

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. W-1305, Sub 35

DOCKET NO. W-1300, Sub 77

In the Matter of

Complaint of WLI Investments, LLC

v.

Pluris Hampstead, LLC and Old North State Water Company, Inc.

PRE-FILED DIRECT TESTIMONY

of

MAURICE W. GALLARDA, PE

On behalf of

PLURIS HAMPSTEAD, LLC

November 4, 2022

1 Q. PLEASE STATE YOUR NAME FOR THE RECORD.

2 A. My name is Maurice William Gallarda.

3 Q. PLEASE STATE THE NAME AND BUSINESS ADDRESS OF YOUR
4 EMPLOYER.

5 A. I am Managing Member of Pluris Holdings, LLC, which is the holding
6 company that owns Pluris Hampstead, LLC, a Respondent in these
7 dockets. My business address is 5950 Berkshire Lane, Suite 800, Dallas,
8 Texas 75225.

9 Q. WHAT IS YOUR CURRENT ROLE WITH REGARD TO PLURIS
10 HAMPSTEAD, LLC?

11 A. I am the Managing Member and Principal Engineer of Pluris Hampstead,
12 LLC ("Pluris" or "Utility").

13 Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES IN THAT POSITION.

14 A. My responsibilities include the direct supervision of the manager
15 responsible for Pluris' day-to-day operations. My other responsibilities
16 include direct oversight of all corporate, finance, engineering and regulatory
17 matters relating to Pluris.

18 Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
19 BACKGROUND.

20 A. I hold a Bachelor of Science Degree in Civil Engineering from California
21 State University, Sacramento. I also completed one year of graduate work
22 toward a Master of Science in Civil Engineering degree. I am currently

1 licensed as a Professional Civil Engineer in four states, including North
2 Carolina.

3 Q. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE IN THE
4 WATER OR WASTEWATER UTILITY INDUSTRY.

5 A. My employment experience has been in the regulated and nonregulated
6 water and wastewater utility industry for over 30 years. My professional
7 experience has also included twice being appointed to the state of California
8 Regional Water Quality Control Board ("RWQCB"). The California RWQCB
9 is charged with protecting the waters of that state in accordance with the
10 Federal Clean Water Act. Matters brought before the RWQCB in hearings
11 would be similar to those brought to hearing before the North Carolina
12 Department of Environmental Quality ("DEQ").

13 Q. PLEASE DESCRIBE PLURIS'S UTILITY OPERATIONS.

14 A. Pluris owns and operates a wastewater only collection and treatment
15 system consisting of an expandable existing membrane bio-reactor ("MBR")
16 wastewater treatment plant ("WWTP") with a current capacity for treating
17 500,000 gallons per day ("gpd"). Two high-rate infiltration basins are used
18 for land application disposal and a NPDES permit for disposal to a local
19 creek. The MBR Facility is located north of Sidbury Road and west of
20 Highway 17, in Hampstead, North Carolina. Pluris also has an
21 approximately 12-mile force main running north along the US Highway 17
22 corridor in Pender County beginning at the New Hanover / Pender County
23 line. Pluris' wastewater treatment system also includes collection

1 infrastructure, simplex and duplex lift stations, and a new regional system
2 lift station midway along the force main. Pluris currently provides
3 wastewater service to approximately 1,100 customers in the southeastern
4 coastal area of Pender County, including more than a dozen residential
5 developments, a number of commercial developments, as well as Topsail
6 High School, Topsail Middle School, and Topsail Elementary School.

7 Q. WHEN DID PLURIS BUILD ITS HAMPSTEAD PLANT AND SYSTEM?

8 A. Pender County issued a special use permit to Pluris on December 24, 2013,
9 which authorized construction of the Pluris MBR plant and force main
10 running along US 17. The Commission issued its Order Granting Franchise
11 And Approving Rates for Pluris on November 5, 2015, in Docket W-1305,
12 Sub 0, and this MBR plant was operational as of April, 2016.

13 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

14 A. My testimony on behalf of Pluris addresses the claims made by WLI
15 Investments, LLC ("WLI") in its Complaint and Petition for Declaratory
16 Ruling ("Complaint") filed in these dockets.

17 Q. PLEASE BRIEFLY SUMMARIZE THE TRANSACTION BETWEEN
18 PLURIS AND OLD NORTH STATE WATER COMPANY, INC. THAT IS
19 RELATED TO THE COMPLAINT IN THESE DOCKETS

20 A. As reflected in the Joint Transfer Application filed in Dockets W-1305, Sub
21 29 and W-1300, Sub 69 (the "Transfer Dockets"), Old North State Water
22 Company, Inc. ("ONSWC") proposes to transfer to Pluris the utility
23 franchises and certain utility assets necessary for providing sewer utility

1 service in the ONSWC service areas consisting of the real estate
2 developments commonly known as Majestic Oaks, Majestic Oaks West,
3 Forest Sound (formerly known as Southside Commons and before that
4 known as Grey Bull), and Salters Haven at Lea Marina, Phases 1 and 2
5 ("Salters Haven"), all of which are located in Pender County, North Carolina.
6 Those areas are collectively referred to hereinafter as the "Transfer Areas."
7 WLI intervened in the Transfer Dockets in March 2021. In January 2022
8 WLI filed its Complaint and Petition for Declaratory Ruling in these dockets
9 (the "Complaint").

10 Q. WHAT CLAIMS DOES WLI MAKE AS TO PLURIS IN ITS COMPLAINT?

11 WLI asserts the following claims in its Complaint:
12

13 Count 2: Pluris violated the provisions of G.S. §§ 62-110 and 62-111
14 by asserting operational control over ONSWC.

15
16 Count 3: Pluris' policy of refusing wastewater collection systems that
17 include grinder pumps and low pressure facilities is unreasonable
18 and unjust and an unreasonable disadvantage in violation of G.S. §
19 62-140.

20
21 Count 4: Pluris engaged in unjust and unreasonable practices by
22 impairing WLI Investment's ability to obtain permits for Salter's
23 Haven.

24
25 Count 5: Respondents' coordinated action are unjust and
26 unreasonable practices.

27
28 Count 6: There is a need to secure reasonably adequate service and
29 facilities for the Lea Tract by compelling Respondents to effect
30 changes in policies and practices.

1 Q. BEFORE YOU ADDRESS THOSE CLAIMS, PLEASE PROVIDE
2 CONTEXT FOR THE COMMISSION IN TERMS OF WHAT YOU
3 UNDERSTAND IS DRIVING WLI'S COMPLAINT?

