

**PRE-FILED DIRECT TESTIMONY
OF LOGAN SAPP**

SAPP INVESTMENTS, LLC

WITNESS INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Logan Sapp, and I am the Chief Operating Officer (COO) of Sapp Investments,
3 LLC (“Sapp Investments”). My business address is 101 West Court Street, Paragould,
4 Arkansas 72450.

5 **Q. PLEASE DESCRIBE SAPP INVESTMENTS, LLC.**

6 A. Sapp Investments was established in 2003, initially focusing on residential rental
7 properties, commercial real estate, and medical facilities. The company expanded into the
8 vacation-rental industry in Florida beginning in 2012 and has continued to develop and
9 invest in real estate opportunities.

10 **Q. PLEASE DESCRIBE YOUR BACKGROUND AND PROFESSIONAL**
11 **EXPERIENCE.**

12 A. I earned a real estate license in 2018. In 2019, I founded Sapp Construction LLC, a general
13 contracting company focused on residential construction and development. Through Sapp
14 Construction, I built and sold investment properties throughout Northeast Arkansas, using
15 my real estate license to negotiate deals directly and manage risk across each project. I
16 expanded the business into commercial general contracting in 2022, taking on larger-scale
17 construction and development work.

18 In 2023, I relocated to East Tennessee and founded Luxe Development LLC and
19 earned my Tennessee Broker's Real Estate License. Luxe Development extended my focus
20 into commercial and residential investment and development throughout East Tennessee.

PURPOSE OF TESTIMONY

1 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS CASE?**

2 A. The purpose of my testimony is to oppose the Amended Petition to Terminate CCN of Aqua
3 Green Utility, Inc. for Thunder Mountain (“Amended Petition”). I believe that Aqua Green
4 Utility, Inc. (“Aqua Green”) and Sapp Investments can work together to reach a mutually
5 satisfactory resolution that serves the public interest.

6 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

7 A. Yes. I am sponsoring all the exhibits attached to Sapp Investments’ Response to the
8 Amended Petition.

9 **Q. ARE YOU FAMILIAR WITH EACH OF THE EXHIBITS THAT YOU ARE**
10 **SPONSORING?**

11 A. Yes.

THUNDER MOUNTAIN DEVELOPMENT

13 **Q. CAN YOU SUMMARIZE THE THUNDER MOUNTAIN DEVELOPMENT**
14 **PROJECT AND SAPP INVESTMENTS’ ROLE IN THIS PROJECT?**

15 A. Sapp Investments purchased part of Thunder Mountain to develop luxury vacation rentals.
16 Sapp Investments wants to provide guests vacationing in the Smoky Mountains a unique,
17 luxury vacation experience.

18 **Q. ARE YOU FAMILIAR WITH THE CONTRACT AMONG SAPP INVESTMENTS,**
19 **AQUA GREEN, AND ADVANCED SEPTIC, INC. THAT IS ATTACHED TO THE**
20 **AMENDED PETITION? IF SO, PLEASE EXPLAIN YOUR FAMILIARITY OR**
21 **INVOLVEMENT WITH THE CONTRACT AND AQUA GREEN.**

22 A. Yes, I am familiar with the contract attached to the Amended Petition (the “Agreement”).

1 **Q. ARE THERE OTHER PROVIDERS OF WASTEWATER SERVICES IN THE**
2 **AREA WHERE THE THUNDER DEVELOPMENT PROJECT IS LOCATED?**

3 A. To the best of my knowledge, no providers are providing service to this area.

4 **Q. HAS SAPP INVESTMENTS BEEN COOPERATIVE WITH AQUA GREEN AND**
5 **ADVANCED SEPTIC, INC.? If SO, PLEASE EXPLAIN?¹**

6 A. Yes. We have been cooperative. We realize that this is a meaningful project for Aqua Green
7 and Advanced Septic, Inc. At the same time, this is a significant project for Sapp
8 Investments, as we have substantial funds tied to the Thunder Mountain development. We
9 have moved forward on the development as far as we can without a certified wastewater
10 system approved by the Sevier County Planning and Zoning Department (the “County”)
11 and the Tennessee Department of Environment and Conservation (“TDEC”). We could not
12 justify further cabin construction when any completed cabins could not be utilized due to
13 the absence of an approved and operable wastewater system.

