



State of Idaho
Department Of Environmental Quality
Technical Guidance Committee

Extended Treatment Package System Subcommittee Meeting

Minutes

December 12, 2012

**Department of Environmental Quality
Conference Room "C"
1410 N. Hilton
Boise, Idaho**

TGC-ETPS ATTENDEES:

Tyler Fortunati, R.E.H.S., On-Site Wastewater Coordinator, DEQ
Bob Erickson, Senior Environmental Health Specialist, South Central Public Health District
Ryan Spiers, Alternative Wastewater Systems, LLC
David Loper, Environmental Health Director, Southwest District Health Department
Jay Loveland, Senior Environmental Health Specialist, Panhandle Health District (via telephone and GoToMeeting)
Brent Gee, Effluent Technologies, Inc. (via telephone and GoToMeeting)
Raymond Keating, Eastern Idaho Public Health District (via telephone and GoToMeeting)
James Bell, Bio-Microbics, Inc. (via telephone and GoToMeeting)
Kim Walker, Simple Septic Solutions (via telephone and GoToMeeting)

GUESTS:

Chas Ariss, P.E., Wastewater Engineering Manager, DEQ
Paul Wakagawa, P.E., Wastewater Technical Engineer, DEQ
PaRee Godsill, Everlasting Extended Treatment, Inc.
Kelley Eager, Eastern Idaho Public Health Department (via telephone and GoToMeeting)
Nathan Taylor, Eastern Idaho Public Health Department (via telephone and GoToMeeting)
Joe Canning, B&A Engineers
Janette Young, Administrative Assistant, DEQ

CALL TO ORDER/ROLL CALL:

Meeting called to order at 9:15 a.m.
Committee members and guests introduced themselves.

MEETING MINUTES:

November 15, 2012 Draft ETPS Subcommittee_Minutes: Review, Amend or Approve

Motion: David Loper moved to accept minutes as presented.



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Second: Bob Erickson.

Voice Vote: Motion carried unanimously.

Minutes will post as final. See DEQ webpage and Appendix A.

OPEN PUBLIC COMMENT PERIOD: This section of the meeting is open to the public to present information to the ETPS subcommittee that is not on the agenda. The ETPS subcommittee is not taking action on the information presented.

No public comments were submitted during the allotted agenda timeframe.

OLD BUSINESS:

Service Reminder Letter (DEQ to O&M Entity):

The subcommittee reviewed a draft copy of a service reminder letter that will be provided to O&M Entities by DEQ. This letter will be on DEQ letterhead and is for O&M Entities to include in their annual mailings. The letter describes what the ETPS program is and why the servicing and testing requirements are in place.

Jim Bell requested that the letter should stress that the annual servicing and testing are "required". Tyler Fortunati clarified that this letter is an overview of the program and is to be sent out by the O&M non-profit entities to their membership to encourage voluntary participation by homeowners. Jim Bell suggested amending the letter to "is required for your systems overall functionality." Bob Erikson suggested changing the last paragraph from "Please work with" to "You are required to work with"

Motion: Brent Gee moved to put the letter on hold and work on testing issues.

No Second.

Jim Bell wants to add "Required" and keep rest of letter informative with DEQ letterhead and signature and have O&M send this letter to their membership. Discussion on the process of when this letter will go out to O&Ms. This letter would be part of a package of recommendations that the ETPS subcommittee would present to the Technical Guidance Committee (TGC) for their approval.

Motion: Brent Gee moved to accept the changes as discussed today and to place the letter on hold for inclusion of other information at a later date if necessary as the ETPS subcommittee continues to work on the ETPS program.

Second: Jay Loveland.

Voice Vote: Motion carried unanimously. See Appendix B.



NEW BUSINESS:

O&M Entity Board Makeup for Existing Non-Profit O&M Entities

Tyler Fortunati presented information from the Articles of Incorporation as filed with the Secretary of State on the Board of Director makeup of 11 O&M Non-Profit entities in Idaho. The status of two of these entities is Admin. Dissolved the rest are in Goodstanding with the Secretary of State. This does not reflect their standing with the Idaho Department of Environmental Quality (DEQ). Tyler Fortunati clarified that according to TGM section 4.2 Non-Profit Corporations the O&M non-profit entities cannot be dissolved until they have been hooked up to public sewer or have merged with another approved non-profit corporation. All of the Boards are Idaho based, except Idaho Residential Wastewater Treatment Services, Inc. which includes manufacturer representatives based in Kansas. Bob Erikson noted that most have 2 or 3 family members on the Board.

David Loper noted that Homeowners often express they have no choice, the O&M Board members and the Service Providers/Registered Agent are the same people and are in charge of setting rates for the servicing and testing of their ETPS units.

Tyler Fortunati stressed that Homeowners need to understand the makeup of their O&M non-profit entities and use their voting rights. DEQ reviews the Articles of Incorporation and By-Laws prior to non-profit entity approval to make sure they are not in conflict with Section 4.2 of the TGM.

David Loper noted that District 3 is trying to get homeowners to take an active role in the O&M entity.

Bob Erikson's experience is that homeowners are busy and not interested in being involved with their ETPS and O&M non-profit entities. He was shocked at the number of systems reported in the November meeting that are under suspended entities. Nearly half of the 2000 systems installed are suspended. Is this due to testing failures, lack of annual reports and/or lack of annual tests?

Jim Bell has found that working with these systems and their requirements in all 50 States, the Idaho non-profit model is one of the best ones to work with. There will always be a problem with some homeowners not paying their share of servicing and testing. David Loper requested that DEQ look into the Admin. Dissolved status with the Secretary of State report because in Section 4.2 of the TGM items 18 & 19 restrict how the O&M Non-Profit Entity can be dissolved.

Tyler Fortunati stated that there should more accountability by the O&M non-profit entity and more DEQ involvement. Why are there no annual reports from the O&M? No reasons are presented to the Health Districts and DEQ other than homeowners not paying. How do we close loopholes and have more participation?



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Jay Loveland is concerned that the voluntary nature of the program is not working. The only feasible solution for participation seems to be regulatory action based upon State Rules.

Brent Gee gave an example of an O&M annual meeting that 8 people showed up for the annual meeting and were not willing to elect new Board Members. The by-laws of Effluent Technologies state that if the corporation is unable to function then it reverts to the service provider. There is a lack of homeowner involvement at this O&M.

Ryan Spiers commented that in order for the O&M to be viable they need to have a manufacturer on the Board of the O&M non-profit entity.

David Loper asked Jim Bell to elaborate on why BioMicrobics O&M Non-Profit Entity is working well in Idaho.

Jim Bell stated that in order for it to work, it takes direct manufacturer involvement. State penalties need to apply to manufacturers that don't comply with service, testing and reporting requirements. In Massachusetts, manufacturers are required to provide training and certification of service providers. The problem is that you are dealing with 1 entity and 20 service providers versus in Idaho there is 1 entity and 1 service provider. Item 9 states that the organization should own the system(s) it intends to maintain. Clarify that the organization should contain the manufacturer. This would also help Brent's Effluent Technologies, Inc. O&M. If the manufacturers do not want to be involved in the O&M they should not be able to sell in the State.

Tyler Fortunati clarified that changes to TGM section 4.2 Non-Profit Corporations would need to be presented to the Technical Guidance Committee (TGC) and the Attorney General (AG). The language would be checked with the AG before going to the TGC to ensure the legality of the changes.

David Loper suggested that DEQ take a look at Item 9 and require the manufacturer be a part of the O&M. This might also appease homeowners that see that the O&M Non-Profit Entity Board and the service provider as the same person.

Discussion on whether any of the other states have models that are more successful or do we modify and strengthen what we currently have in place.

David Loper stated that there is reluctance within the health districts to take on regulating and tracking ETPS systems without a funding structure. The Non-Profit model seems to solve this and place the tracking emphasis on the entity wanting to operate within the State.

Jim Bell commented that what works well from the manufacturer perspective is in Idaho it is simple to track who is operating and servicing the system. This prevents a rogue service provider providing a cheap deal with the homeowners which will not allow them to perform the service or file the reports with the O&M and State. In Idaho, Jim Bell receives a list of



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who has not been serviced and provides this to the certified operator and does not have to spend time finding out who is doing the servicing for a particular homeowner. The O&M contracts with the service provider based on geographic location. It makes sense to have a local service provider based on regions, different service provider in northern Idaho than in the south. Jim Bell also noted that Idaho has the lowest price based on monitoring and reporting requirements in the lower 48 states. The average cost for service and testing is about \$200. The biggest cost associated with this is lab costs, the second most is service provider costs, and third is producing and collecting bills. Massachusetts costs for BOD and TSS is \$400 /year and when you add Nitrates comes to ~\$600/year.

Ryan Spiers commented that service provider bills O&M and O&M bills homeowner.

Brent Gee discussed his situation where there is not an active O&M and as a service provider he takes over and is aware of who has paid and who doesn't. Without an O&M, if there is a problem with the system the service provider can fix it directly.

Tyler Fortunati cautioned that within the existing system the O&M should be doing the billing and payment of the servicing and testing. It is the O&M's responsibility. Service providers should be reporting service and costs to the O&M directly not to the homeowners.

David Loper suggested that there is a need to shore up the O&M non-profit entity as the local Health Districts are not interested in tracking these systems. Let's look at revising Item 9 to have the manufacturer to be on the O&M non-profit entity Board.

Ryan Spiers suggested that it be required that the manufacturer be on an O&M Board and make it retroactive.

Bob Erikson is concerned that if manufacturer hand picks service provider what is the benefit of the non-profit entity?

David Loper stated the O&M non-profit entity does the administrative tracking so that DEQ and the Health Districts are not doing the tracking. The service provider does not have control over the homeowner.

Tyler Fortunati clarified that the requirements of the service, testing and annual reports lies with the O&M non-profit entity. The annual reports must be compiled and submitted to the health districts by the non-profit and not the service provider.

Jim Bell stated that BioMicrobics has a service provider under the current system that is essentially an employee of BioMicrobics. In the states that have required BioMicrobics to certify the operators/service providers and where there is no non-profit entity, there is a loose relationship between the manufacturers and the service providers. The service providers can't be forced to perform to the manufacturer's standards. There is a memorandum of understanding between the service provider and manufacturer, but BioMicrobics doesn't have direct control over the service provider in a service provider only



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based system. When the O&M directly contracts with the service provider they have the ability to enforce their requirements.

Dave Loper would like to put the responsibility on the manufacturer to handle the service providers. The Health Districts and DEQ need the O&M non-profit entity to be the administrative arm.

Tyler Fortunati concerned that we still need to deal with the transitions of O&M entities if manufacturers go out of business. There is already a manufacturer in the State that is out of business. Jim Bell suggested that this be tabled for discussion when the subcommittee discusses transitions.

10:50 Break

11:00 Meeting Resumed

Tyler Fortunati stated that the previous discussion had been on the current O&M non-profit entity structure. It seems as though the subcommittee is at a point where it needs to decide whether we revise the existing O&M entity requirements either by shoring it up or developing a different model.

Kim Walker stated there is a necessary connection between the homeowner and the non-profit O&M entity. The letter discussed earlier, informs the homeowner of the requirements and recommends that we revise the requirements for O&M non-profit entities.

Group consensus was taken and the subcommittee decided in favor of shoring up the current O&M non-profit entity requirements.

Review of the 25 Non-Profit O&M Requirements from Section 4.2 of the Technical Guidance Manual

These are the items approved by the TGC and originally put into the TGM in 1985, the last revision appears to have occurred on November 21, 2000.

Tyler Fortunati clarified that the changes that are being discussed will need to be amended and reviewed by the Attorney General to make sure they are legally viable. Tyler will check with the AG to develop a time frame for the availability of the AG's time. Tyler provided an overview of the approval process when an individual wants to start an O&M entity. First they contact DEQ and submit their draft Articles of Incorporation and By-Laws which DEQ reviews against the current 25 item list in section 4.2 of the TGM to make sure they are not in conflict with any of the 25 items. Once DEQ provides approval they are then filed with the Secretary of the State. The proposed O&M Entity will also submit the treatment system technology information, including the NSF and EPA testing results for the treatment technology that the Non-Profit O&M entity plans to use. DEQ reviews this information and determines what level of treatment the technology is capable of and will be approved for. He



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also clarified that the Article of Incorporation are shorter and define what the corporation does and the By-Laws are longer and have more details on how they will carry out the non-profit's purpose.

Review of each of the 25 items in TGM section 4.2 ensued. The subcommittee made several amendments and additions to this document. Discussion on this topic did not end prior to lunch and was suspended until after the lunch break.

The meeting was adjourned for lunch
Lunch 12:00 - 1:00 p.m.

Review of the 25 Non-Profit O&M Requirements From Section 4.2 of the Technical Guidance Manual (continued)

Review and discussion of the 25 points continued. Several more amendments and additions were made to this document.

