NCDENR

North Carolina Department of Environment and Natural Resources

Dexter R. Matthews, Director | Division of Waste Management | Michael F. Easley, Governor
William G. Ross Jr., Secretary

May 9, 2008

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. F. Norbert Hector, Jr.
Managing Member
Alligator River Recycling, LLC
431 Raleigh View Road
Raleigh, North Carolina 27610

Re: Alligator River Recycling, LLC, Hyde County, North Carolina - (Doc ID No: 4455)

Dear Mr. Hector:

The General Assembly, under the provisions of Section 3 of Session Law 2007-543, found that it is in the public interest to provide for the potential compensation of an applicant who submitted an application for a permit for a solid waste management facility prior to August 1, 2006 and whose application would be denied under N.C.G.S. 130A-295.6(d). Dan Moore submitted a request for reimbursement pursuant to that Law on December 27, 2007, on behalf of Alligator River, LLC.

The Division of Waste Management has completed its review of the Alligator River, LLC request for reimbursement of costs incurred in the preparation of an application for a permit for a sanitary landfill. The review included clarifying information submitted pursuant to a request by the Division. The Division has determined that based upon information and documentation provided by Alligator River Recycling, LLC, the limited liability company is eligible to receive a total of $742,283.02 for reimbursement of landfill application costs.

Costs eligible for reimbursement include funds spent for preparation of the landfill permit application, legal fees that were associated with obtaining a local franchise for the landfill, and travel shown to be directly associated with landfill permit application activities.

Costs not eligible for reimbursement include legal and tax preparation fees for the Alligator River Recycling Limited Liability Company, salaries of the principals of Alligator River, LLC, internal management expenses, travel and entertainment expenses not shown to be directly associated with landfill permit application activities, and fees for the service of private investigators. In addition, some requests were not deemed eligible for reimbursement because sufficient documentation was not provided to qualify the particular requests under the requirements of the law. Enclosed with this letter is the "SB 6 Reimbursement Review" spreadsheet prepared by the Division depicting which specific requests for reimbursement have been deemed eligible, in whole or in part, which requests have been deemed ineligible, in whole or in part, and the reason for denial.

Please sign and return to the Division the enclosed "Certification of Authenticity and Payment," certifying that the costs to be reimbursed were incurred by Alligator River, LLC, that the documentation supporting the costs is complete, accurate and truthful, that the costs were paid in full, and that said costs are eligible for reimbursement under Section 3 of Session Law 2007-543.

If Alligator River, LLC agrees with the reimbursement determination in this letter and executes the Certification of Authenticity and Payment, then please also execute the enclosed "Waiver and Covenant Not to Sue", as required by Section 3.(g) of the Session Law. Upon receipt of both fully executed documents, the Department, in accordance with Section 3.(f) of the Session Law, will notify the Secretary of the Department of Revenue to reimburse these costs subject to the availability of funds from the proceeds of the tax imposed in accordance with N.C.G.S. 105-187.61.

If Alligator River, LLC disagrees with the determination of the Division regarding eligibility of particular costs for reimbursement and believes that the determination is in error, it is the policy of this State to attempt to settle such a dispute through informal procedures. The Division encourages your client to schedule an informal conference to discuss this matter and to give your client an opportunity to review with the Division the reimbursement costs deemed eligible and ineligible. If your client desires an informal conference, please contact Ellen Lorscheider at 919.508.8499, or the address on this letterhead within the next thirty (30) days.

Whether or not Alligator River, LLC chooses to schedule an informal conference, the company has a right to request an administrative hearing to contest this decision reimbursement decision. To exercise this right, your client must file a written petition in accordance with N.C.G.S. 150B-23(a) within sixty (60) days of receipt of this certified letter. Said petition must state facts tending to establish that the agency has deprived your client of property, has otherwise substantially prejudiced your client's rights, and that the agency has: 1) exceeded its authority or jurisdiction; 2) acted erroneously; 3) failed to use proper procedure; 4) acted arbitrarily or capriciously; or 5) failed to act as required by law or rule.

The petition must be filed within sixty (60) days with the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, NC 27699-6714. A copy of the petition must also be served on Ms. Mary Penny Thompson, General Counsel, North Carolina Department of Environment and Natural Resources, 1601 Mail Service Center, Raleigh, NC 27699-1601.

However it should be noted that the scheduling of an informal conference will not extend the sixty (60) day period to file the petition for an administrative hearing.

Sincerely,

Dexter Matthews
Director

Enclosures

c: Paul S. Crissman, Chief, Solid Waste Section
Ellen Lorscheider, Environmental Programs Manager
Nancy Scott, Assistant Attorney General

	A	B	C	D	E	F	G	H	I	J	K
1	SB 6 Cost Reimbursement Review										
2											
3	Applicant:				Alligator River Recycling, LLC						
4	Facility:				Alligator River Recycling, LLC, Hyde County NC						
5											
6	Page (s) #	March (CD) Response page #	Purpose	Firm	Eligible Costs	Ineligible Costs		Date of Cost	Comments and Clarifying Information Needed	March submittal - Additional info provided in comment boxes on some pages of the original submittal, on the electronic copy (or comments in letter, as noted). Italics is added supporting info	Review comments
7											
8	1-150 Project Management Costs				$0.00	$1,233,480.00					
9	1		Salaries	D. H. Griffin		$461,001.00	no	year 2004	Salaries, taxes, health insurance, and auto allowance of Norbert Hector, Paul Givens, Daniel Moore, Chris Roof, and Simon Rich. Calculated at 70%, 50%, 70%, 70% and 50% of their time, respectively.		
10	2		Salaries	D. H. Griffin		$497,599.00	no	year 2005	same as above		
11	3		Salaries	D. H. Griffin		$274,880.00	no	year 2006	same as above, through 8/1/06		
12	1-210 Travel				$0.00	$3,236.82					
13	4-5	15-16	lodging	Dan Moore		$73.45	no	9/29/2004	Washington	Personal expenses on this report are for gas, food, and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
14	6	17	gas	Dan Moore		$43.69	no	9/30/2004	Washington	Personal expenses on this report are for gas, food, and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
15	7-8	18-19	lodging	Dan Moore		$73.45	no	10/11/2004	Knightdale	Personal expenses on this report are for gas, food, and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. The projection screen rental was for a presentation to Hyde County officials.	No - This was for hotel in Knightdale. Projection screen rental not on this charge. Date of hotel was 8 days prior to screen rental - different item.
16	7-8	19	gas	Dan Moore		$41.48	no	10/20/2004	Zebulon	Personal expenses on this report are for gas, food, and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. The projection screen rental was for a presentation to Hyde County officials.	No
17	9-10	20-21	parking	Dan Moore		$8.00	no	12/2/2004	parking at Dept. of Admin. For Basnight mtg. ($1.50). Other receipt not readable.	Personal expenses on this report are for parking, food, copy services, and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
18	11-13	22-24	lodging	Norbert Hector		$2,420.33	no	2/2/2005	The Lords Proprietors Inn, Edenton. 13 rooms. Reception $48.15, 6 bottles of wine $128.40. Dinner for 15 $882.75. Wine for 12 $154.08. Dinner gratuity $193.80. Breakfast service $16.05.	Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. This particular invoice is related to a ARR project planning retreat held in early 2005. Conceptual facility plans were reviewed and discussed.	No
19	14-15	25-26	lodging	Dan Moore		$76.70	no	4/7/2005	The Lords Proprietors Inn, Edenton. Quible mtg	Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. The "FL trip" expenses are related to site visits at several C&D material processing facilities in Florida. Information gained during this trip was used to help formulate facility layouts and operational plans incorporated in ARR permit applications.	No - This charge is not for the Florida trip.
20	16-19	27-30	lodging	Dan Moore		$135.92	no	6/15/2005	Raleigh ($56.45, 6-15-05) and Nags Head ($79.47, 5-24-05).	Personal expenses on this report are for materials, food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. References to "MD" (Maryland) are related to research regarding potential wastestreams for the facility and determinations of waste acceptability within the confines of the facility's permit applications.	No - These charges are not related to the Maryland charges. No additional info provided.