4 A. In connection with WLI's purchase of land from the members of the Lea
5 family to be used for the Salters Haven development, WLI agreed to install
6 a wastewater collection system in another area of land in the vicinity of
7 which the Lea family retained ownership. WLI's Salters Haven development
8 is to consist of 308 lots. According to the December 2018 Agreement
9 between WLI and ONSWC ("Agreement"), the land retained by the Lea
10 family consists of an area for 30 lots in "an extended service area located
11 outside, but in the general vicinity of Salters Haven at Lea Marina."
12 (Agreement §1.12). The Agreement defines this extended service area as
13 the "ESA" (Agreement §1.12), and the ESA is also commonly referred to by
14 the parties in these dockets as the "Lea Tract" or "Lea Lots."

15 In its Complaint WLI claims that the Agreement entitles it to install a low
16 pressure wastewater collection system with grinder pumps to serve the Lea
17 Lots. ONSWC denies this and asserts that the Agreement provides for
18 installation of a traditional gravity collection system to serve the Lea Lots.

19 Q. WHAT IS PLURIS' VIEW ON THIS DISPUTE?

20 A. We do not agree with WLI on this issue. Pluris agrees with ONSWC, as we
21 do not read the Agreement as giving WLI the contractual right to install a
22 low pressure grinder pump system in the ESA. The wastewater collection
23 system features and arrangements described in Section 5 of the

1 Agreement, which specifically relate to the wastewater collection system to
2 be installed in the ESA, are inconsistent with a low pressure collection
3 system with grinder pumps, and are consistent with installation of a gravity
4 wastewater collection system. Because of problems and issues associated
5 with grinder pumps, Pluris does not favor the use of low pressure grinder
6 pump systems when a property can be served with a gravity collection
7 system.

8 Q. WHAT PROVISIONS OF THE AGREEMENT BETWEEN WLI AND
9 ONSWC DID YOU RELY ON IN REACHING YOUR CONCLUSION?

10 A. There are various terms used in that Agreement, both defined and
11 undefined. While the language of Section 1.34 of the Agreement is relevant
12 to this issue, I consider the most relevant provision to be found in Section 5
13 of the Agreement, which is entitled "Design, Permitting, and Installation of
14 ESA Wastewater Collection System," as Section 5 of the Agreement
15 specifically addresses the wastewater collection system to be installed in
16 the Lea Tract. While "ESA Wastewater Collection System" is not separately
17 defined, Section 5.2 of the Agreement provides as follows:

18 Developer or Developer's designee, shall pay for the
19 installation costs of all necessary components of the ESA
20 Wastewater Collection System to provide wastewater utility
21 service to all lots in the ESA.
22

23 Q. DOES THE AGREEMENT BETWEEN ONSWC AND WLI DESCRIBE ANY
24 COMPONENTS OF THE ESA WASTEWATER COLLECTION SYSTEM?

25 A. Yes. Section 5.3 of that Agreement defines an "ESA Wastewater Service
26 Line," which is one component of the ESA Wastewater Collection system to

1 be installed by WLI. Section 5.3 of that Agreement provides that “[t]he ESA
2 Wastewater Service Line shall consist of a 4” wastewater service tap, a
3 service line of adequate size to serve the residence, a clean out at the
4 easement or right of way line, and an Elder Valve.”

5 Q. ARE THE COMPONENTS OF THE ESA WASTEWATER SERVICE LINE
6 DESCRIBED IN SECTION 5.3 OF THE AGREEMENT COMPATIBLE
7 WITH INSTALLATION OF A LOW PRESSURE GRINDER PUMP
8 SYSTEM?

9 A. No, they are not. The components of the service line listed in Section 5.3
10 of the Agreement are consistent with installation of a gravity collection
11 system – three of those four components would not be found in a grinder
12 pump system. The “service pipe of adequate size to serve the residence”
13 would be a gravity service line (typically 4” in diameter) running from the
14 residence toward either a grinder pump station or the utility sewer main (if
15 a gravity collection system is being used).

16 Because a grinder pump system uses a smaller diameter line to connect to
17 the sewer main (typically 1¹/₄ or 2 inches), a grinder pump station would not
18 connect to a “4” wastewater service tap.” A “4” wastewater service tap” is
19 the point at which, and the means by which, the gravity service line running
20 from a residence would “tap” or connect to the utility’s sewer main service
21 line located in the street or in a recorded easement area, neither of which
22 are on the homeowner’s private property, as part of a gravity collection

1 system. This defined component of an ESA Wastewater Service Line is not
2 compatible with a low pressure grinder pump system.

3 The “clean out at the easement or right of way line” component of an ESA
4 Wastewater Service Line is also not compatible with a low pressure grinder
5 pump system. The clean out is a point at the edge of the customer’s
6 property where the homeowner can access their gravity flow service line,
7 which is not pressurized, for the purpose of clearing any blockage in that
8 line. The portion of the service line running from the building that extends
9 beyond the customer’s property line to the wastewater main is owed by the
10 utility. Section 1.34 of the Agreement provides that “the Service Line shall
11 include only that portion of the wastewater line that extends from the
12 wastewater clean out or Grinder Pump Valve Box to ONSWC’s main....”

13 This is an either/or situation – there is either a clean out or a grinder pump
14 valve box, but not both. If there is a clean out in the service line then it is
15 connected to a gravity collection system; if there is a grinder pump valve
16 box in the service line then it is connected to a low pressure grinder pump
17 system.

18 Finally, the “elder valve” component of an ESA Wastewater Service Line is
19 also not compatible with a low pressure grinder pump system. An elder
20 valve is a device that allows a sewer utility to cut off service to a customer
21 who is not paying their bill. The elder valve is owned by the utility and is
22 installed on the portion of the service line owned by the utility (that portion

1 of the service line beyond the property line). An elder value cannot be used
2 with a grinder pump low pressure system.

3 Taken together, the specified components of an EAS Wastewater Service
4 Lines listed in Section 5.3 of the Agreement cannot be read to provide for
5 use of a low pressure grinder pump system, as they are technically
6 inconsistent and incompatible with and would not be parts of such a system.

7 Q. WHY DO YOU THINK WLI WOULD WANT TO INSTALL A GRINDER
8 PUMP LOW PRESSURE SYSTEM IN THE ESA?

9 A. The Lea Lots are not part of WLI's Salters Haven development or ONSWC's
10 service area. WLI does not own the Lea Tract, and if it is not to be the
11 developer of the Lea Tract, then it will not stand to sell lots or homes in the
12 Lea Tract or otherwise profit from any future development of the Lea Tract.
13 A grinder pump low pressure system would be less expensive for WLI to
14 install than a traditional gravity collection system, and if WLI is not the
15 developer of the Lea Lots it would not be able to recoup the cost of the
16 collection system infrastructure through the sale of lots or homes. If a
17 grinder pump system was installed in the Lea Tract, the cost of ONSWC's
18 \$4,200 tap fee, plus the cost of the grinder pump station for each home is
19 borne by the homebuilder, rather than the developer, and then passed
20 through to the home buyer/rate payer. It appears that WLI seeks to install
21 the lowest cost wastewater collection system in the Lea Tract that it can get
22 away with by passing a significant portion of the cost of the wastewater
23 collection system onto homeowners/rate payers.

