

**IN THE CIRCUIT COURT OF THE TWELFTH JUDICIAL CIRCUIT OF
THE STATE OF FLORIDA IN AND FOR MANATEE COUNTY
CIVIL DIVISION**

FORTRESS 2020 LANDCO, LLC, a Delaware
limited liability company, as assignee of Regions Bank,
as successor in interest by merger of AmSouth Bank,

Plaintiff,

vs.

Civil Action No. 2020-CA-004459-AX

HRK HOLDINGS, LLC, a Florida limited liability
company, ARSENAL GROUP, LLC, a Delaware
limited liability company, WILLIAM F. HARLEY
III, FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION,
ARDAMAN & ASSOCIATES, INC., a Florida
corporation, INTERNATIONAL SALT
COMPANY, LLC, a Delaware limited liability
company, MC WEIGHING SYSTEMS, LLC, a
Florida limited liability company, 9079-8042
QUEBEC, INC., a foreign corporation,

Defendants.

RECEIVER'S SECOND STATUS REPORT AND ACCOUNTING

Receivership Activity from August 25, 2021 (inception) through December 31, 2021

DONICA RECEIVERSHIP SERVICES, LLC
238 East Davis Boulevard, Suite 209
Tampa, FL 33606
Telephone: (813) 878-9790
Facsimile: (813) 878-9746
e-mail: herb@donicalaw.com

By: /s/ Herbert R. Donica
Herbert R. Donica, Receiver

TABLE OF CONTENTS

TABLE OF CONTENTS	i
INTRODUCTION	1
BACKGROUND	1
I. Procedure and Chronology	1
II. The Receivership Process	2
III. Overview of the Receiver’s Findings	3
IV. Funding the Receivership	4
V. Actions Taken by the Receiver	4
VI. Management of the Receivership Estate	6
VII. Retention of Professionals	7
VIII. Receiver’s Accounting	7
IX. Pending and Contemplated Litigation	9
A. Pending Litigation	9
B. Contemplated Litigation	9
X. The Next Ninety Days	9
XI. CONCLUSION	9

INTRODUCTION

Herbert R. Donica, the Court-appointed receiver over the assets of HRK Holdings, LLC (the “**Receiver**” and the “**Receivership**” or “**Receivership Estate**”) files this Second Status Report for the period of August 25, 2021, through December 31, 2021¹ to inform the Court, creditors, and others interested in this Receivership of activities to date as well as the Receiver’s proposed course of action.

BACKGROUND

I. Procedure and Chronology

The Piney Point plant (the “**Facility**” or “**Piney Point Site**”) is an industrial site in Manatee County, Florida, and the location of a former fertilizer plant. The Facility holds stacks of phosphogypsum, a byproduct of fertilizer production, and pools of polluted water (the “**Stack System**”). The Stack System holds approximately 480 million gallons of process water. The owner of the Piney Point Site, HRK Holdings, LLC, is believed to be insolvent. In November 2020, FORTRESS 2020 LANDCO, LLC, the mortgage holder, initiated foreclosure proceedings on the site (the “**Foreclosure Case**”)², seeking to recover portions of the property not directly associated with the Stack System. HRK Holdings, LLC has effectively abandoned the Piney Point Site.

In March 2021, a portion of the Stack System began to fail, prompting evacuations on April 1, 2021 followed by the issuance of a state of emergency order on April 3, 2021 by the Governor of Florida. This episode required 221 million gallons of contaminated water to be discharged into Tampa Bay to prevent a collapse of the Stack System.

On August 25, 2021, in the Foreclosure Case, the Manatee Circuit Court entered an order (the “**Order**”) (**Doc. No. 77**) appointing Herbert R. Donica as a Receiver to take control of the Facility and oversee its expeditious closure. Pursuant to the Order, the Receiver is charged with “maintain[ing], manag[ing] and clos[ing] as efficiently and expeditiously as possible the Facility in accordance with all applicable State and Federal laws.” The purpose of the Receivership is to

¹ The Receiver will submit his next Status Report for the calendar quarter ending March 31, 2022 and subsequent reports will be filed within thirty days after the end of each calendar quarter.

² Fortress 2020 Landco, LLC v. HRK Holdings, Arsenal Group, William Harley, DEP, Ardaman and Associates, et al., Manatee Circuit Court foreclosure; Case No. 2020-CA-4459.

maintain, repair, and close the Stack System so that it is no longer a threat to public safety and the environment.

