

**STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
WATER BUREAU**

In the matter of administrative
proceedings against:

FTO-SWO9-003
NMS No. FTO-000017
Date Entered: 3-13-09

Classic Turning, Inc.
3000 East South Street
Jackson, Michigan 49201

ADMINISTRATIVE CONSENT ORDER

This Administrative Consent Order (ACO) results from allegations by the Water Bureau (WB) of the Department of Environmental Quality (DEQ) identified in the letter dated October 23, 2008. The DEQ alleges that Classic Turning, Inc., which owns and operates a manufacturing facility located at 3000 East South Street, Leoni Township, County of Jackson, State of Michigan, is in violation of Part 31, Water Resources Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.3101 et seq.; and the rules promulgated under Part 31. Classic Turning, Inc. and the DEQ agree to resolve the violations set forth in the October 23, 2008, letter by entry of this ACO.

I. STIPULATIONS

Classic Turning, Inc. and the DEQ stipulate as follows:

- 1.1 The NREPA, MCL 324.101 et seq., is an act that controls pollution to protect the environment and natural resources in the state.
- 1.2 Part 31 of the NREPA, MCL 324.3101 et seq., and rules promulgated pursuant thereto, provides for the protection, conservation, and the control of pollution of the water resources of the state.
- 1.3 The DEQ is authorized by Section 3112(4) of Part 31 of the NREPA to enter orders requiring persons to abate pollution, and the director of the DEQ may delegate this authority to a designee under Section 301(b) of the NREPA, MCL 324.301(b).

- 1.4 Classic Turning, Inc. stipulates to the issuance and entry of this ACO to comply by consent and stipulates that the termination of this matter by a final order to be entered as an ACO is proper and acceptable. Classic Turning, Inc. further agrees not to contest the issuance of this ACO. This ACO, thus, shall be considered a final order of the DEQ and shall become effective on the date it is signed by the field operations division chief of the WB, as delegate of the director, pursuant to Section 301(b) of the NREPA.
- 1.5 Classic Turning, Inc. and the DEQ agree that the signing of this ACO is for settlement purposes only and does not constitute an admission by Classic Turning, Inc. that the law has been violated.
- 1.6 Classic Turning, Inc. shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in Section II, Compliance Program, of this ACO.

II. COMPLIANCE PROGRAM

IT IS THEREFORE AGREED AND ORDERED THAT Classic Turning, Inc. will take the following actions to prevent further violations of Part 31:

- 2.1 Within 30 days of the execution of this Consent Order, Classic Turning, Inc. shall provide a letter to the DEQ stating that Classic Turning, Inc. certifies that it has eliminated all exposure of pollutants to storm water and cease all unauthorized discharges of pollutants to surface waters of the State. Specifically, Classic Turning, Inc. shall cease the practice of discarding liquid waste materials into the disposal containers on site to ensure that pollutants do not discharge from the disposal containers into waters of the State.
- 2.2 Not later than 30 days after the effective date of this ACO, Classic Turning, Inc. shall obtain the services of a DEQ certified storm water operator, which can be a trained and certified employee or consultant. The DEQ certified storm water operator shall have

supervision over the facility's storm water treatment and control measures included in the Storm Water Pollution Prevention Plan (SWPPP).

- 2.3 Not later than 30 days after the effective date of this ACO, Classic Turning, Inc. shall submit to the DEQ a SWPPP which describes the structural and nonstructural controls that were developed to maintain compliance with the terms and conditions of the General Storm Water Permit No. MIS310000. The SWPPP shall also describe potential sources of pollutants at the facility and the controls necessary to prevent the contamination of storm water. The nonstructural and structural controls outlined in the SWPPP shall be implemented before permit coverage is issued. The SWPPP shall include details pertaining to conducting and documenting periodic inspections, training program for all employees, and retention of records.
- 2.4 Not later than 30 days of receiving comment from the DEQ on the SWPPP, Classic Turning, Inc. shall incorporate DEQ comments into the SWPPP, implement the SWPPP, and submit a Notice of Intent for coverage under the General Storm Water Permit No. MIS310000.
- 2.5 For Calendar Year 2009 (January 1, 2009, through December 31, 2009), and each calendar year thereafter until the DEQ issues a final decision on Classic Turning, Inc.'s Notice of Intent, Classic Turning, Inc. shall pay the annual permit fee in accordance with Part 31. An invoice will be sent to the permittee in accordance with the schedule contained in Part 31.
- 2.6 Upon issuance of the Certificate of Coverage under the General Storm Water Permit No. MIS310000 by the DEQ, Classic Turning, Inc. shall pay the annual permit fee based on its permit classification and in accordance with Part 31.
- 2.7 Classic Turning, Inc. shall submit all reports, work plans, certifications, specifications, schedules, or any other writing required by this section to the district supervisor, WB, DEQ, 301 East Louis Glick Highway, Jackson, Michigan 49201. The cover letter with

