



October 16, 2025

Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: NC Real Estate Projects, LLC dba Grenelefe Utility
Request for Staff Assisted Rate Increase - Utility Response on Establishing Final
Service Availability Charges
Docket No. 20250023-WS

Dear Mr. Teitzman,

Attached is the utility response to Staff Data Request #5. Should you or any members of the Commission staff have any questions in this regard, please let us know.

Sincerely,

SUNDSTROM & MINDLIN, LLP

/s/ F. Marshall Deterding

F. Marshall Deterding
Of Counsel

FMD/brf

cc: Jacob Imig
Jennifer Augspurger
Ailynee Ramirez-Abundez
Gary Smith, II
Laura King
Marissa Ramos
Matthew Sibley
Sonica Bruce
Garret Kelley
Jared Folkman
Joshua Cohn
Jason Cox
Gary Morse

NC Real Estate Projects, LLC

Docket # 20250023-WS

Document # 13987-2025

October 5, 2025

1. It is staffs' understanding that in order for Grenelefe to secure a loan to finance its pro forma projects, the Utility requires approval of its service availability charges. Please state whether the Utility has secured a loan following the Commission's approval of the Utility's service availability charges at the September 4, 2025 Agenda Conference.

The Utility has not yet obtained the needed financing. In order to secure this large scale financing the Utility needs to be able to show the banks that it has final and permanent rates and Service Availability Charges in place to demonstrate an ability to repay the loan. While the interim Service Availability Charge and rate approval helped to show that the Commission is preparing to grant needed increases, it has not been enough to satisfy banks that the Utility has the ability to repay such a large loan. The Utility anticipates that the approval of final rates and connection charges will enable them to finalize the needed funding quickly.

2. If the response to Data Request No. 1 is in the affirmative, please respond to the below questions:

N/A

- a. Please provide the name of the bank or financial institution from which the loan was secured.
- b. Please provide the amount of the loan.
- c. Please provide the interest rate of the loan.
- d. Please provide the terms of the loan.
- e. Please provide any supporting documentation from the financial institution related to the issuance of the loan.

Capital

3. If the response to Data Request No. 1 is in the negative, please respond to the below questions:

- a. Please explain what steps have been taken, if any, to secure the loan.

Controller has spoken with 2 banks who do private utility loans and both want to consider the loan but Controller is unable to fully engage without a repayment solution in place. The loan being discussed is 75% Loan to Cost of the project, leaving

the company with 25% to fund from it's capital.. Controller is attempting to mirror the PSC guideline of 75% recapture of the cost.

- b. Please identify when the Utility expects the loan to be secured.

Controller believes the loan can be secured within 30-60 days after the securing of final Connection Fee charges and rates.

- c. Please state whether any expectations regarding the loan or its interest rate have changed as a result of the Commission's approval of service availability charges. or due to any other factors. If so, identify and describe each such change in detail.

This loan is a business loan to a private entity whereas it is considered under ratios considered by banks for providing funding with ability to service the debt and mechanisms in place to repay the principal borrowed amount. As a private business, the borrowing amount, rate and duration are determined based upon the underwriting guidelines of the financial institution.

In order to complete our analysis, staff needs the following documentation related to non-potable water services for the test year:

4. Please provide an allocation for each of the following expenses: salaries and wages; payroll taxes; associated taxes other than income; purchased power; contractual services; and any other expenses related to non-potable water.

Utility does not segregate expenses by potable and non-potable. Utility has provided the total of all of these costs in its application for rate case.

5. Please identify specific National Association of Regulatory Utility Commissioners account number(s) of any plant items related to non-potable water and, if applicable, its allocation between potable and non-potable. Please specify if plant items are shared between potable and non-potables.

Potable water is associated with Well #6 and Well #10, exclusively. There are no shared equipment between the potable and non-potable.

6. Please provide the revenue amounts associated with both potable and non-potable water.

Utility does not track potable versus non-potable revenues as the only water rate per the current tariff is potable which is used across both types of water.

7. Please provide the number of gallons sold split between potable and non-potable water.

Utility does not track potable versus non-potable gallons. The non-potable gallons sold are a negligible amount compared to the Potable gallons.

8. Pursuant to Rule 25-30. 565(2)(h), Florida Administrative Code (F.A.C.), please provide a detailed statement defining the capacity of the treatment facilities in terms of equivalent residential connections (ERCs) as used in developing the proposed service availability charges for both water and wastewater.

The most recent calculation of proposed Service Availability Charges was that submitted to the Commission on October 14, 2025, using the methodology employed by Staff but with the corrected “design” and “buildout” capacities of the Water and Wastewater Systems.

9. Pursuant to Rule 25-30. 565(2)(j), F.A.C., please provide a list of outstanding developer agreements.

The Utility has no outstanding Developer Agreements in place.

