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DAVID T. DROOZ  
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February 19, 2024

**VIA ELECTRONIC FILING**

Ms. A. Shonta Dunston  
Chief Clerk  
North Carolina Utilities Commission  
430 North Salisbury Street  
Dobbs Building  
Fifth Floor, Room 5063  
Raleigh, NC 27603

**Re: In the Matter of Joint Application by Pluris Hampstead, LLC for Authority to Acquire the Sewer Utility Systems Serving Majestic Oaks and Hampstead Shopping Center, Forest Sound (f/k/a Southside Commons and Grey Bull), Majestic Oaks West, and Salter’s Haven at Lea Maria in Pender County, NC from Old North State Water Company, Inc., and Approval of Rates  
Docket Nos. W-1305 Sub 29 and W-1300 Sub 69  
*Notice of Decommissioning and Motion for Release of Bond***

Dear Mr. Dunston:

The decommissioning of certain assets associated with Majestic Oaks’ wastewater system has been completed and in accordance therewith, Old North State Water Company, Inc. (ONSWC) herewith provides this Notice of Decommissioning and Motion for Release of Bond for filing in the above referenced dockets.

Thank you for your assistance with this filing.



Ms. A. Shonta Dunston  
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If you should have any questions, please do not hesitate to contact me.

Sincerely,

*/s/ David T. Drooz*

David T. Drooz

Enclosures

cc: Parties and Counsel of Record  
Commission Staff – Legal  
NC Public Staff

pbb



1. On May 19, 2023, the Commission issued its Order Approving Stipulation, Approving Transfer, Granting Franchises, Approving Rates, and Requiring Customer Notice in Docket Nos. W-1300, Sub 69, and W-1305, Sub 29 (“Transfer Order”). The Transfer Order approves transfer of the wastewater utility franchises for the above-captioned systems (collectively called “Majestic Oaks”) from ONSWC to Pluris Hampstead, LLC (“Pluris”).

2. The Transfer Order in decretal paragraph 10 provides:

That after closing of the sale of the subject ONSWC assets to Pluris, and within the time specified below:

(a) ONSWC shall decommission the Majestic Oaks WWTP. Such decommissioning of the Majestic Oaks WWTP shall include, but not necessarily be limited to: (i) removal of the Majestic Oaks WWTP; (ii) removal of all fences, and (iii) leveling and placing seed with straw cover over the two ponds on the Majestic Oaks WWTP site; and

(b) For the infiltration pond located on Majestic Oaks Drive on land owned by the Majestic Oaks Property Owners Association ONSWC shall: (i) totally remove the fence around the existing infiltration pond; (ii) remove the dam or pond walls; (iii) level the pond site; (iv) create positive drainage to the easterly ditch, and (v) place seed with straw cover over the infiltration pond site;

3. Further, the Transfer Order in decretal paragraph 14 provides:

That ONSWC shall notify the Commission when the decommissioning of the Majestic Oaks WWTP, infiltration pond, and related activities specified herein has been completed by making a filing in these dockets upon completion but no later than November 1, 2023.

4. The Transfer Order also provides in decretal paragraph 11:

That \$50,000 of Pluris Hampstead, LLC’s unassigned surety bond is assigned to the Majestic Oaks, Majestic Oaks West, Salters Haven

at Lea Marina Phases 1 and 2, and Forest Sound service areas. The remaining unassigned bond surety shall be \$75,000....

5. The closing for the transfer occurred on September 15, 2023.

6. ONSWC has now completed its decommissioning of Majestic Oaks in compliance with the Transfer Order. In connection with the decommissioning, the North Carolina Department of Environmental Quality determined that the Majestic Oaks wastewater treatment plant permit issued to ONSWC could be rescinded. See Attachment 1.

7. Majestic Oaks is now owned and operated by Pluris, and the requisite bond amount has been assigned from the previously unassigned surety bond of Pluris.

8. On September 27, 2021, in a contiguous extension under Docket No. W-1300, Sub 56, ONSWC posted a cash bond of \$10,000 for Salter's Haven at Lea Marina. Salter's Haven at Lea Marina is one of the systems under the Majestic Oaks umbrella and is now covered by the bond from Pluris.

9. The other systems under the Majestic Oaks umbrella are secured by assignment of portions of the surety bond provided by ONSWC through an irrevocable letter of credit from BNY Mellon, NA. In particular, there is a \$20,000 bond for Majestic Oaks and Hampstead Shopping Center (Docket No. W-1300, Sub 0); a \$10,000 bond for Majestic Oaks West (Docket No. W-1300, Sub 30); and a \$10,000 bond for Forest Sound (Docket No. W-1300, Sub 20). These systems are likewise now covered by the bond from Pluris.