each submittal shall identify the specific paragraph and requirement of this ACO that the submittal is intended to satisfy.

III. DEQ APPROVAL OF SUBMITTALS

- 3.1 For any work plan, proposal, or other document, excluding applications for permits or licenses, that are required by this ACO to be submitted to the DEQ by Classic Turning, Inc., the following process and terms of approval shall apply.
- 3.2 All work plans, proposals, and other documents required to be submitted by this ACO shall include all of the information required by the applicable statute and/or rule, and all of the information required by the applicable paragraph(s) of this ACO.
- 3.3 In the event the DEQ disapproves a work plan, proposal, or other document, it will notify Classic Turning, Inc., in writing, specifying the reasons for such disapproval. Classic Turning, Inc. shall submit, within 30 days of receipt of such disapproval, a revised work plan, proposal, or other document that adequately addresses the reasons for the DEQ's disapproval. If the revised work plan, proposal, or other document is still not acceptable to the DEQ, the DEQ will notify Classic Turning, Inc. of this disapproval.
- 3.4 In the event the DEQ approves with specific modifications, a work plan, proposal, or other document, it will notify Classic Turning, Inc., in writing, specifying the modifications required to be made to such work plan, proposal, or other document prior to its implementation and the specific reasons for such modifications. The DEQ may require Classic Turning, Inc. to submit, prior to implementation and within 30 days of receipt of such approval with specific modifications, a revised work plan, proposal, or other document that adequately addresses such modifications. If the revised work plan, proposal, or other document is still not acceptable to the DEQ, the DEQ will notify Classic Turning, Inc. of this disapproval.

- 3.5 Upon DEQ approval, or approval with modifications, of a work plan, proposal, or other document, such work plan, proposal, or other document shall be incorporated by reference into this ACO and shall be enforceable in accordance with the provisions of this ACO.
- 3.6 Failure by Classic Turning, Inc. to submit an approvable work plan, proposal, or other document, within the applicable time periods specified above, constitutes a violation of this ACO and shall subject Classic Turning, Inc. to the enforcement provisions of this ACO.
- 3.7 Any delays caused by Classic Turning, Inc.'s failure to submit an approvable work plan, proposal, or other document when due shall in no way affect or alter Classic Turning, Inc.'s responsibility to comply with any other deadline(s) specified in this ACO.
- 3.8 No informal advice, guidance, suggestions, or comments by the DEQ regarding reports, work plans, plans, specifications, schedules, or any other writing submitted by Classic Turning, Inc. will be construed as relieving Classic Turning, Inc. of its obligation to obtain written approval, if and when required by this ACO.

IV. REPORTING

- 4.1 Classic Turning, Inc. shall verbally report any violation(s) of the terms and conditions of this ACO to the Jackson District Supervisor by no later than the close of the next business day following detection of such violation(s) and shall follow such notification with a written report within five business days following detection of such violation(s). The written report shall include a detailed description of the violation(s), as well as a description of any actions proposed or taken to correct the violation(s). Classic Turning, Inc. shall report any anticipated violation(s) of this ACO to the above-referenced individual in advance of the relevant deadlines whenever possible.

V. RETENTION OF RECORDS

- 5.1 Upon request by an authorized representative of the DEQ, Classic Turning, Inc. shall make available to the DEQ all records, plans, logs, and other documents required to be maintained under this ACO or pursuant to Part 31 or its rules. All such documents shall be retained by Classic Turning, Inc. for at least a period of three (3) years from the date of generation of the record unless a longer period of record retention is required by Part 31 or its rules.

