

**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.

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**NOTICE OF FILING RECEIVER'S  
MONTHLY PROGRESS REPORT FOR AUGUST 2022**

HERBERT R. DONICA, as Receiver of the estate of HRK HOLDINGS, LLC, gives notice of filing of the Monthly Progress Report for August 2022 and states as follows:

On March 25, 2022, the conceptual closure plan (the “**Conceptual Plan**”) of the Piney Point Gypsum Stack System was submitted by the Receiver to the Florida Department of Environmental Protection (the “**Department**”). The Department issued its Order Approving Conceptual Closure Plan (the “**Order**”) to the Receiver on March 30, 2022.

Condition No. 11 of the Order requires “Receiver shall submit monthly progress reports to the Department including the status of planned closure activities, and a monthly updated water balance projection, including corresponding water removal rates for closure, and projected future

closure schedule dates.”

The Receiver’s engineering company, Ardaman & Associates, Inc., has prepared the Monthly Progress Report for August 2022 (the “**Report**”) to satisfy Condition No. 11 of the Order. **As this is the first monthly progress report concerning activities undertaken with respect to the Conceptual Plan, the Report includes background information up to July 31, 2022.**

This filing includes the following documents:

**Exhibit A** - Monthly Progress Report for August 2022 prepared by Ardaman & Associates, Inc., and

**Exhibit B** - Receiver’s Supplement to Monthly Progress Report for August 2022.

Respectfully Submitted this 21<sup>st</sup> day of September 2022.

**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](mailto:herb@donicalaw.com)

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

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on September 21, 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

**EXHIBIT A**

**Monthly Progress Report for August 2022**



Ardaman & Associates, Inc.

Geotechnical, Environmental and  
Materials Consultants

September 21, 2022  
File Number 21-13-0031D1

Donica Receivership Services, LLC  
238 East Davis Island Blvd., Suite 209  
Tampa, FL 33606

Attention: Mr. Herbert R. Donica

Subject: Monthly Progress Report for the Work Performed During the Month of August 2022,  
Related to the Approved Conceptual Closure Plan of the Piney Point Gypsum Stack  
System, Manatee County, Florida.

Dear Mr. Donica:

The conceptual closure plan (Conceptual Plan) of the Piney Point Gypsum Stack System was submitted by Mr. Donica of Donica Receivership Services, LLC (Receiver, DRS) to the Florida Department of Environmental Protection (Department) on March 25, 2022. The Department issued the Order Approving Conceptual Closure Plan (Order) to the Receiver on March 30, 2022.

Condition No. 11 of the Order requires “*Receiver shall submit monthly progress reports to the Department including the status of planned closure activities, and a monthly updated water balance projection, including corresponding water removal rates for closure, and projected future closure schedule dates.*”

Ardaman & Associates, Inc. (AAI), has prepared this monthly progress report to satisfy Condition No. 11 of the Order.

The following captures activities relating to closure of the OGS-S pond during the month of August 2022, as required by Condition No. 11 of the Order:

### **STATUS OF PLANNED CLOSURE ACTIVITIES**

During the month of August 2022, the following activities were performed by Forgen (see attached photos of the construction activities):

- Finalized construction schedule and converted to the new format (i.e., from Microsoft Project to Primavera P6).
- Contract between Forgen and the Receiver was executed.
- Completed mobilization of equipment, field office, and personnel to the site.
- Submitted a site-specific safety program to the Receiver.
- Completed widening of the west berm to use as a working platform to sew the high-strength woven fabric.
- Worked on clearing and grubbing the inside of the OGS-S, particularly the area covered by coarse dredge sediments.

- Incident report: One first-aid incident occurred. An operator of the excavator exited his machine and walked across the grass toward Forgen's trailer, where he tripped and injured his ankle. Injured employee was given first-aid on-site, was monitored over the weekend, and returned to work.
- Started grading the coarse dredge sediments area to establish positive drainage.
- Started welding HDPE pipes.
- Started grading sump area.