10. Pursuant to Rule 25-30. 565(2)(k), F.A.C., for each developer agreement, please state whether the agreement is designed to result in contributed property, an estimated value of the contributed property to be added to the Utility's books, and a description of the property.

The Utility has no outstanding Developer Agreements in place.

11. In response to Staff's Fourth Data Request, the Utility indicated that the home sites in the Smokey Groves Development by Lennar Homes have been prepared into finished lots with the distribution and collection systems fully constructed. Please elaborate on the Utility's statement that Lennar Homes is presenting its items for acceptance by NC Real Estate Projects, LLC.

Lennar Homes is preparing 425 homesites as finished lots to erect homes upon. Their contractor doing the horizontal development (water & sewer lines, streets and other utilities) is finishing the infrastructure for presentation to the Utility to accept but the improvements have not been completed yet for presentation. Lennar Homes has erected 2 model homes on site and had water meters installed and it hooked up to the wastewater system put in place by the contractor, but the infrastructure installed has not been presented or accepted by the NC Real Estate Projects, LLC.

12. Please explain in detail whether the requested pro forma items increase the design capacity (not permitted capacity) of the water and wastewater treatment facilities.

This response was provided in the attached documentation from the Utility's October 14 submittal and recent Staff discussions with Design Engineer McDonald.

13. Please provide a service availability policy.

Builder shall apply for connection to the Utility for Water and Wastewater Services prior to constructing any structure. This application can be either for a single ERC or a

conglomerate of a total number of ERCs for a builder to construct numerous properties. Prior to requesting meters be set at the property, the Service Accessibility Fee must be paid. Any ERC granted is for 2 services into the structure, potable and irrigation, thus each structure will receive 2 water meters and be charged for the placement of 2 meters \$1,200 (2*\$600). The water line feeding the structure will have a U branch for the installation of both meters so the Utility can visit the site and install the meters in a single visit.

14. In the Utility's application for extension of territory, the Utility indicated it had 984 connections remaining in its existing territory and 1,080 connections in the new service area for a total of 2,064 connections. Based on the Utility's methodology of using only new connections in determining its service availability charge, please explain in detail why the Utility is only using 1,200 connections in its calculation of its connection charge.

Please see that attached letter dated October 14, 2025.

15. Provide the design capacity (not permitted capacity) for the water treatment plant according to the Florida Department of Environmental Protection (DEP). As part of this response, provide all supporting documentation.

This response was provided in the attached documentation from the Utility's October 14 submittal and recent Staff discussions with Design Engineer McDonald.

16. Provide the design capacity (not permitted capacity) for the wastewater treatment plant according to the DEP. As part of this response, provide all supporting documentation.

This response was provided in the attached documentation from the Utility's October 14 submittal and recent Staff discussions with Design Engineer McDonald.

17. Explain what steps Grenelefe is currently taking, or is planning to take, to address the 46 percent EUW contained in the Staff Report.

The Utility believes that both wells have had some issues since long before the systems was acquired with accurate records of pumped water. In addition, billed gallons accuracy and consistency has also been an issue. The new owners are taking steps to correct this prior poor record keeping. In addition, there are known issues with the line breaks and lost water due to the age of the Utility infrastructure. The replacement valves, meters, hydrants, pumps and tanks will go a long way in reducing or eliminating these issues. The Utility has undertaken many of these items' replacement and will undertake the remainder as soon as funds are made available through increased rates, connection charges, and loan proceeds allow for the same.

18. Provide the rates the customers were being charged when Grenelefe was bought on May 22, 2022.

The Utility was charging the rates authorized by tariff for the previous owners of the system.

19. Provide the rates the customers were being charged when Grenelefe filed its application for a Staff-Assisted Rate Case on January 10, 2025.

See Tariff Sheet in place January 10, 2025 (with index raised rates).

20. Explain whether Grenelefe was aware, prior to the customer meeting, of the issues regarding excessive Boil Water Notices (BWN) expressed by customers at the customer meeting. If so, what actions has Grenelefe taken to reduce or eliminate the causes of the BWNs.

Utility staff are aware of the BWN and are working diligently to improve the facility so that BWN do not occur so often or have protracted length due to issues that must be addressed. Grenelefe Utility is more than 50 years old and is in need of vital improvements to its outdated meters, equipment, repairs to its lift stations, replacement of valves to isolate affected areas of issues that cause BWN such as line breaks or malfunctioning valves. Utility Staff gets to issues as they arise and the goal is to only have the BWN in place as long as it must be, thus if it is a part that requires replacement, it is ordered with expedited urgency so it can get in place as soon as possible.

21. Explain whether Grenelefe was aware, prior to the Customer meeting, of the issues regarding sewage overflows entering customer's homes. If so, what actions has Grenelefe taken to correct the cause of those overflows?