VI. RIGHT OF ENTRY

- 6.1 Classic Turning, Inc. shall allow any authorized representative or contractor of the DEQ, upon presentation of proper credentials, to enter upon the premises of the facility at all reasonable times for the purpose of monitoring compliance with the provisions of this ACO. This paragraph in no way limits the authority of the DEQ to conduct tests and inspections pursuant to the NREPA and the rules promulgated thereunder, or any other applicable statutory provision.

VII. PENALTIES

- 7.1 Classic Turning, Inc. agrees to pay a civil fine of **THIRTY THREE HUNDRED AND SEVENTY FIVE (\$3375.00) DOLLARS** to the State of Michigan for the violations specified in the letter dated October 23, 2008. Payment shall be made within 30 days of the effective date of this ACO in accordance with paragraph 7.2.
- 7.2 Classic Turning, Inc. agrees to pay all funds due pursuant to this agreement by check made payable to the State of Michigan and delivered to the DEQ, Revenue Control Unit, P.O. Box 30657, Lansing, Michigan 48909-8157. To ensure proper credit, all payments made pursuant to this ACO must include the **Payment Identification Number WTR1097**.
- 7.3 Classic Turning, Inc. agrees not to contest the legality of the civil fine paid pursuant to paragraph 7.1, above.

VIII. GENERAL PROVISIONS

- 8.1 With respect to any violations not specifically addressed and resolved by this ACO, the DEQ reserves the right to pursue any other remedies to which it is entitled for any failure on the part of Classic Turning, Inc. to comply with the requirements of the NREPA and its rules.
- 8.2 The DEQ and Classic Turning, Inc. consent to enforcement of this ACO in the same manner and by the same procedures for all final orders entered pursuant to Part 31, MCL 324.3101 et seq.; and enforcement pursuant to Part 17, Michigan Environmental Protection Act, of the NREPA, MCL 324.1701 et seq.
- 8.3 This ACO in no way affects Classic Turning, Inc.'s responsibility to comply with any other applicable state, federal, or local laws or regulations.
- 8.4 Nothing in this ACO is or shall be considered to affect any liability Classic Turning, Inc. may have for natural resource damages caused by Classic Turning, Inc.'s ownership and/or operation of the facility. The State of Michigan does not waive any rights to bring an appropriate action to recover such damages to the natural resources.
- 8.5 The provisions of this ACO shall apply to and be binding upon the parties to this action, and their successors and assigns.
- 8.6 This ACO constitutes a civil settlement and satisfaction as to the resolution of the violations specifically addressed herein; however, it does not resolve any criminal action that may result from these same violations.

IX. TERMINATION

- 9.1 This ACO shall remain in full force and effect until terminated by a written Termination Notice (TN) issued by the DEQ. Prior to issuance of a written TN, Classic Turning, Inc.

shall submit a request to the WB, Jackson District Supervisor consisting of a written certification that Classic Turning, Inc. has fully complied with the requirements of this ACO and has made payment of any fines required in this ACO. Specifically, this certification shall include:

- a. The date of compliance with each provision of the compliance program in Section II, and the date any fines or penalties were paid.
- b. A statement that all required information has been reported to the district supervisor.
- c. Confirmation that all records required to be maintained pursuant to this ACO are being maintained at the facility.

The DEQ may also request additional relevant information. The DEQ shall not unreasonably withhold issuance of a TN.

Signatories

The undersigned CERTIFY they are fully authorized by the party they represent to enter into this ACO to comply by consent and to EXECUTE and LEGALLY BIND that party to it.

DEPARTMENT OF ENVIRONMENTAL QUALITY



Frank J. Baldwin, Field Operations Division Chief
Water Bureau

3/13/09
Date

CLASSIC TURNING, INC.