During the month of August 2022, DRS continued accepting the materials for the project as following:

- Sand Tailings: As of August 28, 2022, the Receiver has stockpiled 40,068 cubic yards of sand tailings on site (25,254 yards from Ft. Green, and 14,814 yards from Ft. Meade Sand Mountain).
- Soil/Overburden: As of August 28, 2022, the Receiver has stockpiled 26,155 cubic yards of soil/overburden fill on site (23,131 yards from Razorback pit, and 3,024 yards from Ft. Meade Sand Mountain)
- High-Strength Woven Geotextile: Completed production.
- 60-mil Textured HDPE Liner: Completed production.
- Biplanar Double-Sided Composite: Completed production.
- Geotextile (non-woven, 12-oz/yd<sup>2</sup>): Completed production.
- HDPE Pipes (6-inch solid and slotted, 18-inch, 24-inch, and 36-inch): All pipes are on site.
- Truck Scanner: Completed installation and now operational.

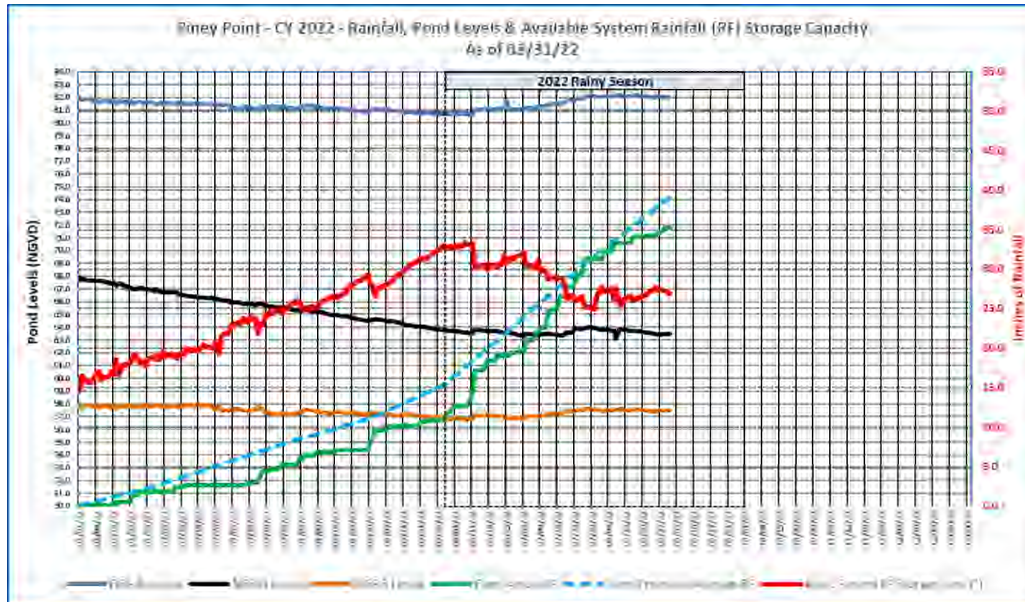
Looking ahead to the month of September 2022, the following activities will be performed:

- By Forgen:
  - Complete liner soil cushion layer installation over the coarse sediments area.
  - Complete installation of signage and traffic controls.
  - Continue welding HDPE pipes.
  - Continue dewatering.
  - Complete grading sump area.
  - Sewing of high-strength fabric.
  - Construct anchor trench in preparation for high-strength fabric installation.
- By the Receiver:
  - Sand Tailings: Establish additional sand tailings borrow area to the North of the existing Ft. Green pit following approval from the property owner (Mosaic), wildlife survey and any needed wildlife relocation. Continue hauling sand tailings from Ft. Green.
  - Soil: Finalize contract obligations with RIPA (RIPA and Associates) and the County. Due to bond requirements by the County, DRS will perform engineering evaluations of the road to document pre/post hauling road conditions of the county roads (Buckeye Road, and Moccasin Wallow Road).
  - Receive other materials (i.e., HDPE liner, geotextile materials, etc.)
  - Continue performing CQA Program and testing by Receiver's engineer (AAI).