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Q. HOW DOES A GRINDER PUMP/LOW PRESSURE SYSTEM DIFFER FROM A GRAVITY COLLECTION SYSTEM?

A. An “individual residence” grinder pump/low pressure system differs materially from a “community” gravity collection system.

A community gravity collection system typically includes a 4” diameter gravity flow pipe from the residence to a gravity flow main in the street, through which wastewater flows by gravity to a single lift station. At the lift station the collected wastewater is pumped or “lifted” to a higher elevation pipeline or sewer manhole that flows to a treatment plant.

An “individual residence” grinder pump/low pressure system will have gravity flow from the residence to a single small lift station located on the homeowner’s private property (typically in the front yard). That lift station has a grinder pump that by slicing/cutting reduces the material flowing from the residence down to smaller particles. The ground waste is then pumped through a typically 1 1/4” to 2” diameter pipe to a higher elevation pipeline or sewer manhole that flows to the treatment plant. At the Lea Tract the difference would be that if a gravity collection system were to be installed, there would be a single lift station (approximately 6 feet in diameter and 12 feet deep) to serve the 30 lots. If a grinder pump/low pressure system were to be installed there would be 30 lift stations (approximately 2 feet in diameter and 5 to 6 feet deep), one for each residence.

1 Q. WILL THE TYPE OF COLLECTION SYSTEM INSTALLED IN THE LEA
2 TRACT MAKE A DIFFERNECE TO THE LEA FAMILY IF THEY EVER
3 DEVELOP THE LEA TRACT?

4 A. Yes. From the Leas' perspective, if and when they develop the Lea Tract,
5 WLI's plan to install a low pressure grinder pump system would have
6 significant potential adverse cost consequences for them.

7 Q. WHY IS THAT?

8 A. In that scenario, the Leas would bear the cost of operation, maintenance
9 and emergency power requirements for continual operation of each of the
10 30 grinder stations in the event of power loss to the community. In a gravity
11 system the Utility provides emergency power generators at lift stations to
12 insure ongoing sewer operations as part of the Utility's obligations.

13 Mr. Logan testified at his deposition that he estimates the cost of installing
14 a low pressure grinder pump system for the ESA/Lea Lots would be
15 approximately \$300,000 for 30 grinder pump stations and \$100,000 for a
16 low pressure collection system – for a total estimated cost of approximately
17 \$400,000 – which equates to about \$13,300 per grinder pump station. I
18 understand that members of the Lea family currently have 8 to 10 existing
19 homes in the ESA which are on septic systems.

20 Q. IS PLURIS OBLIGATED TO ACQUIESE TO WLI'S DEMAND TO INSTALL
21 A GRINDER PUMP/LOW PRESSURE SYSTEM FOR THE ESA, AND IF
22 NOT, WHY NOT?

1 A. No. First, as a licensed professional civil engineer who deals with regulators
2 on a regular basis, I am not aware of any Utilities Commission rules, DEQ
3 regulations or other regulatory requirement that requires a sewer utility to
4 accept grinder pump/low pressure systems.

5 Second, there is no utility – customer relationship between Pluris and WLI;
6 WLI is not a customer of Pluris. Pluris is not the utility serving ONSWC's
7 Commission-assigned Salters Haven service area.

8 Third, Pluris is not party to the Agreement between ONSWC and WLI
9 relating to Salters Haven. If the Commission approves the transfer of the
10 Transfer Areas to Pluris in the Transfer Dockets, then Pluris will be the
11 successor in interest to ONSWC under that Agreement. Unless and until
12 that happens, there is no contractual relationship whatsoever between
13 Pluris and WLI. If the Commission approves the transfer and also rules that
14 WLI is entitled to install a grinder pump low pressure system to serve the
15 Lea Lots, then as successor in interest to ONSWC under the Agreement,
16 Pluris will live with that ruling.

17 While Pluris opposes the use of grinder pump low pressure systems when
18 a property can be served with a gravity collection system, we recognize that
19 that there are locations which due to topography may only be served with a
20 grinder pump. According to Pluris' consulting engineer, Michael Gallant,
21 the ESA can be served with a gravity collection system.

1 Q. WHY DOES PLURIS OPPOSE THE USE OF GRINDER PUMPS IN
2 LOCATIONS THAT CAN BY SERVED BY A GRAVITY WASTEWATER
3 COLLECTION SYSTEM?

4 A. Grinder pumps are well known throughout the utility industry to be
5 problematic for not only utilities but for the homeowners/rate payers who
6 own them. They should only be used for lots or properties where a
7 traditional community gravity flow system cannot work. In the Lea Tract the
8 difference between a grinder pump/low pressure system and a traditional
9 gravity flow system means there would be 30 individual lift stations with 30
10 individual grinder pumps (one for each home), as opposed to a single lift
11 station with traditional 4" gravity service lateral lines from residences flowing
12 to a traditional gravity flow system serving the entire community.

13 Q. WHAT ARE THE TECHNICAL AND OPERATIONAL DIFFICULTIES
14 ASSOCIATED WITH GRINDER PUMPS?

15 A. Individual grinder pumps are designed to reduce the particle size of soft
16 foods, fecal matter, and disposable tissue through a grinder head. The
17 grinders are not designed to handle unflushable items including baby wipes,
18 cosmetic wipes, sanitary wipes, paper towels, hair, dental floss, residual
19 fats cooking oil and grease ("FOG"), and other unsuitable objects.
20 Advertisements from manufacturers claiming various type of "wipes" are
21 flushable are known in the industry to not be accurate. These types of wipes
22 tend to have significantly greater tensile strength than toilet tissue and,

1 especially when wrapped, they increase the potential for clogging grinder
2 pumps.

3 There are similar potential issues associated with grinder pumps when
4 totally inappropriate items are flushed down a toilet. Attached as Gallarda
5 Exhibit 1, are two pictures of the remains of a Barbie Doll stuck in a grinder
6 pump located in North Topsail. This obstruction clogged the grinder pump
7 and required a utility service call to disassemble the pump, clear the
8 obstruction and return the pump to service. In a gravity collection system
9 this doll would likely have reached the wastewater treatment plant due to
10 both gravity and force mains being 4" or greater in diameter, and then
11 separated at the plant's screens prior to reaching the membranes. This is
12 not true for the material reduced through grinder pumps, which is ground to
13 the point that it is small enough to pass through the screens at Pluris' MRB
14 plant.