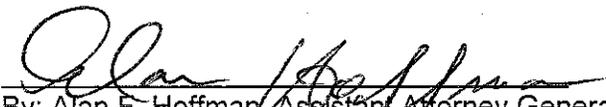


By: Scott Brockie

PRESIDENT
Title:

3/9/09
Date

APPROVED AS TO FORM:



By: Alan F. Hoffman, Assistant Attorney General
For: S. Peter Manning, Chief
Environment, Natural Resources, and Agriculture Division
Michigan Department of Attorney General

3/12/09
Date



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
JACKSON DISTRICT OFFICE



STEVEN E. CHESTER
DIRECTOR

October 23, 2008

CERTIFIED MAIL

VIOLATION NOTICE
VN-003738

Mr. Scott Brockie
Classic Turning, Inc.
P.O. Box 495
Michigan Center, Michigan 49254

Dear Mr. Brockie:

SUBJECT: National Pollutant Discharge Elimination System (NPDES)
Designated Name: Classic Turning Inc
Industrial Storm Water Violation

On August 14, 2008, staff of the Department of Environmental Quality (DEQ), Water Bureau (WB) received a complaint alleging that waste practices at Classic Turning, Inc., (Classic Turning) located at 3000 East South Street, Jackson, Michigan were leading to a discharge of fluid to a wetland area.

On August 27, 2008, DEQ staff conducted an inspection at Classic Turning to determine the validity of the complaint. At the time of the inspection, it was determined that Classic Turning did have a milky white fluid discharging from scrap metal dumpsters located on the backside of the facility. It was evident that this discharge was coming from the scrap metal bin storage area, flowing onto the driveway, then towards the wetland area to the north. Staff was informed that this fluid is a waste cutting fluid that is mixed in with scrap metal shavings and turnings that is emptied into the outside scrap metal bins.

DEQ staff indicated to you that this discharge is a violation of Section 324.3109 of Part 31, Water Resources Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), and must be eliminated immediately. Staff also indicated to you that controls must be implemented to prevent the waste cutting fluid from being discharged onto the ground and that other controls are needed to prevent contact with storm water. Also, it was noted that scrap metal shavings, turnings, and chips were present on the ground surrounding all dumpsters and this material was identified near the northern edge of the driveway.

Failure to maintain the condition of no exposure or obtain a permit to discharge can lead to the unauthorized discharge of pollutants to waters of the state. Such a discharge is a violation of the Federal Water Pollution Control Act and the NREPA, and is subject to fines and penalties of those Acts.

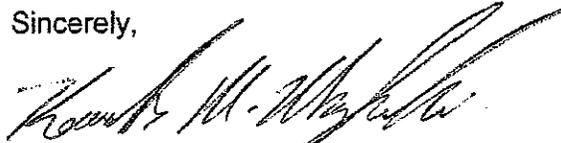
Classic Turning, Inc.
VN-003738
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Even when an industrial operator certifies there is no exposure, the DEQ retains the authority to require the facility to obtain a permit if it is determined that there is exposure at the facility, or that the discharge of storm water is contributing to the violation of water quality standards. Enclosed is a No Exposure Guidance document that you should review.

Due to the ongoing nature of this violation and the paperwork in your file stating that you have eliminated all non-storm water discharges and requested permit termination in 1997, this issue has been referred to the WB, Enforcement Unit for further escalation.

The DEQ will be in contact with you in the near future to discuss all storm water and enforcement actions. We anticipate your cooperation in resolving this matter. If you have any questions, contact me at the number listed below.

Sincerely,



Kenneth M. Mroczkowski
Environmental Quality Analyst
Water Bureau
517-780-7693

KMM/CLH
Enclosure

cc: D/Sgt. Angela Brown, Office of Criminal Investigations, Jackson District Office
Mr. Bryan Grochowski, Waste and Hazardous Materials, DEQ-Jackson District
Office

Enforcement Unit, WB, DEQ-Lansing Office
File: Classic Turning Inc., Storm Water, Jackson County

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

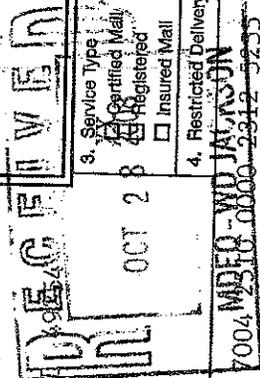
Mr Scott Brockie
Classic Turning Inc
PO Box 495
Michigan Center MI

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
[Signature] Addressee

B. Received by (Name) C. Date of Delivery
SUSAN C. JARVIS *10-27-08*

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No



3. Service Type

- Certified Mail
- Registered
- Insured Mail
- Express Mail
- Return Receipt for Merchandise
- C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

2. Article Number
(Transfer from service label)
7004 MDEP-WD JARVISON
2312 5255

PS Form 3811, February 2004

Domestic Return Receipt