## WATER BALANCE AND MANAGEMENT

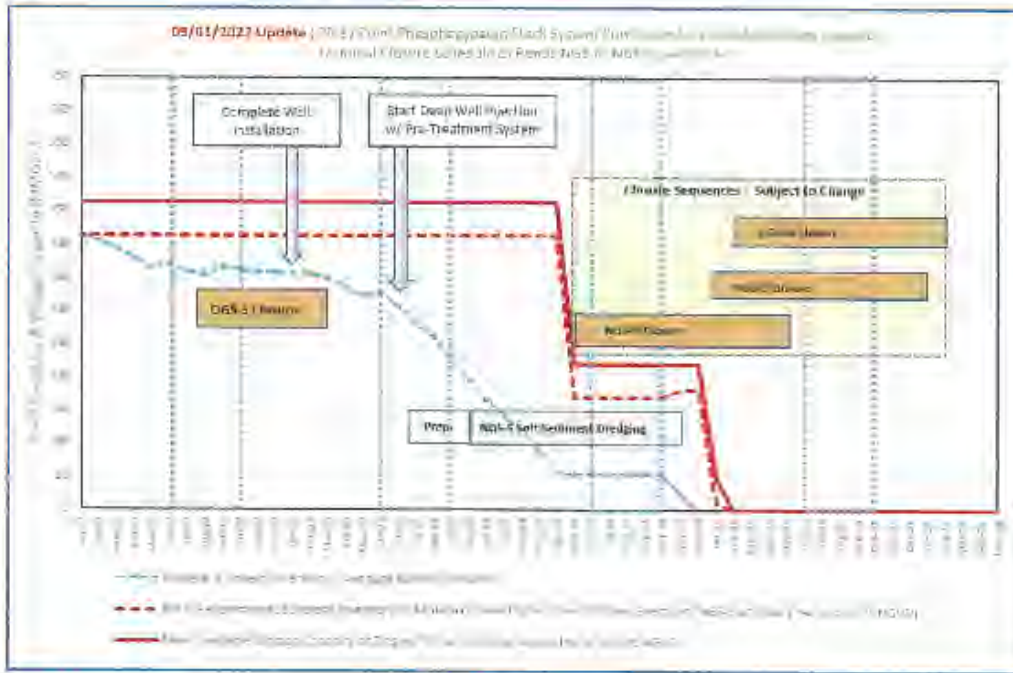
### Rainfall and Pond Levels:

- As of August 31, 2022, the facility has received 35.3 inches of rainfall, which is slightly below the average rainfall of 39.1 inches for the same period.
- The chart below shows year to date pond level readings, rainfall, and available system storage capacity.



### Water Balance Projection & Projected Future Closure Dates:

- See below for an updated version of “Figure 10 - Water Balance Projection and Anticipated Closure Timeline” of the approved Conceptual Plan.
- Please note that seepage rate has been adjusted to 130 GPM due to recent actual data for Structure #1.
- Future closure dates reflect the new expected startup date of the pre-treatment system (July 2023) of the Deep Well Injection Project.



We believe the above information meets the requirements of Condition No. 11 of the Order. Please contact us if you have any questions or need any additional information.

Very truly yours,

FOR

Khaldoun Allaz  
 Construction Manager

Phong Vo  
 Senior Consultant



Cc: Mohamad Al-hawaree, P.E.(AAI)  
 Jeff Barath (DRS)

# CONSTRUCTION PHOTOS

## AUGUST 2022





Photo 1 – Construction Equipment in Laydown Area



Photo 2 – OGS-S Construction Area



Photo 3 – Sand Tailings Material Stockpile



Photo 4 – Sand Tailings Material Delivery





Photo 5 – On-site Storage of Pipes



Photo 6 – Widening of West Berm (1)



Photo 7 – Widening of West Berm (2)



Photo 8 – Dewatering Pumps in Sump Area





Photo 9 – Grading Coarse Dredge Material on the East Side of OGS-S Pond



Photo 10 – Graded East Slope Drainage Ditch





Photo 11 – Exposed the Secondary Liner on the South Dike.