II. The Receivership Process

In late August 2021, counsel for the Florida Department of Environmental Protection (the “FDEP”) contacted Mr. Donica to determine his willingness to serve as Receiver in this matter. Mr. Donica informed the FDEP that he would discount the rates charged to clients in private commercial litigation to conserve resources and preserve the Receivership Estate. All the active parties in the Foreclosure Case entered into a stipulation to appoint a Receiver to take control of the property (**Doc. No. 75**). On August 25, 2021, the Court appointed Mr. Donica as Receiver (**Doc. No. 77**).

Although the FDEP recommended Mr. Donica’s appointment, the Receiver is an agent of the Court – not an agent or employee of the FDEP. To ensure that the Court is informed of the Receiver’s activities, the Order Appointing Receiver (**Doc. No. 77**) requires the Receiver to file Status Reports.

To ensure the activities of the Receiver and his professionals benefit the Receivership Estate or are otherwise appropriate, the Receiver first reviews all invoices and makes any necessary adjustments. The Receiver is required to submit his applications for the payments of fees and costs first to the FDEP for review and then to the Court for approval. The Receiver is in regular communication with his professionals and interested parties to ensure his activities benefit the Receivership Estate or are otherwise necessary.

The Receiver will engage an engineering firm to design the work to close the Stack System. It is anticipated that the engineering firm will assist the Receiver in the development of one or more bid packages for the construction of the work. The Receiver may employ other construction professionals to assist in managing the project.

When the Receiver determines that the project is complete, he will move the Court to close the Receivership. He will also file a final report and accounting. The procedures outlined above are generalized and are subject to change as the Receiver learns more about how the project should be completed. The Receiver is hopeful that these procedures and safeguards will allow him to close the Stack System in an efficient and cost-effective manner. Presently, the Receiver estimates the project to take 4 – 5 years to complete.

III. Overview of the Receiver's Findings and Actions Taken

The Order Appointing Receiver (**Doc. No. 77**) authorizes, empowers, and directs the Receiver to manage and undertake closure of the Facility. The Order Appointing Receiver (**Doc. No. 77**) also directs the Receiver to provide written notice of any actions materially affecting the Facility. The Receiver has formed preliminary conclusions based on his review of the Facility and discussions with service providers. While the Receiver's review is not complete and this report will likely be amended and augmented in the future, the Receiver believes that the matters reported below are supported by the evidence reviewed to date. Below are the Receiver's preliminary determinations and recommendations:

- 1) The Stack System holds approximately 400 million gallons of water in three ponds.
- 2) Before construction can start on the Facility, the Stack System must be drained of the water to permit the placement of equipment and remediation activities.
- 3) The deep injection well proposed by Manatee County is the most expedient method of draining the water in the Stack System. The deep injection well may take 9-11 months to drill and achieve operational capacity. Unfortunately, the site will experience another rainy season before the deep injection well is placed into service. The technologies currently employed to reduce water levels in the Stack System will not dispose of enough water prior to or during the rainy season to reduce water volumes to safe levels. Elevated water levels result in an exponential increase of hydraulic pressure on the vertical walls of the Stack System, greatly increasing the risk of a side wall failure.
- 4) Several entities have proposed alternative solutions to reduce water levels. Several of the proposed solutions are based on methodologies to increase evaporation rates by incorporating versions of spraying techniques designed to increase evaporation levels by spraying or misting water several feet into the air to enhance evaporation. The Receiver's engineers and consultants have advised the Receiver that these evaporation technologies may not be effective given the Florida environment.
- 5) The Receiver has reviewed information and data provided by a company that has developed an innovative evaporation technology. The technology does not incorporate spraying or misting. The Receiver has entered into a memorandum of understanding to allow this company to install and operate a demonstration unit to permit the Receiver and his experts to evaluate the effectiveness of the evaporation process. If the results of the demonstration unit support the vendor's claims of effectiveness, it is likely that the Receiver will negotiate for a larger implementation of the process.
- 6) Prior to the Receiver's appointment, the FDEP contracted with an engineering firm, Ardaman and Associates, Inc. ("Ardaman"), to initiate preparation of design drawings and specifications, bid packages, bidding process, proposal review, and contractor selection recommendations. The Receiver negotiated assignment of the FDEP contract with Ardaman as well as modifications of the descriptions of some of the assigned tasks.

- 7) After Ardaman completes the engineering plans and the design is approved by the FDEP, the Receiver will solicit bids pursuant to appropriate procurement rules for the construction phase of the project.

IV. Funding the Receivership

The FDEP has agreed to provide funding to the Receiver to perform his duties under the Order (**Doc. No. 77**). Accordingly, the FDEP and the Receiver have entered into a Maintenance and Funding Agreement (the “**Agreement**”) that outlines the activities to be undertaken by the Receiver and identifies the projects to be managed.

