

**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.

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

HERBERT R. DONICA, as Receiver of the estate of HRK HOLDINGS, LLC, gives notice of filing of the Monthly Progress Report for December 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 December 2022 (the “**Report**”) to satisfy Condition No. 11 of the Order.

This filing includes the following documents:

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

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

Respectfully Submitted this 20th day of January 2023.

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, Receiver
Herbert R. Donica

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 20, 2023, 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 December 2022



Ardaman & Associates, Inc.

Geotechnical, Environmental and
Materials Consultants

January 19, 2023
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 December 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 December 2022, as required by Condition No. 11 of the Order:

STATUS OF PLANNED CLOSURE ACTIVITIES

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

- Started construction of the pinch dike across the soft sediments area as part of their plan to repair the damaged high strength fabric seams.
- Continued placing the layer of sand tailings on top of the woven geotextile over the approximately 14-acre area containing soft dredged marine sediments.
- Completed stockpiling sand tailings. Received a total of 16,578 yards of sand tailings
- Stockpiled most of the required soil. Received a total of 36,161 yards of soil. Stockpile was dressed and compacted.
- Set in place the 36” stormwater inlet structure.

During the month of December 2022, DRS continued accepting the materials for the project as follows:

- Sand Tailings: As of December 31, 2022, the Receivership has stockpiled 167,202 cubic yards of sand tailings on site.
- Soil/Overburden: As of December 31, 2022, the Receivership has stockpiled 138,875 cubic yards of soil/overburden fill on site.
- High-Strength Woven Geotextile:
 - DRS received 210 rolls of high-strength fabric, which Forgen unloaded and stored at the staging area. Forgen used 206 rolls, with the remainder stored in the staging area.
- 60-mil Textured HDPE Liner:
 - DRS received 113 rolls of HDPE liner, and Forgen unloaded 113 rolls of HDPE liner to date (100% of total rolls). The liner rolls are being stored in the staging area.
- Biplanar Double-Sided Geocomposite: Completed production.
 - DRS received 96 rolls of double-sided geocomposite rolls, and Forgen unloaded 96 rolls of HDPE liner (100% of total rolls) to date. The double-sided geocomposite rolls are being stored in the staging area.
- Geotextile (non-woven, 12-oz/yd²):
 - DRS received 23 rolls of non-woven geotextile, (100% of total rolls) to date. The non-woven geotextile rolls are stored in the staging area.
- HDPE Pipes (6-inch solid and slotted, 18-inch, 24-inch, and 36-inch):
 - DRS received all pipes, which are stored in the staging area.
 - Forgen received 18" spool (flanged tees), 18" liner penetration, 6" liner penetration, and 36" HDPE manhole structure.

Looking ahead to the month of January 2023, the following activities will be performed:

- By Forgen:
 - Continue maintaining the stockpiles of the sand tailings and soil cover.
 - Repair the damaged seams of the deployed high-strength fabric.
 - Continue placing sand tailings on top of the woven geotextile over the approximately 14-acre area containing soft dredged marine sediments.
 - Start installation of the collection drain system within the sand tailings layer overlying the high-strength woven geotextile.
- By the Receiver:
 - Continue performing CQA oversight and testing by the Receiver's engineer (AAI).

SAFETY

- At the beginning of each workday, a safety meeting is held by Forgen. The daily safety meetings are attended by Forgen’s personnel working on-site, where various safety topics are discussed in addition to site-specific safety considerations.

