

**STATE OF MICHIGAN**  
**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, and ENERGY**  
**REMEDiation AND REDEVELOPMENT DIVISION**

Al-oud, LLC  
Al-oud 4, LLC  
15000 East 8 Mile Road  
Detroit, Michigan 48205

Jefferson Fuels, Inc.  
8009 East Jefferson Avenue  
Detroit, Michigan 48214

AOC-RRD-22-001

Respondents  
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**ADMINISTRATIVE AGREEMENT FOR THE RESOLUTION OF**  
**ADMINISTRATIVE PENALTIES**

This Administrative Agreement (Agreement) is entered into voluntarily by and between the Michigan Department of Environment, Great Lakes, and Energy (EGLE) and Al-oud, LLC, Al-oud 4, LLC, and Jefferson Fuels, Inc. (collectively, Respondents), to resolve the administrative penalties accruing pursuant to the Notice of Part 213 Administrative Penalty Accrual Letter dated March 24, 2022 (Penalty Accrual Letter). The Respondents were notified on June 14, 2021, and August 25, 2021, of their failure to comply with Part 213, Leaking Underground Storage Tanks, of the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451, as amended, MCL 324.21301 *et seq.* In the Penalty Accrual Letter, EGLE notified the Respondents of the accrual of administrative penalties for failure to submit required reports pursuant to Sections 21308a and 21311a of Part 213. EGLE alleges that the Respondents, who are owners and/or operators of the underground storage tank system(s) located at 8005 and 8009 East Jefferson Avenue, Detroit, Wayne County, Michigan, Facility ID Number 00005944 (Property), are in violation of the Part 213 reporting requirements.

## **I. STIPULATIONS/UNCONTESTED FACTS**

The Respondents and EGLE stipulate as follows:

1.1 Pursuant to the NREPA and Executive Order No. 2019-2, the Director of EGLE is the state official and EGLE is the state agency charged with the administration and enforcement of Part 213.

1.2 The Respondents are each a Michigan corporation authorized to do business in Michigan. The Respondents are each a “person” as defined by Section 301(h) of Part 213.

1.3 The Respondents are each an “owner” or “operator,” as defined by Section 21303 of Part 213, of the underground storage tank system(s) located at the Property. Confirmed Release No. C-0026-20 was confirmed on July 23, 2020. The Respondents are liable and subject to Part 213.

1.4 The Respondents failed to complete and submit an Initial Assessment Report (IAR) within 180 days after the discovery of the release as required pursuant to Section 21308a of Part 213. However, an IAR was submitted on May 17, 2022.

1.5 The Respondents failed to complete and submit a Final Assessment Report (FAR), including a Corrective Action Plan (CAP) as required pursuant to Section 21309a of Part 213, within 365 days after the discovery of a release as required pursuant to Section 21311a of Part 213. However, on May 19, 2022, the Respondents’ Consultant provided a response to the Penalty Accrual Letter which included a projected timeline to submit the FAR and CAP by June 30, 2024.

1.6 On January 10, 2023, EGLE updated the Precluding Factors Assessment for Petroleum Vapor Intrusion (PVI) Separation Distances to provide additional guidance on the use of the lateral inclusion zone (LIZ) and vertical separation distances. The Respondent’s Consultant informed EGLE that utilizing the updated guidance in the Precluding Factors Assessment PVI Separation Distance process allows for significant reduction of the LIZ and eliminates the need for additional off-site volatilization to indoor

air pathway (VIAP) assessment, and with that understanding, the Respondents and EGLE determined the appropriate due date for the Respondents submittal of the FAR and CAP would be July 31, 2023.

## **II. COMPLIANCE PROGRAM**

The Respondents shall perform the following corrective actions pursuant to the schedule set forth below:

2.1 The Respondents shall submit to EGLE a FAR that includes a CAP no later than July 31, 2023. The FAR and CAP must include all required elements and information listed in Sections 21311a and 21309a of Part 213, respectively. The FAR and CAP will be subject to audit by EGLE pursuant to Section 21315 of Part 213. EGLE audit could result in approval, approval with conditions, notice of insufficient information, or denial of the FAR and CAP. If the audit determination results in approval with conditions, notice of insufficient information, or denial, the Respondents agree to respond to the audit determination within twenty-one (21) days by either providing information indicating that the conditions have been met, providing the information EGLE has identified as necessary to make a decision, submitting a revised FAR and CAP for approval, or by providing a commitment and schedule, subject to EGLE approval, to conduct any additional corrective action necessary to address the issues identified by EGLE in the audit determination. If the determination of the audit results in any conclusion other than approved or approved with conditions, the remaining accrued penalties may be assessed pursuant to Section IV (Administrative Penalties).