The total anticipated funding of the Agreement is \$81,740,367. The State of Florida's performance and obligation to pay under the Agreement is contingent upon an annual appropriation by the Legislature. The Agreement is not a commitment of future appropriations.

V. Actions Taken by the Receiver

The First Status Report for the period of August 25, 2021 through October 31, 2021 (**Doc. No. 92**) covered the first 10 weeks of the Receivership. The activities of the Receiver detailed in the First Status Report are incorporated by reference herein. This Second Status Report sets forth the Receiver’s activities occurring between November 1 through December 31, 2021. All the Receiver’s actions have been done pursuant to the Order Appointing Receiver (**Doc. No. 77**).

Overview of Significant Activities During this Reporting Period

During the time covered by this Second Status Report, the Receiver and his professionals engaged in the following significant activities:

- Drafted written procurement policies and manual
- Negotiated assignment of a contract for engineering services with Ardaman & Associates, appointed engineer of record
- Revised work assignments with Ardaman to reflect current needs
- Attended site inspection as required by DEP regulations
- Site visits including numerous meetings with Site Manager and on-site personnel
- Concluded open work assignments with an environmental firm working under a high-cost emergency contract
- Negotiated terms with a chemical supplier saving the estate approximately \$900,000
- Prepared monthly operating budgets and filed Notices of Filing budgets with the Court (**Doc. Nos. 105 & 106**)

- Employed special counsel to assist with procurement rules compliance (**Doc. No. 109**)
- Prepared outlines of procurement requirements and bidding procedures as related to proposed repair/construction activities
- Prepared written responses to requests for information
- Reviewed Analytical Test Reports
- Prepared and filed First and Second Status Reports with the Court (**Doc. Nos. 92 & ---**)
- Prepared and filed Motion to Approve Borrowing, Issue Certificates of Indebtedness, and Modify Agreed Order on Motion to Appoint Receiver (**Doc. No. 102**); attended hearing
- Responded to media inquiries
- Conducted meetings with contractors interested in providing services
- Attended meetings with engineers, DEP executives and contractors concerning construction, operation, and support of deep injection well program
- Attended meetings and reviewed numerous proposals by contractors proposing water management methods
- Performed all necessary accounting tasks including bank account reconciliations, payroll management, payables management, tracking and recording payment of expenses and arranging for auto payment of utilities and cell service
- Prepared monthly financial reports
- Conducted meetings with Site Manager and engineers regarding procurement issues and site repairs
- Summarized procurement regulations to assist engineers with designing procurement strategy and contractor bid packages for site construction/repairs
- Conferred with special counsel regarding proposed procurement strategy
- Negotiated and executed Memorandum of Understanding with developer of innovative evaporation system. Demonstration unit is expected to be installed and operational in January 2022
- Participated in meetings with deep injection well engineers, drilling company executives, Manatee County authorities and FDEP executives regarding need for water treatment facility and support for injection well program
- Settled with chemical supplier in connection with termination of a contract for a significant discount
- Prepared year-end 2021 report and accounting
- Performed extensive administrative tasks relative to day-to-day operations

- Attended meetings with the Secretary of the FDEP and the Department's executive team in connection with developing a stack closure strategy
- Terminated a chemical supply contract saving over \$1 million
- Met with Manatee County officials in connection with discussions concerning deep injection well and treatment of water for disposal in the County's treatment plant
- Met with engineering firms and other prospective service providers, reviewed proposals
- Prepared budget requests for distributions from the Long Term Care Escrow Fund managed by the FDEP for the monthly operating budgets
- Participated in weekly meetings with engineers and service providers
- Prepared and submitted an engineering and construction budget and formal request for first-quarter 2022 draw from funds earmarked for closure of the Stack System
- Continued to run the day-to-day operations of the property including management of six employees, several service providers, and contractors.

VI. Management of the Receivership Estate

At the time the Receiver was appointed, there were six employees on site managing the Stack System and related property. The Receiver has retained all on site employees to continue to oversee and maintain the property.

The Receiver has negotiated agreements with key service providers and suppliers.

As part of ongoing water management activities, the Receiver has continued to use the services of a contractor providing an innovative water treatment process. The process requires a substantial amount of chemicals. The Receiver has negotiated pricing and delivery of the chemicals that rate significantly lower than what was previously being paid, resulting in a cost savings of approximately \$300,000 per month.