	A	B	C	D	E	F	G	H	I	J	K
21	20,21	31-32	lodging	Dan Moore		$62.15	no	10/17/2005	Knightdale.	Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
22	22- 24	33-35	lodging	Norbert Hector & DM		$153.40	no	3/30/2006	The Lords Proprietors Inn, Edenton - 2 rooms: Dan Moore, Norbert Hector	Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
23	25, 26	36-37	lodging	NH		$76.70	no	5/15/2006	The Lords Proprietors Inn, Edenton	The $35.43 personal expense item from June 8, 2006, (NC General Assembly) was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment.	No - No additional info provided for the $76.70 charge. The $35.43 charge applies to page 123.
24	27, 28	38-39	gas	DM		$71.55	no	12-7-04 1-4-05	gas Greensboro, Belhaven. "Gas for trip east" and "gas for lassiter meeting"	Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. Other material expenses are also related to preparation of the ARR permit applications. References to "PCI" are related to meetings and discussions regarding potential wastestreams for the facility and determinations of waste acceptability within the confines of the facility's permit applications.	No - These charges are not related to the PCI charges. No additional info provided.
25	**1-320 Meals**				**$93.83**	**$5,334.23**					
26	29,30	41-42	meals	Margaret Corrigan		$54.30	no	10/13/2004	Garner	Addressed previously (in section 1-210)	No, this particular invoice was not listed in the previous section
27	NA		meals			$228.40	no		$120.15, $108.25 are listed on the summary, but no receipts, no information at all, is submitted to support claims. $335.11 see line 48.		
28	31, 32	43-44	meals	DM		$16.59	no	10/20/2004	no receipt for $11.32	Addressed previously (in section 1-210) - *Personal expenses on this report are for gas, food, and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. The projection screen rental was for a presentation to Hyde County officials.*	No - the charge is for meals, not for the projection screen rental. No receipt for $11.32 (date of screen rental). Other meal $5.27 is 8 days earlier. No additional info provided.
29	33, 34	45-46	meals	Margaret Corrigan		$64.00	no	11/9/2004	Garner	Addressed previously (in section 1-210)	No, this particular invoice was not listed in the previous section
30	35	47	meals	DM		$32.97	no	11/19/2004	No receipt. Only expense report. Meal with Garrett	Addressed previously (in section 1-210) - *Personal expenses on this report are for parking, food, copy services, and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.*	No - No additional info provided
31	36,37	48-49	meals	NH		$553.21	no	12/9/2004	Raleigh, Capital City Chop House, Garner, Joyce Engr. Cooking and cleaning (120.00)	Personal expenses on this report are for food and lodging (including cooking and cleaning) for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
32	38	50	meals	NH		$56.89	no	12/9/04 12/7/04 12/3/04	no receipts	Personal expenses on this report are for food for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
33	39,40	51	meals	Simon Rich		$82.51	no	9/7/04 9/29/04 10/25/04	can't read receipts	Personal expenses on this report are for travel, food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. Other material expenses are also related to preparation of the ARR permit applications. References to travel are related to meetings and discussions regarding potential waste streams for the facility and determinations of waste acceptability within the confines of the facility's permit applications.	No - meals discussion related to waste streams.

	A	B	C	D	E	F	G	H	I	J	K
34	41-43	53-55	meals	DM		$167.90	no	1/6/2005	can't read receipts. Greensboro, Burlington	Addressed previously (in section 1-210) - *Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. Other material expenses are also related to preparation of the ARR permit applications. References to "PCI" are related to meetings and discussions regarding potential waststreams for the facility and determinations of waste acceptability within the confines of the facility's permit applications.*	No - meals discussion related to waste streams.
35	44, 45	56-57	meals	NH		$534.19	no	1/25/2005	meal in Delaware. Receipt was included, but amount not listed on summary table - $534.19	Personal expenses on this report are for food and travel for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
36	46, 47	58-59	meals	NH		$120.00	no	2/3/2005	cooking & cleaning paid to Joyce Engr. This is for the same meeting listed on page 11 ($2420.33)	Addressed previously (in section 1-210) - *Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. This particular invoice is related to a ARR project planning retreat held in early 2005. Conceptual facility plans were reviewed and discussed.*	No
37	48, 49	60	meals	DM		$335.11	no	2/7/2005	Raleigh, Mebane, Burlington, Angus Barn $310 (all principals)	Personal expenses on this report are for food, meeting presentation supplies for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
38	50-52		meals	DM		$79.89	no	2/7/2005	meals in Greensboro, Garner. Meals with Garrett $29.73		They skipped pages 49-58 of the original document (it's not included in the March submittal)
39	53, 54		meals	NH		$22.20	no	3/3/2005	Edenton		
40	55, 56		meals	NH		$51.80	no	3/14/2005	Raleigh Village Draft House		
41	57, 58		meals	NH		$205.85	no	3/29/2005	Edenton, Duck ($177.39)		
42	59	61							receipt goes with page 48		
43	60-64	62-66	meals	DM	$33.24	$166.10	OK and no	4/10/2005	OK - $9.61 meal w/o beer, $2.16, $8.95, $12.52. Greensboro, Mebane, Nashville (NC), Robersonville, Raleigh, Washington, Atlanta. No receipts for $21.58.	Addressed previously (in section 1-210) - Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. The "FL trip" expenses are related to site visits at several C&D material processing facilities in Florida. Information gained during this trip was used to help formulate facility layouts and operational plans incorporated in ARR permit applications.	OK - Florida trip meals w/o alcohol and meeting w/ Garrett at the coast.
44	65-68	67-70	meals	DM		$154.28	no	5/6/2005	Edenton (77.89), Charlotte airport, Maryland. No receipt for $21.25.	Personal expenses on this report are for travel, food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. Other material expenses are also related to preparation of the ARR permit applications. References to travel are related to meetings and discussions regarding potential waste streams for the facility and determinations of waste acceptability within the confines of the facility's permit applications.	No - meal discussions concerned waste streams.
45	69,70	71-72	meals	Valerie Goodwin		$39.33	no	5/13/2005	Garner	Personal expenses on this report are for food for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
46	71-73	73-74	meals	DM	$60.59	$63.48	OK & no	6/1/2005	Greensboro, Garner, Belhaven, Kitty Hawk, Raleigh airport	Personal expenses on this report are for food for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	OK - meal mtg. with Garrett at the coast
47	74, 75		meals	DM		$77.22	no	7/4/2005	Raleigh		Pages 73-95 of the original submittal have been skipped
48	76-79		meals	DM		$151.20	no	8/5/2005	Raleigh $99.87 at Michael Deans w/ Judson Whitehurst, Garner, Greensboro		
49	80, 81		meals	NH		$80.00	no	9/30/2005	Golf resort in Greensboro		
50	82-84		meals	DM		$71.56	no	10/5/2005	Greensboro, Garner, Newton Grove		
51	85, 86		meals	NH		$75.82	no	11/9/2005	Garner, Raleigh		
52	87, 88		meals	NH		$29.65	no	10/6/2005	Garner		