Sewage overflows into customer homes is a rare event and when it occurs, the Homeowner must attempt to clear their line to the Utility first. If their plumber fails to clear the line and the Utility must vacuum or dig to discover if a tree root has grown into the line at which time the Utility will need to determine if the tree is on the customer's property or the Utility's. This is a legal item that must be determined so the Utility is not encroaching on the customer's property. It also determines who is responsible for the expense. The utility has had 2 previous situations. We followed these same steps and resolved the situation appropriately.

22. Did Grenelefe reach out to each customer that commented at the customer meeting? If so, when was contact made, and how were the customer's concerns addressed? If not, please explain why.

YES. Each of the complaining customers (over 200 verbal and written) have been responded to and the Commission was copied on the responses.

23. Provide any documentation from the DEP that states the DEP is requiring the Utility to increase the permitted capacity of its wastewater treatment plant.

This is being done as stated by George McDonald during the most recent discussions with Staff. In addition, it is prudent for the Utility to construct needed capacity to serve the needs of its service territory expected over the next 5 years. That would take the Utility to buildout of its service territory. That is what the Utility is doing.

24. Refer to Grenelefe's response to Staffs First Data Request, No. 9. Explain why June 2024, July 2024, and August 2024 have the same amount of water usage for each day for each month in the Utility's Monthly Operation Reports. If this is incorrect, explain why and if the DEP has been made aware of this.

The MOR reports for June and July are not the same. The reports, as filed, are attached.

25. Refer to Grenelefe's response to Staff's Fourth Data Request, No. 17. Provide a copy of the entire "ALTERNATIVES ANALYSIS FOR TREATMENT PLANT EXPANSION AND UPGRADE For Grenelefe Resort Wastewater Treatment Plant Polk County, Florida" referenced in this response.

This information was provided in response to staff data request #4.

26. Provide an estimate of how long Grenelefe's proposed meter replacement program will take. As part of your response, please include an estimated beginning and ending date for the program.

Replacement of Existing Customer's meters with digital meters will take 6-8 weeks once it begins. This cost is expected to be between \$1.35-1.4 Million to replace every meter for the existing customers. Again, a finalized approval of the investment and understood recovery from the investment is needed so this can begin.

27. Refer to Grenelefe's response to Staffs Fourth Data Request, No. 24. Provide a copy of the Well #10 hydro tank inspection report delivered to Grenelefe on August 28, 2025. As part of this response, provide who performed the hydro tank inspection.

**Southern Corrosion Engineered Tank Care – John Tucker (407)506-3236
Report attached**

28. In response to Staffs Fourth Data Request, No. 6. The Utility indicated its pro forma project to replace water valves would be completed by October 31, 2026. Provide the number of water valves that have been replaced since October 31, 2024.

We have replaced 7 valves thusfar as they had frozen and were non operable. Our estimate of replacement of the 100 valves throughout the Utility is to take 10 years to complete all the replacements, doing 10 per year. We will try to do more a year to speed along the replacements because these valves serve to allow for areas of the system to be cut off and not affect the overall Utility system, thus making BWN and EUW less prevalent.

29. Provide copies of the latest inspection reports for all 5 lift stations. As part of this response, provide who performed the lift station inspections.

30. Provide the name and position of the Grenelefe employees that would be assigned to the two requested trucks.

Operator – Aaron Weber

Project Manager – Marlon Andrade

31. Provide the name and position of the Grenelefe employees that would be assigned to the three requested golf carts.

Billing Manager – Joyce Roberts

Meter Reading Person 1 - Felipe Arbi

Meter Reading Person 2 – Felipe Arbo

32. Grenelefe was required to file a proposal with the most feasible option to bring Total Nitrogen limit and Total Phosphorus limit into compliance regarding the Wastewater Treatment Plant with DEP prior to September 30, 2025. Please provide a copy of the proposal required to be filed.

This was provided by Design Engineer McDonald in response to Staff Data Request #4 and in discussion with Staff by phone last week.

Response to Staff Data Request #5, Item #24

The MOR reports for June and July are not the same. The reports as filed are attached.



MONTHLY OPERATION REPORT FOR PWSs TREATING RAW GROUND WATER OR PURCHASED FINISHED WATER

See page 4 for instructions.

