STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF THE DIRECTOR

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| In the matter of administrative proceedings against **SCIO PROPERTIES, LLC**, a Limited Liability Company organized under the laws of the State of Michigan and doing business at 1291 Porters Lane, in the City of Bloomfield Hills, County of Oakland, State of Michigan. | ) | AQD No. 20-2009 |

STIPULATION FOR ENTRY OF FINAL ORDER
BY CONSENT

This proceeding resulted from allegations by the Michigan Department of Environmental Quality ("MDEQ") Air Quality Division ("AQD") against Scio Properties, LLC, a Michigan corporation ("Company"), located at 1291 Porters Lane in the City of Bloomfield Hills, County of Oakland, State of Michigan. The MDEQ alleges that the Company has violated Section 112 of the federal Clean Air Act ("CAA"), 42 USC 7412, the federal National Emission Standards for Hazardous Air Pollutants ("NESHAP"), Title 40 of the Code of Federal Regulations ("CFR") Part 61, Subpart M and is in violation of 2000 MR 18, R 336.1942 ("Rule 942") in effect on November 30, 2000. The alleged violations occurred during the activities performed at the former Farmer Grant's Market Company Florist & Greenhouse properties located at the 6285 – 6393 Jackson Rd. in Ann Arbor, Michigan. Specifically, among other alleged violations, the Company disposed of waste at an unlicensed disposal area and burned solid waste material from commercial and residential building demolition activities. In addition, the Company did not provide a written notice of intent to demolish within 10 working days before the project began, all Regulated Asbestos Containing Material (RACM), including material that has been removed or stripped, was not removed from the facility before demolition nor was it adequately wet or disposed of in leak tight containers.

Scio Properties, LLC and MDEQ stipulate to the termination of this proceeding by entry of a Stipulation for Entry of a Final Order by Consent ("Consent Order").

The Company and MDEQ stipulate as follows:

1. The Natural Resources and Environmental Protection Act, 1994 PA 451, ("Act 451"), MCL

324.101 et seq. is an act to control pollution in this State.

2. Article II, Pollution Control, Part 55 of Act 451 ("Part 55"), MCL 324.5501 et seq. provides for air pollution control regulations in this State.

3. The Michigan Department of Natural Resources ("MDNR") is authorized pursuant to Section 5503 of Part 55 to administer and enforce all provisions of Part 55. Section 301 of Part 3 provides the authority to the Director of the MDNR to delegate powers and duties.

4. The MDEQ was created as a principal department within the Executive Branch of the State of Michigan pursuant to Executive Order 1995-18. All statutory authority, powers, duties, functions and responsibilities of the MDNR Air Quality Division were transferred to the Director of the MDEQ ("Director").

5. The Director has delegated authority to the Chief of the AQD ("AQD Chief") to enter into this Consent Order pursuant to Letter-AQD-55-12, Effective date October 1, 1995.

6. Section 112 of the CAA, provides authority for the Administrator of the United States Environmental Protection Agency ("USEPA") to establish emission standards for hazardous air pollutants.

7. The USEPA has promulgated NESHAP regulations for asbestos, which are set forth in the 40 CFR Part 61, Subpart M, Sections 61.140 through 61.156.

8. The USEPA has delegated authority for administration and enforcement of NESHAP asbestos regulations to MDEQ-AQD. This authority was granted in an April 11, 1988 letter from Valdus Adamkus ("USEPA Regional Administrator") to Robert Miller ("Air Quality Division, Chief").

9. The termination of this matter by a Consent Order pursuant to Section 5528 of Part 55 is proper and acceptable.

10. The Company and the MDEQ agree that the signing of this Consent Order is for settlement purposes only and does not constitute an admission by the Company that the law has been violated.

11. This Consent Order becomes effective on the date of execution ("effective date of this Consent Order") by the AQD Chief.

12. The Company shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in this Consent Order.

COMPLIANCE PROGRAM

13. On and after the effective date of this Consent Order, the Company shall fully comply with Section 61.145 (c) of the asbestos NESHAP and with Michigan Administrative Code ("MAC"), 1995 AACS R 336.1942 ("Rule 942"), including adequately wetting RACM during demolition/renovation activities.

14. On and after the effective date of this Consent Order, the Company shall fully comply with Section 61.150 of the asbestos NESHAP and with Michigan Administrative Code ("MAC"), 1995 AACS R 336.1942 ("Rule 942") including discharging no visible emissions to the outside air during the collection, processing, packaging, or transporting of any RACM.