	A	B	C	D	E	F	G	H	I	J	K
53	89-92		meals	DM		$171.50	no	10/31/2005	Winston Salem, Nags Head, Plymouth, Washington, Knightdale (Dave Garrett), Wilson. Not all have receipts.		
54	93, 94		meals	VG		$29.65	no	10/6/2005	This is the same charge as on page 87, 88. One is rest. receipt, other is charge card statement		
55	95-97	75-76	meals	DM		$128.65	no	12/5/2005	Greensboro, Ral, Gar. Includes beer. Not all have receipts.		
56	98, 99	77-78	meals	DM		$31.25	no	1/9/2006	can't read receipt - Chris Roof, Dan Moore	Personal expenses on this report are for food, copies and postage for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. Note that the first two expenses on this report were transferred to another account and are not included in this request.	No - No additional info provided
57	100-103	79-83	meals	DM		$103.23	no	2/7/2006	Greensboro, Raleigh, Chesapeake, VA	Personal expenses on this report are for food, lodging, and materials for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
58	104		meals	Simon Rich		$60.00	no	2/20/2006	Email regarding a dinner - Hyde Co. Chamber Commerce		
59	105, 106	84-85	meals	NH		$35.45	no	2/27/2006	Raleigh, Garner	Personal expenses on this report are for travel, food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. Other material expenses are also related to preparation of the ARR permit applications. References to travel are related to meetings and discussions regarding potential waste streams for the facility and determinations of waste acceptability within the confines of the facility's permit applications.	No - meals discussion related to waste streams.
60	107, 108	86-87	meals	DM		$126.70	no	3/6/2006	No receipts, only expense report cover. Wrong receipts attached - they don't match expense form.	Personal expenses on this report are for food, lodging, and materials for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
61	109, 110	88-89	meals	NH		$174.47	no	3/28/2006	food & labor $160. Belhaven	Personal expenses on this report are for food for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
62	111-115	90-94	meals	DM		$119.52	no	4/7/2006	Raleigh, Farmville, Wilson, Belhaven. Includes beer	Personal expenses on this report are for food for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
63	116-118	95-97	meals	NH		$117.64	no	4/12/2006	Garner, Greensboro, Charlotte	Personal expenses on this report are for food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
64	119, 120	98-99	meals	NH		$44.83	no	4/13/2006	Raleigh	Personal expenses on this report are for food for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
65	121, 122		meals	DM		$37.56	no	6/7/2006	Belhaven		Pages 120 - 128 of the original submittal were skipped.
66	123-126		meals	NH		$190.76	no	5/15/2006	Summerville, SC, Garner, Raleigh, Village Draft House		No - No additional info provided. See page 25 - they removed charge of $35.43.
67	127		meals	DM		$24.98	no	7/6/2006	no receipt.		
68	128, 129	100	meals	NH		$103.00	no	7/30/2006	Raleigh, includes beer and wine		
69	130, 131	101-102	meals	DM		$24.95	no	8/15/2006	Garner, other receipt not readable	Personal expenses on this report are for food, travel and office supplies for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided
70	132-134	103-104	meals	NH		$153.98	no	9/21/2004	All Garner	Personal expenses on this report are for food for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications.	No - No additional info provided

	A	B	C	D	E	F	G	H	I	J	K
71	135, 136	105	meals	NH		$141.66	no		42nd St. Oyster Bar $66.43, Steak house in Fairfield, Greenville	Personal expenses on this report are for travel, food and lodging for project management personnel and/or project consultants while performing activities directly related to preparation of the ARR permit applications. Other material expenses are also related to preparation of the ARR permit applications. References to travel are related to meetings and discussions regarding potential waste streams for the facility and determinations of waste acceptability within the confines of the facility's permit applications.	No - meals discussion related to waste streams.
72	**1-400 General & Administrative**				**$740.19**	**$46,023.80**					
73	137	108	General & Admin.	MRR Southern		$134.10	no	9/9/2004	Forms Fulfillment Center in NY. No info on what this is. Charged to MRR Southern, not ARR.		No additional info provided
74	138-141		General & Admin.	DM MRR Southern		$194.51	no	9/6/2004	Presentation supplies		
75	142-144		General & Admin.	DM		$37.45	no	10/20/2004	projection screen rental		
76	145, 146	117	General & Admin.	UPS	$4.45		OK	9/21/2004	What was this for?	Shipment from D. Moore to noted law firm; related to ARR site property deed needed for franchise.	Yes
77	147		General & Admin.	Intel Conf. call		$101.67	no	9/14/2004			
78	148-151		General & Admin.	DM		$106.19	no	1/6/2005	No - Bailer, bucket, subscription to Coastland Times. Maybe - What was FEDEX for?		No additional info provided
79	152-154	124	General & Admin.	DM		$330.18	no	2/7/2005	Presentation supplies. Office Depot, Kinkos, map, Office depot, kinkos.	All receipts of this type with "FedEx/Kinko's" are for project related copies and reproductions.	No - Project related copies are office supplies.
80	155-157		General & Admin.	DM		$114.41	no	5/6/2005	Maybe - Where are the receipts for $4.00, $19.00, and $27.01? No - map of Maryland, kinkos supplies, office depot supplies. Maybe - mail to Elizabeth City.		No additional info provided
81	158-160	131	General & Admin.	DM		$189.56	no	7/4/2005	binders, subscription to Coastal Times, kinkos copies, mail to Maryland.	Receipt for postage associated w/ a FOIA request to MD DEQ for waste records, & copies of solid waste regulations. From Dan Moore to DEQ. Waste records necessary to determine anticipated waste volume for the proposed facility.	No - This is directed to the $4.28 postal charge to Baltimore, Maryland to determine waste volumes. No additional provided on other charges.
82	161-163	133-134	General & Admin.	Fedex	$18.48		OK	5/3/2005	Fed ex to Bissell Professional Group, Kitty Hawk. What was this for?	Shipment of project files to ARR site floodplain consultant.	Yes
83	164, 165	136	General & Admin.	Fedex		$14.89	no	5/17/2005	Fed ex to USACE in Wilmington NC. What was this for?	This is for a shipment of project area maps to the USACE related to ARR's request for release of the US Governments Intracoastal Waterway easement at the ARR site.	No - This is for barge only.
84	166, 167		General & Admin.	DM		$47.35	no	8/5/2005	Kinkos - Drawings for Sawyer ($22.47), Food Lion drinks and baggies (test pit supplies) ($24.87)		
85	168, 169		General & Admin.	Intercall conf. call		$96.21	no	8/1/2005			
86	170-173		General & Admin.	DM		$505.14	no	8/23/2005	Maybe - Mail to USACE. No - copies and supplies for partners board meeting.		No additional info provided
87	174-175		General & Admin.	DM		$143.40	no	10/5/2005	No - phone rental. What was the motel for and where is receipt? Where is receipt for mail charge?		No additional info provided
88	176, 177	148	General & Admin.	UPS shipping		$16.56	no	11/9/2005	What was shipped to Scarinci & Hollenbeck LLC in Lyndhurst NJ?	This $16.56 shipping expense item from November 2005, was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment.	No - charge removed
89	178, 179	150	General & Admin.	UPS shipping		$25.19	no	9/9/2005	What was shipped to Cresset Capital Partners in Charlotte?	Shipment of project correspondence from ARR's office to Paul Given's office in Charlotte.	No - this is mail from principal to principal
90	180, 181		General & Admin.	Fedex		$24.13	no	10/18/2005	What was this for?		No additional info provided
91	182, 183		General & Admin.	kinkos & postal	$51.38		OK	1/9/2006	Bill Ross letter kinkos copies and postage		
92	184, 185	156	General & Admin.	UPS		$14.57	no	11/21/2005	What was mailed to Wachovia in Marion VA?	This $14.57 shipping expense item from November 2005, was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment.	No - charge removed
93	186, 187		General & Admin.	UPS		$1.77	no	11/30/2005	What was mailed?		No additional info provided
94	188-190		General & Admin.	DM		$222.79	no	2/7/2006	Office supplies		
95	191-193		General & Admin.	Intercall conf. call		$157.71	no	2/3/2006			