The innovative water treatment process has reduced the levels of nitrogen and phosphorus ("nutrients") in the New Gyp Stack South (NGS-S) by over 90%. By reducing the nutrient levels in the water in the NGS-S, the risk of causing or exacerbating algae and/or red tide outbreaks is substantially reduced if the water is discharged into the bay.³

The Receiver is performing all accounting and administrative activities. The Receiver believes that the current staffing is adequate to support the activities of the Receivership, but additional employees may be needed as construction activities are started.

³ The Receiver does not plan to discharge water into the bay unless exigent circumstances require consideration such as an imminent tropical storm, hurricane or a heightened possibility of a Stack sidewall failure.

VII. Retention of Professionals

In the Court's initial Order Appointing Receiver (**Doc. No. 77**), the Court allowed the Receiver to employ independent legal counsel to furnish legal advice to the Receiver. The Receiver has employed the Standley Law Office, P.A., (**Doc. No. 107**) and Fox Rothschild LLP (**Doc. No 109**). The Standley Law Office will assist in filing routine pleadings. The Fox Rothschild LLP is a law firm with expertise in complex commercial litigation, insolvency matters, regulatory proceedings, construction law, and federal procurement matters. Fox Rothschild will primarily assist the Receiver with respect to procurement and contract issues.

The Receiver has engaged consulting engineers on an as needed basis to review and comment on water management issues and methods. The consulting engineers will be used in other capacities such as contractor evaluations and related matters on an as needed basis.

The Receiver is considering the engagement of an independent program manager to coordinate efforts of the various contractors that will be performing construction activities and to provide advice as to logistical issues that will arise.

VIII. Receiver's Accounting

Prior to the appointment of the Receiver on August 25, 2021, HRK Holdings, LLC had a bank account at TD Bank. HRK's TD Bank account was funded by the HRK Long Term Care Fund for the purpose of maintaining site operations. As of August 25, 2021, control of the TD Bank account was transferred to the Receiver. Funds in the TD Bank account were used to partially fund maintenance of continuing operations from August 25 through October 14, 2021. The Receiver established the Receivership bank account (account# 0017) at Axos Bank on August 30, 2021, for deposit and disbursement of funds received from the HRK Long Term Care Escrow Fund.

At the time of the Receiver's appointment, the TD Bank account had a balance of \$21,608.91. On August 31, 2021, the HRK Long Term Care Escrow Fund provided additional funding in the amount of \$64,665.20 to fund ongoing operations and payroll while the Receiver was establishing financial arrangements for transitioning responsibility for day-to-day operations. The TD Bank account was used to fund \$48,996.13 of day-to-day maintenance and operations including payroll from August 25, 2021 through November 5, 2021. On September 13, 2021, \$20,000 was wired from the TD Bank account to the Receiver's Axos Bank account 0017 to fund payroll pending receipt of a distribution from the HRK Long-term Care Fund. On November 5, 2021, the TD Bank account had a remaining balance of \$20,919.84 which was transferred to the

Receiver's Axos Bank account # 0017. HRK maintained a second account at TD Bank to collect contributions from neighboring owners to be used for common area maintenance of shared areas and roads. On November 5, 2021, the second TD Bank account held \$5,405.00 which was transferred to the Receiver's Axos Bank account # 0017. An analysis of the TD Bank account is attached as **Exhibit A**.

The Receiver's Axos Bank account # 0017 has been funded as follows:

September 13, 2021 - wire transfer from HRK Holdings TD Bank acct:	\$ 20,000.00
September 14, 2021 – Test credit from payroll company	\$ 1.00
September 15, 2021 - distribution from the HRK Long-term Care Fund:	\$ 85,798.07
October 17, 2021 - distribution from the HRK Long-term Care Fund:	\$ 45,233.96
October 28, 2021 - distribution from the HRK Long-term Care Fund:	\$ 38,666.51
October 28, 2021 - Insurance refund	\$ 189.00
November 8, 2021 - transfer from HRK’s TD Bank accts:	\$ 26,324.84
November 18, 2021 - Rent received	\$ 5,092.00
December 1, 2021 - distribution from the HRK Long-term Care Fund:	\$ 38,134.03
December 7, 2021 – Refund – parts	\$ 370.00
December 24, 2021 - distribution from the HRK Long-term Care Fund:	<u>\$ 43,213.35</u>

**Total deposits into the Receiver’s Axos Bank account # 0017
From August 25 through Dec 31, 2021: \$303,022.76**

The Receiver’s Axos Bank account # 0017 was used to fund \$221,122.92 of day-to-day maintenance and operations from September 13, 2021 through December 31, 2021. An analysis of the Axos Bank account # 0017 is attached as **Exhibit B-1** and a Summary of Deposits and Disbursements is attached as **Exhibit B-2**.