Motion: Bob Erickson moved that the ETPS Subcommittee approve 4.2 Non-Profit Corporations as proposed and table the document subject to future revision by the Subcommittee pending further review of the ETPS program.

Second: Ryan Spiers

Voice Vote: Motion carried unanimously. See Appendix C.

Review of Member Agreement Language from the 11 O&M Entities

Based on conversations Dave Loper had with title companies and realtors, it is important to include words like Liens and Easement in the title of the membership agreements so that during property transfers and searches of the recorded documents tied to the property will be flagged. Existing membership agreements are very similar to one another in relation to language surrounding liens on the members' property as can be seen in the agreements in Appendix D.

Jim Bell stated if the O&M entity is responsible for the treatment system and the testing and servicing is done right, then the O&M entity will make sure the service provider is the best one available to them. Does the State want to define that service providers are required to be licensed? Certified? Licensing of the operator and the associated system treatment level will determine the class of the operator. For example if testing for BOD and TSS need a Class II license and if testing for Nitrates need a Class III operator. Tyler Fortunati stated that any licensing requirements of service providers would likely require a Rule change.

There was a discussion on Proxy voting and how it is important to keep the O&M entity functioning.



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Tyler Fortunati brought up the question of whether it is feasible for DEQ to provide training to service providers and if that should be required. The subcommittee thought this would be best handled through the manufacturer and O&M entity due to differences in technology.

Tyler Fortunati stated that it was tasked by the TGC for the ETPS Subcommittee to develop an educational piece that DEQ and the health districts could provide to title companies. Tyler asked the subcommittee what they thought this could look like. Discussion on the current ETP brochure developed by DEQ ensued. It was noted that the brochure does not highlight the requirements for testing and servicing. David Loper posed that the educational piece could be a brochure that discussed the sale of properties with septic systems and section of this could include ETPS member agreements recorded to properties. This would be posted to DEQ and health district webpages and could be delivered to Land Title Associations and Realtor Associations within the State of Idaho. Tyler stated that DEQ could develop the brochure through the On-Site Wastewater Program and DEQ's Technical Publications department.

ACTION ITEMS:

- DEQ Tech Pubs and Tyler Fortunati will develop a draft brochure to educate Title companies and Realtor Associations.
 - David Loper will send Tyler Fortunati the Public Health graphic for brochure development.
- Tyler Fortunati will review and present important points to the ETPS Subcommittee of Idaho Code 30-3.
- Tyler Fortunati will check with the Secretary of State to determine the meaning of what their status of Admin. Dissolved means.
- David Loper requested information from DEQ on the status of the various O&M Non-Profit Entities in relation to which ones are dissolved, out of business, inactive, not sampling, or not reporting.

NEXT MEETING:

The next ETPS subcommittee meeting is scheduled to be on January 17, 2013, 9:15 a.m. – 4:30 p.m., at the DEQ State Office building.

Motion: Ryan Spiers moved to adjourn the meeting.

Second: David Loper.

Voice Vote: Motion carried unanimously.

Meeting adjourned at 4:07 p.m.



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ETPS PARKING LOT: This is an area reserved for subcommittee meeting topics for future agendas.

- Annual reporting exemptions
- Variability of sampling results between labs
- Testing requirements (TSS, CBOD₅, and Total Nitrogen)
- Service Refusal Letter (health district to homeowners)
- How to handle members refusing to pay the required annual dues to their O&M Entity
- O&M Entity transitions (i.e., new ownerships, service provider changes, etc.)



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Appendix A

Extended Treatment Package System Subcommittee

Minutes

November 15, 2012

**Department of Environmental Quality
Conference Room "C"
1410 N. Hilton
Boise, Idaho**

TGC-ETPS ATTENDEES:

Tyler Fortunati, R.E.H.S., On-Site Wastewater Coordinator, DEQ
Bob Erickson, Senior Environmental Health Specialist, South Central Health District
Jay Loveland, Senior Environmental Health Specialist, Panhandle Health District
Brent Gee, Effluent Technologies, Inc.
Raymond Keating, Eastern Idaho Public Health District
Ryan Spiers, Alternative Wastewater Systems, LLC
James Bell, Bio-Microbics, Inc.
Kim Walker, Simple Septic Solutions (via telephone)
David Loper, Environmental Health Director, Southwest District Health Department

GUESTS:

Barry Burnell, Water Quality Division Administrator, DEQ
Chas Ariss, P.E., Wastewater Engineering Manager
Paul Wakagawa, P.E., Wastewater Technical Engineer, DEQ
Kelley Eager, Eastern Idaho Public Health Department (via telephone)
Trey Spath, HD Fowler
Tyson Stewart, HD Fowler
Janette Young, Administrative Assistant, DEQ

CALL TO ORDER/ROLL CALL:

Meeting called to order at 9:15 a.m.
Committee members and guests introduced themselves.

HISTORY OF THE ETPS PROGRAM IN IDAHO:

Presented by Barry Burnell, Water Quality Division Administrator, DEQ



Origin and evolution of the ETPS program

- 1972- Subsurface sewage disposal rules were first adopted. This set the criteria for standard septic systems and the required setbacks to surface and ground water. The Health Districts (HD) began implementing the program through a Memorandum of Understanding (MOU). Mid 1970's- HD issued permits for Alternative Treatment Units (ATU) when standard systems could not meet setbacks to ground water. At this time there were no Operation and Maintenance (O&M) requirements. Late 1970's- ATU systems were failing and the HD stopped issuing permits for these systems.
 - 1985- The Technical Guidance Manual (TGM) was first published, and was authored by Tom Turco, Ken Babin, and Gary Shook. This occurred in conjunction with a major Subsurface Sewage Disposal Rule rewrite. A majority of the manual was based on information from the ASCE conference on subsurface wastewater systems. The 25 non-profit O&M entity requirements were included in the development of this manual and were based off of a local engineering firm study on homeowner entities.
 - Part of the O&M requirements included testing for Biological Oxygen Demand (BOD) and Total Suspended Solids (TSS). This required an effluent reduction of 85% from 200 mg/L to 30 mg/L for both BOD and TSS. These requirements remained for 11 years.
 - 1996- Septic Systems Inc. was the first to incorporate under the new O&M structure with Jet system.
 - 1997- Tricounty Wastewater Management, Inc. incorporated with approval of the Delta systems.
 - 1998- Idaho Wastewater Treatment Services, Inc. incorporated with approval of the BioMicrobics systems.
- 2000- Madison County approved an enhanced system ordinance requiring ATU systems on developments meeting certain density requirements.
- 2000- TGM changed O&M Item 17 to specifically include monitoring and testing as outlined in the ETPS section.
- 2001- Added Total Nitrogen to testing requirements in conjunction with Nutrient Pathogen study requirements.
- 2001- South East Idaho Environment Treatment Services, Inc. (Nayadic systems), Valley Environmental Treatment Services, Inc. (Delta systems), Effluent Technologies, Inc. (Norweco systems), and Northern Extended Treatment Services, Inc. (Southern systems) incorporated.
- 2003- Idaho Onsite Services, Inc. incorporated with the approval of the Orenco systems.
- 2008- Shift from BOD to Carbonaceous Biological Oxygen Demand (CBOD₅) to reflect the NSF testing criteria and changed the reporting requirements from calendar year to July-June. Adjusted systems were required to be tested and a grace period was allowed for system start-up and medical issues.
- 2009- The O&M Entities had concerns over achieving 30/30 BOD and TSS requirements and that the testing did not follow NSF criteria. After discussion the TGC changed the requirements in the TGM to 40 mg/L CBOD₅ and 45 mg/L TSS.

Barry Burnell stated that service and testing is an important component of the program that is proven through the history of the program. As the program has matured additional elements are needed to support the program.



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Bob Erickson asked for clarification as to whether the 25 non-profit O&M requirements came through the ASAE meetings. Barry clarified that a small portion did but the majority were through an engineering firm's study on homeowner entities and their recommendation to the State of Idaho through the study.

Ryan Spiers asked if the recent suspension of O&M Entities was initiated by the health districts and then followed up by DEQ. Barry Burnell clarified that initially the suspensions were issued by the health districts but over time this has become a DEQ role.

Bob Erickson stated that item 9 of the non-profit O&M requirements stated that the entity must own the system but this is not the case. Barry clarified that this is typically for community systems prior to the Large Soil Absorption System section of the TGM.

Brent Gee clarified that Madison County's adopted ordinance for ATU systems required that ATUs be installed when development density was less than 2 acres per lot.

Ray Keating asked for clarification of where the 40 mg/L and 45 mg/L testing requirements came from related to CBOD₅ and TSS respectively. Barry clarified that this reflects the NSF testing requirements for the weekly basis and that NSF requirements for monthly averages are 25 mg/L and 30 mg/L. DEQ shifted to the 40/45 requirements to reflect weekly limits since Idaho's testing program is a grab sample.

Jay Loveland would like clarification on the meaning of failure in the ETPS testing and reporting cycle. Barry clarified that this is more reflective of sample results, not necessarily treatment technology failure. This state of failure still allows for servicing and adjustment of treatment units to occur.

David Loper stated that he would like the subcommittee to look at the variability in system types (i.e., suspended growth, fixed film media, and trickling filters) in relation to their testing results.

Tyler Fortunati provided an overview of the current status of O&M Entities in the State of Idaho. The table presented indicated entities that are suspended, number of units installed per entity and by health district, and the overall number of systems installed that are under suspended entities and operating entities within the State. **See Appendix A.**

OPEN PUBLIC COMMENT PERIOD: This section of the meeting is open to the public to present information to the ETPS subcommittee that is not on the agenda. The ETPS subcommittee is not taking action on the information presented.

No public comments were submitted during the allotted agenda timeframe.

REVIEW OF ETPS SURVEY RESULTS FROM OTHER STATES:



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Tyler Fortunati presented the results of a survey that DEQ conducted of other States and their systems for managing ETPS/ATU systems in their jurisdiction. The results of the survey are varied. Most States allow the installation of ETPS/ATU systems and the majority require annual servicing at a minimum by a licensed service provider. Testing requirements vary from no testing required to several effluent constituents required. For full survey results See **Appendix B**.

AREAS OF THE ETPS PROGRAM THAT THE TGC HAS PLACED PRIORITY ON:

Tyler Fortunati presented the priority areas of the ETPS program that the TGC would like the ETPS subcommittee to review. They are as follows:

Generic ETPS reminder notifications (health district to homeowner)

Service refusal letter (health district to homeowner)

How to handle members refusing to pay the required annual dues to their O&M Entity

ETPS system testing requirements

Operation and Maintenance Entity transitions (i.e., new ownerships, service provider changes)

Title company and real estate transition notices, information, and education

Tyler Fortunati asked the subcommittee if they had additional areas of interest that they would like to discuss.

David Loper stated that the O&M model looks good on paper but it is not currently functioning.

Bob Erikson recommended that the manufacturer of the ETPS units be involved with the O&M Entity from the start.

David Loper would like to look at how each O&M Entity was setup, specifically the board makeup of each Entity.

Ray Keating would like to look at how the annual report is interpreted, specifically relating to exemptions in calculating results. Should non-paying members be exempted which would be in addition to medical waivers that are already in place (i.e., exempting non-paying members that were not tested while they are moved through the compliance/enforcement process due to not meeting the requirements of their septic permit).

David Loper stated that he has a few contacts in the Title company industry that he can speak with about notification issues. He will research this and report back to the subcommittee.

Brent Gee would like to look into standard language requirements within the member agreement that relate to title company notification (i.e., lien to property).

The subcommittee engaged in a roundtable conversation related to the areas of emphasis that the TGC has tasked the subcommittee with. Several opinions and ideas were expressed in relation to what is currently not working in the ETPS program setup.



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The meeting was adjourned for lunch
Lunch 12:30 - 1:30 p.m.

TIME FOR SUBCOMMITTEE MEMBERS TO ADDRESS THE SUBCOMMITTEE:

The subcommittee continued their conversation that began prior to the lunch break.

Kim Walker stated that participation of neighbors affects other neighbors (i.e., one that doesn't pay their dues requires another to pay for them). The subcommittee must get them to work as a team to increase participation in the necessary programs.

David Loper asked that a discussion on the variability of sampling needs to occur among the subcommittee. Specifically David Loper would like to review if we are sampling the correct constituents and why there is variability among the labs when samples are split. James Bell stated that proper training should stop the incorrect sampling from occurring.

David Loper recommends amending the non-profit O&M requirements.

REVIEW OF DRAFT SERVICE REMINDER LETTER (DEQ TO HOMEOWNERS):

The subcommittee reviewed a draft copy of a service reminder letter that is to be provided to O&M Entities by DEQ. This letter will be on DEQ letterhead and is for O&M Entities to include in their annual mailings. The letter describes what the ETPS program is and why the servicing and testing requirements are in place. To review a copy of this letter that was presented to the committee See **Appendix C**.