	A	B	C	D	E	F	G	H	I	J	K
96	194-196	166-167	General & Admin.	UPS		$49.03	no	2/2/2006	What was mailed to Kilpatrick Stockton in Raleigh, to Appraisal & Consulting Co in __minster MA, and to McGrail in __ham Heights MA?	ARR project files shipped to from Norbert Hector to Steve Levitas *(This is for the $13.79 charge)*. This $17.62 shipping expense item from February 2006, was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment *(This is one of the $17.62 charges)*. This $17.62 shipping expense item from February 2006, was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment *(This is the other $17.62 charge)*.	No - No info on "project files" mailed to Levitas.
97	197, 198	169	General & Admin.	UPS		$3.93	no	2/13/2006	What was mailed to Nat. Resource and Env. In Delaware?	This $3.93 shipping expense item from February 2006, was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment.	No - charge removed
98	199-202		General & Admin.	DM		$111.45	no	3/6/2006	Coastland Times subscription, Cahoon meeting lodging (no receipt is provided).		
99	203-207		General & Admin.	Intercall conf. call		$101.48	no	2/2/2006			
100	208-212	179	General & Admin.	Fedex		$93.39	no	2/15/2006	What was mailed to Norbert Hector?	$93.39 of this February 2006, invoice was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment.	No - charge removed
101	213		General & Admin.	Duncan & Parnell		$7.51	no	3/7/2006	Print bond - office supplies		
102	214		General & Admin.	Duncan & Parnell		$33.19	no	3/7/2006	Print bond and plotting bond - office supplies		
103	215		General & Admin.	Duncan & Parnell		$27.66	no	3/7/2006	Print bond and plotting bond - office supplies		
104	216-218	188	General & Admin.	UPS	$8.08		OK	2/20/2006	What was mailed to Sawyer in Belhaven	ARR site plans sent from Norbert Hector to Wm. Sawyer to get construction bids for the ARR project.	Yes
105	219-220	191	General & Admin.	UPS	$5.68		OK	3/6/2006	What was mailed to Lassiter in Southern Shores?	ARR project designs sent from N. Hector to Quible and Assoc (wetlands consultants) to assist in their site evaluation.	Yes
106	221-222		General & Admin.	DM		$29.00	no	3/7/2005	Book entitled Primer of Towing.		
107	223		General & Admin.	DM		$4.27	no	12/1/2004	Kinkos binding		
108	224		General & Admin.	UPS		$21.33	no	2/28/2005	UPS - What was this for?		No additional info provided
109	225-226	197	General & Admin.	UPS		$3.62	no	2/8/2005	UPS invoice provided but not included in summary table. What was mailed to James Blackwood, attorney?	Norbert Hector to Jim Blackwood, attorney to review property deed for ARR site.	No - Related to land acquisition.
110	227-230		General & Admin.	kinkos & Office Depot		$405.78	no	1/31/2005	Office supplies		
111	231-233		General & Admin.	Intercall conf. call		$28.12	no	2/1/2005			
112	234-236		General & Admin.	Intercall conf. call		$65.15	no	3/1/2005			
113	237		General & Admin.	Intercall conf. call		$254.85	no	4/1/2006			
114	238		General & Admin.	Duncan & Parnell		$7.51	no	3/7/2006	Print bond - office supplies		
115	239-241	211	General & Admin.	Fedex	$22.20		OK	4/6/2006	What was this for?	The above invoice is for Dan Moore sending Eric Lappala project files (see airbill below) needed to do groundwater modeling at the ARR site.	Yes
116	242-245		General & Admin.	Intercall conf. call		$104.87	no	5/1/2006			
117	246-249	219-220	General & Admin.	UPS	$31.48		OK	4/12/2006	What was mailed to Pat Wemple of Waff Construction in Edenton? To PreCon Construction in Chesapeake VA? What were these for?	Norbert Hector sending ARR site grading plans to Waff Construction to get cost estimate *($15.05)*. Norbert Hector sends site plans to Pre-Con construction to get advice on ARR site construction *($13.40)*.	Yes
118	250-252	222-223	General & Admin.	UPS	$28.44	$14.70	OK & no	4/17/2006	What was mailed to River Barge Co. in Edenton? To Pat Wemple in Edenton? To PreCon construction in Chesapeake VA?	Norbert Hector sends proposed site plans to Simon Rich (project partner) *(This is for $14.70 - River Barge)*. Norbert Hector sending ARR site grading plans to Waff Construction to get cost estimate *(This is for $14.87 - Pat Wemple)*. Norbert Hector sends site plans to Pre-Con construction to get advice on ARR site construction *(This is for $13.57 - __Con Construction)*.	Yes - grading plans site estimate, advice on site construction. No - mail between partners

	A	B	C	D	E	F	G	H	I	J	K
119	253-254		General & Admin.	DM		$49.21	no	6/7/2006	Office supplies		
120	255-256	227	General & Admin.	UPS		$3.80	no	6/2/2006	What was mailed to John Peterson of Capstrat in Raleigh?	This $3.80 shipping expense item from June 2006, was inadvertently included in the application for reimbursement. This amount should be deducted from our request for repayment.	No - charge removed
121	257-259		General & Admin.	Intercall conf. call		$166.81	no	5/5/2006			
122	260		General & Admin.	Duncan & Parnell		$19.20	no	5/9/2006	Print bond - office supplies		
123	261-262		General & Admin.	DM		$34.75	no	7/6/2006	Coastland Times subscription.		
124	263-264		General & Admin.	DM		$269.37	no	8/15/2006	Office Depot and Office Max. During moratorium		
125	265-268		General & Admin.	Intercall conf. call		$156.48	no				
126	269		General & Admin.	Marketing Waste News		$400.00	no	9/22/2003	Marketing/Advertising noted on summary sheet		
127	270		General & Admin.	Price Waterhouse		$900.00	no	4/25/2006	2005 tax returns		
128	271		General & Admin.	Price Waterhouse		$900.00	no	5/15/2005	2005 tax returns, additional charge		
129	272		General & Admin.	Secretary of State		$200.00	no	12/31/2005	This is not an invoice. The company's legal corporation fees are not project related.		
130	273		General & Admin.	Secretary of State		$200.00	no	12/31/2004	This is not an invoice. The company's legal corporation fees are not project related.		
131	274		General & Admin.	MRR Southern		$15,000.00	no	12/31/2004	Accounting and admin. Fees for 2004. This in an inside generated invoice.		
132	275		General & Admin.	MRR Southern		$15,000.00	no	12/31/2005	Accounting and admin. Fees for 2005. This in an inside generated invoice.		
133	276		General & Admin.	MRR Southern		$8,750.00	no	8/1/2006	Accounting and admin. Fees for 2006. This in an inside generated invoice.		
134	277-278		General & Admin.	Env. Conservation	$570.00		OK	1/6/2005	Lab. Test of VOCs (3 tests) and 1 RCRA metals.		
135	279-284		General & Admin.	Quible & Assoc.		$129.56	no	8/23/2005	Fed Ex Rubino to Moore, Lab fees GW and soil for DO, Fed Ex Rubino to S Rich, Fed Ex Rubino to D Moore.		
136	**1-700 Legal Formation/Research**				**$1,184.45**	**$101,965.05**					
137	285-286		Legal	Kennedy Covington		$4,830.20	no	7/21/2004	Organizing Alligator River's LLC. Itemized on P. 286. For June 2004. Not related to the application.		
138	287-293		Legal	Kennedy Covington		$6,009.10	no	8/19/2004	Organizing Alligator River's LLC. For July 2004. Not related to application.		
139	294		Legal	Kennedy Covington		$633.50	no	11/16/2004	Services rendered through Oct. 2004. Operating agreement		
140	295		Legal	Kennedy Covington		$12,526.00	no	12/6/2004	Services rendered through Nov. 2004. Operating agreement		
141	296-298		Legal	Colombo Kitchen Dunn & Ball LLP		$3,678.24	no	1/13/2005	Legal - Operating agreement.		
142	299		Legal	Smith Moore LLP	$491.45		OK	1/11/2005	Legal - Summary judgment hearing		
143	300		Legal	Colombo Kitchen Dunn & Ball LLP		$12,827.44	no	12/30/2004	Operating agreement. Not related to application.		
144	301		Legal	Colombo Kitchen Dunn & Ball LLP		$117.46	no	2/1/2005	Operating agreement. Not related to application.		
145	302		Legal	Carter Archie Hassell & Holbrook LLP		$3,958.76	no	3/31/2005	Title Work Fee		
146	303		Legal	Smith Moore LLP	$257.50		OK	6/21/2005	Discuss Bertie Solid Waste Agreement		