I. General Information for the Month/Year of: June 2024

A. Public Water System (PWS) Information

PWS Name: Grenelefe Resort		PWS Identification Number: 6530692	
PWS Type: ☒ Community ☐ Non-Transient Non-Community ☐ Transient Non-Community ☐ Consecutive			
Number of Service Connections at End of Month: 1234		Total Population Served at End of Month: 2114	
PWS Owner: Scott House			
Contact Person: Nathan Eckstein		Contact Person's Title: Head of Operations	
Contact Person's Mailing Address: 10389 Leisure Ln		City: Lakewales	State: FL Zip Code: 33898
Contact Person's Telephone Number: (863) 368-0771		Contact Person's Fax Number: (863) 696-3502	
Contact Person's E-Mail Address: nathaneckstein@bentechllc.net			

B. Water Treatment Plant Information

Plant Name: WTP-1 Well #6 WTP-2 Well #10		Plant Telephone Number:		
Plant Address: 3200 State Rd 546		City: Haines City	State: FL Zip Code: 33844	
Type of Water Treated by Plant: ☒ Raw Ground Water ☐ Purchased Finished Water				
Permitted Maximum Day Operating Capacity of Plant, gallons per day: 1080000				
Plant Category (per subsection 62-699.310(4), F.A.C.): C		Plant Class (per subsection 62-699.310(4), F.A.C.): C		
Licensed Operators	Name	License Class	License Number	Day(s)/Shift(s) Worked
Lead/Chief Operator:	Nathan Eckstein	C	18805	7
Other Operators:	Matt Chandley	C	24587	2
	Aaron Weber	C	24587	18

II. Certification by Lead/Chief Operator

I, the undersigned water treatment plant operator licensed in Florida, am the lead/chief operator of the water treatment plant identified in Part I of this report. I certify that the information provided in this report is true and accurate to the best of my knowledge and belief. I certify that all drinking water treatment chemicals used at this plant conform to NSF International Standard 60 or other applicable standards referenced in subsection 62-555.320(3), F.A.C. I also certify that the following additional operations records for this plant were prepared each day that a licensed operator staffed or visited this plant during the month indicated above: (1) records of amounts of chemicals used and chemical feed rates; and (2) if applicable, appropriate treatment process performance records. Furthermore, I agree to provide these additional operations records to the PWS owner so the PWS owner can retain them, together with copies of this report, at a convenient location for at least ten years.

Matthew Chandley 7/9/2024
Signature and Date

Matthew D. Chandley
Printed or Typed Name

C - 24587
License Number

MONTHLY OPERATION REPORT FOR PWSs TREATING RAW GROUND WATER OR PURCHASED FINISHED WATER

PWS Identification Number: 6530692

Plant Name: WTP-2 Well #10

III. Daily Data for the Month/Year of: **June 2024**

Means of Achieving Four-Log Virus Inactivation/Removal: * ☒ Free Chlorine ☐ Chlorine Dioxide ☐ Ozone ☐ Combined Chlorine (Chloramines)
☐ Ultraviolet Radiation ☐ Other (Describe):

Type of Disinfectant Residual Maintained in Distribution System: ☒ Free Chlorine ☐ Combined Chlorine (Chloramines) ☐ Chlorine Dioxide

[illegible]

[illegible]



MONTHLY OPERATION REPORT FOR PWSs TREATING RAW GROUND WATER OR PURCHASED FINISHED WATER

See page 4 for instructions.

I. General Information for the Month/Year of: July 2024

A. Public Water System (PWS) Information

PWS Name: Grenelefe Resort Utility Inc		PWS Identification Number: 6530692		
PWS Type:	☒ Community	☐ Non-Transient Non-Community	☐ Transient Non-Community	☐ Consecutive
Number of Service Connections at End of Month: 1234		Total Population Served at End of Month: 2114		
PWS Owner: Scott House				
Contact Person: Nathan Eckstein		Contact Person's Title: Head of Operations		
Contact Person's Mailing Address: 10389 Leisure Ln		City: Lakewales	State: FL Zip Code: 33898	
Contact Person's Telephone Number: (863) 368-0771		Contact Person's Fax Number: (863) 696-3502		
Contact Person's E-Mail Address: nathaneckstein@bentechllc.net				

B. Water Treatment Plant Information

Plant Name: WTP-1 Well #6 WTP-2 Well #10		Plant Telephone Number:		
Plant Address: 3200 State Rd 546		City: Haines City	State: FL Zip Code: 33844	
Type of Water Treated by Plant:		☒ Raw Ground Water ☐ Purchased Finished Water		
Permitted Maximum Day Operating Capacity of Plant, gallons per day: 1080000				
Plant Category (per subsection 62-699.310(4), F.A.C.): C		Plant Class (per subsection 62-699.310(4), F.A.C.): C		
Licensed Operators	Name	License Class	License Number	Day(s)/Shift(s) Worked
Lead/Chief Operator:	Nathan Eckstein	C	18805	7
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I, the undersigned water treatment plant operator licensed in Florida, am the lead/chief operator of the water treatment plant identified in Part I of this report. I certify that the information provided in this report is true and accurate to the best of my knowledge and belief. I certify that all drinking water treatment chemicals used at this plant conform to NSF International Standard 60 or other applicable standards referenced in subsection 62-555.320(3), F.A.C. I also certify that the following additional operations records for this plant were prepared each day that a licensed operator staffed or visited this plant during the month indicated above: (1) records of amounts of chemicals used and chemical feed rates; and (2) if applicable, appropriate treatment process performance records. Furthermore, I agree to provide these additional operations records to the PWS owner so the PWS owner can retain them, together with copies of this report, at a convenient location for at least ten years.