Bob Erickson would like to see the letter shortened so that it is easier for homeowners to read. Bob Erickson would also like to see a reference to the DEQ website included in the letter. James Bell agrees that the DEQ phone number should be removed and the web address provided. The group would also like to see a reference to the ATU brochure produced by DEQ included in the letter.

The subcommittee would like to see the requested edits made to the document and to have the letter represented at the next subcommittee meeting.

REVIEW OF A DRAFT SERVICE/TESTING RESULTS LETTER (O&M ENTITY TO HOMEOWNERS):

The ETPS subcommittee reviewed Draft Service/Testing Results Letter to be sent to property owner. The intent of this letter is to provide feedback to homeowners on service and testing results. The letter describes service, maintenance, activities and operational changes performed. It provides



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test results, system notifications and whether the homeowner's septic system is currently in or out of compliance. Also provides recommendations or need for follow-up service. To review a copy of this letter that was presented to the subcommittee **See Appendix D.**

The ETPS subcommittee recommends that this be included as a guideline. James Bell expressed concern about postage costs associated with these letters and the effect that would have on their annual member fees. DEQ explained that this is part of the proposed tools for O&M Entities to inform the health districts of systems that are out of compliance. Without notification the health districts will be reluctant to send out enforcement letters to homeowners when there is no proof that prior notification has occurred.

Brent Gee stated that he has several thousand service door hangers already printed and does not want to waste those.

Discussion was held relating to the delivery method of this letter and its overall use.

The committee would like to see this letter included as a guideline in the TGM ETPS section, not as a required letter. This letter was tabled for inclusion/revision as guidelines in the reporting process.

WHERE THE ETPS SUBCOMMITTEE GOES FROM HERE:

Discussion was held on the areas that the subcommittee would like to focus on for the next meeting.

It was decided that the following items will be looked at:

The board makeup of the existing non-profit O&M Entities

Review of the 25 non-profit O&M requirements

Review of member agreement language (Brent Gee will provide examples of a lien to property for the subcommittee)

Review of Title company notice (David Loper will present the results that he finds in his discussions and research)

Review of the revised service reminder letter produced by DEQ and provided to O&M Entities.

DEQ will fill the agenda for the next meeting with additional areas from the ETPS subcommittee parking lot.

NEXT MEETING:

The next ETPS subcommittee meeting is scheduled to be on December 12, 2012, 9:15 a.m. – 4:30 p.m., at the DEQ State Office building.

Motion: Ryan Spiers moved to adjourn the meeting.

Second: James Bell.

Voice Vote: Motion carried unanimously.



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Meeting adjourned at 4:30 p.m.

ETPS PARKING LOT: This is an area reserved for subcommittee meeting topics for future agendas.

- Annual reporting exemptions
- Variability of sampling results between labs
- Testing requirements (TSS, CBOD₅, and Total Nitrogen)
- Training requirements for service providers
- Service Refusal Letter (health district to homeowners)
- How to handle members refusing to pay the required annual dues to their O&M Entity
- O&M Entity transitions (i.e., new ownerships, service provider changes, etc.)



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Appendix A:

Table of Non-Profit O&M Entities in each of Idaho's 7 Health Districts

Status: Informational

Appendix B:

Extended Treatment Package System (ETPS)/Advanced Treatment Unit (ATU) Survey

Status: Informational

Appendix C:

Letter To ETPS Homeowner Service Reminder letter

Status: Draft

Appendix D:

Letter to ETPS Owner with Results of Testing

Status Draft



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Appendix B

Dear Extended Treatment Package System Owner,

The Department of Environmental Quality (DEQ) would like to take this opportunity to provide some information about the treatment component of your septic system and remind you of the annual service and testing of the treatment unit that is vital to your systems overall functionality and required as a condition of your septic permit. The issuance of the septic permit for your property required a treatment component in order to install the drainfield. Without the septic permit the construction of buildings necessitating sewer connections on your property would not be possible.

Extended Treatment Package Systems provide pretreatment to your wastewater prior to its discharge to the drainfield portion of your septic system. These treatment units reduce waste strength and nutrients (particularly nitrogen) in wastewater. For more information on these systems and your drainfield please view the *Aerobic Treatment Systems and Drainfields: What You Need to Know* brochure on the DEQ website located at www.deq.idaho.gov/media/657393-aerobic_treatment_brochure.pdf.

Please-Per your member agreement contract you are required to work with your Operation and Maintenance Entity and Service Provider to ensure that annual servicing and testing of your treatment unit is scheduled. Protection of public health and the environment is a team effort. Your participation in this program is a critical aspect to its success and is a requirement of the septic system permit for your property.

Thank you for your cooperation.

Sincerely,

The Idaho Department of Environmental Quality



Appendix C

4.2 Nonprofit Corporations

Revision: ~~November 21, 2000~~December 12, 2012

Entities to manage large soil absorption systems, extended treatment or experimental systems, clustered systems, or other more complex systems must guarantee that they will be responsible for the system and be available to provide operation and maintenance (O&M). The following guidance provides for a nonprofit corporation which can do that:

4.2.1 Required Incorporation Elements

The following elements must be included within the Entities' Articles of Incorporation or Bylaws:

1. The ~~nonprofit organization~~Non-Profit Entity should be incorporated according to Idaho Code 30-3
2. Membership should be limited to property owners only.
3. Voting should be limited to one parcel/one full membership/one vote.
4. Voting rights should be restricted to members with improved property.
5. Voting rights should not be cancelled.
 - a. Exception to this is allowed in the event that an extended treatment package system is disconnected and removed from the property as approved by the Director.
6. Purposes of the ~~organization~~Non-Profit Entity should be clearly defined in the Articles of Incorporation.
7. The Non-Profit Entity should hold an annual meeting of the membership.
78. Funds generated are to operate specific functions and should be restricted for use to the specific purpose. Those purposes should be defined in the By-Laws or associated Membership Agreement.
 - a. Annual financial reports should be made available to the membership upon request by individual members and through the annual membership meeting.
89. Multiple-purpose ~~organization~~Non-Profit Entity funds generated are to be separately maintained, and funds from one account should not be available for another account's use.
910. The ~~organization~~Non-Profit Entity should either own the system(s) it intends to maintain or have an access easement in place.



- a. Access easements for extended treatment package systems should be executed through a membership agreement as outlined in section 4.2.3.
- ~~10. Mutually agreeable access to these systems owned by the entity should be provided by the property owner.~~
11. Membership (and shares) in the entity Non-Profit Entity must run with the land, and successive owners must acquire the preceding owner's membership or voting share(s).
12. The purchaser ~~or~~ and any new member should be provided by the Non-Profit Entity with a copy of the Articles of Incorporation, By-Laws, Covenants, and Contracts with the entity Entity.
13. There should be no provisions restricting ownership of improved property.
14. The entity Non-Profit Entity should be capable of raising revenue by fixing setting and collecting user charges.
15. Board of Director Requirements:
 - a. For Extended Treatment Package System Non-Profit Operation and Maintenance Entities the Board of Directors should contain one permanent position required to be filled by an individual representing a corporate officer, general partner, or owner of the manufacturer of the treatment technology.
 - i. The only exemption to this requirement shall be for cases where manufacturers are no longer in business. In this case the existing Board Members and associated membership shall vote in a new Board Member to ensure that item 15.b is fulfilled.
 - b. The Board of Directors should include a minimum of three Board Member positions.
- ~~15~~16. The Board of Directors should be able to raise revenue for emergency operation and maintenance of community owned systems without majority vote.
- ~~16~~17. The ~~organization~~ Non-Profit Entity must be capable of suing and of being sued, maintain the capability to impose liens on those members (shareholders) who become delinquent in user charges, and suspend services, providing such suspension will not jeopardize other members' use.
- ~~17~~18. The Non-Profit Entity should provide aAn operation and maintenance manual that shall be approved by the Director, ~~and shall include the monitoring requirements as outlined in the Section 4.10.2 "Extended Treatment Package System" Operation, Maintenance and Monitoring Conditions for Approval.~~



- a. The operation and maintenance manual should be provided to all new members for extended treatment package systems and shall include the monitoring requirements as outlined in the Section 4.10.2 "Extended Treatment Package System" Operation, Maintenance and Monitoring Conditions for Approval.
1819. Conditions for dissolution of the organization should be specified. Dissolution should be limited to connection to a municipal wastewater treatment facility or merger with another approved nonprofit corporation having management capability.
1920. Except as provided in item ~~1819~~, the ~~entity~~ Non-Profit Entity should not be able to vote itself out of existence.
2021. A-For Non-Profit Entities a third party (i.e., maintenance entity, service provider, etc.) should be identified to execute the specified operation and maintenance functions ~~in the event the operating entity is incapable of performance.~~
- a. Service providers for Non-Profit Entities overseeing extended treatment package systems should be certified in writing by the manufacturer for the servicing of their technology. The certification should be provided to the Director prior to approval.
2122. The Non-Profit Entity should be able to plan and control how and at what time additional service functions will be extended or added.
2223. The Articles of Incorporation and/or ~~By-By~~ Laws should provide for proxy voting.
2324. Proxies should not be binding on new purchasers.
2425. For community systems ~~t~~The developer of the project should be required to contribute to the operation and maintenance until such time as the nonprofit corporation is self-sustaining. Consider either a specified period of time or when a specified number of lots has been sold.
2526. The ~~organization~~ Non-Profit Entity should have a defined service area boundary.

4.2.2 Articles of Incorporation or By-Law Changes

Any content changes that occur to the Articles of Incorporation, Bylaws, or Membership Agreements that occur after initial approval by the Idaho Department of Environmental Quality Director shall be provided to the Idaho Department of Environmental Quality Director for review and approval prior to their implementation. Any changes that conflict with any portion of section 4.2.1 should not be approved. Changes to Board of Directors membership and service providers shall be forwarded to the Idaho Department of Environmental Quality Director.

4.2.3 Membership Agreements for Extended Treatment Package Systems



State of Idaho
Department Of Environmental Quality
Technical Guidance Committee

The membership agreement is separate from the Article of Incorporation and By-Laws for the Non-Profit Corporation but is a required element for membership in the Non-Profit Corporation. Membership agreements should contain the following elements:

1. Title of the membership agreement should include the words lien and access easement.
2. The agreement should describe the exact services that are and are not included within the agreement (i.e., service, maintenance, annual testing, repairs, etc.).
3. The access easement language should be included.
- 1.4. _____ A description of the lien process should be included.



State of Idaho
Department Of Environmental Quality
Technical Guidance Committee

Appendix D

Due to issues with compatibility of PDF and Word documents all pages following this page are a part of Appendix D and contain the example member agreements from 11 Operation and Maintenance Entities.

Received Time Sep. 24. 2009 12:05PM

KOOTENAI CO. RECORDER Page 1 of 4
AAA Date 10/01/2009 Time 10:38:54
REC-REQ OF
RECORDING FEE: 12.00

AGREEMENT

THIS AGREEMENT executed on 24TH day of SEPT, 2009, by and between _____ of _____, hereinafter referred to as Homeowner, and WILBERT SYSTEMS, INC., an Idaho Corporation, hereinafter referred to as Corporation.

RECITALS

1. Homeowner lives outside an area serviced by a municipal sewer system.
2. Homeowner's land is such that a raised or other complex septic system must be installed in order to meet the requirements of the State of Idaho.
3. Homeowner desires to install a Jet Aerobic Treatment System.
4. In order to insure that the Jet Aerobic Treatment system is always operating properly, it should be inspected and maintained from time to time.
5. In order for the State of Idaho to approve the installation of the Jet Aerobic Treatment system as a satisfactory system, the State requires that homeowner be a part of a perpetual organization which, as a benefit of the organization, will provide for the inspection and maintenance of Homeowner's Jet Aerobic Treatment System.
6. The State of Idaho currently requires annual monitoring (laboratory testing) of effluent for all extended treatment package systems that discharge to a reduced size drain field, to a drain field with a reduced separation distance to ground water and or to a drain field located in an environmentally sensitive area (area of concern).

NOW, THEREFORE, Homeowner and Corporation agree as follows:

- (A) Upon installation of the Jet Aerobic Treatment System, Homeowner shall become a member of WILBERT SYSTEMS, INC. Homeowner specifically acknowledges and agrees to be bound by the Bylaws of the Corporation as they currently exist and as subsequently modified. The homeowner has been provided a copy of the Bylaws and has reviewed to the Homeowner's satisfaction.
- (B) Homeowner shall pay its share of maintenance costs and laboratory testing fees in order to provide maintenance, repair, and the State of Idaho required testing of Homeowner's Jet Aerobic Treatment System in perpetuity.