15 Q. DO GRINDER PUMP SYSTEMS CREATE OPERATIONAL ISSUES FOR
16 WASTEWATER TREATMENT PLANTS?

17 A. Yes, because the effluent created by grinder pumps is different than the
18 effluent collected in a gravity system. The effluent coming out of grinder
19 pumps creates operational issues and problems for an advanced MBR plant
20 of the type Pluris operates in Hampstead.

21 Specifically, the effluent from a grinder pump is comprised of particulate
22 material that has been ground down to less than 1 to 2 centimeters ("cm")
23 in diameter. This material passes through the separation screens at Pluris'

1 MBR plant that are designed to prevent larger material from reaching the
2 membranes but cannot stop particulate material less than 1-2 cm from
3 passing. Industry membrane manufacturers including Ovivo and Kubota
4 have published data to show that the material that comprises non-
5 disposable materials such as allegedly “flushable” wipes and feminine
6 hygiene products that do make it through the grinder pumps will attempt to
7 reform around membrane diffusers, clogging them and reducing the
8 efficiency of the membranes and requiring a significant increase in
9 operating costs related to cleaning to insure membrane efficiency is
10 maintained.

11 Q. OTHER THAN TECHNICAL AND OPERATIONAL CONCERNS, ARE
12 THERE OTHER REASONS FOR NOT USING GRINDER PUMPS/LOW
13 PRESSURE SYSTEMS WHEN A TRADITIONAL GRAVITY COLLECTION
14 SYSTEM CAN BE USED?

15 A. Yes. Low pressure systems with grinder pumps effectively shift most of the
16 cost of the collection infrastructure to homeowners/rate payers rather than
17 the developer, and those systems also burden homeowners/rate payers
18 with responsibility for future grinder pump maintenance and replacement
19 costs. That is why the Public Staff does not like grinder pump systems.

20 The time to disassemble a grinder pump, remove the obstruction,
21 reassemble, and return to service typically requires 3 hours on average.
22 Plumbers’ rates according to HomeAdvisor on a recent website search
23 indicates that the average rate for the Hampstead area ranges between \$70

1 to \$120 per hour (before travel and materials). Specialty jobs rates range
2 between \$100 to \$200 per hour (before travel and materials).

3 Buyers of existing homes with grinder pumps are often surprised and
4 dismayed to learn that they (not the utility) own the grinder pump, and that
5 they (not the utility) are responsible for the monthly cost of electrical power
6 for the grinder pump, the costs for emergency generators for use during
7 community power outages if they want uninterrupted sewer treatment, and
8 that they (not the utility) are responsible for paying for service, repair and
9 replacement of those pumps. Paying for a new grinder pump, installation,
10 and operating costs including emergency repairs, is not an inconsequential
11 cost, as it can cost several thousand dollars.

12 Many times, a homeowner/rate payer cannot reach a plumber after hours
13 and will call Pluris to address a clogged grinder pump situation, and Pluris
14 as the utility will send personnel out to address the emergency. Based on
15 its experience in dealing with such systems elsewhere, and the inevitable
16 issues with the grinder pumps necessitated by such systems, Pluris does
17 not favor use of low pressure systems and will not willingly agree to
18 installation of low pressure systems when a property can be served with a
19 gravity collection system.

20 Pluris is also burdened when a homeowner/rate payer cannot reach a
21 plumber after hours and then calls Pluris to address a grinder pump
22 problem. Those additional costs mean that grinder pump customers/rate
23 payers end up having to pay additional amounts on top of the NCUC

1 authorized charges for the sewer service that all utility customers/rate
2 payers are charged.

3 Q. WLI CLAIMS THAT PLURIS HAS AS POLICY OF REFUSING
4 WASTEWATER COLLECTION SYSTEMS WITH GRINDER PUMPS AND
5 LOW PRESSURE FACILTIES. DOES PLURIS FLATLY REFUSE TO
6 ACCEPT GRINDER PUMPS/LOW PRESSURE SYSTEMS?

7 A. No, Pluris does not flatly refuse to accept grinder pump systems. As stated
8 already, while we oppose the use of grinder pump low pressure systems
9 when a property can be served with a gravity collection system, we have
10 accepted systems that include some grinder pumps. For example, Pluris
11 currently has approximately 1,100 customers, and of those there are
12 approximately 16 residential customers served by grinder pumps in the
13 Wyndwater and Coastal Plantation developments. Likewise, one of the
14 Transfer Areas is the Majestic Oaks West development and there are 17
15 customers located in Majestic Oaks West are on a low pressure system.
16 We will accept that system because, like the situation at Coastal Plantation,
17 those grinder pumps were in place before Pluris acquired that system.

18 Q. DO REGULATORY AGENCIES SHARE PLURIS' VIEW REGARDING
19 GRINDER PUMP/LOW PRESSURE SYSTEMS?

20 A. Yes. Pluris is aware that the Public Staff opposes uses of low pressure
21 systems with grinder pumps when a property can be served with a gravity
22 collection system. This is reflected both in the Testimony of Jerry Tweed
23 filed on behalf of Pluris in these dockets, and in Gallarda Exhibits 2 and 3,

1 which are emails dated August 11, 2021, and November 15, 2021,
2 respectively, from Public Staff attorney William Grantmyre to Pluris' counsel
3 and ONSWC's counsel relating to the WLI dispute and the Public Staff's
4 opposition to grinder pumps.

5 The Public Staff's disfavor of low pressure systems is further evidenced by
6 the fact that, during its assessment of Pluris' proposed acquisition of the
7 Transfer Areas, Public Staff Engineer Gina Casselberry noted the low
8 pressure system serving 17 customers in Majestic Oaks West and asked if
9 Pluris would consider replacing that system with a gravity collection system.
10 Pluris evaluated the situation and concluded a traditional gravity flow
11 collection system would not work in that location and advised Ms.
12 Casselberry that Pluris would not replace that system.

