption Agreement.

Exhibit A to the Purchase Agreement is a property description and was not required to be signed by either party in connection with the closing.

If you have any questions or need any additional information, please contact me. Thank you.

Very truly yours,

BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC



Jason G. Yarbrow

JGY:kk  
Enclosures

This instrument prepared by and return to:  
Jason G. Yarbrow  
Butler, Snow, O'Mara, Stevens & Cannada, PLLC  
6075 Poplar Avenue, 5<sup>th</sup> Floor  
Memphis, Tennessee 38119

QUIT CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS, That **TOTAL ENVIRONMENTAL SOLUTIONS, INC.**, a Louisiana Corporation ("Grantor"), for and in consideration of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby bargain, sell, remise, release, quit claim, and convey unto **CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC.**, a Tennessee non-profit corporation ("Grantee"), all of its right, title, and interest in and to the following described real estate (the "Property") located in the County of Hardeman, State of Tennessee, to-wit"

All that certain real estate described in **Exhibit "A"** attached hereto and incorporated herein by reference.

This conveyance is made pursuant to the purchase and sale agreement between the Grantor and Grantee dated as of the 31<sup>st</sup> of January, 2008.

IN TESTIMONY WHEREOF, Grantor has executed this instrument this the 21<sup>st</sup> day of May, 2008.

**TOTAL ENVIRONMENTAL SOLUTIONS, INC.**

By: *Brian Rivet*  
Title: *pres*

ATTEST:

By: *Tracy Duval*  
Title: *Secretary*

STATE OF Louisiana  
COUNTY OF Terrebonne

Before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared BRIAN RIVET, and TRACY DUVAL, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged themselves to be PRESIDENT and SECRETARY of TOTAL ENVIRONMENTAL SOLUTIONS, INC., a Louisiana Corporation, the within named bargainor, a corporation, and that they as much BRIAN RIVET and TRACY DUVAL being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves as PRESIDENT and SECRETARY.

WITNESS my hand and seal, at office this 21<sup>st</sup> day of May, 2008.

[Signature]  
NOTARY PUBLIC

My Commission Expires: 12 Dec 11

**JAMES M. FUNDERBURK**  
NOTARY PUBLIC  
\* Parish of Terrebonne, State of Louisiana \*  
My Commission Is For Life  
Bar Roll Number 5785  
(FOR RECORDING DATA ONLY)

Tax Parcels:

Property address:

Name and Address of New Owner:

Candlewood Lakes Property Owners Association, Inc.  
P.O. Box 27  
Soulsbury, TN 38067

Mail tax bills to: (Person or Agency responsible for payment of taxes):

Candlewood Lakes Property Owners Association, Inc.  
P.O. Box 27  
Soulsbury, TN 38067

I, or we, hereby swear or affirm that, to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$ NONE.

[Signature]  
Affiant

Subscribed and sworn to before me this 20<sup>th</sup> day of June, 2008.

[Signature]  
Notary Public

My commission expires: 8/31/2010



**EXHIBIT A  
PROPERTY DESCRIPTION**

The Waterworks and Water Plant Site consisting of 1.15 acres located and shown on a plat of record in Plats 1 through 6, Candlewood Lakes Subdivision as recorded at pages 71 through 76 and page 100 in Plat Book 3 in the Hardeman County, Tennessee Register's Office, said Water Plant Site located between Lots 1177 and 1284 of said Subdivision, as above described and recorded; together with and including all improvements thereon and all persons, property and easements constituting and being a part of the water utility and water system within Candlewood Lakes Subdivision, and including any and all contractual and attendant rights to collect water dues from lot purchasers of Candlewood Lakes Corporation lots within Candlewood Lakes Subdivision as provided for in Record Book P-5, page 200 in said Register's Office.

Parcel 19    Map 180B Group D

BILL OF SALE

This Bill of Sale (the "Bill of Sale") is made and executed as of the 21<sup>st</sup> day of May, 2008 by and between Total Environmental Solutions, Inc., a Louisiana corporation ("TESI"), and Candlewood Lakes Property Owners Association, Inc. a Tennessee non-profit corporation ("Candlewood").

WHEREAS, TESI and Candlewood are parties to a certain Purchase and Sale Agreement dated as of the 31st day of January, 2008 (the "Agreement"), providing, inter alia, for the execution and delivery of this Bill of Sale.

NOW, THEREFORE, in consideration of the premises, TESI and Candlewood agree as follows:

1. TESI does hereby assign, transfer and convey to Candlewood all of TESI's right, title and interest in the 1994 White Toyota 1/2-pickup truck, VIN#4TARN81AORZ195990, the water facility, including the water tower, well house, all inventory including pumps, valves, fittings, pipe, water distribution system consisting of pipes, valves, fittings, water well and all of TESI's right, title and interest in the items described on Exhibit A incorporated herein.