- (C) Homeowner's obligation to continue as member of WILBERT SYSTEMS, INC., and pay for the maintenance, service and laboratory testing shall continue unless the requirement is eliminated by the State of Idaho.
- (D) Homeowner is required to keep the Jet Aerobic Treatment System on his premises operating in good condition. Some laboratory testing costs may not be covered by the service agreement. Some repair or replacement costs may not be covered by the service agreement. Homeowner will be responsible to pay all costs not covered by the service maintenance agreement.
- (E) This obligation on the part of Homeowner shall be perpetual and shall run with Homeowner's land which is described on Homeowner's Agreement which is attached hereto and incorporated herein by reference. A copy of this agreement will be recorded to evidence the obligation of Homeowner and Homeowner's successors to be a member of WILBERT SYSTEMS, INC., and to pay the required fees for maintenance of the Jet Aerobic Treatment System.
- (F) Homeowner agrees that Corporation is entitled to have a lien against the property on which the Jet Aerobic Treatment System is located for any fees not paid for maintenance of the Jet Aerobic Treatment System. Homeowner is liable for collection and / or attorney fees to collect any delinquent amounts owed by Homeowner for maintenance of the Jet Aerobic Treatment System.
- (G) Homeowner grants Corporation and its agents an easement to access, inspect and maintain the Jet Aerobic Treatment System on Homeowner's property.

IN WITNESS WHEREOF, the parties have signed this agreement effective the day and year first above written.

HOMEOWNER:

[Redacted signature area]

WILBERT SYSTEMS, INC.
an Idaho Corporation

By: [Redacted]
President

Attest: [Redacted]
Secretary

[Redacted]
Notary Public
State of Idaho

State of Idaho Jurat
County of Kootenai

AGREEMENT - Page 2

Ex. A

Subscribed and sworn before me by _____ this 1st day of SEP 2009

S
E
A
L

[Redacted]
Notary Public
My commission expires 09-21-2012
Residing at Blunden, Id

Exhibited A

PROPERTY DESCRIPTION

The land referred to in this document is described as follows:

A portion of the South half of Section 15, Township 50 North, Range 3 West, Boise Meridian, Kootenai County, Idaho, described as follows:

COMMENCING at the Southwest corner of said Section 15; thence

North 89°51'31" East, along the South line of said Section 15, a distance of 1682.60 feet to an iron pin; thence

North 00°31'32" West, a distance of 501.22 feet to an iron pin at the TRUE POINT OF BEGINNING for this description; thence

Continuing North 00°31'32" West, a distance of 813.23 feet to an iron pin on the North line of said South half; thence

South 89°31'40" West, along said line; a distance of 200.01 feet to an iron pin; thence

South 00°31'32" East, a distance of 386.12 feet to an iron pin; thence

South 89°31'40" West, a distance of 673.18 feet to an iron pin; thence

South 00°30'08" East, a distance of 427.12 feet to an iron pin; thence

North 89°31'40" East, a distance of 873.36 feet to the POINT OF BEGINNING.

Also known as parcel # [redacted] (optional)

SCANNED

RECEIVED

AUG 24 2011

PHD 1 EH

MEMBER AGREEMENT

THIS AGREEMENT is made this 24 day of August, 2011, by and between [REDACTED], whose address is [REDACTED], hereinafter referred to as Owner or Member, and VALLEY ENVIRONMENTAL PROTECTION, INC., an Idaho Nonprofit Corporation (hereinafter referred to as "Corporation".)

RECITALS

1. Owner's land in the State of Idaho is such that a wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.
2. Owner desires to install a wastewater treatment system manufactured by Delta Environmental Products, Inc. herein referred to as "treatment system".
3. In order to insure that the treatment system is always operating properly, it should be inspected and maintained from time to time.
4. In order for the State of Idaho to approve the installation of the treatment system as a satisfactory system, the State requires that Owner be a Member of a perpetual organization which as a benefit of the organization will provide for the inspection and maintenance of Owner's treatment system.

NOW, THEREFORE, Owner and Corporation agree as follows:

- (A) Upon installation of the treatment system and the execution of this Agreement, Owner shall become a Member of the Corporation.
- (B) Owner shall pay its share of maintenance, service and management fees (hereinafter collectively referred to as "assessments") in order to provide maintenance and repair of Owner's treatment system in perpetuity and operation of the Corporation. A \$75.00 fee will be collected, when owner purchases a treatment system.
- (C) Owners obligation to continue as a Member of the Corporation and pay for the assessments shall continue unless the requirement is eliminated by the State of Idaho.
- (D) Owner is required to keep the treatment system on his premises operation in good condition. Some repair or replacement costs may not be covered

[REDACTED]
KOOTENAI CO. RECORDER Page 1 of 5
BBB Date 08/24/2011 Time 13:31:33
REC-REQ OF VALLEY ENVIRONMENTAL PRO
RECORDING FEE: 22.00

by the service agreement. Owner will be responsible to pay all costs not covered by the service agreement.

- (E) This obligation on the part of the Owner shall be perpetual and shall run with Owner's land (i.e. appurtenant) which is described on Exhibit 1 which is attached hereto and incorporated herein by reference. A copy of this Agreement will be recorded to evidence the obligation of Owner and Owner's heirs, successors, assigns, transferees and grantees to be a member of the Corporation and to pay the required assessments. Owner agrees to notify the Corporation of the name of any new owner upon the transfer of the Owners property.
- (F) Owner agrees that Corporation is entitled to have a lien against the property described on Exhibit 1 for any assessments not paid for maintenance of the treatment system. Corporation shall also be entitled to bring court action to collect any delinquent assessments owed by the Owner for maintenance, service and management of the treatment system and the Corporation. Corporation shall be entitled to past due fees together with interest, costs, filing fees, and attorney's fees in any action, demand or proceeding to recover unpaid fees.
- (G) Owner agrees to grant to Corporation, and its successors, agents and assigns, an easement on Owner's property , as more fully described in Exhibit 1, to install, access, inspect, maintain and service the treatment system. Annual sampling of effluent and periodic sampling of the settled solids in the aeration chamber. The term of the easement is to last as long as the treatment system remains on the property.
- (H) This agreement incorporates and shall be governed by the Articles and Bylaws of the Corporation.

CERTIFICATE OF MEMBERSHIP

A Copy of this Agreement shall be the Member's Certificate of Membership for the treatment system installed on the land described in Exhibit 1 for the purposes of the Corporation.

IN WITNESS WHEREOF, the parties have signed this agreement effective the day and year first above written.

Owner:

Valley Environmental Protection, Inc.
an Idaho Nonprofit Corporation

By:

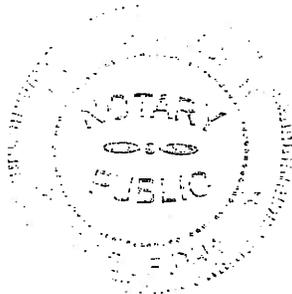
[Redacted Signature]

Leave Sargent, President

STATE OF Idaho)
County of Bansenville) ss.

On this 22nd day of May, 2007, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, as President, for _____, a corporation, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.



[Redacted Signature]

Notary Public
Residing In: Sumner Valley, ID
My Commission Expires: 11/3/12

**EXHIBIT 1
(Easement)**

Now on this 24 day of August, 20011,

[Redacted], Owner, whose address is [Redacted], in consideration of the sum of Ten Dollars and other valuable consideration (the receipt of which is hereby acknowledged), grant to Valley Environmental Protection, Inc., an Idaho Nonprofit Corporation (the "Corporation") whose mailing address is P. O. Box 14, Swan Valley, Idaho 83449, and to Corporation's successors, agents and assigns, an easement on the following described real property sufficient to install, access, inspect, annual sampling of effluent and periodic sampling of the settled solids in the aeration chamber, maintain and service the treatment system. The term of this easement is to last as long as the treatment system remains on the property.

(See attached)

legal description of property.

IN WITNESS WHEREOF, Owner set his/her hand the day and year first above written.

Owner:

[Redacted Signature]

STATE OF IDAHO)
County of KOOTENAI) ss.

On this 24 day of AUGUST, 2011, before me, a Notary Public, personally appeared [Redacted] to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

[Redacted Signature]

Notary Public
My Commission Expires: 6/17/2014



TAX NO. [REDACTED] PG 1 OF 1

INSTRUMENT REFERENCE: [REDACTED]

RECORDATION INFO: BOOK [REDACTED] PAGE [REDACTED] DATE 5-14-87

That portion of Tax Number 9423 described in Book 98 of Miscellaneous, page 881 (Records of Kootenai County), in the Northwest Quarter of the Northwest Quarter of Section 18, Township 50 North, Range 5 West, Boise Meridian, Kootenai County, Idaho, described as follows:

Commencing at the Northwest corner of said Section 18; thence

South 89°47'00" East, 330.00 feet along the North line of Section 18; thence

leaving said line, South 0°01'50" East, 59.10 feet parallel with and 330.00 feet distant from, measured at right angles to, the West line of Section 18, to an existing fence line and the Northwest corner of Tax Number 9423; thence

Continuing South 0°01'50" East, 176 feet, more or less, along the West line of Tax Number 9423 to the Northerly right-of-way line of the County road (Pleasant View Road) and the TRUE POINT OF BEGINNING; thence

Continuing South 0°01'50" East, 1090 feet, more or less, to the Southwest corner of Tax Number 9423; thence

South 89°54'15" East, 676.00 feet to the Southeast corner of Tax Number 9423; thence

North 0°01'50" West, 846.02 feet parallel with and 1006.00 feet distant from, measured at right angles to, the West line of Section 18, thence

North 89°47'00" West, 346.00 feet, parallel with the North line of Section 18; thence

North 0°01'51" West, 242.77 feet, parallel with the West line of Tax Number 9423; thence

North 89°47'00" West, 330.00 feet, parallel with the North line of Section 18, to the West line of Tax Number 9423 and the TRUE POINT OF BEGINNING.

EXCEPT any portion of the herein described parcel lying within the right-of-way of the County road.

DEPUTY INITIAL [REDACTED] DATE # ASSIGNED 5-20-87



ADVANCED WASTEWATER ENGINEERING

SITE & SOIL EVALUATIONS, SEPTIC DESIGN, PERC TESTING, TOPOGRAPHICAL MAPS, CONSTRUCTION, CONSTR. REVIEWS, GRADING & DRAINAGE
STRUCTURAL AND RETAINING WALLS

[Redacted]

PE Lic. #: [Redacted]

Proj. #: [Redacted]

AGREEMENT

CLIENT:

CLIENT TO COMPLETE THIS SECTION BEFORE RETURNING SIGNED CONTRACT:

Name: [Redacted]

Client is the Property Site Owner? Yes No

Billing Address: [Redacted]

Owner of Record: _____

Address: _____

Phone #: [Redacted]

Phone #: _____

Work #: [Redacted]

Authorized Agent: [Redacted]

Advanced Wastewater Engineering agrees to perform the following scope of services:

Prepare Plans and Specifications for a Pressure Distributed Septic System to serve parcel #
[Redacted] Plans to include details for leachfield construction, tanks, and Delta Whitewater Pretreatment Unit.

Client agrees to compensate Advanced Wastewater Engineering for such services as follows:

Probable cost for labor is [Redacted] A retainer of [Redacted] Payable to: Advanced Wastewater Engineering is to be paid with this signed agreement. -In addition, please include a separate check in the amount of \$ [Redacted], to be Payable to: _____

IN WITNESS WHEREOF, the parties hereby execute this AGREEMENT upon the terms and conditions stated above and on the reverse of this AGREEMENT. See BACK SIDE OF THIS AGREEMENT.

Client: [Redacted] _____
Type or Print

Consultant: **Advanced Wastewater Engineering**

By: [Redacted] _____
Signature

By: [Redacted] _____
George Miles, PE & Owner

Date Signed: 8/20/06

Date Signed: August 14, 2006

Escrow No. [REDACTED]

EXHIBIT "A"

In the State of Idaho, County of Bonner:

PARCEL 1

A parcel of land located in a portion of Section 4, Township 57 North, Range 1 West, Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Commencing at the Southeast corner of said Section 4;

Thence North 00° 16'15" East a distance of 323.24 feet (Rec = North 00° 17'41" East, 323.41 feet) along the East line of Section 4 to the Southerly right of way of Sunnyside Road, a County Road;

Thence North 52° 20'00" West along said Southerly right of way a distance of 1476.22 feet to a point, said point being the true point of beginning;

Thence South 40° 00'08" West a distance of 639.44 feet;

Thence North 25° 03'39" West a distance of 444.51 feet to an intersection with the centerline of an existing slough;

Thence along said centerline North 19° 00'00" East a distance of 459.39 feet to an intersection with said Southerly right of way of Sunnyside Road;

Thence along said right of way South 52° 20'00" East a distance of 568.19 feet to the true point of beginning.

