

Direct Testimony and Exhibits of D. Logan
WLI Investments, LLC
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1 A: Yes, I do. The arguments that are made in the Respondents' testimony are misleading and
2 irrelevant. The Respondents seem to believe that the issue with grinder pumps and low-pressure
3 facilities is solely an attempt by WLI Investments to reduce its upfront costs and shift the expenses
4 associated with grinder pumps to the homeowners. That is misleading for two reasons: first, it
5 ignores the reality that WLI Investments relied upon ONSWC's statements and conduct in
6 designing a low-pressure wastewater collection system; and second, it presumes that the
7 homeowners failed to understand the conditions of purchasing a home in this area. I will address
8 both of those reasons in more detail below, but I would first emphasize that the issue of general
9 reasonableness of grinder pumps and low-pressure facilities is a separate issue than the issues
10 related to enforcement of the Development Agreement.

11 On the first point, I first reviewed the plans for a gravity sewer system and the proposal for
12 the construction work that is attached to Mr. Gallant's testimony. This is a different
13 configuration than what I have been advised would be required, because it only has one lift station
14 instead of the two that I believed would be required, and it is a significant expense compared to
15 what ONSWC agreed to allow and accept. Mr. Gallant received a construction estimate of
16 \$676,784.00 to install a gravity sewer system. My estimate of the costs to construct a low-pressure
17 system is approximately \$350,000. This \$326,784 price difference is significant, and represents a
18 partial extent of the harm to WLI Investments from reasonably relying on ONSWC's statements
19 and conduct that indicated that a low-pressure wastewater collection system would be acceptable
20 in both the Lea Lots and Salters Haven.

21 Second, it is also possible that Mr. Gallant's estimate of \$676,784 understates the true cost
22 of construction. It is my understanding and experience that Pluris requires its pump stations to be
23 outfitted with features above and beyond the State requirements. Further, it is my understanding