	A	B	C	D	E	F	G	H	I	J	K
147	304-305		Legal	Kennedy Covington		$415.00	no	11/21/2005	Review confidentiality agreement		
148	306-307		Legal	Kennedy Covington		$279.00	no	10/19/2005	Review revised SNDA (lease arrangement)		
149	308-309		Legal	Kennedy Covington		$93.00	no	12/8/2005	Renewal of title commitment		
150	310-311		Legal	Kennedy Covington		$276.50	no	3/21/2006	Review documents for RJ Skaggs.		
151	312-315		Legal	Phelps Dunbar LLP		$540.50	no	3/31/2005	Review of contract of affreightment. Contract between ship owner and charterer.		
152	NA		Legal			$1,262.50	no		$1262.50 listed on summary table, but no receipts are provided		
153	316-320		Legal	Buist Moore Smythe MeGee PA		$17,933.25	no	10/26/2004	Operating agreement, corporate structuring, towing contract, transport contract, affreightment contract. Not related to application.		
154	321-324		Legal	Buist Moore Smythe MeGee PA		$13,410.40	no	12/6/2004	Operating agreement, affreightment services, barge discussion, canal operating agreement. Not related to application.		
155	325-326		Legal	Buist Moore Smythe MeGee PA	$332.50	$440.96	no & OK	8/22/2007	Stevens Towing operating agreement. Revised time line on solid waste permit for C&D plant. Dates of service are 2004, 2005, and 2006 (before 8-1-06).		
156	327-328		Legal	Buist Moore Smythe MeGee PA	$103.00	$11,540.80	no & OK	3/8/2005	Operating agreements, loans. OK - soil analysis at Hyde property - $103 only		
157	329		Legal	Moise & Assoc.		$948.00	no	5/2/2005	Income tax planning		
158	330-331		Legal	Moise & Assoc.		$4,573.50	no	3/6/2005	Tax planning, operating agreements, barge purchase		
159	332-333		Legal	Colombo Kitchen Dunn & Ball LLP		$1,135.90	no	11/30/2004	Formation of LLCs		
160	334-335		Legal	Colombo Kitchen Dunn & Ball LLP		$1,064.18	no	1/31/2005	Formation of LLCs. Canal Materials operation agreement.		
161	336-337		Legal	Colombo Kitchen Dunn & Ball LLP		$194.86	no	2/28/2005	Formation of LLCs.		
162	338-339		Legal	Moise & Assoc.		$3,276.00	no	1/21/2005	Tax planning, property tax, year end planning, property tax schedules.		
163	**1-800 Legal - James Johnson Lawsuit**				**$55,282.41**	**$20,379.90**					
164	340-341		James Johnson legal	Smith Moore LLP	$1,755.77		OK	6/14/2006	floodplain, CLOMA		
165	342-345		James Johnson legal	Smith Moore LLP	$29,713.75		OK	8/16/2004	Franchise, floodplains, variance to flood prevention ordinance		
166	346		James Johnson legal	Smith Moore LLP	$721.56		OK	2/11/2005	floodplains variance, legal issues		
167	347		James Johnson legal	Smith Moore LLP	$1,646.20	$379.90	OK & no	3/9/2005	Environmental assessment, floodplains		
168	348		James Johnson legal	Bailey Brooks & Craig		$10,000.00	no	7/26/2005	Private investigator.		
169	349-352		James Johnson legal	Smith Moore LLP	$3,251.88		OK	7/13/2005	Litigation, FEMA, franchise, CLOM-R		
170	353		James Johnson legal	Bailey Brooks & Craig		$10,000.00	no	9/22/2005	Private investigator. Surveillance of Johnson (2 men 16 hrs per day for week), other fees.		
171	354-357		James Johnson legal	Smith Moore LLP	$16,488.75		OK	8/10/2005	franchise, floodplains, legal Johnson, sedimentation permit		
172	358-360		James Johnson legal	Smith Moore LLP	$1,476.25		OK	9/15/2005	franchise, public hearings,		
173	361		James Johnson legal	Smith Moore LLP	$1.75		OK	10/13/2005	phone call		

	A	B	C	D	E	F	G	H	I	J	K
174	362		James Johnson legal	Kilpatrick Stockton LLP			see lines 660-664 below	1/23/2006	$4804.73 No itemized listing. What are charges for?		Invoice submitted April. See lines 660-664 below.
175	363		James Johnson legal	Smith Moore LLP	$226.50		OK	3/8/2006	legal issues for lawsuit		
176	**2-100 Local Gov't Approval Legal Fee - Zoning**				**$52,256.95**	**$0.00**					
177	1000-1006		zoning legal	S&ME	$4,968.50		OK	7/28/2004	floodplains, wildlife refuges		
178	1007-1009		zoning legal	Smith Moore LLP	$10,929.24		OK	9/21/2004	franchise, James Johnson,		
179	1010-1011		zoning legal	Smith Moore LLP	$1,335.10		OK	11/11/2004	James Johnson, zoning actions		
180	1012-1013		zoning legal	Smith Moore LLP	$4,409.88		OK	10/19/2004	James Johnson, floodplains, ordinance		
181	1014-1017		zoning legal	Smith Moore LLP	$25,435.68		OK	12/22/2004	County Comm. Mtg., court reporter, James Johnson, flood ordinance, summary judgment hearing		
182	1018		zoning legal	Smith Moore LLP	$1,525.25		OK	5/9/2005	franchise		
183	1019-1020	356	zoning legal	Thomas Phelps Farm	$3,653.30		OK	8/19/2005	wheat that was damaged. 15.35 acres. Please provide more information.	This invoice is from the farmer who leased our project area farmland for agricultural crops. During the initial site characterization activity (drilling, surveying and well testing) several areas of his wheat crop were necessarily damaged. He requested payment for the crop damage created by our activities.	Yes
184	**2-200 Local Gov't Approval S&ME/BOCC**				**$19,616.85**	**$0.00**					
185	1021	359	local gov't approval	S&ME	$3,000.00		OK	2/18/2005	For "professional services"? What was this for?	This $3000.00 portion of the invoice is for preparation of maps, displays, and landfill renderings used for meetings with the Hyde County Board of Commissioners. These services were necessary in order to educate the commissioners and the local citizenry so as to gain their support for our facility franchise, a necessity in the permitting process.	Yes
186	1022-1023	360	local gov't approval	S&ME	$7,282.60		OK	11/18/2003	Not charged to ARR, charged to Stevens Towing, Edenton River Barge, SC. No info on what the charges were for. No indication that this was charged to Alligator River.	Stevens Towing & Edenton River Barge Company are owned by individuals who are members of the Alligator River Recycling, LLC partnership. This invoice and the following ones with the same address were sent to Benjamin Smith, Jr. at Stevens Towing who was helping manage the project at the time of the invoice.	Yes
187	1024-1025		local gov't approval	S&ME	$2,936.65		OK	12/16/2003	Not charged to ARR, charged to Stevens Towing, Edenton River Barge. No info on what the charges were for.		Yes
188	1026-1027		local gov't approval	S&ME	$1,739.50		OK	1/13/2004	Not charged to ARR, charged to Stevens Towing, Edenton River Barge, SC. No info on what the charges were for.		Yes
189	1028-1029		local gov't approval	S&ME	$4,658.10		OK	4/6/2004	Not charged to ARR, charged to Stevens Towing, Edenton River Barge, SC. No info on what the charges were for. No indication that this was charged to Alligator River.		Yes
190	**3-100 Preliminary drilling/soil test**				**$27,576.58**	**$0.00**					
191	1030-1036		Geotech prelim	S&ME	$16,473.91		OK	7/28/2004	test borings, wells, soil tests		
192	1037-1040		Geotech prelim	S&ME	$8,713.33		OK	9/24/2004	Prelim. Geotechnical investigation		
193	1041		Geotech prelim	Engr. Consulting Service	$2,264.55		OK	7/25/2003	Billed to Stevens Towing for "North Carolina C&D Landfill Feasibility"		
194	1042		Geotech prelim	Engr. Consulting Service	$124.79		OK	8/22/2003	Billed to Stevens Towing for "North Carolina C&D Landfill Feasibility"		
195	**3-200 Survey - Formation**				**$11,300.25**	**$0.00**					
196	1043-1044		Surveying	The East Group	$11,300.25		OK	7/30/2004	Survey		