14 We have already paid approximately \$411,709.39 to Mr. Kendall for the system,
15 which is nearly twice the amount set forth in the Agreement. Therefore, we have no reason
16 to be uncooperative and every reason to be extremely cooperative.

17 Moreover, it is not appropriate or even fair to interpret the land transfer issue as a
18 failure by Sapp Investments to be cooperative. The reason the land has not been transferred
19 is because the County determined that Aqua Green had not complied with the applicable
20 requirements – not because Sapp Investments has been uncooperative.

¹ *Pre-filed Direct Testimony of Aqua Green Witness Dart Kendall, Exhibit 5 to Amended Petition at 5, TPUC Docket No. 22-00028 (July 31, 2026) (hereinafter “Kendall Direct”).*

1 **Q. IN HIS TESTIMONY, MR. KENDALL STATES THAT HE DOES NOT BELIEVE**
2 **THAT THE THUNDER MOUNTAIN PROJECT WILL BE DEVELOPED.² DO**
3 **YOU AGREE WITH MR. KENDALL? IF NOT, EXPLAIN WHY NOT.**

4 A. No, I do not agree with him. Sapp Investments has every intention to develop Thunder
5 Mountain, and we have the resources to do it. Due to a host of factors, including compliance
6 with local government regulations, we have not moved forward at this stage because the
7 wastewater system has not been approved.

8 **LAND TRANSFER & EASEMENTS**

9 **Q. DOES THE CONTRACT ENTERED INTO AMONG SAPP INVESTMENTS,**
10 **AQUA GREEN, AND ADVANCED SEPTIC, INC. CONTAIN A PROVISION**
11 **REGARDING THE TRANSFER OF LAND?³**

12 A. Yes. The Agreement provides that Sapp Investments would transfer ownership of the land
13 for drip disposal fields and for the wastewater facilities.

14 **Q. WHY HAS THIS LAND NOT BEEN TRANSFERRED TO AQUA GREEN?⁴**

15 A. Since the approval of the CCN by the Tennessee Public Utility Commission (“TPUC” or
16 “Commission”), we have always been ready to transfer the land to Aqua Green pursuant to
17 the Agreement but the County would not sign-off on the transfer so it could not be properly
18 recorded until the County determined that its requirements had been satisfied by Aqua
19 Green. And even though the Agreement anticipated that work on the system would not
20 begin until the land transfer, Mr. Kendall moved forward with the work and accepted
21 payment for the work before the land transfer.

² *Id.* at 4-5.

³ *Id.* at 2.

⁴ *Id.*

1
2 Sapp Investments arranged a meeting between Aqua Green and David Hurst, the
3 surveyor, in August of 2025 to expedite the land transfer and confirm the boundaries
4 applicable to the wastewater system. Thereafter, Mr. Hurst submitted the plat to the County.
5 Sapp Investments submitted the plat to Knoxville Title Agency to effect the transfer of land
6 to Aqua Green on November 11, 2025, but was informed that it could not proceed with the
7 land transfer because the plat had not been recorded with the County. We learned that the
8 County determined that Aqua Green had not yet complied with all of the County's
9 requirements, including the licensed engineer-stamped inspection reports and as-built
10 plans, so the land transfer could not be effectuated. Sapp Investments followed up with the
11 County again in December 2025 to learn whether the plat had been recorded. On December
12 18, 2025, the County issued a formal written request for a description of the work
13 performed and photographs of the inspections that Aqua Green has previously submitted.⁵
14 As the foregoing demonstrates, Aqua Green is solely responsible for its failure to satisfy
15 the conditions of the Commission's order conditionally approving Aqua Green's CCN.