2.2 Extension(s) to the submittal date for any revised FAR and CAP required by this Agreement may be granted, for good cause, by the Remediation and Redevelopment Division (RRD) Detroit District Supervisor upon written request by the Respondents or their Consultant(s), provided that the Consultants have express written permission from the Respondents for the extension request and such request is submitted no less than fifteen (15) days prior to the due date of the revised FAR and CAP.

The Respondents shall implement the CAP according to the schedule contained within the approved FAR, or if applicable revised FAR, and shall submit documentation that the Respondents are in the process of such implementation to EGLE within thirty (30) days of EGLE's approval or approval with conditions of the FAR. Extension(s) to the CAP implementation schedule may be granted, for good cause, by the RRD Detroit District Supervisor upon written request by the Respondents or their Consultant(s), provided that the Consultants have express written permission from the Respondents for the extension request and that such request is submitted no less than fifteen (15) days prior to the scheduled date of implementation for any corrective action. The Respondents shall submit documentation that the CAP implementation has been completed to EGLE within thirty (30) days of completion.

2.3 The Respondents or their Consultant(s), provided that the Consultants have express written permission from the Respondents, shall submit quarterly Progress Reports detailing sampling results, actions that have been taken toward achieving compliance with this Agreement, updated figures and maps, and any other relevant data relating to the implementation of the CAP. The Progress Reports will be subject to EGLE's review. If EGLE's review determines that additional information is needed in a submitted Progress Report, EGLE will respond to the Respondents or their Consultant(s) with a request for additional information, and the Respondents or their Consultant(s) agree to provide the additional information requested or submit a commitment and schedule, subject to EGLE approval, to conduct any additional corrective action required to obtain the requested information within thirty (30) days of EGLE's request. The first quarterly Progress Report shall be submitted on the fifteenth (15<sup>th</sup>) of the month three (3) months after the Effective Date of this Agreement, and then by the 15<sup>th</sup> of every third (3<sup>rd</sup>) month thereafter until Respondents submit documentation that the CAP implementation has been completed and EGLE issues a written Notice of Termination pursuant to Paragraph 10.1 of this Agreement.

### **III. SUBMITTALS**

3.1 All correspondence and submittals are to be made to:

For EGLE:

Beth Vens (or current), Project Manager  
Detroit District Office  
Remediation and Redevelopment Division  
Michigan Department of Environment, Great Lakes, and Energy  
27700 Donald Court  
Warren, Michigan 48092  
E-mail: VensB@Michigan.gov  
Phone: 586-484-1030  
FAX: 586-751-4690

For the Respondents, to all:

Shuga Gobah  
Al-oud, LLC  
Al-oud 4, LLC  
15000 East 8 Mile Road  
Detroit, Michigan 48205

Mustafa Ahmed  
Jefferson Fuels, Inc.  
8009 East Jefferson Avenue  
Detroit, Michigan 48214

3.2 If the Respondents change the designated contact person(s); the name(s), address(es), and telephone number(s) of the successor(s) shall be provided to Beth Vens or the current Project Manager at the address designated in Paragraph 3.1 of this Agreement.

3.3 No informal advice, guidance, suggestions, or comments by EGLE will be construed as relieving the Respondents of their obligation to obtain any written approval(s) required by this Agreement.

#### **IV. ADMINISTRATIVE PENALTIES**

4.1 As of June 5, 2022, the accrued balance of administrative penalties was sixty-three thousand dollars (\$63,000). The Respondents shall pay ten percent (10%) of those accrued administrative penalties, totaling six thousand three hundred dollars (\$6,300). Payments will be made monthly in the amount of five hundred twenty-five dollars (\$525) over the course of a twelve (12) month period, with the first payment due 30 days after the date the RRD Assistant Director signs this Agreement.

4.2 The remaining balance (\$56,700) of administrative penalties that have accrued following the March 24, 2022, Penalty Assessment Letter until June 5, 2022, shall be held in abeyance, and a hold shall be placed on the accrual of additional administrative penalties provided EGLE determines that the Respondents have complied with all requirements of this Agreement and Sections 21309a and 21311a of Part 213.