Matthew Chandley 8/1/2024

Signature and Date

Matthew D. Chandley

Printed or Typed Name

C - 24587

License Number

MONTHLY OPERATION REPORT FOR PWSs TREATING RAW GROUND WATER OR PURCHASED FINISHED WATER

PWS Identification Number: 6530692

Plant Name: WTP-2 Well #10

III. Daily Data for the Month/Year of: July 2024

Means of Achieving Four-Log Virus Inactivation/Removal: *

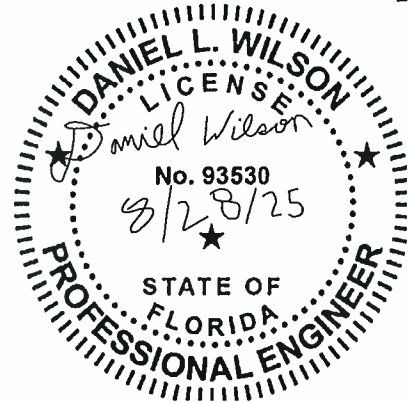
☒ Free Chlorine☐ Chlorine Dioxide☐ Ozone☐ Combined Chlorine (Chloramines)☐ Ultraviolet Radiation ☐ Other (Describe):

Type of Disinfectant Residual Maintained in Distribution System:

☒ Free Chlorine☐ Combined Chlorine (Chloramines)☐ Chlorine Dioxide[illegible]

[illegible]

Response to Staff Data Request #5, Item #27 and #29



August 28, 2025

Winter Haven, Florida

Re: 25,000 Gallon Well #10 Hydropneumatic Water Storage Tank Washout Inspection Report

Winter Haven:

Southern Corrosion, Inc. appreciates the opportunity to serve your water system by completing the washout inspections and engineering evaluations for the above-referenced water storage tank.

Pursuant to **Rule 62-555.350(2), Florida Administrative Code (FAC)**, this letter and the attached reports document the required 5-year engineering inspections.

The original inspections were performed under the responsible charge of the late Michael L. Douglas, PE (FL PE #82868), Vice President of Engineering at Southern Corrosion, Inc. Following his passing and the inability to access his engineering records, the field inspection findings were thoroughly reviewed by the undersigned Professional Engineer.

Findings

- **Protective Coatings:** The interior and exterior coatings of the tank are in need of renovations of this time to continue protecting the steel surfaces from corrosion and deterioration.
- **Sediment and Biogrowth Removal:** During the washout process, loose sediment, biogrowth, and mineral deposits (calcium, iron, and/or manganese) were removed to restore sanitary conditions.
- **Structural Integrity:** Based on the inspector's observations and subsequent engineering evaluation, the structural components of each tank—including shells, roofs, floors, foundations, weld seams, and appurtenances (ladders, hatches, piping supports)—were found to be in satisfactory condition. No significant corrosion, cracking, deformation, or other structural defects that would compromise the tanks' integrity were observed.



Recommendations

At this time, the tank is in need of interior and exterior coating rehabilitations. No immediate structural repairs are recommended beyond routine maintenance and continued periodic inspections in accordance with Rule 62-555.350(2), FAC. Southern Corrosion recommends an interior and exterior renovation at this time and continued monitoring of all tank components during future inspections and prompt addressing of any future deficiencies that may develop.

These findings and this letter are issued under the responsible charge of the undersigned Florida-licensed Professional Engineer.

We appreciate the opportunity to assist Winter Haven in maintaining the safety, integrity, and regulatory compliance of your water storage facilities. Please do not hesitate to contact us with any questions or if additional assistance is needed.

Thanks again,

Daniel Wilson, PE
Vice President of Engineering



WATER STORAGE TANK 5 YEAR - WASHOUT INSPECTION REPORT



Winter Haven, FL – Ben Tech

25,000 Gallon Well #10 Water Storage Tank

Water System Contact: Nathan Eckstein, Work: 863-632-7529

Date of Inspection: 3/27/2025

2025

Inspector Signature Logan Harrup



WATER TANK INSPECTION REPORT

This inspection report documents the current condition of the structure, attached components, the applied protective coating systems, and regulatory compliance with common regulatory standards.

The protective coating systems applied to the exterior and interior of the structure are further evaluated based on the types of deficiencies observed, the extent of those deficiencies, and the degree in which the deficiencies affect those coated surfaces.

Our inspection procedures adhere to SSPC, NACE, and AWWA standards relating to inspecting and maintaining water storage structures. This report is not a structural analysis or a guarantee of compliance with all state or federal regulations.

Should you have any questions about the observations and recommendations outlined in this inspection report, please contact your Area Representative or call our main office at (252) 535-1777.