On October 22, 2021, the Receiver received a draw for the 3rd Quarter of 2021 from funds earmarked for closure of the Stack System. This initial draw of \$17,095,067.00 was deposited into a separate interest-bearing account with Axos Bank, account # 0025 and is to be used to fund closure of the Piney Point site. As of December 31, 2021, \$8,300,038.22 has been disbursed from account # 0025, primarily for site maintenance and water management activities. An analysis of the Axos Bank account # 0025 is attached as **Exhibit C**.

Funding and disbursements activities for accounts numbered 0017 and 0025 will be accounted for separately. Funds spent for closure of the Stack System (account # 0025) are

separately reported and are subject to an annual audit by an independent CPA firm. The Receiver's comprehensive accounting incorporating the activity of all accounts from August 25, 2021, through December 31, 2021 is attached hereto as **Exhibit D**.

IX. Pending and Contemplated Litigation

A. Pending Litigation.

The Receivership is not currently involved in any litigation. At the time that the Receiver was appointed, there were four pending cases involving HRK Holdings, LLC. The receivership is not a party to any of the cases. These matters were discussed in the Receiver's First Status Report (**Doc. No. 92**).

The Manatee Circuit Case No. 2020-CA-4459, *Fortress 2020 Landco, LLC v. HRK Holdings, Arsenal Group, William Harley, DEP, Ardaman and Associates, et al.*, is a foreclosure case brought by the mortgage holder, Fortress 2020 Landco, LLC against HRK. On August 24, 2021, the parties stipulated to the appointment of the Receiver (**Doc. No. 75**). The case has been informally stayed pending a proposal to permit Fortress to foreclose on selected parcels after an engineering plan is approved that will also determine the Receiver's ingress and egress needs.

B. Contemplated Litigation.

The Receivership is not anticipating any litigation currently.

X. The Next Ninety Days

During the next 90 days, the Receiver will continue to collaborate with engineers to develop the Stack System Closure plan and bids for the related construction work. The Receiver will also continue to review and employ methods to decrease the water levels in the Stack System until the deep injection well project commences operations. The Receiver will provide a more definitive time estimate as his analysis progresses.

XI. Conclusion

The Receiver has received an enormous number of emails and telephone inquiries and has had to expend significant resources to address them. However, the Receiver continues to encourage individuals or entities having information helpful in closing the Stack System to email him at herb@donicalaw.com.

RESPECTFULLY SUBMITTED this 10th day of January 2022.

DONICA RECEIVERSHIP SERVICES, LLC
238 East Davis Boulevard, Suite 209
Tampa, Florida 33606
Telephone: (813) 878-9790
Facsimile: (813) 878-9746
e-mail: herb@donicalaw.com

By: /s/ Herbert R. Donica
Herbert R. Donica, Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 10, 2022, the undersigned has electronically filed the foregoing with the Clerk of the Court using the Florida Courts E-Portal which will provide a copy via email to counsel and parties of record.

/s/ Herbert R. Donica
Herbert R. Donica, Receiver

INDEX OF EXHIBITS

- Exhibit A Analysis of TD Bank Account 08/25/2021 - 11/05/2021
- Exhibit B-1 Analysis of Axos Bank Account #0017
08/25/2021 - 12/31/2021
- Exhibit B-2 Summary of Deposits and Disbursements-Axos Bank Account #0017
08/25/2021 - 12/31/2021
- Exhibit C Analysis of Axos Bank Account #0025
08/25/2021 - 12/31/2021
- Exhibit D Comprehensive Accounting - 08/25/2021 - 12/31/2021

HRK's TD Bank Account 08-25-2021 through 11-05-2021

Analysis of TD Bank Account 08/25/2021 through 11/05/2021

Beginning Balance 08/25/2021	21,608.91
Deposits:	
DEP Funding 08/31/2021	64,665.20
ATM 08/03/2021 249.47	
ATM 09/09/2021	<u>3,641.86</u>
Cash Available	<u>89,915.97</u>
Disbursements:	
Monitoring - Analytical	-7,086.26
Process Water Operations	-6,004.00
Utilities	-7,183.77
Employee Wages	-12,606.43
Office Supplies	-729.98
Maintenance	-8,924.91
Misc.	<u>-6,460.78</u>
Total Disbursements for Operations 08/25 - 11/05/2021	-48,996.13
Transfer to Receiver's Account Axos Bank # 0017 09/13/2021	<u>-20,000.00</u>
Total Disbursements	<u>-68,996.13</u>
Balance of Funds in TD Bank - 11/05/2021	<u>\$20,919.84</u>
Transfer to Axos account # 0017	<u>-\$20,919.84</u>
Ending Balance 11/05/2021	<u>\$0.00</u>