	A	B	C	D	E	F	G	H	I	J	K
197	3-300 Floodplain review/analysis				$11,379.75	$1,235.00					
198	1045-1047		Floodplain	S&ME	$8,445.25		OK	9/24/2004	Floodplain analysis		
199	1048-1049		Floodplain	S&ME	$2,434.50		OK	2/18/2005	Concept Design/Env Constraint.		
200	1050-1054		Floodplain	Quible & Assoc.		$1,235.00	no	6/7/2005	Port Pungo, EA		
201	1055-1056		Floodplain	Bissell pro. Group	$500.00		OK	4/29/2005	Floodplain analysis		
202	4-100 Quible Aerial photo/mapping				$28,860.00	$0.00					
203	1057		Aerial photo	Carolina Resource Mapping	$28,860.00		OK	4/6/2005	aerial photo		
204	4-110 Quible Surveying				$11,451.84	$27.50					
205	1058-1071		Surveying	Quible & Assoc.	$11,191.84		OK	3/15/2005	Topographic Field Survey		
206	1072-1085		Surveying	Quible & Assoc.	$260.00		OK	3/15/2005	FEMA letter of map amendment		
207	1086-1089		Surveying	Quible & Assoc.		$27.50	no	5/22/2006	Survey Coordination - Establish benchmarks for David Garrett, easement along south side of waterway		
208	4-120 Quible - Additional out of scope costs				$3,141.45	$910.00					
209	2001-2014		fema letter of Map Amendment	Quible		$260.00	no	3/15/2005	FEMA Letter. This is listed twice. See page 1072-1085.		
210	2015-2021		usace easement meetings /404 delineation for spoil area	Quible		$650.00	no	6/7/2005	Port Pungo		
211	2022-2025		sed & eros cntrl plan	Quible	$235.00		yes	8/23/2005	sedimentation and erosion control plan		
212	2026-2031		CLOMA	Quible	$1,928.95		yes	9/05-12/05	FEMA Letter		
213	2032-2035		surface/gw analysis storm w design	Quible	$553.75		yes	2/26/06-4/25/06	alligator river		
214	2036-2040		surface/gw analysis storm w design	Quible	$423.75		yes	4/06-5/06	alligator river		
215	4-200 Garrett Landfill/Rec Engineering & Testing				$430,019.85	$14,247.50					
216	2042-2043		arr&disposal facility	arr&disposal facility	$1,980.00		yes	10/04-11/04	alligator river		
217	2044-2045		ss investigation of AR facility	David Garrett	$48,032.60		yes	12/4/2004	alligator river		
218	2046-2049		ss hyde co landfill	David Garrett	$40,673.78		yes	12/23/2004	alligator river		
219	2050-2055		ss hyde co landfill	David Garrett	$71,609.64		yes	12/23/2004	alligator river		
220	2056-2059		ss investigation of AR facility	David Garrett	$12,703.50		yes	2/2-3/06	alligator river		
221	2060-2063		ss investigation of AR facility	David Garrett	$21,252.88		yes	3/4/2005	alligator river		
222	2064-2067		ss hyde co landfill	David Garrett	$43,033.58		yes	4/19/2005	alligator river		

	A	B	C	D	E	F	G	H	I	J	K
223	2068-2073		ss hyde co landfill	David Garrett	$34,055.34		yes	5/24/2005	alligator river		
224	2074-2080		survey well locations	David Garrett		$3,807.50	no	2/05-5/05	Port Pungo		
225	2081-2083		ss hyde co landfill	David Garrett	$26,446.33		yes	7/10/2005	alligator river		
226	2084-2089		site suit rpt	David Garrett	$18,769.71		yes	6/05-8/2005	alligator river		
227	2090-2092		ss hyde co landfill	David Garrett	$18,013.50		yes	9/6/2005	alligator river		
228	2093-2110		ss investigation of AR facility	David Garrett	$28,459.59		yes	thru 9/05	alligator river		
229	2111-2116		ss hyde co landfill	David Garrett	$29,202.26		yes	thru 10/05	alligator river		
230	2117		arrf	David Garrett	$5,672.50		yes	12/11/2005	alligator river		
231	2118		arr	David Garrett	$1,248.50		yes	12/11/2005	alligator river		
232	2119		no	David Garrett		$10,440.00	no	12/21/2005	Burnt Poplar TS G'boro		
233	2120		arrf	David Garrett	$7,367.33		yes	1/31/2006	alligator river		
234	2121		arrf	David Garrett	$6,468.86		yes	3/5/2006	alligator river		
235	2122		ss hyde co landfill	David Garrett	$2,841.50		yes		alligator river		
236	2123		arrf	David Garrett	$5,471.62		yes		alligator river		
237	2124		arrf-storm water mgmt	David Garrett	$2,778.38		yes		alligator river		
238	2125		arrf	David Garrett	$3,438.50		yes		alligator river		
239	2126		arr	David Garrett	$499.95		yes		alligator river		
240	**4-320 Wetlands Assessment**				**$12,952.50**	**$0.00**					
241	364-377		404wetland review Port Pungo Onsite	Quible	$375.00		yes	3/15/2005	Port/ARR		
242	378-383		404wetlands review	Quible	$722.50		yes	6/7/2005	Port/ARR		
243	384-389		404wetlands review	Quible	$400.00		yes	8/23/2005	Port/ARR		
244	390-393		404wetlands delineation confirmation	Quible	$997.50		yes	2/26-4/25	Port/ARR		
245	394		Hyde County Cross sections	The East Group	$7,700.00		yes	4/19-6/3/06	Wetland delineation; survey plot for USACE		
246	395		Hyde County Cross sections	The East Group	$260.00		yes	6/4-7/1/06	TIME FOR MAPPING ,REVISIONS, MYLARS FOR RECORDING		
247	396-400		404wetlands delineation confirmation	Quible	$1,300.00		yes	4/26-5/25/06	Port/ARR		
248	401-406		404wetlands delineation confirmation	Quible	$1,197.50		yes	5/26-9/26/06	404 Wetlands		
249	**4-350 NCDOT Entrance permit design**				**$8,130.22**	**$0.00**					
250	408		traffic eng serv	RameyKemp& Assoc	$700.00		yes	thru 4/30/06	Alligator River recycling Hyde Co		
251	409-410		traffic eng serv	RameyKemp& Assoc	$3,866.28		yes	thru 5/30/06	Alligator River recycling Hyde Co		
252	411		traffic eng serv	RameyKemp& Assoc	$3,563.94		yes	thru 6/30/06	Alligator River recycling Hyde Co		
253	**5-100 NC Waterways Design & Permit, Environmental Permit**				**$0.00**	**$52,806.97**					
254	413		permitting, site	Quible		$1,145.00	no	9/26-10/25/04	Rich Farm Barge Landing/Recycle Center		