4.3 The Respondents agree to pay all funds due under Paragraph 4.1 of this Agreement by certified check, made payable to the State of Michigan – Environmental Response Fund. To ensure proper credit, the payments made pursuant to this Agreement must include Location Code 7G57 and Settlement ID Number RRD40152 identified on the certified check.

4.4 All payments made pursuant to this Agreement shall be delivered to:

- Via Mail

Accounting Services Division  
Cashier's Office for EGLE  
P.O. Box 30657  
Lansing, Michigan 48909-8157

OR

- Via Courier

Accounting Services Division  
Cashier's Office for EGLE  
425 West Ottawa Street  
Lansing, Michigan 48933

## **V. COMPLIANCE WITH THIS AGREEMENT**

5.1 If the Respondents fail to comply with Section II (Compliance Program) or Section IV (Administrative Penalties) of this Agreement, EGLE may assess the remaining balance of administrative penalties held in abeyance pursuant to Paragraph 4.2, and additional administrative penalties will begin to accrue on the date the Respondents fail to comply with Section II (Compliance Program) or Section IV (Administrative Penalties) of this Agreement.

5.2 The Respondents agree to pay any administrative penalties assessed pursuant to Paragraph 5.1 of this Agreement within thirty (30) days from the date that the Respondents receive a demand for payment from EGLE. This payment shall be made in accordance with Paragraphs 4.3 and 4.4 of this Agreement.

## **VI. RETENTION OF RECORDS**

6.1 Pursuant to Section 21312a(1)(d) of Part 213, the Respondents shall preserve and retain, for a period of six (6) years after the completion of corrective actions, all records, sampling and test results, charts, plans, logs, and any other documents relating to the release(s) from the underground storage tank system(s), and the performance of corrective actions to address the resultant contamination. Upon request by an authorized representative of EGLE, the Respondents shall make available to EGLE all documents required to be maintained or provided under this Agreement or Part 213.

6.2 Upon written request by EGLE, the Respondents, or their successor(s), shall provide, within thirty (30) days of receipt of the request, all supporting documentation relating to the performance of corrective actions necessary to comply

with this Agreement, including but not limited to, records, sampling and test results, charts, plans, logs, and any other documents necessary to comply with this Agreement.

## **VII. RIGHT OF ENTRY**

7.1 To the extent the Respondents are in control of access to the Property, the Respondents shall allow EGLE or any EGLE authorized representative or contractor, upon presentation of proper credentials, to enter upon the premises of the Property at all reasonable times for the purpose of monitoring compliance with the provisions of this Agreement. This paragraph in no way limits the authority of EGLE to conduct tests and inspections pursuant to Part 213, or any other applicable statutory provision.

## **VIII. GENERAL PROVISIONS**

8.1 This Agreement addresses only the past violations identified in the Penalty Accrual Letter. EGLE reserves the right to pursue any other remedies to which it is entitled for failure of the Respondents to comply with the requirements of this Agreement; to address releases of regulated substances covered under this Agreement; and to address future releases or conditions in accordance with the NREPA.

8.2 After the Effective Date of this Agreement, if EGLE or the Department of Attorney General (DAG) initiates any administrative or judicial proceeding for injunctive relief, recovery of corrective action costs, or other appropriate relief relating to the Property, the Respondents agree not to assert and shall not maintain any defenses or claims that are based upon the principles or waiver, res judicata, collateral estoppel, issue preclusion, or claim splitting, or that are based upon a defense that contends any claims raised by EGLE or the DAG were or should have been brought in this matter.

8.3 EGLE reserves all of its enforcement rights including, but not limited to, seeking injunctive relief and additional fines for violations not resolved by this Agreement.



8.4 EGLE reserves its right to assess administrative penalties pursuant to Section 21313a of Part 213 for any new releases.

8.5 The State of Michigan expressly reserves all of its rights and defenses pursuant to any available legal authority to enforce this Agreement.

8.6 In addition to, and not as a limitation of any other provision of this Agreement, EGLE retains all of its authority and reserves all of its rights to perform, or contract to have performed, any corrective actions that EGLE deems necessary.

8.7 This Agreement in no way affects the Respondents' responsibility to comply with any other applicable local, state, or federal laws or regulations including, without limitation, any corrective action or similar requirements applicable to the Property pursuant to the NREPA and its rules.

8.8 Nothing in this Agreement shall be considered to affect any liability that the Respondents may have for criminal action, state corrective action costs, or natural resources damages caused by the Respondents' ownership and/or operation of the Property. The State of Michigan expressly reserves any rights it may have to bring a criminal action or to bring a civil action to recover corrective action costs, natural resources damages, or to seek injunctive relief compelling the Respondents to perform necessary corrective actions pursuant to Part 213.