15. On and after the effective date of this Consent Order, the Company shall fully comply with Section 61.145 (b) and with Michigan Administrative Code ("MAC"), 1995 AACS R 336.1942 ("Rule 942") by providing to the MDEQ-AQD the required notification, which accurately describes the work practices and engineering controls to be used to comply with the asbestos NESHAP.

16. On and after the effective date of this Consent Order, the Respondent shall not dispose of any waste at an unlicensed disposal area; as required by Part 115, Solid Waste Management, of the Natural Resources Protection Act, 1994 PA Act 451, as amended.

17. On and after the effective date of this Consent Order, the Respondent shall not burn solid waste material from commercial and residential building demolition activities; as required by the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources Protection Act, 1994 PA Act 451, as amended.

GENERAL PROVISIONS

18. This Consent Order 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.

19. Within thirty (30) days after the effective date of this Consent Order, the Company shall pay to the General Fund of the State of Michigan, in the form of a check made payable to the "State of Michigan" and delivered to the Michigan Department of Environmental Quality, Financial and Business Services Division, Revenue Control, P.O. Box 30657, Lansing, Michigan 48909-8157, a settlement amount of $3,001.60 which includes AQD costs for investigation and enforcement. This total settlement

amount shall be paid within thirty (30) days of the effective date of this Consent Order. To ensure proper credit, all payments made pursuant to this Consent Order shall include the Agreement Identification No. AQD 1180 on the face of the check. This settlement amount is in addition to any fees, taxes, or other fines that may be imposed on the Company by law.

20. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 13, 14, or 15 of this Consent Order, the Company is subject to stipulated fines of $2,000.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with paragraph 16 or 17 of this Consent Order, the Company is subject to stipulated fines of $1,000.00 per violation per day. On and after the effective date of this Consent Order, if the Company fails to comply with any other provision of this Consent Order, the Company is subject to stipulated fines of $500.00 per violation. On and after the effective date of this Consent Order, if the Company fails to comply with the payment schedule in paragraph 17, the Company is subject to stipulated fines of $500.00 per violation per day. The amount of the stipulated fines imposed pursuant to this paragraph shall be within the discretion of the MDEQ. Stipulated fines submitted under this Consent Order shall be by check, payable to the "State of Michigan" within 30 days of demand and shall be delivered to the Michigan Department of Environmental Quality, Financial & Business Services Division, Revenue Control, P.O. Box 30657, Lansing, Michigan 48909. To ensure proper credit, all payments shall include the Agreement Identification No. AQD 1180-S on the face of the check. Payment of stipulated fines shall not alter or modify in any way the Company's obligation to comply with the terms and conditions of this Consent Order.

21. The AQD, at its discretion, may seek stipulated fines or statutory fines for any violation of this Consent Order which is also a violation of any provision of applicable federal and state law, rule, regulation, permit, or MDEQ administrative order. However, the AQD is precluded from seeking both a stipulated fine under this Consent Order and a statutory fine for the same violation.

22. To insure timely payment of the settlement amount assessed in paragraph 19 and any stipulated fines assessed pursuant to paragraph 20 of this Consent Order, the Company shall pay an interest penalty to the State of Michigan each time it fails to make a complete or timely payment under this Consent Order. The interest penalty shall be determined at a rate of twelve percent (12%) per year compounded annually, using the full increment of amount due as principle, calculated from the due date specified in this Consent Order until the date that delinquent payment is finally paid in full. Payment of

an interest penalty by the Company shall be made to the State of Michigan in accordance with paragraph 20 of this Consent Order. Interest payments shall be applied first towards the most overdue amount or outstanding interest penalty owed by the Company before any remaining balance is applied to subsequent payment amount or interest penalty.

23. The Company agrees not to contest the legal basis for the settlement amount assessed pursuant to paragraph 19. The Company also agrees not to contest the legal basis for any stipulated fines assessed pursuant to paragraph 20 of this Consent Order, but reserves the right to dispute in a court of competent jurisdiction the factual basis upon which a demand by MDEQ of stipulated fines is made. In addition, the Company agrees that said fines have not been assessed by the MDEQ pursuant to Section 5529 of Part 55 and therefore are not reviewable under Section 5529 of Part 55.