INSPECTION DATA:

Date of Inspection: 3/27/2025

Water Tank Owner: Ben Tech

Water System Contact: Nathan Eckstein, Mobile: 863-632-7529

Tank Inspector: Logan Harrup, NACE/AMPP Coating Inspector Level 1 - Certified, Cert. No. 108446,

Work: 252-535-1777, Email: logan@tankcare.net, Certified Southern Corrosion Inspector

STORAGE TANK DATA:

A washout inspection was performed on the water tank identified as the:

25,000 Gallon Well #10 Hydro-Pneumatic Water Storage Tank (150 Palm View Ct, Haines City, FL 33844)

CORPORATE OFFICE: 738 THELMA ROAD
ROANOKE RAPIDS, NC 27870
OFFICE: (252) 535-1777 FAX: (252) 535-3215
www.tankcare.net



EXTERIOR STRUCTURE & COMPONENTS

EXTERIOR INSPECTION OBSERVATIONS

The exterior of the structure, its components, and the protective coating system was evaluated based on three basic criteria: (1.) Condition. (2.) Protection. (3.) Durability.

PROTECTIVE COATING SYSTEM - The types of deficiencies observed affecting the exterior protective coating system is:

- **Chalk Erosion** – Gradual thinning of the finish coat to expose the undercoat. *Cause: Degradation of coating resin by ultraviolet light (sunlight) leaving coating residue on its surface.*
- **Fading** - Color changes or irregularities. *Cause: Ultraviolet light degrade; or moisture behind the paint film.*
- **Irregular Shape Corrosion** –Deterioration at edges, corners, crevices, channels, etc. *Cause: Difficult to coat surfaces; or configurations where a coating thins from service degradation.*

The degree of those deficiencies affecting the overall coating system is estimated to be:

Proportional – The observed deficiencies are proportional to the impact of the environment.

INSPECTOR OBSERVATIONS

The exterior of the tank is in fair condition. The following deficiencies were observed within the exterior coating system:

- Chalking – Observed on most tank surfaces.
- Fading – Observed on most tank surfaces.
- Irregular Shape Corrosion – Observed on the piping hardware covering less than 5% of total surfaces.

INSPECTION PICTURES INCLUDED.

CORPORATE OFFICE: 738 THELMA ROAD
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OFFICE: (252) 535-1777 FAX: (252) 535-3215
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INTERIOR WET STRUCTURE & COMPONENTS

INTERIOR WET INSPECTION OBSERVATIONS

The interior wet of the structure, its components, and the protective coating system was evaluated based on three basic criteria: (1.) Condition. (2.) Protection. (3.) Durability.

PROTECTIVE COATING SYSTEM - The types of deficiencies observed affecting the interior wet protective coating system is:

- **Discoloration / Staining** – Organic build up on the surface of the coating causing a discoloration. *Cause: Iron, manganese deposits in the water, micro-organism growth.*
- **Undercutting** – Blistering and/or peeling of paint where exposed steel is rusting. *Cause: Corrosion products formed where steel is exposed, undermining and lifting surrounding paint.*
- **Peeling Between Coats** – Peeling of heavy paint buildup from the substrate. *Cause: Stress from weathering (a contraction of total system) exceeds adhesion to the substrate.*

The degree of those deficiencies affecting the overall coating system is estimated to be:

Proportional – The observed deficiencies are proportional to the age of the coating and the impact of the environment.

INSPECTOR OBSERVATIONS

At the time of inspection, a washout procedure was performed and all sediment and debris were removed. The interior coatings are in poor condition. The following deficiencies were observed within the interior (wet) coating system:

- **Discoloration/staining** – Observed on all interior surfaces.
- **Undercutting** – Observed on the roof of the tank.
- **Adhesion Failure** – Observed throughout the interior on the floor, end caps, and roof.

INSPECTION PICTURES INCLUDED.

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STRUCTURE COMPONENTS

STRUCTURE COMPONENTS

Components are integral parts of the structure and its day to day operation. The components are also evaluated based on the four basic criteria: (1.) Condition. (2.) Protection. (3.) Durability.

STRUCTURE AND COMPONENTS

Foundation: Satisfactory

Inspection Criteria: Evaluate the condition of the surface of the foundation(s) that is visible.

Support Structure: Satisfactory

Inspection Criteria: Depending upon the design of the water tank, evaluate the condition of the legs, rods, beams, bell, stem, and catwalk components.

Storage Structure: Satisfactory

Inspection Criteria: Depending upon the design of the water tank, evaluate the bowl, sidewall, dome, or roof of the storage structure.

Hatches: Satisfactory

Inspection Criteria: Evaluate all hatches that access the interior dry or interior wet spaces for condition and compliance.