13 Q. GIVEN PLURIS' VIEW ON THE USE OF GRINDER PUMPS/LOW
14 PRESSURE SYSTEMS, ARE THEY WARRANTED IN THE LEA TRACT?

15 A. While Pluris opposes the use of grinder pumps when they can be avoided,
16 I appreciate that site topography, for example, may in certain situations
17 dictate that such a system is the only means by which a property can be
18 served. WLI has never provided any engineering analysis demonstrating
19 that it was not possible to serve the Lea Lots with a gravity system. To
20 resolve that basic issue Pluris commissioned our North Carolina consulting
21 engineer, who designs Pluris' systems and facilities in this state, Michael
22 Gallant, PE, to inspect the Lea Tract property and do an engineering
23 analysis. As shown in Mr. Gallant's testimony, his analysis concluded that

1 the Lea Tract property can be served with a gravity collection system, which
2 would involve 4" diameter gravity lines running from the homes to a sewer
3 main, which main then runs to a single lift station, where sewage is collected
4 and then pumped to a higher elevation where it can either flow into a force
5 main, or flow by gravity, eventually making it to Pluris' new lift station on
6 Dan Owens Drive, near ONSWC's to-be-decommissioned wastewater
7 treatment plant in Majestic Oaks. Interestingly, Mr. Gallant's conceptual
8 plan for serving the Lea Lots with a gravity system would not require a 50
9 foot deep wet well or cost over \$1MM, as Mr. Logan testified.

10 I also note on this point that prior to WLI filing the testimony of Mr. Logan in
11 these dockets on October 3, 2022, there was no suggestion, claim or
12 assertion by WLI or anyone acting on its behalf that I am aware of to the
13 effect that the Lea Tract could only be served by a low pressure grinder
14 pump system. In fact, and while I don't agree with his description of what
15 would be required to do so, Mr. Logan concedes in this testimony that the
16 Lea Tract can be served with a gravity collection / single lift station system
17 - he simply thinks it would cost too much.

18 Q. NOW TURNING TO THE SPECIFIC CLAIMS WLI MADE IN THE
19 COMPLAINT, HAS PLURIS EXERTED OPERATIONAL CONTROL OVER
20 ONSWC WITH REGARD TO THE SALTERS HAVEN PROJECT.

21 A. No. This strikes me as a farfetched claim, as ONSWC is a large enterprise
22 with many Commission-assigned service areas throughout North Carolina.
23 Pluris' arm's length dealings with ONSWC in connection with its proposed

1 acquisition of the Transfer Areas (including the Salters Haven development)
2 involves two independent businesses making decisions based on their own
3 respective interests.

4 Pluris does not and did not control ONSWC, either as WLI has claimed by
5 leveraging its position as purchaser of certain of ONSWC's utility assets or
6 otherwise. Pluris' reading of the Agreement and its opposition to installation
7 of a low pressure system with grinder pumps in the ESA/Lea Tract was
8 communicated to ONSWC, but the ultimate decision on that point was
9 ONSWC's. Pluris has made no secret of its dislike for grinder pump
10 systems and was certainly entitled to express its view on this issue, as the
11 proposed purchaser of the utility systems serving the Transfer Areas, but it
12 was for ONSWC to assess the circumstances and make its decision. Pluris,
13 as a utility system buyer, has a legitimate interest in the nature and quality
14 of the utility assets which it proposes to acquire. Mr. Logan even
15 acknowledged this during his deposition. Because of the realities of the
16 issues and problems for a utility that come along with grinder pumps, as the
17 prospective future utility serving customers in Salters Haven, Pluris has a
18 very real interest in how this issue is decided. That being said, if the
19 Commission approves the transfer and rules that the Agreement entitles
20 WLI to install a low pressure grinder pump system in the ESA, then Pluris
21 will certainly abide by that decision and will serve that system.

22 John McDonald, President of ONSWC, emailed me on July 28, 2020,
23 making me aware of WLI's demand that it be allowed to install a low

1 pressure grinder pump system in the ESA/Lea Tract, and its request that
2 ONSWC execute an application to DEQ for approval of such a system. Mr.
3 McDonald asked me for Pluris' view. I responded to him by an email that
4 same day, a copy of which is attached as Gallarda Exhibit 4. My response
5 to Mr. McDonald was as follows:

6 John, I read this and it is just an application that at some time
7 will be submitted to DEQ for approval. Jerry Tweed confirmed
8 that and Gallant called and said he was tied up in a meeting
9 all day and would look at it. I don't need his thoughts at this
10 point since it's merely an application. My suggestion is that
11 the developer can come forward at the appropriate time and
12 request service and ask for a developer agreement, which will
13 not be unreasonable withheld. I can tell you that you don't
14 want grinder stations from these residences when you can
15 design a lift station to send the waste for treatment. I don't
16 think you should agree with acceptance but I wouldn't.... The
17 project will still be there.... Just a suggestion John as Pluris
18 does not own the utility at this point.... Best regards, Maurice
19

20 As I said then, and as is still true, Pluris does not own this system. I told
21 Mr. McDonald what I would do, and suggested how he might respond, but I
22 did not, either then, later, or ever - as Mr. Logan alleges, threaten to not
23 move forward with the transaction with ONSWC if ONSWC agreed to
24 installation of a low pressure grinder pump system in the Lea Tract. For the
25 various reasons detailed in this testimony, Pluris opposes the use of low
26 pressure grinder pump systems when a property can be served with a
27 gravity system.

28 Q. PLEASE ADDRESS WLI'S CLAIM THAT BY OPPOSING THE
29 INSTALLATION OF A GRINDER PUMP SYSTEM IN THE LEA TRACT

1 PLURIS HAS UNREASONABLY DISCRIMINATED AGAINST WLI IN
2 VIOLATION OF G.S. 62-140.

3 A. Pluris is not discriminating against WLI; either unreasonably or
4 otherwise. While we have made it clear that Pluris does not support the use
5 of grinder pump systems where a gravity collection system can work, as we
6 believe is the case in the Lea Tract, Pluris has historically had favorable and
7 successful dealings with Mr. Logan and his various other development
8 entities. Mr. Logan's testimony repeatedly cites N.C.G.S. § 62-140 in
9 support of WLI's claim that Pluris unreasonably discriminated against WLI.

10 I understand from my counsel that N.C.G.S. § 62-140(a) provides in part as
11 follows:

12 No public utility shall **as to rates and services**, make or grant
13 any unreasonable preference to or advantage to any person
14 or subject any person to any unreasonable prejudice or
15 disadvantage.

16 (Emphasis added).

17 As I noted earlier, there is no customer-utility relationship whatsoever
18 between WLI and Pluris. Simply put, WLI is not a Pluris customer. Pluris is
19 not providing any "service", as I understand that term is defined in N.C.G.S.
20 § 62-3(27), to WLI. Pluris is also not charging WLI any "rate," as I
21 understand that term is defined in N.C.G.S. § 62-3(24). As also previously
22 noted, there is no contractual relationship between WLI and Pluris. As a
23 result, and while I am not an attorney, I fail to see how the statute WLI relies
24 upon in making this claim can be applicable here since there is no customer-
25 utility relationship between Pluris and WLI.