10. On September 29, 2021, the Commission issued an order in Docket No. W-1300, Sub 56, that accepted for Salter's Haven at Lea Marina Subdivision Phases 1 and 2 the \$10,000 cash bond provided by ONSWC.

11. As ONSWC has completed decommissioning of Majestic Oaks and closed on the transfer of the system and the franchise and bonding are now under Pluris, there is no reason for the Commission to continue to apply the \$10,000 cash bond to the contiguous extension to Salter's Haven at Lea Marina or the \$40,000 of surety bonds assigned to Majestic Oaks, Majestic Oaks West, and Forest Sound.

12. Accordingly, ONSWC requests that the \$10,000 cash bond be returned to ONSWC, and that the \$40,000 assigned from the surety bond be released so it can be added to unassigned bond amount for ONSWC.

WHEREFORE, ONSWC asks that the Commission (i) accept this notice of decommissioning, (ii) return the \$10,000 cash bond for Salter's Haven at Lea Marina to ONSWC, and (iii) add the \$40,000 of bonds for Majestic Oaks, Majestic Oaks West, and Forest Sound to the unassigned bond amount for ONSWC.

Respectfully submitted, this the 19<sup>th</sup> day of February, 2024.

FOX ROTHSCHILD LLP

By: /s/ David T. Drooz  
Fox Rothschild LLP  
434 Fayetteville Street  
Suite 2800  
Raleigh, NC 27601  
(919) 755-8700  
DDrooz@foxrothschild.com  
*Attorney for*  
*Old North State Water Company, Inc.*

**VERIFICATION**

John McDonald, being duly sworn, deposes and says:

That he is the President of Old North State Water Company, Inc.; that he has read and is familiar with the facts set out in the foregoing Notice of Decommissioning and Motion for Release of Bond; and that the same is true of his knowledge except as to those matters stated on information and belief, and as to those he believes them to be true.

/s/   
**John McDonald**

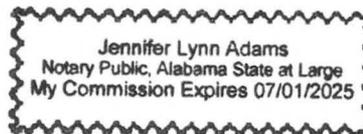
State of Alabama

Jefferson County

Sworn to and subscribed before me  
this the 19<sup>th</sup> day of February 2024.

  
Notary Public signature

Jennifer Lynn Adams  
Notary Printed Name



My Commission Expires: 07/01/2025  
Date

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Notice of Decommissioning and Motion for Release of Bond has been served on all counsel of record for all parties in these dockets by either depositing same in a depository of the United States Postal Service, first-class postage prepaid, or by electronic delivery.

This the 19<sup>th</sup> day of February, 2024.

By: /s/ David T. Drooz  
Fox Rothschild LLP  
434 Fayetteville Street  
Suite 2800  
Raleigh, NC 27601  
(919) 755-8700  
DDrooz@foxrothschild.com  
*Attorney for*  
*Old North State Water Company, Inc.*



ROY COOPER

Governor

ELIZABETH S. BISER

Secretary

RICHARD E. ROGERS, JR.

Director



NORTH CAROLINA  
Environmental Quality

January 4, 2024

SEAN McMILLAN – CHIEF OPERATING OFFICER  
OLD NORTH STATE WATER COMPANY, LLC  
3212 6<sup>TH</sup> AVENUE SOUTH – SUITE 200  
BIRMINGHAM, ALABAMA 35222

Subject: Permit No. WQ0030088  
Permit Rescission  
Majestic Oaks WWTP  
High-Rate Infiltration System  
Pender County

Dear Mr. McMillan,

In response to your rescission request received on January 3, 2024, for the subject high-rate infiltration system permit, staff from the Wilmington Regional Office have reviewed your request and determined that the Division can rescind the subject permit. Accordingly, the Division has rescinded Permit No. WQ0030088 effective immediately.

If in the future you want to operate the subject non-discharge system, you must first apply for and receive a new permit. **Please be advised that construction and/or operation of the subject facilities without a valid permit is a violation of G.S. 143-215.1, and may subject you to appropriate enforcement actions pursuant to G.S. 143-215.6A, 6B, and 6C.** The Division may assess civil penalties of up to \$25,000 per day per violation for failure to secure a valid permit.

If you need additional information concerning this letter, please contact Nathaniel Thornburg at (919) 707-3653 or [nathaniel.thornburg@deq.nc.gov](mailto:nathaniel.thornburg@deq.nc.gov).

Sincerely,

DocuSigned by:

*Nathaniel Thornburg*

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Richard E. Rogers, Jr., Director  
Division of Water Resources

cc: Pender County Health Department (Electronic Copy)  
Wilmington Regional Office, Water Quality Regional Operations Section (Electronic Copy)  
Laserfiche File (Electronic Copy)