Receiver's Axos Bank Account # 0017 09/13/2021 THROUGH 12/31/2021
SUMMARY OF DEPOSITS AND DISBURSEMENTS

Beginning Balance 09/13/2021: \$0.00

Deposits:

September 13, 2021 - wire transfer from HRK Holdings TD Bank acct:	20,000.00
September 14, 2021 - test credit - payroll company	1.00
September 15, 2021 - distribution from the HRK Long-term Care Fun	85,798.07
October 17, 2021 - distribution from the HRK Long-term Care Fund	45,233.96
October 28, 2021 - Insurance refund	189.00
October 28, 2021 - distribution from the HRK Long-term Care Fund	38,666.51
November 8, 2021 - transfer from HRK's TD Bank accts:	26,324.84
November 18, 2021 - Rent received	5,092.00
December 1, 2021 - distribution from the HRK Long-term Care Fund	38,134.03
December 7, 2021 - refund parts	370.00
December 24, 2021 - distribution from the HRK Long-term Care Func	<u>43,213.35</u>
Cash Available:	<u>\$303,022.76</u>

Disbursements:

Construction	44,780.00
Employee Wages	76,569.62
Engineering	4,809.00
Maintenance and repairs	31,246.98
Monitoring - Analytical	21,625.28
Office Supplies	8,032.77
Process Water Operations	7,903.00
Travel Expenses	0.00
Utilities	17,455.39
Legal Fees	0.00
Legal Costs and Expenses	105.00
Receiver Fees	0.00
Receiver Expenses	0.00
Water Management	859.78
Misc.	<u>7,736.10</u>
	<u>\$221,122.92</u>