	A	B	C	D	E	F	G	H	I	J	K
255	414-427		sepa ea	Quible		$9,236.25	no	10/26-2/25/05	Rich Farm Barge Landing/Recycle Center		
256	428-434		usace ip/ea	Quible		$11,170.00	no	2/26-5/25/06	PORT		
257	428-434		usace ip/ea	Quible		$1,377.50	no	2/26-5/25/06	PORT		
258	435		USACE Individual Permit	Quible		$4,232.50	no	8/29/2005	Port		
259	436-440		sepa ea	Quible		$6,748.75	no	5/26-7/25/05	Port		
260	441-442		sepa ea	Quible		$4,040.00	no	7/26-9/25/2005	port		
261	443-448		sepa ea	Quible		$4,336.25	no	9/26-12/25/05	port		
262	443-448		sepa ea	Quible		$2,467.50	no	9/26-12/25/05	port		
263	443-448		sepa ea	Quible		$56.23	no	9/26-12/25/05	port		
264	449-453		sepa ea	Quible		$567.50	no	12/26-2/25/06	port		
265	449-453		sepa ea	Quible		$940.00	no	12/26-2/25/06	port		
266	454-457		sepa ea	Quible		$736.50	no	2/26-4/25/06	port		
267	454-457		USACE Individual Permit	Quible		$1,145.50	no	2/26-4/25/06	port		
268	458-462		usace individual Permit/ditch evaluation	Quible		$3,240.00	no	4/26-5/25/06	port		
269	463-469		sepa ea (amended)	Quible		$412.50	no	5/26-9/26/06	port. SEPA. Dates are in part outside of allowable 8-1-06		
270	463-469		sepa ea	Quible		$19.99	no	5/26-9/26/06	port. Dates are in part outside of allowable 8-1-06		
271	463-469		usace individual Permit/ditch evaluation	Quible		$935.00	no	5/26-9/26/06	port. Dates are in part outside of allowable 8-1-06		
272	**5-200 NC Waterways Design Barge offload design engineering**				**$0.00**	**$44,233.60**					
273	471		design barge	Gary Greene		$1,860.00	no	thru 12/04	barge terminal		
274	472		design barge terminal	Gary Greene		$4,650.00	no	thru 4/5/2005	barge terminal		
275	473		design barge terminal	Gary Greene		$4,823.00	no	thru 7/15/05	barge terminal		
276	474		design barge terminal	Gary Greene		$31,370.60	no	thru 3/25/06	barge terminal		
277	475		design barge terminal	Sea Island Marine Eng		$810.00	no	10/23/2005	barge terminal		
278	476		design barge terminal	Sea Island Marine Eng		$720.00	no	10/24/2005	barge terminal		
279	**5-400 NC Waterways Design Maritime/other legal fees**				**$5,225.67**	**$9,653.27**					
280	478-480		legal services	Kilpatrick Stockton LLP		$5,000.00	no	4/21/2005	retainer for barge facility & recycling center. Amount eligible for reimb. shown in following itemized statements.		
281	481-484		legal services	Kilpatrick Stockton LLP	$1,952.30		yes	7-15-05 (thru 6/30/05)	permitting issues, fin assur C&D, phone, reproduction. Amount listed incorrectly on summary table as $2175.19 (should be $5221.29)		
282	481-484		legal services	Kilpatrick Stockton LLP		$3,268.99	no	7-15-05 (thru 6/30/05)	sepa ea for barge		
283	485-488		legal services	Kilpatrick Stockton LLP	$1,711.81		yes	8-12-05 (thru 7/31/05)	permitting issues, fin assur C&D, phone, reproduction		
284	485-488		legal services	Kilpatrick Stockton LLP		$788.90	no	8-12-05 (thru 7/31/05)	sepa ea for barge (amt shown is balance [2500.71] - allowed reimb)		

	A	B	C	D	E	F	G	H	I	J	K
285	489-490		legal services	Kilpatrick Stockton LLP			see lines 600-601 below	9/19/2005	$748.65. current invoice. Does not indicate services rendered.	Letter states - ARR retained Kilpatrick Stockton, LLP for legal services in connection with obtaining regulatory approvals for ARR's Hyde Co. solid waste management facility. On or about Oct. 3, 2005, ARR paid Kilpatrick Stockton, LLP $748.50 for its services. These services included legal advice related to permitting (water quality certification and impacts to wetlands) and financial qualification and financial assurance. Consistent with Section 3.(d) of Senate Bill 6, these costs are eligible for reimbursement.	Invoice submitted April. See lines 600-601 below.
286	491-492		legal services	Kilpatrick Stockton LLP	$123.00		yes	11-10-05 (thru 10/31/05)	fin assur, statutes, guidance		
287	493-494		legal services	Kilpatrick Stockton LLP		$250.38	no	10-14-05 (thru 9/30/05)	ea		
288	495-497		legal services	Kilpatrick Stockton LLP	$1,438.56		yes	thru 11/30/05	fin assur, franchise, phone, repro		
289	495-497		legal services	Kilpatrick Stockton LLP		$345.00	no	thru 11/30/05	ea		
290	498		legal services	Kilpatrick Stockton LLP			see below lines 611-659	1/2/2006	$100,000 legal services 2006. Provide itemized list of charges prior to 8/1/06	Letter states - On or about Feb. 2, 2006, ARR paid Kilpatrick Stockton, LLP $100,000, which represented a fixed fee for legal services in connection with obtaining regulatory approvals for ARR's Hyde Co. solid waste management facility. Fixed fees for legal services are not unusual, and in this case the fixed fee was approx. the same as what ARR would have paid under a more conventional billing arrangement. Kilpatrick Stockton, LLP performed the following legal services: assist with permitting process; review of environmental assessment for compliance with SEPA; review of hydrogeologic investigations; advise ARR with respect to compliance with Solid Waste Act and negotiating mechanisms for financial assurance and financial responsibility requirements with NCDENR; respond to information requests from regulatory agencies regarding SEPA and permitting process; and assist with legal issues related to construction of treatment and processing facility in the floodplain. Consistent with Section 3.(d) of Senate Bill 6, these costs are eligible for reimbursement. In reviewing the enclosed Kilpatrick Stockton detailed records for services performed in 2006, it appears that a very small percentage of the time paid for was expended on ineligible services, such as providing counsel on the C&D landfill rulemaking, legislative developments, and third part litigation. As a result, we are reducing our request for reimbursement of the $100,000 payment to us by $5,000 to $95,000. While this reduction amount represents an estimate of ineligible costs, we believe that we have been conservative and erred in DWM's favor.	Part is after the moratorium (paid for the year in advance). SEPA, permitting process, hydro investigation, financial assurance, construction of T&P in floodplains. No documentation provided. Offered to reduce it by $5,000. Invoices submitted April. See lines 611-659 below. Total amounts add to $94,461.96
291	**5-500 NC Waterways Design C&D Landfill Legal Research**										
292	501		unknown	Kilpatrick Stockton LLP			see below lines 603-610	4/20/2006	$25,000. handwritten ARR Invoice #2006CS. Additional info needed	On or about May 19, 2006, ARR paid Kilpatrick Stockton, LLP $25,000, which represented the fee for services provided by Capital Strategies, Inc. ("Capstrat"). As indicated in the attached information, Capstrat provided services related to obtaining a landfill franchise and other approval from the local government with jurisdiction over the site of the proposed solid waste management facility. Consistent with Section 3.(d) of Senate Bill 6, these costs are eligible for reimbursement.	No - not related to facility application. Captrat's contract states - Public relations, media relations, grassroots organization (enlisting community leaders as allies, newsletters, generating local support) Invoices submitted April. See lines 603-610 below.
293	**5-600 NC Waterways Design Eagle Resources**				**$24,999.82**	**$0.00**					
294	502		hydrogeo	Eagle Resources	$7,999.70		yes	thru 3/06	Alligator River recycling Hyde Co		
295	503		hydrogeo	Eagle Resources	$4,237.52		yes	thru 6/1/06	Alligator River recycling Hyde Co. Error in invoice addition - added in subtotals. Summary table listed $12,652.52, should be $4237.52		
296	504		hydrogeo	Eagle Resources	$3,197.70		yes	thru 6/12/06	Alligator River recycling Hyde Co		
297	505		hydrogeo	Eagle Resources	$2,557.50		yes	thru 7/5/06	Alligator River recycling Hyde Co		