1 With regard to Mr. Logan's claim that he had a conversation with Randy
2 Hoffer, Pluris' recently retired (after 30 years in the regulated utility industry)
3 Regional Manager, to the effect that Pluris would not agree to accept a
4 grinder pump system in the Lea Tract because WLI chose to contract with
5 ONSWC rather than Pluris, I do not believe Randy Hoffer made that
6 comment. Contrary to the allegation of discriminatory treatment of WLI,
7 Pluris has previously contracted with other WLI affiliates in connection with
8 other developments in Pender County and has had a positive and mutually
9 beneficial working relationship with them. Pluris' dislike for grinder pump
10 systems is not limited to the Lea Tract; for the practical reasons detailed in
11 my testimony we are not in favor of those systems being used when a
12 gravity collection system will work.

13 Q. HAS PLURIS DEALT WITH MR. LOGAN IN CONNECTION WITH OTHER
14 DEVELOPMENTS AND DOES PLURIS HAVE AGREEMENTS WITH ANY
15 WLI AFFILIATES?

16 A. Yes. Pluris entered into a developer agreement dated April 19, 2017, to
17 provide residential sewer service to the Sparrows Bend development with
18 Sparrows Bend, LLC (a WLI affiliate run by D. Logan, Managing Member).
19 In 2020 the Commission granted Pluris a Certificate of Public Convenience
20 and Necessity ("CPCN") to serve the Sparrows Bend development (Docket
21 No. W-1305, Sub 13).

22 In addition, Pluris entered into a developer agreement dated November 24,
23 2020, to provide residential sewer service to the Edens Lane development

1 with Edens Lane, LLC (another WLI affiliate run by D. Logan, Managing
2 Member). Pluris filed an application for a CPCN with the Commission on
3 March 16, 2021, (Docket No. W-1305, Sub 34) and is awaiting Commission
4 approval for Edens Lane to be added to Pluris' service area.

5 Q. HOW WOULD YOU DESCRIBE PLURIS' RELATIONSHIP WITH WLI
6 AFFILIATES IN CONNECTION WITH THE SPARROWS BEND AND
7 EDENS LANE DEVELOPMENTS?

8 A. I believe Pluris has a good relationship with developers in general, and I
9 believe staff within development companies and third-party engineers
10 representing developers would attest to that. For example, as shown by an
11 email from Ms. Jessica Vamvakias, Logan Homes' Executive Administrator,
12 to Randy Hoffer, who was then Pluris' Regional Manager, on June 22, 2018,
13 which is attached as Gallarda Exhibit 5, Ms. Vamvakias made affirmative
14 comments to Mr. Hoffer, including: "*We like the relationship that we have*
15 *with Pluris.*"

16 Q. ARE THERE SITUATIONS WHERE PLURIS HAS GONE OUT OF ITS
17 WAY TO HELP SOLVE A PROBLEM FOR ONE OF THE LOGAN
18 DEVELOPMENTS?

19 A. Yes. For example, at Mr. Logan's Sparrows Bend development there was
20 a problem with the community lift station constructed by the developer. Due
21 to that problem final DEQ approval for the development's collection system
22 wastewater flow could not be secured, which meant that the sale of homes
23 in that development could not have been closed without Pluris' help. Tim

1 Clinkscases, PE with Paramount Engineers, who represented the
2 developer, inquired about the potential of Pluris pumping and hauling any
3 waste from that development until the lift station issue could be resolved, so
4 that home sales could close. Pluris agreed to help by providing pump and
5 haul service for Sparrows Bend. Mr. Clinkscases contacted DEQ regarding
6 the situation and Dean Hunkele, DEQ Senior Environmental Specialist,
7 inquired as to who was the utility. Upon hearing it was Pluris, Mr. Hunkele
8 stated in his March 6, 2018, email to Mr. Clinkscases: *"We would allow Pluris*
9 *to pump-n-haul it to their Hampstead plant without a permit if they were*
10 *willing to do so if it needed to be done. Otherwise, we would consider issuing*
11 *a P&H permit if it qualified for one per 2T .0204."*

12 Mr. Clinkscases then emailed Mr. Hoffer on March 7, 2018, saying: *"Randy*
13 *Let us know the process (any paperwork) that may be required for us to do*
14 *a partial certification as shown below and as you suggested. Appreciate the*
15 *help and thought on this matter. Again just let us know and have a good*
16 *night."*

17 Q. IS THERE ANY OTHER SUCH SITUATION WHERE PLURIS HAS DONE
18 A FAVOR FOR ANOTHER WLI AFFILIATE?

19 Yes. The Edens Lane development was built about a ½ mile beyond the
20 northern end of Pluris' 12-mile force main running along Highway 17.
21 Although Pluris understood it would not be entitled to recover its costs in
22 rates (developers are responsible for the costs to connect to a utility
23 collection system), Pluris offered to pay the Logan entity developing Edens

1 Lane \$140,000 to reimburse it for the cost of constructing an interconnect
2 pipeline so Edens Lane could be connected onto Pluris' existing 12 mile
3 force main. Pluris was not obligated to cover that cost, but was willing to do
4 so in order to help facilitate that development.

5 Pluris (and ONSWC) and WLI simply have an honest disagreement here as
6 to whether the Agreement entitles WLI to install a low pressure grinder
7 pump system in the ESA. Pluris' actions in helping WLI affiliates in
8 connection with other situations cannot be reconciled with the claim that
9 Pluris has discriminated against WLI.

10 Q. HAS PLURIS ENGAGED IN UNJUST AND UNREASONABLE
11 PRACTICES BY IMPAIRING WLI INVESTMENT'S ABILITY TO OBTAIN
12 PERMITS FOR SALTER'S HAVEN?

13 A. No, Pluris has not engaged in any unjust or unreasonable practices as to
14 WLI, and it has certainly not impaired WLI Investment's ability to obtain
15 permits for Salters Haven. Pluris is not aware that WLI has been unable to
16 obtain any permits necessary for development of Salters Haven. Further,
17 because Salters Haven is not part of Pluris' service area, and Pluris is thus
18 not the utility serving that development, Pluris would not play any role in
19 WLI securing any permits it may need. That being said, Pluris is not aware
20 that WLI has been unable to obtain any permit which it requires for it to
21 develop Salters Haven.

22 WLI's consulting engineer, Mr. Clinkscales, did ask Pluris personnel to sign
23 a DEQ Application relating to the construction of a collection system in the

1 ESA. Pluris was not able to do so, since it is not the serving utility and the
2 ESA is not part of any service area assigned to Pluris by the Commission.
3 The DEQ Application form must be signed by the "Applicant" and the Facility
4 Name from the Applicant entered.