Bank Balance per books 12/31/2021 \$81,899.84

Axos Bank Account # 0025 Transaction Allocations 10-21-2021 through 12/31/2021

Date	Type	Description	Serial #	Payee	UTC	Receipt	Disbursement	Balance	Construction	Employee Wages	Engineering	Maintenance and Repairs	Monitoring - Analytical	Travel Expenses	Utilities	Legal Fees	Receiver Fees	Receiver Expenses	Water Management	Misc.	3390
									3240	3250	3260	3270	3280	3320	3330	3340	3360	3370	3380		
10/21/21	Deposit	3rd Qtr Funding	1002	State of Florida - Dept of Financial Services	1290	17,095,067.00		17,095,067.00													
10/22/21	Outgoing Wire Transfer	Vendor Payment		Allied Universal Corporation	3380		18,776.23	17,076,290.77												18,776.23	
10/27/21	Outgoing Wire Transfer	Pay Vendor		Phosphorus Free Water Solutions	3380		585,027.80	16,491,262.97												585,027.80	
10/27/21	Outgoing Wire Transfer	Pay Vendor		Allied Universal Corporation	3380		20,004.14	16,471,258.83												20,004.14	
11/02/21	Outgoing Wire Transfer	Pay Vendor		Allied Universal Corporation	3380		21,341.06	16,449,917.77												21,341.06	
11/03/21	Outgoing Wire Transfer	Pay Vendor		Allied Universal Corporation	3380		11,018.80	16,438,898.97												11,018.80	
11/04/21	Outgoing Wire Transfer			Garner Environmental Services	3240		1,295,488.27	15,143,410.70	1,295,488.27												
11/04/21	Outgoing Wire Transfer	Pay Vendor		Allied Universal Corporation	3380		5,344.08	15,138,066.62												5,344.08	
11/08/21	Outgoing Wire Transfer			ALLIED UNIVERSAL CORPORATION	3380		21,899.83	15,116,166.79												21,899.83	
11/09/21	Outgoing Wire Transfer			PHOSPHORUS FREE WATER SOLUTION	3380		191,424.21	14,924,742.58												191,424.21	
11/11/21	Outgoing Wire Transfer			ALLIED UNIVERSAL CORPORATION	3380		24,676.01	14,900,066.57												24,676.01	
11/14/21	Outgoing Wire Transfer			Chesapeake Containment Systems	3240		57,515.00	14,842,551.57	57,515.00												
11/14/21	Outgoing Wire Transfer			Garner Environmental Services	3240		957,789.90	13,884,761.67	957,789.90												
11/15/21	Outgoing Wire Transfer			ALLIED UNIVERSAL CORPORATION	3380		41,737.63	13,843,024.04												41,737.63	
11/17/21	Check	Account # 35694-60011	10001	FPL	3330		14,533.75	13,828,490.29						14,533.75							
11/17/21	Check	Account # 67839-67489	10002	FPL	3330		46.83	13,828,443.46						46.83							
11/18/21	Outgoing Wire Transfer			ALLIED UNIVERSAL CORPORATION	3380		5,568.91	13,822,874.55												5,568.91	
11/19/21	Check	Account 223842-133399	10003	Manatee County Utilities Dept.	3330		27,041.72	13,795,832.83							27,041.72						
11/22/21	Outgoing Wire Transfer			PHOSPHORUS FREE WATER SOLUTION	3380		387,871.82	13,407,961.01												387,871.82	
11/22/21	Check	Survey inv. 2021-442 55 - Ref Piney Poi	10004	Clements Surveying, Inc.	3240		3,000.00	13,404,961.01	3,000.00												
11/22/21	Check		10005	Matco Industries, Inc.	3240		6,497.56	13,398,463.45	6,497.56												
11/22/21	Outgoing Wire Transfer			ALLIED UNIVERSAL CORPORATION	3380		27,404.82	13,371,058.63												27,404.82	
11/29/21	Outgoing Wire Transfer	ACH Debit		NATIONAL EMPLOYEE	3250		0.50	13,371,058.13		0.50											
11/29/21	Outgoing Wire Transfer	ACH Debit		NATIONAL EMPLOYEE	3250		0.50	13,371,057.63		0.50											
11/30/21	Interest Posting	Interest		Axos Bank	1270	1,097.14		13,372,154.77													
11/30/21	Transfer Out	Transfer of Funds		Transfer to Acct # xxxxxx0017	3250		16,357.82	13,355,796.95		16,357.82											
11/30/21	Incoming Wire Transfer	ACH Credit		NATIONAL EMPLOYEE CDD	3250	1.00	0.00	13,355,797.95		0.00											
11/30/21	Outgoing Wire Transfer	Wire Transfer Debit		TETRA TECH, INC.	3260		4,098.00	13,351,699.95				4,098.00									
11/30/21	Outgoing Wire Transfer	Wire Transfer Debit		ALLIED UNIVERSAL CORPORATION	3380		27,364.04	13,324,335.91												27,364.04	
11/30/21	Outgoing Wire Transfer	Wire Transfer Debit		PHOSPHORUS FREE WATER SOLUTION	3380		391,013.07	12,933,322.84												391,013.07	
12/01/21	Check	Pay Vendor	10006	Benchmark EnviroAnalytical, Inc.	3280		4,219.25	12,929,103.59					4,219.25								
12/01/21	Check		10007	Dr. Ping Wang	3280		11,221.00	12,917,882.59					11,221.00								
12/01/21	Outgoing Wire Transfer	Wire Transfer Debit		DONICA RECEIVERSHIP SERVICES	3360		110,848.15	12,807,034.44									110,848.15				
12/02/21	Check		10010	Standley Law Office, P.A.	3340		2,750.00	12,804,284.44								2,750.00					
12/02/21	Check		10008	JBM&R Engineering, Inc.	3260		1,800.00	12,802,484.44			1,800.00										
12/02/21	Check		10009	Doug Thomas	3320		64.96	12,802,419.48						64.96							
12/02/21	Check		10011	Harrison E Standley	3370		450.00	12,801,969.48										450.00			
12/05/21	Outgoing Wire Transfer	Wire Transfer Debit		SAFEWARE, INC.	3380		42,427.72	12,759,541.76												42,427.72	
12/05/21	Outgoing Wire Transfer	Wire Transfer Debit		ALLIED UNIVERSAL CORPORATION	3380		43,871.30	12,715,670.46												43,871.30	
12/06/21	Outgoing Wire Transfer	Wire Transfer Debit		GARNER ENVIRONMENTAL SERVICES	3240		1,018,574.52	11,697,095.94	1,018,574.52												
12/07/21	Outgoing Wire Transfer	Wire Transfer Debit		ALLIED UNIVERSAL CORPORATION	3380		22,338.46	11,674,757.48												22,338.46	
12/08/21	Outgoing Wire Transfer	Wire Transfer Debit		GAMER ENVIRONMENTAL SERVICES	3240		832,763.36	10,841,994.12	832,763.36												
12/08/21	Outgoing Wire Transfer	ACH Debit		NATIONAL EMPLOYEE	3250		16,106.08	10,825,888.04													
12/12/21	Outgoing Wire Transfer	Wire Transfer Debit		ALLIED UNIVERSAL CORPORATION	3380		16,508.36	10,809,379.68												16,508.36	
12/12/21	Outgoing Wire Transfer	Wire Transfer Debit		PHOSPHORUS FREE WATER SOLUTION	3380		383,159.19	10,426,220.49												383,159.19	
12/13/21	Outgoing Wire Transfer	183 - ACH Debit FPL		HRK HOLDINGS LLC DIP	3330		35.98	10,426,184.51						35.98							
12/13/21	Outgoing Wire Transfer	183 - ACH Debit FPL		HRK HOLDINGS LLC DIP	3330		325.46	10,425,859.05						325.46							
12/13/21	Outgoing Wire Transfer	183 - ACH Debit FPL		HRK HOLDINGS LLC DIP	3330		6,567.39	10,419,291.66						6,567.39							
12/16/21	Check	Inv. # PP 21-12.14	10012	JBM&R Engineering, Inc.	3260		1,212.50	10,418,079.16			1,212.50										
12/16/21	Check		10013	HydroExcavators, LLC	3270		3,287.50	10,414,791.66					3,287.50								
12/16/21	Outgoing Wire Transfer	111 - Wire Transfer Debit		WILLIAMS SCOTSMAN, INC.	3270		2,424.97	10,412,366.69					2,424.97								
12/16/21	Outgoing Wire Transfer	111 - Wire Transfer Debit		ALLIED UNIVERSAL CORPORATION	3380		10,609.92	10,401,756.77												10,609.92	
12/20/21	Check	Acct # 223842-133399	10014	Manatee County Utilities Dept.	3380		14,208.04	10,387,548.73												14,208.04	
12/20/21	Check	Acct # 223842-60006	10015	Manatee County Utilities Dept.	3330		459.50	10,387,089.23						459.50							
12/20/21	Outgoing Wire Transfer	111 - Wire Transfer Debit		ALLIED UNIVERSAL CORPORATION	3380		27,539.27	10,359,549.96												27,539.27	
12/21/21	Outgoing Wire Transfer	Wire Transfer Debit		SAFEWARE, INC.	3380		300,000.00	10,059,549.96												300,000.00	
12/21/21	Outgoing Wire Transfer	183 - ACH Debit		NATIONAL EMPLOYEE	3250		17,587.71	10,041,962.25		17,587.71											
12/21/21	Outgoing Wire Transfer	Wire Transfer Debit		PHOSPHORUS FREE WATER SOLUTION	3380		193,736.81	9,848,225.44												193,736.81	
12/22/21	Outgoing Wire Transfer	Wire Transfer Debit		GARNER ENVIRONMENTAL SERVICES	3240		853,233.24	8,994,992.20	853,233.24												
12/28/21	Outgoing Wire Transfer	111 - Wire Transfer Debit		ALLIED UNIVERSAL CORPORATION	3380		10,431.37	8,984,560.83												10,431.37	
12/30/21	Outgoing Wire Transfer	Wire Transfer Debit		PHOSPHORUS FREE WATER SOLUTION	3380		188,433.91	8,796,126.92												188,433.91	
12/31/21	Interest Posting	Interest		Axos Bank	1270	890.62		8,797,017.54													
						17,097,055.76	8,300,038.22		5,024,861.85	50,052.61	7,110.50	5,712.47	15,440.25	64.96	49,010.63	2,750.00	110,848.15	450.00	3,033,736.80		0.00
							8,797,017.54														
								Ending Balance 12/31/2021													
																				Total:	8,300,038.22