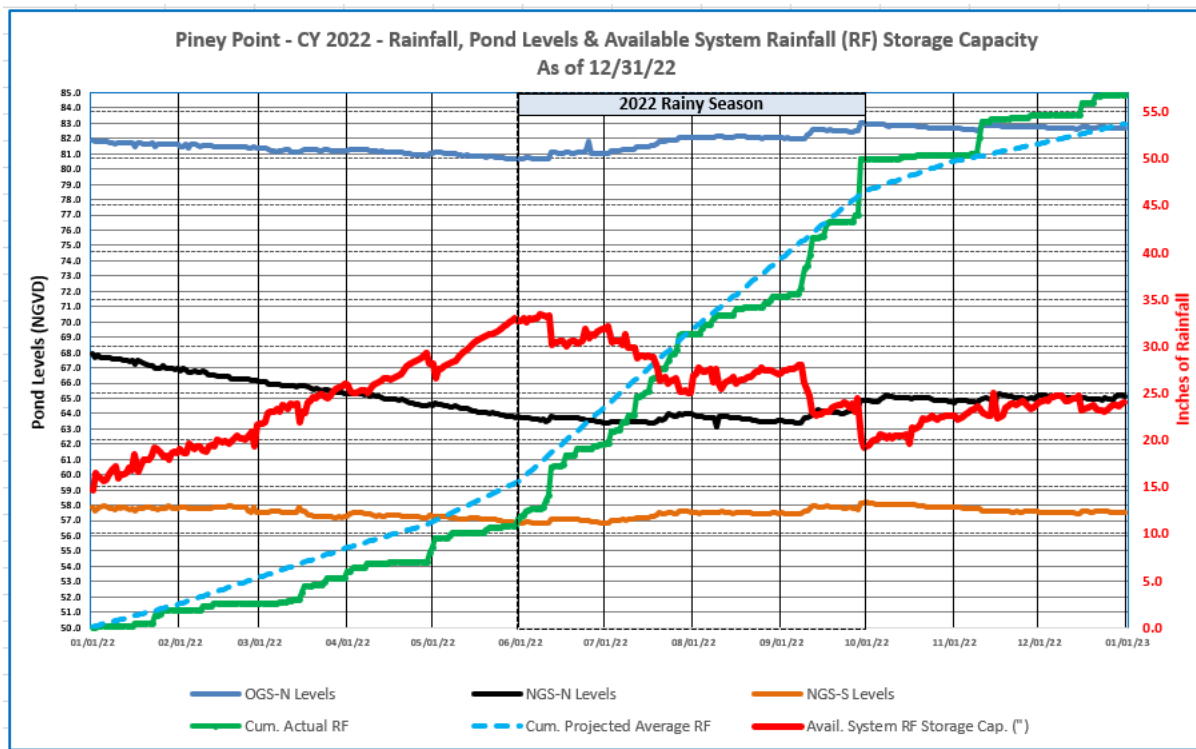
CONSTRUCTION QUALITY ASSURANCE (CQA)

- AAI monitored the installation of the high-strength fabric and provided comments and observations to Forgen.
- AAI also monitored and performed CQA testing for the placement of the soil fill on the coarse sediment area.

WATER BALANCE AND MANAGEMENT

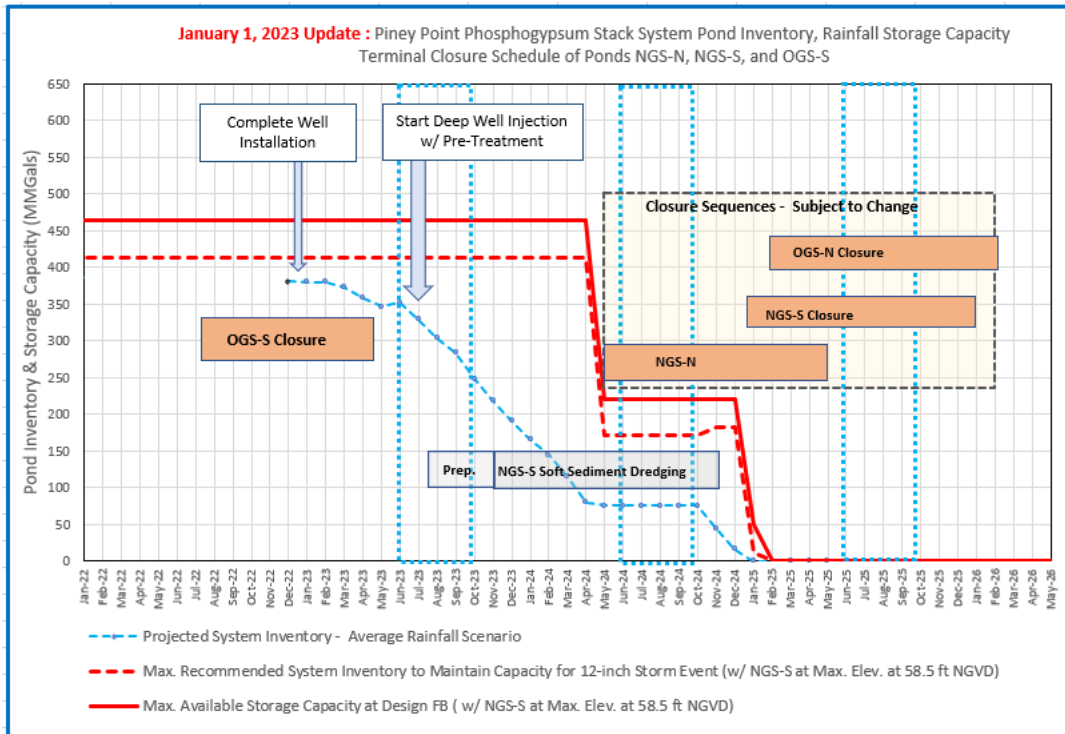
Rainfall and Pond Levels:

- As of December 31, 2022, the facility has received 56.8 inches of rainfall for 2022, which is 3.1 inches above the average rainfall of 53.7 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 an updated version of “Figure 10 - Water Balance Projection and Anticipated Closure Timeline of the approved Conceptual Plan”.
- The projected system inventory reflects measured pond level readings as of December 31, 2022.
- Please note that the 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 (July 2023) of the pre-treatment system of the Deep Well Injection Project.