8.9 The provisions of this Agreement shall apply to, and be binding upon, the parties to this Agreement and their successors. No change in ownership, corporate, or legal status of the Respondents, including but not limited to any transfer of assets or real property or the bankruptcy of the Respondents, shall alter in any way the Respondents' responsibilities under this Agreement.

8.10 The Respondents agree not to contest the:  
(a) Legality of the administrative penalties assessed by the March 24, 2022, Notice of Part 213 Administrative Penalty Accrual Letter;

- (b) Legality of the administrative penalties accrued, but not assessed, pursuant to Paragraph 4.1 of this Agreement; and
- (c) Legality of any assessments pursuant to Paragraph 5.1 of this Agreement.

8.11 If any provision of this Agreement or the application of this Agreement to any party or circumstances is determined to be invalid, that provision shall be deemed severed and the remainder of the Agreement shall remain in full force.

## **IX. MODIFICATIONS**

9.1 The deadlines contained in this Agreement may only be modified according to the terms of this section.

9.2 The deadlines provided in Section II (Compliance Program) of this Agreement may be extended in writing at the sole discretion of the RRD Detroit District Supervisor. All other provisions may only be modified at the sole discretion of the RRD Director.

## **X. TERMINATION**

10.1 This Agreement shall remain in full force and effect until EGLE issues a written Notice of Termination.

10.2 The Respondents may submit a written request for a Notice of Termination to the RRD District Supervisor identified in Paragraph 10.3 of this Agreement. The Respondents' request for termination shall consist of a written affidavit that the Respondents have fully complied with the requirements of this Agreement. Specifically, this affidavit shall include:

- (a) An affirmative statement that the Respondents have complied with Section II (Compliance Program) and Section IV (Administrative Penalties) of this Agreement;

(b) A statement that all required information has been submitted to the RRD District Supervisor; and

(c) A confirmation that all records required to be maintained pursuant to this Agreement are being maintained by the Respondents.

10.3 The written request for termination must be mailed and electronically mailed (E-mailed) to:

Paul Owens (or current), District Supervisor  
Detroit District Office  
Remediation and Redevelopment Division  
Department of Environment, Great Lakes, and Energy  
27700 Donald Court  
Warren, Michigan 48092  
E-mail: OwensP@Michigan.gov

A copy of the request for termination must also be mailed and E-mailed to the Project Manager identified in Paragraph 3.1 of this Agreement.

10.4 EGLE may also request additional information for verification that the conditions for termination have been satisfied. EGLE shall not unreasonably withhold a Notice of Termination.

10.5 EGLE may independently determine that the terms and conditions of the Agreement have been met. If EGLE makes such a determination, EGLE shall issue a Notice of Termination.

## **XI. EFFECTIVE DATE**

11.1 This Agreement shall become effective on the date the EGLE RRD Assistant Director signs the Agreement (Effective Date). All dates for performing obligations under this Agreement shall be calculated from the Effective Date. For this Agreement, "day" means a calendar day unless otherwise noted.

## XII. SIGNATORIES

The undersigned certify they are fully authorized by the party they represent to enter into this Agreement and to execute and legally bind that party to its terms and conditions.

Michigan Department of Environment, Great Lakes, and Energy:



Joshua Mosher, Assistant Director  
Remediation and Redevelopment Division  
Michigan Department of Environment, Great Lakes, and Energy

7-26-23

Date

Al-oud, LLC:

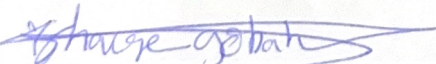


Name, Title: Shuga Gobah, Owner  
Company: Al-oud, LLC

7-20-23

Date

Al-oud 4, LLC:



Name, Title: Shuga Gobah, Owner  
Company: Al-oud 4, LLC

7-20-23

Date

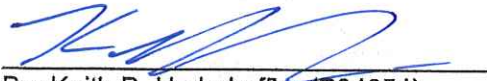
Jefferson Fuels, Inc.:



Name, Title: Mustafa Ahmed, Owner  
Company: Jefferson Fuels, Inc.

7-20-23  
Date

**APPROVED AS TO FORM:**



By: Keith D. Underkoffler (P84854)  
Assistant Attorney General  
Environment, Natural Resources, and Agriculture Division  
Michigan Department of Attorney General

7/25/23  
Date