16 As outlined in the County's June 22, 2026, letter that is a part of the record in this
17 case, the County has since notified Sapp Investments that it is prepared to sign-off on the
18 land transfer.

19 **Q. WHAT ARE SOME OF THE REQUIREMENTS THAT HAD NOT PREVIOUSLY**
20 **BEEN MET BY AQUA GREEN BEFORE MR. KENDALL FILED ITS AMENDED**
21 **PETITION?**

⁵ See Sapp Investments Response Exhibit 4.

1 A. In addition to my answer directly above regarding the licensed engineer-stamped
2 inspection reports, and the *Response of Sapp Investments, LLC Opposing Aqua Green*
3 *Utility, Inc.'s Amended Petition to Terminate CCN for Thunder Mountain*, the August 28,
4 2026, letter from the County, which is attached to Sapp Investments Response as **Sapp**
5 **Investments Response Exhibit 8**, also outlines some of the requirements that Aqua Green
6 failed to meet before filing its Amended Petition.

7 **Q. TO THE BEST OF YOUR KNOWLEDGE, HAS TDEC APPROVED THE**
8 **WASTEWATER SYSTEM CONSTRUCTED BY AQUA GREEN?**

9 A. No. The communications between Aqua Green and TDEC appear to indicate that TDEC
10 has not approved or certified the wastewater system.⁶

11 **Q. MR. KENDALL HAS TESTIFIED THAT SAPP INVESTMENTS HAS FAILED TO**
12 **DEVELOP THE THUNDER MOUNTAIN PROJECT. CAN YOU RESPOND TO**
13 **THIS?**⁷

14 A. Sapp Investments obtained permits to begin construction of a six-bedroom cabin in
15 November 2023. A certificate of occupancy for this cabin was issued on July 17, 2025. Our
16 20-unit development, which was going to be our initial start to the overall development,
17 was approved in July 2024. We discussed with James Temple with the County that we
18 would start that development but decided not to because the wastewater system had not
19 been completed.

20 We have the resources to continue moving forward on this development project and
21 very much look forward to doing so. We just need Aqua Green and Advanced Septic, Inc.
22 to help us. Sapp Investments and Mr. Kendall both benefit economically by moving

⁶ See **Sapp Investments Response Exhibit 9**.

⁷ *Kendall Direct* at 2.

1 forward cooperatively together. It seems from his testimony that Mr. Kendall wants us to
2 complete all phases of the development before he has even completed the wastewater
3 system.

4 **Q. CAN YOU OUTLINE SOME OF THE CHALLENGES THAT HAVE DELAYED**
5 **BOTH THE DEVELOPMENT AND THE COMPLETION OF THE**
6 **WASTEWATER SYSTEM?⁸**

7 A. Yes. Sapp Investments did not receive the first invoice related to the construction of the
8 wastewater system from Aqua Green and/or Advanced Septic, Inc. until January 31, 2024.
9 Additionally, County regulations have changed substantially since Aqua Green began
10 building the wastewater system. Our first approved layout was for the 20-unit development,
11 and the approvals for the remaining lots were all pending with the County. There was a lot
12 of back-and-forth work done with engineers and surveyors to get this completed. Aqua
13 Green needed power for the wastewater system, and Sapp Investments needed to obtain an
14 Aquatic Resource Alteration Permit (“ARAP”) from TDEC to cross a creek to provide that
15 power. The back-and-forth with TDEC to obtain this ARAP took many months.

16 **PROJECT SCOPE**

17 **Q. DID SAPP INVESTMENTS EXPLORE MODIFYING ITS ORIGINAL PLAN FOR**
18 **A MAXIMUM OF 693 BEDROOMS TO A MAXIMUM OF 591 BEDROOMS? IF**
19 **SO, PLEASE EXPLAIN.**

20 A. Yes, I am familiar with this but Sapp Investments witness Jason Sapp is also familiar with
21 this too.

⁸ *Id.* at 3-5.