TOGETHER WITH an easement for ingress, egress to and from and for use of the waters of Lake Pend Oreille and for maintaining a dock(s) and other structures and improvements in and or adjacent to the waters of Lake Pend Oreille, including but not limited to rip rap, shoreline stabilization, boats lifts, shore stations as set forth in the deed recorded, June 16, 2004, as Instrument No. 652553 and corrected by deed recorded October 5, 2004, as Instrument No. 661035, records of Bonner County.

PARCEL 2

Easements for drainfield, ingress, egress and utilities more particularly described below:

The Drainfield Site easement herein is exclusive, and the ingress, egress, and other utilities easement is non-exclusive, with all said easements appurtenant to and for the perpetual benefit of the real property described above, as follows:

A) An easement for ingress, egress and utilities being 60 feet in width, located in a portion of Section 4, Township 57 North, Range 1 West, Boise Meridian, Bonner County, Idaho, being more particularly described as follows:

Commencing at the Southeast corner of said Section 4; thence along the East line of the Southeast Quarter of said Section 4 North 00 Degrees 17'41" East 449.24 feet to a point on the Northerly right of way of the county road; thence along said right of way North 52 Degrees 20'00" West 758.12 feet to a point, said point being the true point of beginning; thence continuing North 52 Degrees 20'00" West 75.57 feet; thence North 00 Degrees 13'30" East 1690.55 feet; thence North 00 Degrees 02'12" West 606.74 feet to a point of non-tangent curvature; thence 157.08 feet along a clockwise cul-d-sac curve with a radius of 60.00 feet (the chord of which bears North 14 Degrees 57'49" East 115.91 feet) to reference point "A"; thence continuing 157.08 feet along a clockwise cul-d-sac curve with a radius of 60.00 feet (the chord of which bears South 15 Degrees 02'13" East 115.91 feet); thence South 00 Degrees 02'12" east 606.71 feet; thence South 00 Degrees 13'30" West 1736.80 feet to the true point of beginning.

B) An easement for utilities being 30 feet in width, located in a portion of Section 4, Township 57 North, Range 1 West, Boise Meridian, Bonner County, Idaho, being more particularly described as follows: Beginning at the aforesaid reference point "A"; thence North 00 Degrees 02'12" West 488.69 feet; thence South 89 Degrees 50'53" West 78.30 feet to reference point "C"; thence South 89 Degrees 50'53" West 264.00 feet; thence North 00 Degrees 02'12" West 30.00 feet to reference point "B"; thence North 89 Degrees 50'53" East 372.30 feet; thence South 00 Degrees 02'12" East 526.79 feet to a point of non-tangent curvature; thence 31.42 feet along a counter-clockwise cul-d-sac curve with a radius of 60.00 feet (the chord of which bears North 75 degrees 02'12" West 31.06 feet) to the point of beginning.

C) An easement for Drainfield (D) located in a portion of Section 4, Township 57 North, Range 1 West, Boise Meridian, Bonner County, Idaho, being more particularly described as follows: Commencing at the aforesaid reference point "B"; thence North 89 degrees 50'53" East 198.00 feet to the

Attention:

INSTRU. NO. [redacted]
PAGES 1 OF 3

AGREEMENT AND ASSESSMENT

This Agreement is made this 9th day of February, 2005, by and between

[redacted], whose address is [redacted], hereafter referred to as Homeowner, and SEPTIC SYSTEMS, INC., an Idaho Nonprofit Corporation hereinafter referred to as Corporation.

RECITALS

1. Homeowner lives outside an area serviced by a municipal sewer system.
2. Homeowner's land is such that a raised or other complex septic system must be installed in order to meet the requirements of the State of Idaho.
3. Homeowner desires to install a Jet Waste Water Treatment Plant.
4. In order to ensure that the Jet System is always operating properly, it should be inspected and maintained from time to time. The effluent from the Jet System will be monitored and tested in accordance with the requirements of a permit or current policy written by the Health District or with the requirements that may be adopted in the Technical Guidance Manual for Individual and Subsurface Sewage Disposal Systems.
5. In order for the State of Idaho to approve the installation of the Jet System as a satisfactory system, the State requires that the Homeowner become a member of a perpetual organization, which, as a benefit of the organization will provide for the inspection, maintenance and testing of Homeowner's Jet System.

NOW THEREFORE, Homeowner and Corporation agree as follows:

- (A) Upon installation of the Jet System, Homeowner shall become a member of SEPTIC SYSTEMS, INC..
- (B) Homeowner shall pay its share of maintenance, service and management costs and assessments in order to provide maintenance, repair and testing of Homeowner's Jet System in perpetuity, and operation of the Corporation.
- (C) Homeowner's obligation to continue as a member of SEPTIC SYSTEMS, INC., and pay for the maintenance, testing and service shall continue unless the requirement is eliminated by the State of Idaho.
- (D) Homeowner is required to keep the Jet System on his premises operating in good condition. Some repair and maintenance costs may not be covered by the maintenance agreement. Homeowner will be responsible to pay all costs not covered by the maintenance agreement.
- (E) This obligation on the part of the Homeowner shall be perpetual and shall run with Homeowner's land, which is described on Exhibit A, which is attached hereto and incorporated herein by reference. A copy of this agreement will be recorded to evidence the obligation of Homeowner and Homeowner's heirs, successors, assigns, transferees and grantees to be a member of SEPTIC SYSTEMS, INC., and to pay the required fees and assessments for maintenance and testing of the Jet System. Homeowner agrees to notify the Corporation of the name of any new owner upon the transfer of the Homeowner's property.
- (F) Homeowner agrees that Corporation is entitled to have a lien against the property described in Exhibit A for any fees and assessments not paid for maintenance and operation of the Jet System. Corporation shall also be entitled to bring to court action to collect any delinquent amounts owed by Homeowner for maintenance and testing of the Jet System. Corporation shall be entitled to past due fees and assessments together with filing fees, and attorney fees in any action, demand, or proceeding to recover unpaid fees or assessments.
- (G) Homeowner grants Corporation and its successors, agents, and assigns, an easement to access, inspect, maintain, monitor the effluent, and conduct sample collection of the effluent of the Jet System on Homeowner's property. The term of this easement is to last as long as the Jet System remains on the property.
- (H) Homeowner shall pay its share of maintenance, service and management fees, and Jet plant effluent testing fees, (hereinafter referred to as "assessments"), which shall be UCR, usual, customary and reasonable, in order to provide maintenance and repair of Homeowner's Jet System in perpetuity and operation of the Corporation. The requirements at this time are for annual effluent testing for BOD, TSS, and possibly, Total Nitrogen, NO2 and NO3.
- (I) This agreement incorporates and shall be governed by the Articles and Bylaws of the Corporation.

CERTIFICATE OF MEMBERSHIP

A copy of this Agreement shall be the Member's Certificate of Membership for the Jet System installed on the land described in Exhibit A for the purpose of the Corporation.

IN WITNESS WHEREOF,

the parties have signed this agreement effective the day and year first above written.

HOMEOWNER(S)

[redacted signature]

SEPTIC SYSTEMS, INC. An Idaho Corporation.
1917 Lawndale, Meridian, ID 83642 888-6355

BY: [redacted signature]

ATTEST: [redacted signature]

STATE OF IDAHO)
) SS.
COUNTY OF Gem)

On this 9th day of February, 2005, before me, the undersigned, a
Notary Public for Idaho, personally appeared [REDACTED]

known to me to be the person(s) whose name(s) are subscribed to the within instrument, and
acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day
and year in this certificate first above written.



[REDACTED]
Notary Public for Idaho
Residing at [REDACTED]
My Commission expires 8-31-05

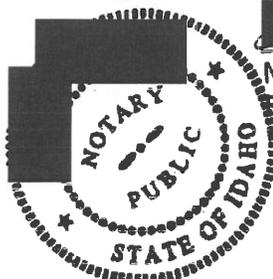
STATE OF IDAHO)
) SS.
COUNTY OF Gem)

On this 9th day of February, 2005, before me, the undersigned, a

Notary Public for Idaho, personally appeared [REDACTED], known
to me to be an officer of the Board of Directors of SEPTIC SYSTEMS, INC., an Idaho
Corporation, the corporation whose name is subscribed to the within instrument, and
acknowledged to me that he/she executed the same on behalf of said Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day
and year in this certificate first above written.

Corporation's telephone number: [REDACTED]
Corporation's address: [REDACTED]



[REDACTED]
Notary Public for Idaho
Residing at [REDACTED]
My Commission expires 8-31-05

Revised 4/20/01

INSTRU. NO. [REDACTED]
PAGES 3 OF 3

INSTRU. NO. [REDACTED]
PAGES 3 OF 3

Order No. 405002062

Exhibit A DEED OF TRUST

THIS DEED OF TRUST, Made this March 29, 2001 BETWEEN [REDACTED] AND Husband and Wife herein called GRANTORS whose address is: [REDACTED] AND Alliance Title & Escrow Corp., herein called TRUSTEE, and Intermountain Capital Corp., an Idaho Corporation herein called BENEFICIARY, whose address is PO Box 4305, Boise, Idaho 83711. WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO TRUSTEE IN TRUST WITH POWER OF SALE, that property in the county of Gem, State of Idaho, described as follows and containing not more than forty acres:

TRACT I *2nd Bldg Built*
That portion of the SE 1/4 of the NW 1/4 of Section 14, Township 6 North, Range 2 West, R.M., Gem County, Idaho, described as follows:
COMMENCING at the Northeast corner of the SE 1/4 of the NW 1/4 of Section 14, Township 6 North, Range 2 West, R.M., Gem County, Idaho, marked by a found 5/8" iron pin; thence South 86°18'47" West, 3.25 feet, along the East line of said SE 1/4 of the NW 1/4, to a point on the southerly right-of-way line of State Highway 52 marked by a found 1/2" iron pin and being the REAL POINT OF BEGINNING; thence continuing South 80°18'47" West, 656.68 feet to a found 1/2" iron pin with plastic cap PLS 6552; thence North 87°43'23" West, 482.93 feet, along an existing fence line to a set 1/2" iron pin with plastic cap PLS 6552; thence North 00°18'47" East, 640.83 feet to a point on said southerly right-of-way line marked by a set 1/2" iron pin with plastic cap PLS 6552; thence South 89°46'16" East, 925.65 feet, along said southerly right-of-way line to the REAL POINT OF BEGINNING.

TRACT II
TOGETHER WITH AND SUBJECT TO an ingress, egress and utility easement lying 40.00 feet West of and adjacent to the following described line:
COMMENCING at the Northeast corner of the SE 1/4 of the NW 1/4 of Section 14, Township 6 North, Range 2 West, R.M., Gem County, Idaho, marked by a found 5/8" iron pin; thence South 80°18'47" West, 3.25 feet, along the East line of said SE 1/4 of the NW 1/4 to a point on the southerly right-of-way line of State Highway 52 marked by a found 1/2" iron pin and being the REAL POINT OF BEGINNING; thence continuing South 00°18'47" West, 656.68 feet to a set 1/2" iron pin with plastic cap PLS 6552 and the terminus of this easement.

TRACT III
TOGETHER WITH AND SUBJECT TO an ingress, egress and utility easement lying 60.00 feet South of and adjacent to the following described line:
COMMENCING at the Northeast corner of the SE 1/4 of the NW 1/4 of Section 14, Township 6 North, Range 2 West, R.M., Gem County, Idaho, marked by a found 5/8" iron pin; thence South 00°18'47" West, 3.25 feet, along the East line of said SE 1/4 of the NW 1/4 to a point on the southerly right-of-way line of State Highway 52 marked by a found 1/2" iron pin and being the REAL POINT OF BEGINNING; thence North 88°46'16" West, 925.65 feet to the point of terminus of this easement.

Instrument # [REDACTED]
EMMETT, GEM, IDAHO
2005-02-09 02:44:00 No. of Pages: 3
Recorded for: [REDACTED]
Fee: 9.00
Ex-Officio Recorder Deputy [REDACTED]
Index to: BONDS AND AGREEMENTS

Instrument # [REDACTED]
EMMETT, GEM, IDAHO
2004-06-14 10:45:00 No. of Pages: 3
Recorded for: [REDACTED]
Fee: 9.00
Ex-Officio Recorder Deputy [REDACTED]
Index to: BONDS AND AGREEMENTS

MEMBER AGREEMENT

THIS AGREEMENT is made this 10 Day of October, 2003, by and between [REDACTED], whose address is [REDACTED] hereinafter referred to as Owner or Member, and Southeast Idaho Environmental Treatment Services, Inc., an Idaho Nonprofit Corporation (hereinafter referred to as "Corporation".)