5 Q. HAS PLURIS UNJUSTLY AND UNREASONABLY COORDINATED
6 ACTIONS WITH ONSWC RELATING TO WLI'S CLAIMS?

7 A. No. Pluris' arm's length dealings with ONSWC in connection with its
8 proposed acquisition of the Transfer Areas (including the Salters Haven
9 development) involves two independent businesses making decisions
10 based on their own respective interests.

11 Q. IF THE COMMISSION DETERMINES THAT WLI IS ENTITLED TO
12 INSTALL A GRINDER PUMP/LOW PRESSURE SYSTEM IN THE LEA
13 TRACT, WILL PLURIS ABIDE BY THAT DECISIONS?

14 A. Yes, absolutely.

15 Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

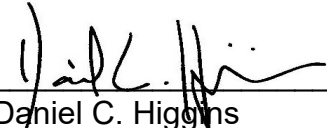
16 A. Yes.

CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing document, has been served on all counsel of record for all parties in this docket, if any, and the Public Staff, by either depositing same in a depository of the United States Postal Service, first-class postage prepaid and mailed by the means specified below, or by electronic delivery.

This the 4th day of November, 2022.

BURNS, DAY & PRESNELL, P.A.



Daniel C. Higgins
Julia Kirkpatrick
Post Office Box 10867
Raleigh, NC 27605
Tel: (919) 782-1441
Email: dhiggins@bdppa.com
Attorneys for Pluris Hampstead, LLC

DOCKET NO. W-1305, Sub 35

DOCKET NO. W-1300, Sub 77

Gallarda Exhibit 1

Gallarda Exhibit 1

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Nov 04 2022





Nov 04 2022

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From: [Grantmyre, William](#)
To: [Dan Higgins](#)
Cc: [Kemerait, Karen](#)
Subject: FW: Scanned doc
Date: Wednesday, August 11, 2021 2:18:49 PM
Attachments: [image001.png](#)
[WEG scanned doc 8-11-21.pdf](#)

Dan

The attachment has my suggested modifications to the draft Joint Proposed Order Pluris Hampstead/ONSWC/ Public Staff

When we do file with the Commission, we will need to state this is a joint Proposed Order of Pluris Hampstead, ONSWC and the Public Staff.

I resolved for the Commission to decide Dwight's intervention. This is really a contract dispute as to the type of collection system and would normally be a case for the District or Superior Court.

However, there are massive customer costs involved.

The developer contract has the customers paying to install the individual grinder pumps which will cost in the range of \$6 to 7 K. This would be in addition to the \$ 4,200 connection fee. Then the customers must operate , maintain and replace the grinder pump. The actual grinder pumps with careful disposals would last 5 to 10 years before replacement. This assumes no abuse from fats, oils, grease and rags etc. The entire grinder pump container, electrical and controls would still be good, but the grinder pump itself probably costing \$ 2,5000 or more would need to be replaced.

With a gravity collection system, the customer's only cost would be the \$ 4, 200 connection fee.

The Public Staff will actively participate with a strong Public Staff witness should Dwight take this to hearing.

Tanks
WEG

From: Blackmon, Aaron <Aaron.Blackmon@psncuc.nc.gov>
Sent: Wednesday, August 11, 2021 1:45 PM
To: Grantmyre, William <william.grantmyre@psncuc.nc.gov>
Subject: Scanned doc

Aaron Blackmon
Administrative Specialist
Public Staff – N.C. Utilities Commission
430 N. Salisbury Street, Suite 5097

From: [Grantmyre, William](#)
To: [Dan Higgins](#); [Kemerait, Karen](#); [Drooz, David T.](#)
Cc: [Maurice Gallarda](#); [John L. McDonald \(jmcDonald@integrawater.com\)](#)
Subject: [EXTERNAL] RE: [External] RE: Pluris - ONSWC Draft response to Patrick Buffkin's proposal re WLI dispute
Date: Monday, November 15, 2021 10:16:34 AM

Dan and Karen

I agree with your draft response to Patrick.
 Great job ! Please send.

Patrick called me late Friday afternoon in an effort to get up to speed on this.

I told Patrick the following:

- 1- Lea tract not in franchise area. The transfer does not affect the Lea Tract.
- 2- No DEQ permit for Lea Tract
- 3- Grinder pumps would cost each of the Lea tract customers \$ 6 to 7K installation plus the replacement obligation for the pump in approximately ten years (probably \$ 3 to 4 K)
- 4- The Public Staff will vigorously oppose grinder pumps in a Commission hearing.
- 5- Maurice is adamantly opposed to grinder pumps and will not agree to grinder pumps. Told him of Maurice's grinder pump experience at North Topsail.
- 6- He did ask why if the customer owns, operates, maintains and replaces why is Pluris opposed. I again cited Pluris experience at North Topsail.

Thanks
 WEG

From: Dan Higgins <dhiggins@bdppa.com>
Sent: Friday, November 12, 2021 4:05 PM
To: Kemerait, Karen <KKemerait@foxrothschild.com>; Grantmyre, William <william.grantmyre@psncuc.nc.gov>; Drooz, David T. <DDrooz@foxrothschild.com>
Cc: Maurice Gallarda <mgallarda@plurisusa.com>; John L. McDonald (jmcDonald@integrawater.com) <jmcDonald@integrawater.com>
Subject: [External] RE: Pluris - ONSWC Draft response to Patrick Buffkin's proposal re WLI dispute

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Karen
 Not yet; waiting for confirmation from Bill regarding statements in the draft that relate to PS
 Dan

Daniel C. Higgins

From: Grantmyre, William <william.grantmyre@psncuc.nc.gov>
Sent: Thursday, April 15, 2021 12:50 PM
To: Maurice Gallarda <mgallarda@plurisusa.com>
Cc: Dan Higgins (<dhiggins@bdppa.com>), <dhiggins@bdppa.com>
Subject: Salters Haven

Maurice

What type of wastewater collection system and services is WLI asserting should be installed. In particular, what type of individual residential services?

One type of wastewater service is a STEP system where at each residence there is a septic tank, followed by a pump tank with a pump then pumping the septic water into the collection system pressure main.

A second type is each residence has a grinder pump which then pumps the untreated (except for the grinding) into pressure collection mains.

I assume that Pluris Hampstead wants the wastewater service lines to be the standard 4 ' gravity, which then flows the wastewater into gravity collection mains.

Thanks

WEG

Email correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized state official.