COMPREHENSIVE ACCOUNTING 08/25/2021 THROUGH 12/31/2021

Beginning Balances (08/25/2021):

TD Bank - operating account	21,608.91	
TD Bank - CAM account	5,405.00	
Axos Bank Accnt 0017	0.00	
Axos Bank Accnt 0025	<u>0.00</u>	
		27,013.91

Deposits:

TD Bank - operating	68,307.06	
Axos Bank Accnt 0017	303,022.76	
Axos Bank Accnt 0025	17,095,068.00	
Transfers from TD Bank	-46,324.84	
Axos Bank Accnt 0025 Interest	<u>1,987.76</u>	
		<u>17,422,060.74</u>

Total Funds Available 17,449,074.65

Disbursements:

Construction	5,069,641.85	
Employee Wages	139,228.66	
Engineering	11,919.50	
Maintenance and Repairs	45,884.36	
Monitoring Analytical	44,151.79	
Office Supplies	8,762.75	
Process Water Operations	13,907.00	
Travel Expenses	64.96	
Utilities	73,649.79	
Legal Costs and Expenses	2,855.00	
Receiver Fees	110,848.15	
Receiver Expenses	450.00	
Water Management	3,034,596.58	
Miscellaneous	14,196.88	
Total Disbursements for Operations 12/31/2021		<u>-8,570,157.27</u>

Balance of Funds in All Accounts 8,878,917.38