	A	B	C	D	E	F	G	H	I	J	K
298	506		hydrogeo	Eagle Resources	$7,007.40		yes	thru 4/29/06	Alligator River recycling Hyde Co		
299	**5-700 NC Waterways Design ENSR**				**$0.00**	**$27,300.84**					
300	508-523		lit review	ENSR		$27,300.84	no	thru 7/06	ea		
301	**7-400 LOMR-F Certified Floodplain Surveyor**				**$760.00**	**$0.00**					
302	521-530		legal services	Quible	$760.00		yes	thru 7/25/06	CLOMA letter of map amendment		
303	**8-200 Architectural Design - Arch. & Structural Drawing**				-	**$7,625.97**					
304	532		architect	Cahoon & Kasten		$2,000.00	no	11/30/2005	architect contract initial payment		
305	533		architect	Accent Imaging		$125.97	no		prints		
306	534		architect	Cahoon & Kasten		$5,500.00	no		prelim design		
307	**Additional information submitted April 2008 for Kilpatrick Stockton LLP charges**				**$37,310.41**	**$87,704.93**					
308	600-601		legal services	Kilpatrick Stockton LLP	$141.15	$607.50		9/19/2005	See line 489. Charge of $748.65. Still missing 1st page of itemized portion. Amount shown on itemized portion is OK - $141.15		
309	602		legal services	Kilpatrick Stockton LLP				1/2/2006	See line 498 and lines 611-659. Original payment of $100,000 retainer. Amount eligible for reimbursement shown in itemized statements on lines 611-659.		Note - Total of all invoices for the $100,000 retainer adds to $94,461.96
310	603-610		waterways design	Kilpatrick Stockton LLP		$25,000.00	no	5-19-06 and 4-20-06	See line 501. Charge of $25,000. Handwritten invoice was dated 4-20-06. This invoice dated 5-19-06. Capstrat Strategies, Inc. for services to be rendered. Captrat's contract states - Public relations, media relations, grassroots organization (enlisting community leaders as allies, newsletters, generating local support)		matthews (dexter) Ross (bill) moore (dan), hector, rich, givens - principals lassiter (joe) - quible (wetlands) hamilton - Wildlife Resources Commission - EA McGee - EA, FONSI
311	611-613			Kilpatrick Stockton LLP	$2,013.50	$1,426.00	yes and no	2/16/2006 (thru 1-31-06)	This is the first of the monthly invoices for the $100,000 retainer. Generated $3,439.50 - balance ($96,560.50).		eudy - public relations hugget - EA smith - floodplain variance, EA troy - WRC EA lappala (eric)- eagle water - hydrogeologic evaluation marks - EA doucette - env. Impacts ENSR
312	614-617			Kilpatrick Stockton LLP	$728.89	$3,486.58	yes and no	3/24/2006 (thru 2-28-06)	Generated $4215.47 - balance (92,345.03).		morris - easement franklin - financial jordan - ensr Desai - ensr
313	618-623			Kilpatrick Stockton LLP	$4,743.36	$9,172.78	yes and no	4-14-06 (thru 3-31-06)	Generated $13,916.14 - balance (78,428.89).		thompson - denr atty
314	624-628			Kilpatrick Stockton LLP	$5,211.42	$3,951.67	yes and no	5-15-06 (thru 4-30-06)	Generated $9,163.09 - balance (69,265.80). Invoice shows balance of ($94,265.80), difference of $25,000.		peterson - capstrat Poole - legal, wetlands, floodplains, moratorium coman - legislative strategy zimmerman - floodplain perry - crime control, floodplain
315	629-634			Kilpatrick Stockton LLP	$7,710.51	$6,295.91	yes and no	6-9-06 (thru 5-31-06)	Generated $14,006.42 - Balance ($55,259.38). Invoice shows balance of same.		hoke - floodplain crowder - moratorium, legislative bevaqua - legislative
316	635-639			Kilpatrick Stockton LLP	$7,915.55	$4,404.00	yes and no	7-14-06 (thru 6-30-06)	Generated $12,319.55 - balance ($42,939.83).		
317	640-646			Kilpatrick Stockton LLP	$7,910.47	$9,737.27	yes and no	8-15-06 (thru 7-31-06)	Generated $17,647.74 - balance ($25,292.09).		Total of all invoices for the $100,000 retainer adds to $94,461.96.
318	647-650			Kilpatrick Stockton LLP		$8,897.45	no	9-19-06 (thru 8-30-06)	After moratorium		
319	651-653			Kilpatrick Stockton LLP		$3,400.25	no	10-16-06 (thru 9-30-06)	After moratorium. Also shown on this invoice is $27,300.84, which is the same charge as listed on pages 508-523.		

	A	B	C	D	E	F	G	H	I	J	K
320	654-656			Kilpatrick Stockton LLP		$1,408.45	no	11-9-06 (thru 10-31-06)	After moratorium		
321	657-659			Kilpatrick Stockton LLP		$6,047.90	no	12-11-06 (thru 11-30-06)	After moratorium		
322	660-664			Kilpatrick Stockton LLP	$935.56	$3,869.17	yes and no	1-23-06 (thru 12-31-05)	See line 362 - $4804.73. EA, Tar Pamlico buffer requirements		
323											
324					**Eligible Costs**	**Ineligible Costs**			**Grand Total:**		
325											
326				Totals:	$742,283.02	$1,656,165.38			$2,398,448.40		
327											
328				Calculated difference in total above ($2,398,448.40) with the original total listed on the summary table ($2,408,817.53):							
329				2,398,448.40	Adjusted total with corrections						
330				-534.19	see line 44						
331				-3.62	see line 225						
332				-94,461.96	see lines 602, 611-659						
333				100,000	see line 602						
334				-5221.29	see line 481						
335				2175.19	see line 481						
336				-4237.52	see line 503						
337				12652.52	see line 503						
338				2,408,817.53	Original amount listed on summary table						

CERTIFICATION OF AUTHENTICITY AND PAYMENT

I certify that Alligator River Recycling, LLC is eligible for reimbursement of costs incurred prior to August 1, 2006, for preparation of an application for a permit for a sanitary landfill, pursuant to Section 3 of Chapter 543 of the 2007 North Carolina Session Laws (Senate Bill 6). I also certify that I am familiar with the invoices and other documentation submitted by Alligator River Recycling, LLC to the Department of Environment and Natural Resources for reimbursement pursuant to this legislation. I can fully testify that each invoice which has been deemed eligible by the Department for reimbursement, together with supporting documentation, has been reviewed and authenticated by personnel knowledgeable of the costs incurred and paid for by Alligator River Recycling, LLC for its application for a permit for the sanitary landfill for which the company is seeking reimbursement, that the invoices and documentation are complete, accurate and truthful, that said costs were incurred prior to August 1, 2006, and that said costs were paid by Alligator River, LLC. I understand that the submission of a false statement, representation, certification or documentation to the Department under Article 9 of Chapter 130A of the General Statutes, is subject to criminal penalty as follows: guilty of a Class 2 misdemeanor, punishable by a fine up to $10,000.00. N.C.G.S. 130A-26.2.

IN WITNESS WHEREOF Alligator River, LLC, has caused this certificate to be signed in its name by its managing member, in accordance with the authority granted in its membership agreement.

Alligator River Recycling, LLC

By: _____
F. Norbert Hector, Jr.
Managing Member

State of North Carolina
County of _____

Witness my hand and official seal, this the _____ day of _____, 2008.

_____ My Commission Expires:_____
Notary Public

(Seal)

WAIVER AND COVENANT NOT TO SUE

Alligator River Recycling, LLC, having submitted a request pursuant to Section 3 of Chapter 543 of the 2007 North Carolina Session Laws (Senate Bill 6) for reimbursement of costs incurred for preparation of a sanitary landfill permit application, hereby accepts reimbursement of costs determined by the State of North Carolina Department of Environment and Natural Resources ("Department") to be eligible for reimbursement under Section 3.(d) of said Session Law. By accepting the reimbursement of costs in the amount of $742,283.02, Alligator River Recycling, LLC waives recovery of any costs submitted for reimbursement which the Department did not deem eligible for reimbursement under the Session Law. Alligator River Recycling, LLC further covenants not to sue or take any form of legal action against the State of North Carolina or any political subdivision of the State for recovery of any costs described in Sections 3.(d) and 3.(e) of Chapter 543 of the 2007 Session Laws. This waiver and covenant, made pursuant to the requirements of Section 3(g) of the Chapter 543 of the 2007 Session Laws, shall take effect upon receipt by Alligator River Recycling, LLC of said reimbursement payment. It is further agreed that by the State of North Carolina making the reimbursement payment pursuant to said Session Law, Alligator River Recycling, LLC waives, releases and discharges all claims against the State of North Carolina and any political subdivision of the State for cost reimbursement pursuant to Section 3 of Chapter 543 of the 2007 Session Laws.

The undersigned individual represents that he is the managing member of Alligator River Recycling, LLC on behalf of which he is signing this Waiver and Covenant Not to Sue and that he has full authority to bind Alligator River Recycling, LLC to this Waiver and Covenant Not to Sue.

IN WITNESS WHEREOF, Alligator River, LLC has caused this Waiver and Covenant Not to Sue to be signed by its managing member, in accordance with the authority granted in its membership agreement, this _____ day of _____, 2008.

Alligator River Recycling, LLC

By: _____
F. Norbert Hector, Jr.
Managing Member

State of _____
County of _____

Witness my hand and official seal, this the _____ day of _____, 2008

_____, Notary Public (Seal)

My Commission Expires: _____