1 Q. IS IT YOUR UNDERSTANDING THAT IF SAPP INVESTMENTS HAD MOVED
2 FORWARD WITH MODIFICATIONS TO THE PROJECT SCOPE THAT IT AND
3 AQUA GREEN INTENDED TO COMPLY WITH ANY REGULATORY OR
4 OTHER RELATED REQUIREMENTS?

5 A. It was always our position that if we learned during the exploration of certain modifications
6 to the project scope that we would need to obtain prior approvals, including from the
7 Commission, the County, or TDEC, we would have sought to obtain such approvals.

8 Q. WAS A CONTRACT EXECUTED WITH RESPECT TO A CHANGE FROM A
9 MAXIMUM OF 693 BEDROOMS TO A MAXIMUM OF 591 BEDROOMS?

10 A. No. But Mr. Kendall, owner of both Aqua Green and Advanced Septic, Inc., did submit a
11 contract to Sapp Investments and a potential new owner, Next Gen Properties LLC (“Next
12 Gen”), regarding the exploration of a new owner being a part of the development that would
13 connect to and be served by Aqua Green’s wastewater system.⁹ Mr. Kendall also knew that
14 the draft agreement with Next Gen would have required their land to service their own
15 bedroom count. Sapp Investments was not giving away any bedroom counts to another
16 entity. Moreover, Mr. Kendall provided us with his soil scientist to check Next Gen’s land.

17 Q. IF A DECISION WAS MADE TO FORMALLY PURSUE A CHANGE FROM A
18 MAXIMUM OF 693 BEDROOMS TO A MAXIMUM OF 591 BEDROOMS, HOW
19 WOULD THAT HAVE IMPACTED THE PROJECT AND THE WASTEWATER
20 SYSTEM? IF SO, PLEASE EXPLAIN.

21 A. Sapp Investments has more than enough bedrooms at 591 to develop the whole project.
22 Modifying the project scope from 693 bedrooms to 591 bedrooms would allow Sapp

⁹ See Sapp Investments Response Exhibit 10.

Investments to build more units—four more units were added. This would allow for more vacation rentals to be built out on Thunder Mountain. Our bedroom count of 591 bedrooms would be more than enough for Aqua Green to service.

Q. PLEASE RESPOND TO MR. KENDALL’S STATEMENT THAT “BASED ON ALL THE CIRCUMSTANCES AS THEY EXIST TODAY, IT WOULD APPEAR THAT THIS DEVELOPMENT CANNOT BE BUILT WITH THE RENTAL CABINS AS REPRESENTED TO THE COMMISSION IN THE APPLICATION FOR THE CCN.”¹⁰

A. Sapp Investments has always been committed to building out vacation rental cabins for our guests to enjoy. There have been no plans to abandon that. Our 20-unit development is right next to the wastewater system, which would be the fastest and most economical start for both Sapp Investments and Aqua Green. However, Sapp Investments cannot start building out the 20 units until Phase 2 of our contract with Aqua Green is fully complete with a Certificate of Completion for the wastewater system. Completing that item would lead to a very fast start to that 20-unit development and would allow Aqua Green to begin charging for 20 connections.

THE WASTEWATER SYSTEM

Q. MR. KENDALL HAS SUGGESTED THAT SAPP INVESTMENT MIGHT BE OPERATING THE SYSTEM.¹¹ IS THIS TRUE? IF NOT, PLEASE EXPLAIN.

A. No, the wastewater system is not being operated by Sapp Investments. The system was connected by Aqua Green and tested. Since the system was not operational, we asked Mr. Kendall if we could pump and haul from the system and he told us that we could. So,

¹⁰ *Kendall Direct* at 4.

¹¹ *Id.* at 3-4.

1 Sapp Investments contracted with Smokey Mountain Septic (TDEC Permit No. 959), a
2 state-permitted vendor, to pump and haul wastewater away from the six-bedroom cabin for
3 proper disposal offsite. Aqua Green’s claim that Sapp Investments is operating the
4 wastewater system is not accurate.