RECITALS

1. Owner's land in the State of Idaho is such that a wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.
2. Owner desires to install a wastewater treatment system manufactured by Consolidated Treatment Systems Inc. herein referred to as "treatment system".
3. In order to insure that the treatment system is always operating properly, it should be inspected and maintained from time to time.
4. In order for the State of Idaho to approve the installation of the treatment system as a satisfactory system, the State requires that Owner be a Member of a perpetual organization which as a benefit of the organization will provide for the inspection and maintenance of Owner's treatment system.

NOW, THEREFORE, Owner and Corporation agree as follows:

- (A) Upon installation of the treatment system and the execution of this Agreement, Owner shall become a Member of the Corporation.
- (B) Owner shall pay its share of maintenance, service and management fees (hereinafter collectively referred to as "assessments") in order to provide maintenance and repair of Owner's treatment system in perpetuity and operation of the Corporation. A \$75.00 fee will be collected, when owner purchases a treatment system.
- (C) Owners obligation to continue as a Member of the Corporation and pay for the assessments shall continue unless the requirement is eliminated by the State of Idaho.
- (D) Owner is required to keep the treatment system on his premises operation in good condition . Some repair or replacement costs may not be covered by the service agreement. Owner will be responsible to pay all costs not covered by the service agreement.
- (E) This obligation on the part of the Owner shall be perpetual and shall run with Owner's land (i.e. appurtenant) which is described on Exhibit 1 which is attached hereto and incorporated herein by reference. A copy of this Agreement will be recorded to evidence the obligation of Owner and Owner's heirs, successors, assigns, transferees and grantees to be a member of the Corporation and to pay the Required assessments.

Instrument # [REDACTED]
REXBURG, MADISON, IDAHO
2003-10-15 01:22:00 No. of Pages: 4
Recorded for : [REDACTED] Fee: 12.00
Ex-Officio Recorder Deputy [REDACTED]

Owner agrees to notify the Corporation of the name of any new owner upon the transfer of the Owners property.

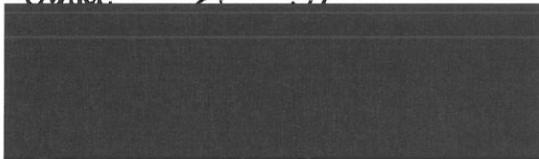
- (F) Owner agrees that Corporation is entitled to have a lien against the property described on Exhibit 1 for any assessments not paid for maintenance of the treatment system. Corporation shall also be entitled to bring court action to collect any delinquent assessments owed be the Owner for maintenance, service and management of the treatment system and the Corporation. Corporation shall be entitled to past due fees together with interest, cost, filing fees, and attorneys fees in any action, demand or proceeding to recover unpaid fees.
- (G) Owner agrees to grant to Corporation, and its successors, agents and assigns, an easement on Owner's property, as more fully described in Exhibit 1, to install, access, inspect, maintain and service the treatment system. Annual sampling of effluent and periodic sampling of the settled solids in the aeration chamber. The term of the easement is to last as long as the treatment system remains on the property.
- (H) This agreement incorporates and shall be governed by the Articles and Bylaws of the Corporation.

CERTIFICATE OF MEMBERSHIP

A copy of this Agreement shall be the Member's Certificate of Membership for the treatment system installed on the land described in Exhibit 1 for the purposes of the Corporation.

IN WITNESS WHEREOF, the parties have signed this agreement effective the day and year first above written.

Owner:



SIET Services Inc.
Southeast Idaho Environmental Treatment Services Inc.
an Idaho Nonprofit Corporation _____

By:



EXHIBIT 1
(Easement)

Now on this 10 Day of October 2003,

[Redacted], Owner, whose address is [Redacted] In consideration of the sum of Ten Dollars and other valuable consideration (the receipt of which is hereby acknowledged), grant to Southeast Idaho Environmental Treatment Services, Inc. an Idaho Nonprofit Corporation (the "Corporation") whose mailing address is 1920 N 3000 W Rexburg, Idaho 83440 and to Corporations successors, agents and assigns, an easement on the following described real property sufficient to install, access, inspect, annual sampling of effluent and periodic sampling of the settled solids in the aeration chamber, maintain and service the treatment system. The term of this easement is to last as long as the treatment system remains on the property.

legal description of property

IN WITNESS WHEREOF, Owner set his/her hand the day and year above written.

Owner:

[Redacted Signature]

State of

0)
)ss

COUNTY OF

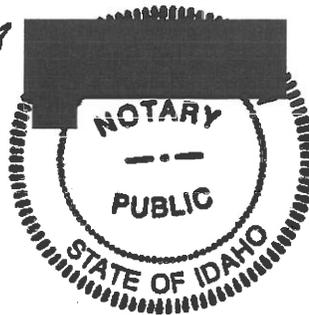
)

On this 13th Day of October, 2003 Before me a Notary Public, personally appeared

[Redacted Name], to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the name as his/her free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

My Commission Expires: 3/29/08



[Redacted Signature] Notary Public

MEMBER AGREEMENT

THIS MEMBER AGREEMENT (this "Agreement") is made this 28 day of May, 2001, by and between [redacted] whose address is [redacted] (hereinafter referred to as "Owner"), and Northern Extended Treatment Systems, an Idaho nonprofit corporation (hereinafter referred to as the "Corporation").

RECITALS:

- A. Owner is the owner of the real property located in Jefferson County, Idaho, more particularly described in Exhibit A attached hereto (the "Property").
- B. The Property is such that an extended wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.
- C. In order to ensure that the Treatment System is always operating properly, it must be periodically inspected and maintained.
- D. In order for the State of Idaho to approve the installation of the Treatment System, the State of Idaho requires that Owner be a member of a perpetual organization which as a benefit of the organization will provide for the inspection and maintenance of Owner's Treatment System.

NOW, THEREFORE, Owner and the Corporation agree as follows:

- 1. Upon installation of the Treatment System and the execution of this Agreement, Owner shall become a member of the Corporation.
- 2. Owner shall pay its share of expenses incurred by the Corporation (hereinafter collectively referred to as "Assessments") in order to provide for the inspection, maintenance, monitoring and sampling of Owner's Treatment System in perpetuity and for the operation and management of the Corporation. An initial \$75.00 fee will be collected upon execution of this Agreement.
- 3. Owner's obligations be a member of the Corporation and to pay for the Assessments shall continue unless the requirement is eliminated by the State of Idaho.
- 4. Owner is required to keep the Treatment System on the Property in good operation condition and repair. Some repair or replacement costs are not be covered by the

RECEIVED BY
ASSESSOR
For PLATTING
Date 5-28-02 Time 1:20

service agreement. Owner will be responsible to pay all costs not covered by the service agreement.

5. This Agreement and the obligations on the part of Owner hereunder shall be perpetual and shall run with title to the Property and shall be binding upon Owner and Owner's heirs, successors, assigns, transferees and grantees. This Agreement will be recorded in the county where the Property is located to provide notice of the obligations of Owner and Owner's heirs, successors, assigns, transferees and grantees to be a member of the Corporation and to pay the required Assessments. Owner agrees to notify the Corporation of the name of any new Owner upon the transfer of the Property.

6. Owner agrees that the Corporation shall have a lien against the Property described for any unpaid Assessments, which lien may be foreclosed pursuant to applicable law. The Corporation shall also be entitled to bring court actions to collect any delinquent Assessments owed by Owner. The Corporation shall be entitled to past due assessments, together with interest, cost, filing fees, and attorneys fees in any action, demand or proceeding to recover unpaid assessments.

7. Owner hereby grants to the Corporation; and the Corporation's agents, successors and assigns, for the term of this Agreement, an easement on, over and across the Property to access, inspect, maintain, monitor and service the Treatment System, including annual sampling of effluent and periodic sampling of the settled solids in the aeration chamber.

8. This Agreement incorporates and shall be governed by the Articles of Incorporation and Bylaws of the Corporation.

IN WITNESS WHEREOF, the parties have signed this Agreement to be effective the day and year first above written.

CORPORATION:

NORTHERN EXTENDED TREATMENT SYSTEMS

By: _____
Its: _____

OWNER:

LEGAL DESCRIPTION OF PROPERTY:

See Attached Exhibit "A"

STATE OF IDAHO)
County of Jefferson) ss.

On the 28 day of May ²⁰⁰² ~~2001~~, before me, the undersigned, a notary public in and for said State, personally appeared [redacted]. Known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above writteh.



[redacted]

Notary Public for Idaho
Residing at Bigby, ID

My Commission Expires: 06/10/05

Microfilm No. 314955
May 28, 2002
At Bigby O'Clock 7 M
Jefferson Co. Recorder
Fee \$ 12.86
Recorded at Request [redacted]

9:10 a.m. JUL 28 2011 p.m.

MEMBER AGREEMENT
INTERMOUNTAIN SEPTIC SOLUTIONS, INC. RECORDER
FRANKLIN COUNTY, IDAHO Deputy

THIS AGREEMENT is made this 26 day of July, 2011, by and between
[redacted], whose address is [redacted], (hereinafter referred to as
owner or member) and INTERMOUNTAIN SEPTIC SOLUTIONS, INC., an Idaho Not-For-Profit Corporation
(hereinafter referred to as "Corporation").

Legal Description of Subject Property:

SEE EXHIBIT "A" ATTACHED HERETO

RECITALS

1. Owners' land in the State of Idaho is such that a wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.
2. Owner desires to install a wastewater treatment system manufactured by CONSOLIDATED TREATMENT SYSTEMS, INC., hereinafter referred to as "treatment system".
3. In order to insure that the treatment system is always operating properly, it should be inspected and maintained on a regular schedule based on the maintenance schedule outlined by the National Sanitation Foundation (NSF) for residential onsite wastewater treatment systems.
4. In order for the State of Idaho to approve the installation of the treatment system as a satisfactory system, the State requires that Owner be a Member of the perpetual organization which as a benefit of the organization will provide for the inspection and maintenance of Owner's treatment system.

NOW, THEREFORE, Owner and Corporation agree as follows:

(A) Upon installation of the treatment system and the execution of this Agreement, Owner shall become a Member of the Corporation.

(B) Owner shall pay its share of maintenance, service and management fees (hereinafter collectively referred to as "assessments") in order to provide maintenance and repair of Owner's treatment system in perpetuity and operation of the Corporation.

(C) Owner's obligation to continue as a Member of the Corporation and pay for assessments shall continue unless the requirement is eliminated by the State of Idaho.

(D) Owner is required to keep the treatment system on his premises and operating in good condition. Some repair or replacement costs may not be covered by the service agreement. Owner is responsible to pay all costs not covered by the service agreement.

(E) This obligation on the part of the Owner shall be perpetual and shall run with Owner's land (i.e. appurtenant) which is described on Exhibit "A" which is attached hereto and incorporated herein by reference. A copy of this Agreement will be recorded to evidence the obligation of Owner and Owner's heirs, successors, assigns, transferees and grantees to a Member of the Corporation and to pay the required assessments. Owner agrees to notify the Corporation of the name of any new owner upon the transfer of the Owners property.

(F) Owner agrees that Corporation is entitled to have a lien against the property described on Exhibit "A" for any assessments not paid for maintenance of the treatment system. Corporation shall also be entitled to bring court action to collect any delinquent assessments owed by the Owner for maintenance, service and management of the treatment system and the Corporation. Corporation shall be entitled to past due fees together with interest at the rate of 12% per annum, costs, filing fees, and attorney's fees in any action, demand or proceeding to recover unpaid fees.

(G) Owner grants to Corporation, and its successors, agents and assigns, an easement on Owner's property, as more fully described in Exhibit "A", to install, access, inspect, maintain and service the treatment system. The term of this easement is to last as long as the treatment system remains on the property.

(H) This agreement incorporates and shall be governed by the Articles and Bylaws of the Corporation.

[Redacted]

CERTIFICATE OF MEMBERSHIP

A copy of this agreement shall be the Member's Certificate of Membership in the Corporation for the treatment system installed on the land described in Exhibit 1 for the purposes of the Corporation.

IN WITNESS WHEREOF, the parties have signed this Agreement effective the day and year first above written.

[Redacted]
INDIVIDUAL

X [Redacted]

OWNER(S) OFFICIAL CAPACITY IF AN L.L.C OR CORPORATION

(Individual Notary)

STATE OF Idaho)
COUNTY OF Franklin) ss.

On this 26th day of July, 2011, before me, a Notary Public, personally appeared [Redacted] to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she/they executed the same as his/her/their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



NOTARY PUBLIC FOR IDAHO
RESIDING AT: Preston ID
EXPIRES: 3-12-2017

(Corporation Notary)

STATE OF _____)
COUNTY OF _____) ss.