From: [Maurice Gallarda](#)
To: ["Dan Higgins"; Jerry Tweed \(jtweed629@aol.com\)](#)
Subject: FW: New Development
Date: Wednesday, July 29, 2020 3:49:00 PM

Dan
fyi

Maurice W. Gallarda, PE
Managing Member



Pluris Holdings LLC

T 214.220.3412 / F 214.965.9090
5950 Berkshire Lane, Suite 800, Dallas, Texas 75225

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From: John McDonald <JMcDonald@integrawater.com>
Sent: Wednesday, July 29, 2020 2:31 PM
To: Maurice Gallarda <mgallarda@plurisusa.com>
Subject: RE: New Development

Maurice,

Gallant left me a VM with the same info. I appreciate the thought. Should have the draft contract back to you tomorrow.

John

John McDonald



3212 6th Avenue South
Suite 200
Birmingham, AL 35222
D 205.326.3355
P 205.326.3200

www.integrawater.com

From: Maurice Gallarda <mgallarda@plurisusa.com>
Sent: Tuesday, July 28, 2020 3:29 PM

To: John McDonald <JMcDonald@integrawater.com>

Subject: RE: New Development

John,

I read this and it is just an application that at some time will be submitted to DEQ for approval. Jerry Tweed confirmed that and Gallant called and said he was tied up in a meeting all day and would look at it. I don't need his thoughts at this point since it's merely an application. My suggestion is that the developer can come forward at the appropriate time and request service and ask for a developer agreement, which will not be unreasonable withheld. I can tell you that you don't want grinder stations from these residences when you can design a lift station to send the waste for treatment. I don't think you should agree with acceptance but I wouldn't.... The project will still be there.... Just a suggestion John as Pluris does not own the utility at this point....

Best regards,

Maurice

Maurice W. Gallarda, PE

Managing Member



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From: John McDonald <JMcDonald@integrawater.com>

Sent: Tuesday, July 28, 2020 2:06 PM

To: Maurice Gallarda <mgallarda@plurisusa.com>

Subject: RE: Need a favor on my end

Maurice,

Sorry to bother you on vacation. I am hoping to have Karen return comments today to you and Dan Higgins.

Relative to the Lea track, I (nor the Envirolink team) had heard of this. I think maybe it was a verbal commitment. It struck me as odd, hence checking with you first.

Enjoy your vacation.

John

John McDonald



3212 6th Avenue South
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Birmingham, AL 35222
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P 205.326.3200
www.integrawater.com

From: Maurice Gallarda <mgallarda@plurisusa.com>
Sent: Tuesday, July 28, 2020 2:03 PM
To: John McDonald <JMcDonald@integrawater.com>
Subject: RE: Need a favor on my end

John,

I will get back to you on the Lea permit before the end of day tomorrow. I am on vacation and traveling and should hear back from Gallant and Tweed quickly. I have had Jerry Tweed and Dan Higgins go through the agreement between Old North State and Salters Haven and I didn't note any additional requirement to include a 3rd party permit at this time. I assume any developer can apply for service and we'll be happy to add customers but there has to be a developer agreement in place and there currently looks like its only D. Logan at Salters Haven. Is there another document that somehow ties this 15 acre parcel in or is Tim Clinkscales just looking for a favor? Let me know..
Also, when will you have your comments back to Karen so Dan Higgins can keep the process going while I'm on vacation?

Maurice W. Gallarda, PE
Managing Member



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From: John McDonald <JMcDonald@integrawater.com>
Sent: Tuesday, July 28, 2020 1:03 PM
To: Maurice Gallarda <mgallarda@plurisusa.com>
Subject: FW: Need a favor on my end

Maurice,

Please give me your thoughts on the attached permit. Somehow the original land owner wants to get this pipe in the ground while the contractor is onsite (not our cost, and see below). Do you care? I am guessing more customers are good for you, but would not sign without your consent based on where we are in the process.

Best,

John

John McDonald



3212 6th Avenue South

Suite 200

Birmingham, AL 35222

D 205.326.3355

P 205.326.3200

www.integrawater.com

From: Tim Clinkscales <tclinkscales@paramounte-eng.com>

Sent: Saturday, July 25, 2020 3:41 PM

To: John McDonald <JMcDonald@integrawater.com>

Subject: Need a favor on my end

John

I will call you in a few on all items, but need a favor as well before turned over to Pluris. As part of the Salters Haven deal, the original land owner is to have alternate sewer (LPS sewer) for his future 15 acres. It will be no flow but need you to sign if possible. It is shown on the detail sheet

Thanks

Tim Clinkscales PE, PLS

PARAMOUNTE ENGINEERING, INC

122 Cinema Drive

Wilmington, NC 28403

OFFICE: (910) 791-6707

CELL: (910) 520-1991

FAX: (910) 791-6760

www.paramounte-eng.com

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Gallarda Exhibit 5

From: Jessica Vamvakias [<mailto:jv@loganhomes.com>]
Sent: Friday, June 22, 2018 9:15 AM
To: Randy Hoffer
Subject: RE: Waters at Lea Island

Good Morning Randy,

Thank you very much for your help late Wednesday. As you know Karrin is a pleasure to work with and I appreciate that she has worked hard to get our jobs out – this batch just seemed to be taking an extra long time, which was threatening to affect our construction schedules. I hate to step over people, but it seemed like a little extra push was required. Thanks again.

This revised DA is looking better. We like the relationship that we have with Pluris. We are just considering all of our options at this time. As D mentioned at lunch, we have been offered no capacity fees plus the possibility of them throwing in building our pump station. These are items that we need to really think about!

We will be in touch. I hope you have a great weekend. I know a couple more days of recovery will be good for you too!

Jessica Vamvakias | Executive Administrator

p. 910.332.3524 c. 207-653-8387 f. 910.332.3528

Dream big. Build smart.



OFFICIAL COPY

Nov 04 2022

From: Maurice Gallarda <mgallarda@plurisusa.com>
Sent: Friday, June 22, 2018 9:29 AM
To: jv@loganhomes.com
Cc: Randy Hoffer <rhoffer@plurisusa.com>
Subject: FW: Waters at Lea Island

Hi Jessica,
Thank you for taking time along with D to meet with Randy and I for lunch. I always appreciate meeting with successful developers and builders like Logan Homes.
Regarding Randy's latest accommodations with the developer agreement, I think he has extended a fair proposal in regards to the new development and certainly Pluris has the ability to commit to and complete the necessary work to insure Logan Homes experiences no surprises regarding utility service. I know Randy wants to help make the new development successful. Having said that, I have let him know Pluris is not interested in bidding.
Best regards in what looks to be a bright future for Logan Homes.
Maurice

Maurice W. Gallarda, PE
Managing Member



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