5 **PUBLIC INTEREST**

6 **Q. MR. KENDALL HAS TESTIFIED THAT “TERMINATION OF THE CCN IS IN**
7 **THE PUBLIC INTEREST.”¹² DO YOU AGREE WITH MR. KENDALL? IF NOT,**
8 **PLEASE EXPLAIN.**

9 A. No, I do not. We cannot proceed with the Thunder Mountain development project without
10 a wastewater provider, and Aqua Green is aware of this. Mr. Kendall submitted sworn
11 testimony before the Commission that Aqua Green would build and operate the wastewater
12 system to serve this project.¹³ At that time, Mr. Kendall was aware that Sapp Investments
13 had no other options that it was aware of for wastewater service.¹⁴

14 Under these circumstances, we relied upon Aqua Green and Mr. Kendall. It is our
15 position that the Commission should not risk the death of the Thunder Mountain project by
16 granting Mr. Kendall’s request to terminate the CCN.

17 **Q. IS SAPP INVESTMENTS STILL WILLING TO WORK WITH AQUA GREEN?**

18 A. Absolutely. As developers, we are familiar with hurdles and unanticipated challenges
19 involved with development projects. Few developments are completed without some
20 unexpected and unfortunate miscommunications, misunderstandings, and even

¹² *Id.* at 2.

¹³ *Pre-filed Direct Testimony of Aqua Green Witness Mr. Dart Kendall*, pp. 1-2, Petition of Aqua Green Utility, Inc. to Amend its Certificate of Convenience and Necessity, TPUC Docket No. 22-00028 (Aug. 26, 2022).

¹⁴ *Id.* at 2:47-48 (Kendall: “I have contacted the public utilities in the area and they have no plans to provide service to this location.”).

1 frustrations. We believe we can still work cooperatively with Aqua Green and look forward
2 to the opportunity to do so.

3 CONCLUSION

4 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

5 A. Yes, it does.

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE

PETITION OF AQUA GREEN UTILITY,)
INC. TO AMEND ITS CERTIFICATE OF)
CONVENIENCE AND NECESSITY TO)
EXPAND ITS SERVICE AREA TO)
INCLUDE A PORTION OF SEVIER)
COUNTY IN TENNESSEE KNOWN AS)
THUNDER MOUNTAIN LOCATED ON)
LITTLE COVE ROAD NEAR THE)
INTERSECTION OF THUNDER)
MOUNTAIN ROAD)

DOCKET NO. 22-00028

VERIFICATION

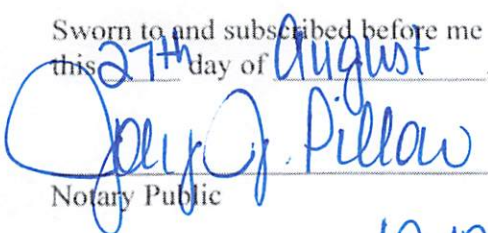
STATE OF AR)
COUNTY OF Greene)

I, LOGAN SAPP, being duly sworn, state that I am authorized to testify on behalf of Sapp Investments, LLC in the above-referenced docket, that if present before the Commission and duly sworn, my testimony would be as set forth in my pre-filed testimony in this matter, and that my testimony herein is true and correct to the best of my knowledge, information, and belief.



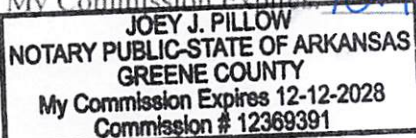
LOGAN SAPP

Sworn to and subscribed before me
this 27th day of August, 2026.



Notary Public

My Commission Expires: 12-12-2028

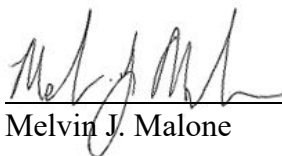


CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via U.S. Mail or electronic mail upon:

Charles B. Welch, Jr.
Phelps Dunbar LLP
414 Union Street, Suite 1105
Nashville, TN 37219
chuck.welch@phelps.com

This the 31st day of August 2026.



Melvin J. Malone