On this _____ day of _____, 20____, before me, a Notary Public, personally appeared _____, known or identified to me to be the President/Vice President/Secretary of _____, and known to me to be the person(s) described in and whose name is/are subscribed to the foregoing instrument, and acknowledged that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

NOTARY PUBLIC FOR IDAHO
RESIDING AT:
EXPIRES:

#2

EXHIBIT A
(EASEMENT)

See Warranty Deed.

[REDACTED]

INTERMOUNTAIN SEPTIC SOLUTIONS, INC.

MAINTENANCE INSPECTION AGREEMENT

It is hereby agreed this 7/26/11 (date) by and between [REDACTED] (owner) and [REDACTED] of Consolidated Treatment Systems, Inc., that in consideration of the payments provided for herein, Consolidated Treatment Systems, Inc., will provide the services of a factory-trained representative to perform a Preventative Maintenance Inspection on the equipment described herein on the frequency shown below.

Each inspection of the treatment and pumping equipment shall be followed by a written report to the Purchaser. The inspection report will describe the operational status of the system. It will also include recommendations for any preventative maintenance deemed necessary by the inspector as well as a list of any replacement parts needed.

Inspection will be performed twice (2) during the first two years and one (1) time every year after. This agreement must be renewed for an additional 3 year period after the expiration of this contract as per Idaho State guidelines for extended treatment systems.

This agreement does not include repairs or equipment replacements assume any responsibilities or obligations which are normally the responsibilities of Purchaser's maintenance department (if applicable) as related to parts or labor and does not extend to cover any costs that may be associated with any recommendation under this agreement. Intermountain Septic Solutions, Inc. can only supply parts or labor after receipt of Purchaser's purchase order. Billings for inspection trips shall be made on per trip basis.

This inspection agreement covers only operation and maintenance procedures and testing. Required repairs or equipment replacements will be done on a time and materials basis based on our standard hourly rate and market material pricing.

In no event shall [REDACTED] or Consolidated Treatment Systems, Inc. be responsible for special or consequential damages, including but not limited to, loss of time, injury to person or property or any other consequential damages or incidental or economic loss due to equipment failure or for any other reason whatsoever.

This agreement shall remain in force for the period of _____ year(s), beginning _____ (year) and ending _____ (year).

Equipment Covered Under This Agreement	
Model Number:	<u>400 Noydic</u>
Rate Per Visit:	[REDACTED]
Legal Description of Subject Property:	<u>See Attachment</u>

Treatment Equipment Owner:	
Name:	[REDACTED]
Address:	[REDACTED]
City, State, Zip:	<u>Preston, Id 83267</u>
Phone 1:	[REDACTED]
Fax:	
E-mail:	

Maintenance Company:	
Name:	[REDACTED]
Address:	[REDACTED]
City, State, Zip:	<u>Preston, Id 83267</u>
Phone:	[REDACTED]
Fax:	
E-mail:	

Owner Signature

Date

[REDACTED]

Intermountain Septic Solutions, Inc. (President)

July 26, 2011
Date

252383

Recorded at the request of

Preston, ID 83263

a.m. JUL 22 2011 p.m. 12:53

Montpelier Properties, LLC, an Idaho Limited Liability Company

By [Redacted] RECORDER Deputy FRANKLIN COUNTY, IDAHO

Grantor(s) of Preston, County of Franklin State of Idaho, hereby CONVEY AND WARRANT to

[Redacted] husband and wife

Grantee(s) of Preston, County of Franklin, State of ID for the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, the following described tract of land in Franklin County, State of ID:

A parcel of land located in the East One-Half of the Southeast Quarter of Section 11, Township 16 South, Range 39 East, Boise Meridian, Franklin County, Idaho, being a part of the parcel of land described in Instrument Number 24786 as recorded in the official records of Franklin County, and more particularly described as follows:

Commencing at the Northeast Corner of the Northeast Quarter of the Southeast Quarter of said Section 11, from which the Southeast Corner of Section 11 bears South 00°06'35" West; thence South 00°06'35" West 1329.09 feet along the East boundary line of said Section 11; thence West 26.73 feet to a 5/8" rebar and cap labeled "A.L.S., PLS 9163", the West Right of Way line of the County Road, the Point of Beginning; thence South 00°10'30" West 209.00 feet along said Right of Way line to a 5/8" rebar and cap; thence South 89°13'00" West 209.00 feet to a 5/8" rebar and cap; thence North 00°10'30" East 209.00 feet to a 5/8" rebar and cap; thence North 89°13'00" East 209.00 feet to the Point of Beginning.

Subject to easements, declarations of covenants and restrictions, rights of way of record, and taxes for the current year and thereafter.

Witness, the hand(s) of said Grantor(s), this July 22, 2011

[Redacted Signature] Montpelier Properties, LLC, an Idaho Limited Liability Company Kelton Larsen, Manager/Member

State of ID) County of Franklin)

On July 22, 2011, personally appeared before me Kelton Larsen, who, being by me duly sworn, did say that he is the Manager/Member of Montpelier Properties, LLC, an Idaho Limited Liability Company and that the said instrument was signed on behalf of said Limited Liability Company by the authority of its Articles of Organization and Operating Agreement, and the aforesaid individual acknowledged to me that said Company executed the same.



[Redacted Signature] Notary Public Resides: Preston ID Expires: 3-12-2017

Idaho Wastewater Treatment Services, Inc.

Member Agreement & Easement

THIS AGREEMENT is made this 29 day of November, 2012, by and between

_____ whose installation address is

_____ City/State/Zip Meridian 83647

County Ada (See "Exhibit 1") hereinafter referred to as Owner or Member, And Idaho Wastewater Treatment Services, Inc., an Idaho Nonprofit Corporation (hereinafter referred to as "Corporation").

RECITALS

1. Owner's land in the State of Idaho is such that a wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.
2. Owner desires to install a wastewater treatment system manufactured by Bio-Microbics Inc., hereinafter referred to as "treatment system."
3. In order to insure that the treatment system is always operating properly, it should be inspected and maintained from time to time. The effluent from the treatment system will be monitored in accordance with the requirements of a permit written by the Health District or with the requirements that may be adopted in the Technical Guidance Manual for Individual and Subsurface Sewage Disposal Systems.
4. In order for the State of Idaho to approve the installation of the treatment system as a satisfactory system, the State requires that Owner be a Member of a perpetual organization, which as a benefit of the organization will provide for the inspection and maintenance of Owner's treatment system.

NOW, THEREFORE, Owner and Corporation agree as follows:

- (A) Upon installation of the treatment system and the execution of the Agreement, Owner shall become a Member of the Corporation.
- (B) Owner shall pay it's share of maintenance, service and management fees, and treatment system effluent testing fees, (hereinafter collectively referred to as "assessments",) which shall be UCR, usual, customary and reasonable, in order to provide maintenance and repair of Owner's treatment system in perpetuity and operation of the Corporation.
- (C) Owner's obligation to continue as a Member of the Corporation and pay for the assessments shall continue unless the requirement is eliminated by the State of Idaho.
- (D) Owner is required to keep the treatment system on his premises operating in good condition. Some repair or replacement costs may not be covered by the service agreement. Owner will be responsible to pay all the costs not covered by the service agreement.
- (E) This obligation on the part of the Owner shall be perpetual and shall run with the Owner's land (i.e. appurtenant), which is described, on Exhibit 1, which is attached hereto and incorporated herein by reference. A copy of the Agreement will be recorded to evidence the obligation of Owner and Owner's heir, successors, assigns, transferees, and grantees to be a Member of the Corporation and to pay the required assessments. Owner agrees to notify the Corporation of the name of any new owner upon the transfer of the Owner's Property.
- (F) Owner agrees that Corporation is entitled to have lien against the property described in Exhibit 1 for any assessments not paid for maintenance of the treatment system. Corporation shall also be entitled to bring court action to collect any delinquent assessments owed by the Owner for maintenance, service and management of the treatment system and the Corporation. Corporation shall be entitled to past due fees together with interest, costs, filing fees, and attorneys fees in any action, demand or proceeding to recover unpaid fees.

- (c) Owner agrees to grant to Corporation, and its successors, agents and assigns, an easement on Owner's property, as more fully described in Exhibit 1, to install, access, inspect, maintain and service the treatment system. The term of the easement is to last as long as the treatment system remains on the property.
- (d) This agreement incorporates and shall be governed by the Articles and Bylaws of the corporation.

CERTIFICATE OF MEMBERSHIP

A copy of the Agreement shall be the Member's Certificate of Membership for the treatment system installed on the land described in Exhibit 1 for the purpose of the Corporation.

IN WITNESS WHEREOF, the parties have signed this agreement effective the day and year first above written.

Owner: X

STATE OF Idaho
 COUNTY OF Ada

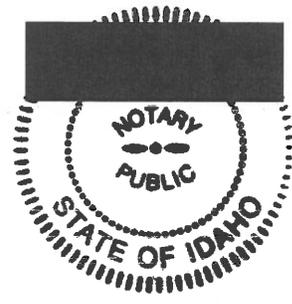
On this 29 day of November, ~~200~~ 2012, before me a Notary Public,

Personally appeared _____ to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she executed the same and he/she free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

 Notary Public

My commission Expires: 4.13.2016



MEMBER AGREEMENT IDAHO ONSITE SERVICES INC.

THIS AGREEMENT is made this 11 day of July, 2012, by and between _____, whose address is _____, Madison, ID 83644, hereinafter referred to as Owner or Member, and IDAHO ONSITE SERVICES, INC., an Idaho Not-For-Profit Corporation (hereinafter referred to as "Corporation").

Legal Description of Subject Property:

RECITALS

1. Owners land in the State of Idaho is such that a wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.
2. Owner desires to install a wastewater treatment system manufactured by Orenco Systems, Inc., hereinafter referred to as "treatment system".
3. In order to insure that the treatment system is always operating property, it should be inspected and maintained on a regular schedule based on the maintenance schedule outlined by the National Sanitation Foundation (NSF) for residential onsite wastewater treatment systems.
4. In order for the State of Idaho to approve the installation of the treatment system as a satisfactory system, the State requires that Owner be a Member of a perpetual organization which as a benefit of the organization will provide for the inspection and maintenance of Owner's treatment system.

NOW, THEREFORE, Owner and Corporation agree as follows:

(A) Upon installation of the treatment system and the execution of this Agreement, owner shall become a Member of the Corporation.

(B) Owner shall pay its share of maintenance, service and management fees (hereinafter collectively referred to as "assessments") in order to provide maintenance and repair of Owner's treatment system in perpetuity and operation of the Corporation.

(C) Owner's obligation to continue as a Member of the Corporation and pay for the assessments shall continue unless the requirement is eliminated by the State of Idaho.

(D) Owner is required to keep the treatment system on his premises operating in good condition. Some repair or replacement costs may not be covered by the service agreement. Owner is responsible to pay all costs not covered by the service agreement.

(E) This obligation on the part of the Owner shall be perpetual and shall run with Owner's land (i.e. appurtenant) which is described on Exhibit 1 which is attached hereto and incorporated herein by reference. A copy of this Agreement will be recorded to evidence the obligation of Owner and Owner's heirs, successors, assigns, transferees and grantees to be a Member of the Corporation and to pay the required assessments. Owner agrees to notify the Corporation of the name of any new owner upon the transfer of the Owners property.

(F) Owner agrees that Corporation is entitled to have a lien against the property described on Exhibit 1 for any assessments not paid for maintenance of the treatment system. Corporation shall also be entitled to bring court action to collect any delinquent assessments owed by the Owner for maintenance, service and management of the treatment system and the Corporation. Corporation shall be entitled to past due fees together with interest, costs, filing fees, and attorneys fees in any action, demand or proceeding to recover unpaid fees.

(G) Owner agrees to grant to Corporation, and its successors, agents and assigns, an easement on Owner's property, as more fully described in Exhibit 1, to install, access, inspect, maintain and service the treatment system. The term of this easement is to last as long as the treatment system remains on the property.

(H) This agreement incorporates and shall be governed by the Articles and Bylaws of the Corporation.

CERTIFICATE OF MEMBERSHIP

A copy of this Agreement shall be the Member's Certificate of Membership for the treatment system installed on the land described in Exhibit 1 for the purposes of the Corporation.
IN WITNESS WHEREOF, the parties have signed this Agreement effective the day and year first above written.

OWNER(S)/OFFICIAL CAPACITY IF AN L.L.C. OR CORPORATION

(Individual Notary)

STATE OF Idaho)
) ss.
COUNTY OF Ada)

On this 11 day of July, 2012, before me, a Notary Public, personally appeared _____, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he/she/they executed the same as his/her/their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



NOTARY PUBLIC FOR 10 (STATE)

RESIDING AT: Star, Idaho

MY COMMISSION EXPIRES: 8-7-2014

(Corporation Notary)

STATE OF Idaho)
) ss.
COUNTY OF Ada)

On this 11 day of July, 2012, before me, the undersigned Notary Public in and for said state, personally appeared _____, known or identified to me to be the President/Vice President/Secretary of _____, and known or identified to me to be the person(s) whose name is/are subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same.