Overflow Components: Satisfactory

Inspection Criteria: Evaluate the pipe, standoffs, welds, penetration point, vertex preventer, and termination flap or screen for condition and compliance.

Level Indicator Structure: Satisfactory

Inspection Criteria: Inspect the components of the indicator structure and test the movement of the indicator.

Vent Structure: Satisfactory

Inspection Criteria: Evaluate vent components (base, cover, and screen) for condition, proper operation, and compliance.

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OFFICE: (252) 535-1777 FAX: (252) 535-3215

www.tankcare.net



INSPECTOR OBSERVATIONS AND TANK FEATURES:

- The tank rests on two (2) steel saddles, which appeared to be in good condition.
- The concrete foundations appear to be in good condition. Minor gouging can be observed.
- The tank features a clamp style manway.
- One end cap features a sight glass.

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COMPLIANCE REPORT

COMPLIANCE REPORT

The compliance report documents the inspection and its compliance with State Health and Environmental Control regulations related to water storage facilities. Please note that this report does not guarantee water quality or compliance with all related regulations.

Site Accessibility – N/A

** Compliance Criteria: All storage tanks shall be readily accessible at all times for inspection and maintenance.*

Trespass Prevention - N/A

** Compliance Criteria: Fencing, locks on access manholes, and other manholes and other necessary precautions shall be provided to prevent trespassing, vandalism, and sabotage.*

Overflow Pipe Design - N/A

** Compliance Criteria: All atmospheric storage structures shall be provided with an overflow. The termination of the pipe should be covered by a screen or flap.*

Access Hatch - Compliant

** Compliance Criteria: Any access hatch should meet AWWA design standards and the cover secured with a lock.*

Vent Design and Condition - N/A

** Compliance Criteria: All finished water atmospheric storage structures shall be vented. A vent structure shall be capped and all openings covered with a screen.*

SITE ACCESSIBILITY

TRESPASS PREVENTION

OVERFLOW PIPE DESIGN

N/A

N/A

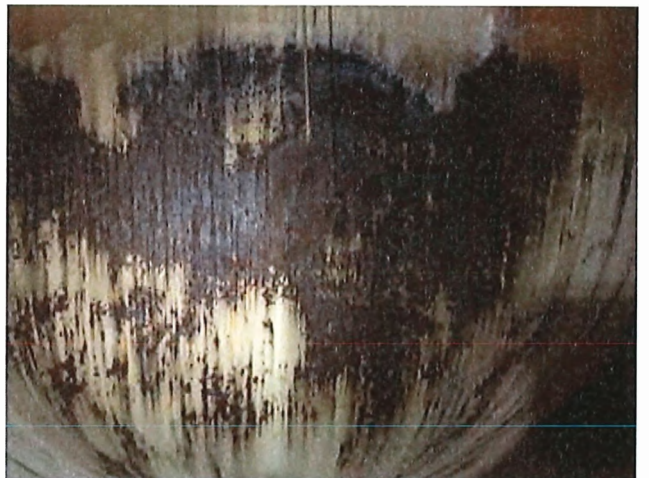
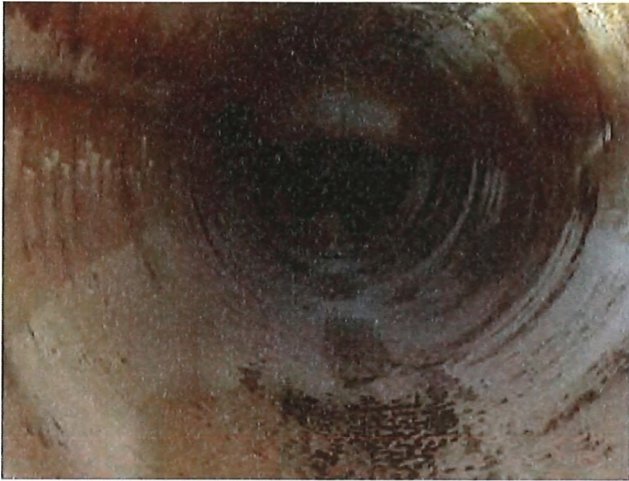
N/A

VENT DESIGN AND CONDITION

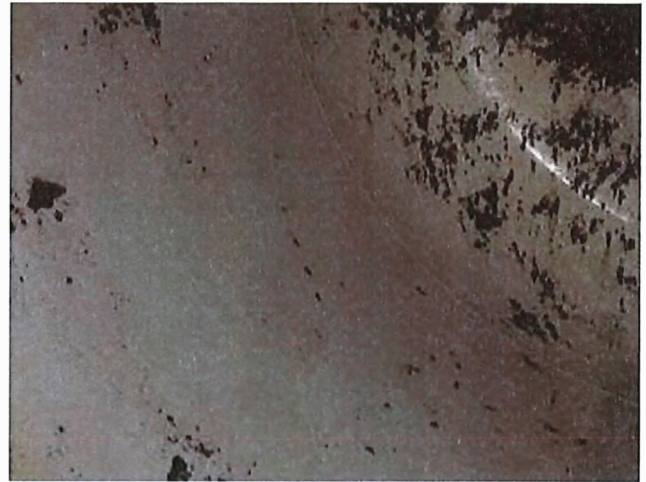
N/A

CORPORATE OFFICE: 738 THELMA ROAD
ROANOKE RAPIDS, NC 27870
OFFICE: (252) 535-1777 FAX: (252) 535-3215
www.tankcare.net