24. This Consent Order shall remain in full force and effect for a period of at least four-years. Thereafter, the Consent Order may be terminated only upon the issuance of a written notice of termination issued by the AQD Chief. Prior to issuance of a written notice of termination, the Company shall submit a request to the AQD Chief at the Michigan Department of Environmental Quality, Air Quality Division, P.O. Box 30260, Lansing, Michigan 48909-7760, consisting of a written certification that the Company has fully complied with all the requirements of this Consent Order and has made all payments including all stipulated fines required by this Consent Order. Specifically, this certification shall include: (i) the date of compliance with each provision of the compliance program and the date any payments or stipulated fines were paid; (ii) a statement that all required information has been reported to the AQD; (iii) confirmation that all records required to be maintained pursuant to this Consent Order are being maintained at the facility; and, (iv) such information as may be requested by the AQD Division Chief. Termination of this Consent Order shall be executed upon completion of the terms and conditions of this contract and will not be unreasonably withheld.

25. In the event Scio Properties, LLC, sells or transfers the Company, it shall advise any purchaser or transferee of the existence of this Consent Order in connection with such sale or transfer. Within thirty (30) calendar days, the Company shall also notify the AQD Jackson District Supervisor, in writing, of such sale or transfer, the identity and address of any purchaser or transferee, and confirm the fact that notice of this Consent Order has been given to the purchaser and/or transferee. As a condition of the sale, the Scio Properties, LLC must obtain the consent of the purchaser and/or transferee, in writing, to assume all of the obligations of this Consent Order. A copy of that agreement shall be forwarded to the AQD Jackson District Supervisor within 30 days of assuming the obligations of this Consent Order.

26. Prior to the effective date of this Consent Order and pursuant to the requirements of Sections 5511 and 5528(3) of Part 55, the public was notified of a 30-day public comment period and was provided the opportunity for a public hearing.

27. Section 5530 Part 55 may serve as a source of authority but not a limitation under which the Consent Order may be enforced. Further, Part 17 of Act 451 and all other applicable laws and any other legal basis or applicable statute may be used to enforce this Consent Order.

28. The Company hereby stipulates that entry of this Consent Order is a result of an action by MDEQ to resolve alleged violations of its facility located at the former Farmer Grant's Market Company Florist & Greenhouse properties located at the 6285 – 6393 Jackson Rd. in Ann Arbor, Michigan. The Company further stipulates that it will take all lawful actions necessary to fully comply with this Consent Order, even if the Company files for bankruptcy in the future. The Company will not seek discharge of the settlement amount and any stipulated fines imposed hereunder in any future bankruptcy proceedings, and the Company will take necessary steps to ensure that the settlement amount and any future stipulated fines are not discharged. The Company, during and after any future bankruptcy proceedings, will ensure that

the settlement amount and any future stipulated fines remain an obligation to be paid in full by the Company to the extent allowed by applicable bankruptcy law.

The undersigned certifies that he/she is fully authorized by the Company to enter into this Consent Order and to execute and legally bind the Company to it.

**Scio Properties, LLC**

SANA AZZOO
Notary Public - Michigan
Oakland County
My Commission Expires May 24, 2010
Acting in the County of Oakland

M C VanDerBrug Co Manager
Print Name and Title

Signature Date: 10-13-09

The above signatory subscribed and sworn to before me this 13th day of October, 2009.

Notary Public

Approved as to Content:

G. Vinson Hellwig, Chief
AIR QUALITY DIVISION
DEPARTMENT OF
ENVIRONMENTAL QUALITY

Dated: 10/15/09

Approved as to Form:

Alan F. Hoffman, Section Head
ENVIRONMENTAL REGULATION SECTION
ENVIRONMENT, NATURAL RESOURCES,
AND AGRICULTURE DIVISION
DEPARTMENT OF ATTORNEY GENERAL

Dated: 10/15/09

FINAL ORDER

The Chief of the Air Quality Division having had opportunity to review the Consent Order and having been delegated authority to enter into Consent Orders by the Director of the Michigan Department of Environmental Quality pursuant to the provisions of Part 55 of Act 451 and otherwise being fully advised on the premises,

HAS HEREBY ORDERED that the Consent Order is approved and shall be entered in the record of the MDEQ as a Final Order.

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

G. Vinson Hellwig, Chief
Air Quality Division

Dated: 10/15/09