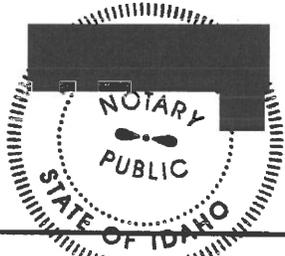
IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

(Corporation Notary)

STATE OF Idaho)
) ss.
COUNTY OF Ada)

On this 11 day of July, 20 12, before me, the undersigned Notary Public in and for said state, personally appeared _____, known or identified to me to be the ~~President~~ Vice President/Secretary of _____ and known or identified to me to be the person(s) whose name is/are subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



NOTARY PUBLIC FOR ID (STATE)
RESIDING AT: Star, Idaho
MY COMMISSION EXPIRES: 8-7-2014

(Limited Liability Company Notary)

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 20____, before me, the undersigned Notary Public in and for said state, personally appeared _____, known or identified to me to be to Managing Member of _____, L.L.C., and known or identified to me to be the person(s) whose name is/are subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

NOTARY PUBLIC FOR _____ (STATE)
RESIDING AT: _____
MY COMMISSION EXPIRES: _____

Idaho Onsite Services Inc.

Fax: [redacted] e-mail: [redacted]

MAINTENANCE INSPECTION AGREEMENT

It is hereby agreed this _____ (date) by and between _____ (owner)
And [redacted] of Idaho Onsite Services Inc. that in consideration of the payments provided for herein, Onsite Services will provide the services of a factory-trained representative to perform a Preventative Maintenance Inspection of the equipment described herein on the frequency shown below.

Each inspection of the treatment and pumping equipment shall be followed by a written report to the Purchaser. The inspection report will describe the operational status of the system. It will also include recommendations for any preventative maintenance deemed necessary by the inspector as well as a list of any replacement parts needed.

Inspection will be performed twice (2) during the first two years and one (1) time every year after. This agreement must be renewed for an additional 3 year period after the expiration of this contract as per Idaho State guidelines for extended treatment systems.

This agreement does not include repairs or equipment replacements assume any responsibilities or obligations which are normally the responsibilities of Purchaser's maintenance department (if applicable) as related to parts or labor and does not extend to cover any costs that may be associated with any recommendation under this agreement. Idaho Onsite Services Inc. can only supply parts or labor after receipt of Purchaser's purchase order. Billings for inspection trips shall be made on per trip basis.

This inspection agreement covers only operation and maintenance procedures and testing. Required repairs or equipment replacements will be done on a time and materials basis based on our standard hourly rate and market material pricing.

In no event shall Orenco, Inc. or Idaho Onsite Services Inc. be responsible for special or consequential damages, including but not limited to, loss of time, injury to person or property or any other consequential damages or incidental or economic loss due to equipment failure or for any other reason whatsoever.

This agreement shall remain in force for a period of 3 year(s), beginning _____ (year) and ending _____ (year).

Equipment Covered Under This Agreement	
Model Number: AX20 AdvanTex® Treatment System	Rate Per visit: [redacted]
Legal Description of Subject Property:	

Treatment Equipment Owner:	
Name:	[redacted]
Address:	[redacted]
City, State, Zip:	[redacted]
Phone 1:	[redacted]
Phone 2:	[redacted]
Fax:	[redacted]
e-mail:	[redacted]

[redacted signature]

Owner Signature

7-11-2012

Date

Maintenance Company:	
Name:	Idaho Onsite Services Inc.
Address:	[redacted]
City, State, Zip:	[redacted]
Phone 1:	[redacted]
Phone 2:	[redacted]
Fax:	[redacted]
e-mail:	[redacted]

[redacted signature]

Idaho Onsite Services (President)

06/13/2012

Date

CUSTOMER ACCOUNT INFORMATION FORM

Record of System Facts

PERMIT NUMBER

PARCEL NUMBER

Owner

Name _____ Property Address _____ City _____ State _____ Zip _____

Phone _____ Fax _____ e-mail address _____

Install Date _____ Occupied date _____ Scheduled Start -up date _____

Installer

Name _____ Address _____ City _____ State _____ Zip _____

Phone _____ Fax _____ e-mail address _____

O&M Provider

Name _____ Address _____ City _____ State _____ Zip _____

Phone _____ Fax _____ e-mail address _____

Dealer

Name _____ Address _____ City _____ State _____ Zip _____

Phone _____ Fax _____ e-mail address _____

Regulator

Name _____ Health District Office

Address _____ City _____ State _____ Zip _____

Phone _____ Fax _____ e-mail address _____

11-4

**MEMBER AGREEMENT
(Exhibit A)**

THIS AGREEMENT is made this 6th day of July, 2005, by and between [REDACTED]

Hereinafter referred to as Owner or Member, and Everlasting Extended Treatment, Inc., an Idaho Nonprofit Corporation.

RECITALS

- 1. Owner's land in the State of Idaho is such that a wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.**
- 2. Owner desires to install a wastewater treatment system manufactured by Everlasting Precast, Inc. herein referred to a treatment system.**
- 3. In order to insure that the treatment system is always operating properly, it must be inspected and maintained from time to time.**
- 4. In order for the State of Idaho to approve the installation of the treatment system as a satisfactory system, the State requires that Owner be a Member of a perpetual organization which as a benefit of the Organization will provide for the inspection and maintenance of Owner's treatment system.**

NOW, THEREFORE, Owner and Corporation agree as follows:

- A) Upon installation of the treatment system and the execution of this Agreement, Owner shall become a Member of the Corporation.**
- B) Owner shall pay it's share of maintenance, service, and management Fees (hereinafter collectively referred to as assessments) in order to provide maintenance and repair of Owner's treatment system in perpetuity and operation of the Corporation.**
- C) Owners obligation to continue as a Member of the Corporation and pay for the assessments shall continue unless the requirement is eliminated by the State of Idaho.**
- D) Owner is required to keep the treatment system on his premises operating in good condition. Some repair or replacement cost may not be**

covered by the member agreement. Owner will be responsible to pay all costs not covered by member agreement.

- E) This obligation on the part of the Owner shall be perpetual and shall run with Owner's land(i.e. appurtenant) which is described on Exhibit 1 which is attached hereto and incorporated herein by reference. A copy of this agreement will be recorded to evidence the obligation of Owner and Owner's heirs, successors, assigns, transferees, and grantees to be a member of the Corporation and to pay the required assessments. Owner agrees to notify the Corporation of the name of any new owner upon the transfer of the owner's property.
- F) Owner agrees that Corporation is entitled to have a lien against the Property described on Exhibit 1 for any assessments not paid for maintenance of the treatment system. Corporation shall also be entitled to bring court action to collect any delinquent assessments owed by the Owner for maintenance, service, and management of the treatment system and the Corporation. Corporation shall be entitled to past due fees together with interest, cost, filing fees and attorneys fees in any action, demand, or proceeding to recover unpaid fees.
- G) Owner agrees to grant Corporation and its successors, agents, and assigns an easement on Owner's property, as more fully described in Exhibit 1, to install, access, inspect, maintain, and service the treatment system, conduct annual sampling of effluent and periodic sampling of the settled solids in the aeration chamber. The term of the easement is to last as long as the treatment system remains on the property.
- H) This Agreement incorporates and shall be governed by the Articles and Bylaws of the Corporation.

CERTIFICATE OF MEMBERSHIP

A copy of this Agreement shall be the Member's Certificate of Membership for the treatment system installed on the land described in Exhibit 1 for the purposes of the Corporation.

IN WITNESS WHEREOF, the parties have signed this agreement effective the day and year first above written.

Owner:

[Redacted Signature]

President

Everlasting Extended Treatment, Inc
An Idaho Nonprofit Corporation

By: [Redacted Signature]

**EXHIBIT 1
(Easement)**

Now on this 6th day of July, 2005, [REDACTED], in

Consideration of the sum of ten dollars(\$10)and other valuable consideration(the receipt of which is hereby acknowledged), grant to Everlasting Extended Treatment inc, an Idaho Nonprofit Corporation whose mailing address is P O Box 455, Middleton, Idaho 83644 and to Corporations successors, agents, and assigns an easement on the following described real property sufficient to install, access, inspect, sample effluent, and periodic sampling of the settled solids in the aeration chamber, maintain and service the treatment system. The term of this easement is to last as long as the treatment system remains on the property.

Lot: [REDACTED] Block: [REDACTED]
Description of property [REDACTED]

Owner:

Intermountain Development, Inc.
[REDACTED]

RECORDED
2005 JUL 6 PM 12:00
CANYON CITY RECORDER
[REDACTED]

STATE OF IDAHO

COUNTY OF CANYON

ON THIS 6TH DAY OF July, 2005, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE PERSONALLY APPEARED, [REDACTED] KNOW TO ME TO BE THE President OF THE CORPORATION THAT EXECUTED THIS INSTRUMENT AND THE PERSON WHO EXECUTED THE INSTRUMENT ON BEHALF OF SAID CORPORATION, AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE SAME. IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

[REDACTED]



Residing in Nampa, Idaho
Commission expires May 18, 2007

MEMBER SERVICE AGREEMENT

THIS AGREEMENT is made this 17th day of April, 2007, by and between [redacted] whose address is [redacted] (hereinafter referred to as "Owner" or "Member"), and EFFLUENT TECHNOLOGIES INC., an Idaho nonprofit Corporation (hereinafter referred to as "Company").

RECITALS

WHEREAS, Owner's land in the State of Idaho is such that a wastewater treatment system must be installed in order to meet the requirements of the State of Idaho.

WHEREAS, Owner desired to install a wastewater treatment system manufactured by NORTHERN SERVICES, INC. which shall hereinafter be referred to as "treatment system."

WHEREAS, In order for the State of Idaho to approve the installation of the 'treatment system' as a satisfactory system, the State requires that Owner be a Member of a perpetual organization which will provide for the inspection and maintenance of Owner's system.

NOW, THEREFORE, Owner and Company agree as follows:

- (1) Upon installation of the 'treatment systems' and the execution of this Agreement, Owner shall become a Member of the Company.
- (2) Owner shall pay its share of management fees (hereinafter collectively referred to as 'assessments') in order to provide for maintenance and repair of Owner's treatment system in perpetuity and operation of the Company. Owner shall pay a \$210.00 annual fee at the time owner purchases a treatment system.
- (3) Owner's obligation to continue as a Member of the Company and pay for the assessments shall continue unless the requirement is eliminated by the state of Idaho.
- (4) Owner is required to keep the treatment system on his premises operating in good condition. Some repair or replacement costs may not be covered by the service agreement.
- (5) This obligation on the part of the Owner shall be perpetual and shall run with Owner's land (i.e. appurtenant) described in "Exhibit 1" which is attached hereto and incorporated herein by reference. A copy of this Agreement will be recorded to evidence the obligation of Owner and Owner's heirs, successors, assigns, transferees, and grantees to be a Member of the Company and to pay the required 'assessment'. Owner

Acct # [redacted]
4-18-07
Done 11:39



agrees to notify the company of the name of any new owner upon the Transfer of the Owners property.

- (6) Owner agrees that company is entitled to have a lien against the property described on Exhibit "1" for any assessments not paid for maintenance of the 'treatment system'. Company shall also be entitled to bring court action to collect any delinquent assessments owed by the Owner for maintenance, service, and entitled to past due fees together with interest, cost, filing fees, and attorneys fees in any action, demand, or proceeding to recover unpaid fees.
- (7) Owner agrees that company, and its successors, agents, and assigns, and easement on Owner's property, more fully described in "Exhibit 1" to install, access, inspect, maintain, and service the 'treatment system,' along with performing annual sampling of effluent and periodic sampling of the settled solids in the aeration chamber on the property.
- (8) This agreement is corporate and shall be governed by the articles and by laws of the company.

CERTIFICATE OF MEMBERSHIP

A copy of this agreement shall be the Member's Certificate of Membership for the 'treatment system' installed on the land described in 'Exhibit 1' for the purposes of the Company.

IN WITNESS WHEREOF, the parties have signed this agreement effective the day and year first written above.

Owner:

EFFLUENT TECHNOLOGIES, INC.
an Idaho Nonprofit Corporation

By

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

STATE OF IDAHO

)
) ss
)

County of Madison

On the 17 day of April, ²⁰⁰⁷~~2006~~, before me, the undersigned, a notary public in and for the said State, personally appeared _____, know or identified to me to be the person whose name is subscribed to the within instrument and acknowledge to me that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Notary Public for Idaho

Residing at _____

(seal)

My Commission Expires: March 24, 2012