2. Notwithstanding any provision of this Bill of Sale, this Bill of Sale is not intended to create any broader representations or warranties than those contained in the Agreement; therefore, in the event of any ambiguity or conflict between the terms hereof and the Agreement, the terms of the Agreement, including the disclaimer and other provisions set forth in Section 3.1.3 of the Agreement, shall govern and be controlling.

3. This Bill of Sale may be executed in counterparts and shall be effective and binding on all parties upon the signature of the last party to execute this Bill of Sale.

IN WITNESS WHEREOF, TESI and Candlewood each acting through its duly authorized managers, members or officers, have caused this Bill of Sale to be executed and delivered as of the date first written above.

TOTAL ENVIRONMENTAL SOLUTIONS, INC.

By:

Brian Rust

Title:

Pres.

CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC.

By:

Haymond S. Hummel

Title:

President

## ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement ("Assignment and Assumption Agreement") is made and executed as of the 21<sup>st</sup> day of May, 2008 by and between Total Environmental Solutions, Inc., a Louisiana corporation ("TESI"), and Candlewood Lakes Property Owners Association, Inc. a Tennessee non-profit corporation ("Candlewood").

### RECITALS

WHEREAS, TESI and Candlewood are parties to a certain Purchase and Sale Agreement dated as the 31<sup>st</sup> day of January, 2008 (the "Agreement"), providing, inter alia, for the execution and delivery pursuant to which TESI agreed to assign and Candlewood agreed to assume all liabilities and responsibilities relating to the water system that services the Candlewood Lakes subdivision

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged the:

1. TESI does hereby assign to Candlewood all of TESI's right title and interest in and to the contracts between the System and subdivision residents and all other contracts of and related to the System and all responsibilities and obligations thereunder (collectively the "Contracts and Obligations").

2. Candlewood does hereby assume the (a) Assumed Obligations (as defined in the Agreement) and (b) Contracts and Obligations.

3. Notwithstanding any provision of this Assignment and Assumption Agreement, this Assignment and Assumption Agreement is not intended to create any broader representations or warranties than those contained in the Agreement; therefore, in the event of any ambiguity or conflict between the terms hereof and the Agreement, the terms of the Agreement, including the disclaimer and other provisions set forth in Section 3.1.3 of the Agreement, shall govern and be controlling.

4. This Assignment and Assumption Agreement may be executed in counterparts and shall be effective and binding on all parties upon the signature of the last party to execute this Assignment and Assumption Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment and Assumption Agreement (or have caused it to be executed by their duly authorized representatives) to be effective as of the day and year first written above.

**TOTAL ENVIRONMENTAL SOLUTIONS, INC.**

By: Brian P. Pitt

Title: President

**CANDLEWOOD LAKES PROPERTY OWNERS ASSOCIATION, INC.**

By: Hayward G. Turnes

Title: President

PLEASE FOLD THIS SHIPPING DOCUMENT IN HALF AND PLACE IT IN A WAYBILL POUCH AFFIXED TO YOUR SHIPMENT SO THAT THE BAR-CODE PORTION OF THE LABEL CAN BE READ AND SCANNED. \*\*\*WARNING: USE ONLY THE PRINTED ORIGINAL LABEL FOR SHIPPING. USING A PHOTOCOPY OF THIS LABEL FOR SHIPPING PURPOSES IS FRAUDULENT AND COULD RESULT IN ADDITIONAL BILLING CHARGES, ALONG WITH THE CANCELLATION OF YOUR FEDEX ACCOUNT NUMBER.

From: Origin ID: HKAA (901) 680 7200  
Kris N. Kemp  
BUTLER SNOW ATTORNEYS  
6075 POPLAR AVE STE 500  
  
MEMPHIS, TN 38119



CL6061305/09/15

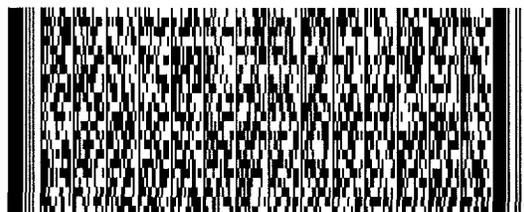
Ship Date: 24JUL08  
Actual Wgt: 1 LB  
System#: 323341/  
Account#: S 275263567

REF: 60055



Delivery Address Bar Code

SHIP TO: (901) 680 7345 **BILL SENDER**  
**Tennessee Regulatory Authority**  
**Ms. Darlene Standley Chief**  
460 James Robertson Parkway  
  
Nashville, TN 37243



**PRIORITY OVERNIGHT**

**FRI**

TRK# 9547 3924 1628

FORM 0201

Deliver By:  
25JUL08

**BNA A1**

37243 -TN-US

**XH RNCA**