Interior Photos Before Washout



Interior Photos After Washout



**Grenelefe Water Utilities
Quote**

July 25, 2025

**NC Real Estate
Grenelefe Resorts
3426 Turnberry Drive
Lakeland, FL 33803
(704) 996-4543**

We propose to replace (20) fire hydrants including watch valves and piping. Implementing a Quarterly inspection program: including the exercising of the valves and flushing of the fire hydrants to ensure proper operation at time when needed.

The cost to provide the above is \$298,000.00

**Utilities Manager
Aaron Weber
DEP LIC #0023158
(863) 940-1505**

**Grenelefe Water Utilities
Quote**

July 25, 2025

**NC Real Estate
Grenelefe Resorts
3426 Turnberry Drive
Lakeland, FL 33803
(704) 996-4543**

We propose the refurbishing of Lift Station #1 will need a new control panel, Along with two New 15 HP Submersible pumps provided by Barney's Pumps. This will include all piping and replacing of all check valves, installing all high and low voltage wiring, controls, and components. SCADA system controls are needed for real time monitoring of pumps and float controls. Resurfacing of concrete structure is also needed in Lift Station Hole and Surrounding area for control panel and valve compartment.

The cost to provide the above is \$263,000.00

**Utilities Manager
Aaron Weber
DEP LIC #0023158
(863) 940-1505**

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Quote**

July 25, 2025

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We propose the refurbishing of Lift Station #2 will need a new control panel, Along with two New 15 HP Submersible pumps provided by Barney's Pumps. This will include all piping and replacing of all check valves, installing all high and low voltage wiring, controls, and components. SCADA system controls are needed for real time monitoring of pumps and float controls. Resurfacing of concrete structure is also needed in Lift Station Hole and Surrounding area for control panel and valve compartment.

The cost to provide the above is \$252,000.00

**Utilities Manager
Aaron Weber
DEP LIC #0023158
(863) 940-1505**

**Grenelefe Water Utilities
Quote**

July 25, 2025

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Grenelefe Resorts
3426 Turnberry Drive
Lakeland, FL 33803
(704) 996-4543**

We propose the refurbishing of Lift Station #3 will need a new control panel, Along with two New 10 HP Submersible pumps provided by Barney's Pumps. This will include all piping and replacing of all check valves, installing all high and low voltage wiring, controls, and components. SCADA system controls are needed for real time monitoring of pumps and float controls. Resurfacing of concrete structure is also needed in Lift Station Hole and Surrounding area for control panel and valve compartment. All piping will be provided by Ferguson Waterworks.

The cost to provide the above is \$182,630.00

**Utilities Manager
Aaron Weber
DEP LIC #0023158
(863) 940-1505**

**Grenelefe Water Utilities
Quote**

July 25, 2025

**NC Real Estate
Grenelefe Resorts
3426 Turnberry Drive
Lakeland, FL 33803
(704) 996-4543**

We propose the refurbishing of Lift Station #4 will need a new control panel, Along with two New 7.5 HP Submersible pumps provided by Barney's Pumps. This will include all piping and replacing of all check valves, installing all high and low voltage wiring, controls, and components. SCADA system controls are needed for real time monitoring of pumps and float controls. Resurfacing of concrete structure is also needed in Lift Station Hole and Surrounding area for control panel and valve compartment. All piping will be provided by Ferguson Waterworks.

The cost to provide the above is \$210,000.00

**Utilities Manager
Aaron Weber
DEP LIC #0023158
(863) 940-1505**

**Grenelefe Water Utilities
Quote**

July 25, 2025

**NC Real Estate
Grenelefe Resorts
3426 Turnberry Drive
Lakeland, FL 33803
(704) 996-4543**

We propose the refurbishing of Lift Station #5 will need a new control panel, Along with two New 5 HP Submersible pumps provided by Barney's Pumps. This will include all piping and replacing of all check valves, installing all high and low voltage wiring, controls, and components. SCADA system controls are needed for real time monitoring of pumps and float controls. Resurfacing of concrete structure is also needed in Lift Station Hole and Surrounding area for control panel and valve compartment. All piping will be provided by Empire Piping.

The cost to provide the above is \$178,600.00

**Utilities Manager
Aaron Weber
DEP LIC #0023158
(863) 940-1505**