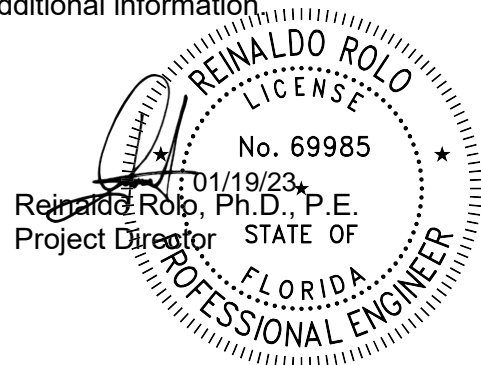
We believe the above information meets the requirements of Condition No. 11 of the Order. Please contact us if you have any questions or need any additional information.

Very truly yours,

Ran Tamir
 Construction Manager

Phong Vo
 Senior Consultant

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



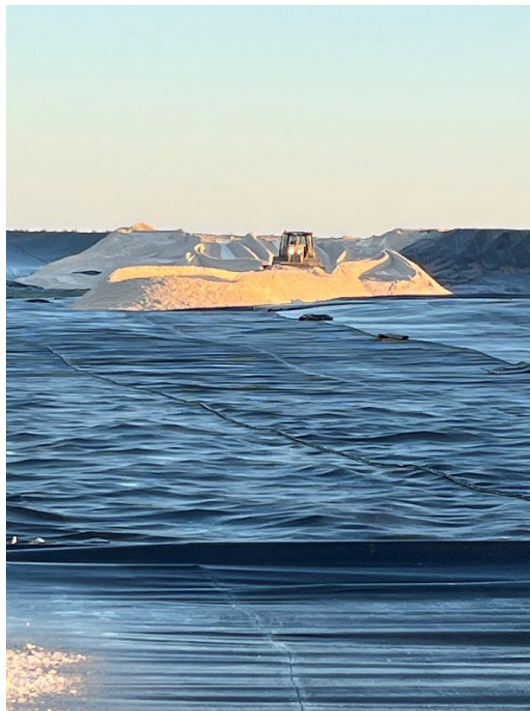
This item has been digitally signed and sealed by Reinaldo Rolo, Ph.D. on the date adjacent to the seal
 Printed copies of this document are not considered signed and sealed and the signature must be verified on any electronic copies.

CONSTRUCTION PHOTOS

December 2022



Picture #1 - 36" stormwater inlet structure in place.



Picture #2 - Constructing the pinch dike.



Picture #3 - Maintaining the soil stockpile.



Picture #4 - Constructing the pinch dike.



Picture #5 - Sand placement by the 36" stormwater inlet structure.

EXHIBIT B

Monthly Progress Report for December 2022

SUPPLEMENT TO MONTHLY PROGRESS REPORT FOR DECEMBER 2022

Overview of Significant Activities for December 2022

During the month of December 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

- Reviewed November Progress Report provided by engineers, review and revise Receiver's Supplement and file with the Court.
- Reviewed and approved contractor's change order.
- Prepared construction funding request and related exhibits and worksheets.
- Reviewed contractor's progress payment worksheet.
- Prepared materials and attended Tampa Bay Regional Planning Council Policy Board Meeting; presented Piney Point update.
- Coordinated delivery schedules with materials suppliers.
- Worked with environmental engineers to revise NPDES Application.
- Prepared budget requests for distributions from the Long-Term Care Escrow Fund managed by the FDEP for the monthly operating budgets.

Additionally, during December 2022, the Receiver and his professionals engaged in the following activities:

- Attended weekly project meetings with contractors and engineers.
- Prepared monthly financial reports.
- Review Forgen's 5th Progress payment request.
- Executed Service Agreement with Manatee County for use of deep injection well.
- Conducted multiple telephone calls with media re site status post hurricane.
- Corresponded with DEP and provided additional information for NPDES permit application.
- Attended several telephone conferences with environmental engineers to review the updated application for NPDES permit.
- Conducted regular meetings with DEP, ECT, site manager and Ardaman re discuss NPDES Permit.
- Participated in multiple telephone calls and emails with DEP personnel and site manager re status of NPDES application and notice of intent to issue permit.
- Conducted several meetings with engineers and contractor re shortage of high-strength fabric.

- Attended Weekly Project Meeting with engineers, contractor, and site manager.
- Performed all necessary accounting tasks including bank account reconciliations, payroll management, payables management, and tracked and recorded payment of expenses.