Photo 12 – Exposed the Secondary Liner on the East Dike.



Photo 13 – Started Dewatering and Grading Sump Area

**EXHIBIT B**

**Supplement to Monthly Progress Report for August 2022**



## **SUPPLEMENT TO MONTHLY PROGRESS REPORT FOR AUGUST 2022**

### **Overview of Significant Activities for August 2022**

During the month of August 2022, the Receiver made progress on several fronts toward the eventual closure of the Piney Point facility in addition to the management and resolution of on-going issues related to the continued operation of the facility pending its eventual closure.

#### **Significant Activities**

- Finalized negotiations of a Service Agreement with Manatee County for funding and operating a deep injection well
- Negotiated multiple agreements for sand and soil supplies and for required transport
- Responded to numerous media inquiries concerning proposed release of stormwater
- Participated with a team to review and update an application for a renewed NPDES permit
- Worked with project manager and site manager to coordinate sand and soil deliveries, orientation meeting with a contractor and on-site employees, silt fence installation and installation of load scanner
- Prepared Budget and Materials Summary worksheets and related narrative for six-month projection of use of funds

#### **Additional Activities**

During August 2022, the Receiver and his professionals engaged in the following additional activities:

- Made site visits and attended video conference meetings with Site Manager and on-site personnel
- Conducted meetings with Site Manager and engineers regarding procurement issues and site repairs
- Performed extensive administrative tasks relative to day-to-day operations
- Participated in weekly meetings with engineers and service providers
- Continued to run the day-to-day operations of the property including management of eight employees, several service providers, and contractors
- Performed all necessary accounting tasks including bank account reconciliations, payroll management, payables management, tracked and recorded payment of expenses and arranged for auto payment of utilities and cell service
- Prepared monthly operating budgets and filed Notices of Filing budgets with the

Court (**Doc. No. 170**)

- Prepared and filed Receiver’s Monthly Progress Report for July 2022 (**Doc. No. 172**)
- Prepared monthly financial reports
- Prepared budget requests for distributions from the Long-Term Care Escrow Fund managed by the FDEP for the monthly operating budgets
- Conferred with special counsel regarding contract and regulatory issues
- Reviewed Analytical Test Reports
- Installed a laser driven load scanner to measure volumes of dirt and sand in transport
- Completed contract negotiations with Forgen, LLC; executed contract
- Arranged for the release of stormwater held in OGS-S to facilitate commencement of construction by Forgen, LLC (“**Forgen**”)
- Prepared and submitted budget and cost projections to the DEP in support of funding request
- Reviewed water treatment programs
- Maintained contact with materials supplier regarding production schedules, testing and transport needs
- Prepared and filed an Emergency Motion to Modify Order of Appointment
- Reviewed Disposal Rate study by County’s rate consultant, drafted notes regarding use of assumptions

**The Receiver’s Contractor, Forgen, LLC, has Continued to Perform Site Activities**

The Receiver attended weekly project meeting with site personnel, Ardaman & Associates, Inc. personnel, and Forgen personnel to ensure compliance with all safety protocols. The meetings provided information necessary to coordinate efforts and to maintain the agreed upon schedule. As of this date, the project is on schedule. Some of the more significant activities that have been completed or are in progress are:

- A. LiDar Survey - complete
- B. Grade Course Area to Drain - complete
- C. Erosion Control Installation – complete
- D. Removal of Vegetation and Debris within OGS-S –complete
- E. Grade Sump Area - complete