



Michigan Department of Environmental Quality
Remediation and Redevelopment Division

AOC for RESPONSE ACTIVITIES

AOC RRD-15-009.DOC

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

In the Matter of:

**S.D. WARREN COMPANY d/b/a SAPPI NORTH AMERICA
Melching Inc., and Melcor LLC**

**Former Muskegon Mill
Muskegon, MI**

MDEQ Reference No. AOC-RRD-15-009

Proceeding under Section 20134(1) of Part 201, Environmental Remediation, of the
Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

ADMINISTRATIVE ORDER BY CONSENT

**ADMINISTRATIVE ORDER BY CONSENT
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I. JURISDICTION

This Administrative Order by Consent (Order) is entered into voluntarily by and between the Michigan Department of Environmental Quality (MDEQ); the Michigan Department of Attorney General (MDAG); and Respondents, pursuant to the authority vested in the MDEQ and the MDAG by law, including, without limitation, Section 20134(1) of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.20101 *et seq.* This Order concerns the performance by Respondents of certain response activities at the former Sappi Paper Mill Facility located at 2400 Lakeshore Drive in Muskegon, Muskegon County, Michigan. Pure Muskegon is also a party to this Order, provided its obligations under this Order are limited to compliance with only those obligations set forth in Paragraph 8.6 and Section IX of this Order.

II. DENIAL OF LIABILITY

The execution of this Order by Respondents and Pure Muskegon is neither an admission or denial of liability with respect to any issue dealt with in this Order nor an admission or denial of any factual allegations or legal determinations stated or implied herein.

III. PARTIES BOUND

3.1 This Order shall apply to and be binding upon the signatories and their successors. As set forth herein and subject to the terms and conditions hereof, S.D. Warren Company d/b/a Sappi North America, Melching Inc., and Melcor LLC (collectively, "Respondents") are liable for the performance of all activities specified in this Order and for any penalties that may arise from violations of this Order, each to the extent as set forth herein. Any change in ownership, corporate, or legal status of Respondents including, but not limited to, any transfer of assets, or of real or personal property, shall in no way alter Respondents' responsibilities under this

Order. The Melching Respondents shall comply with the requirements of Section 20116 of the NREPA, MCL 324.20116; however, the State acknowledges that the requirements of Section 20116 of the NREPA are not applicable to the Sappi Respondent as it does not currently own the Property.

3.2 Notwithstanding the terms of any contract that a Respondent may enter into with respect to the performance of Response Activities pursuant to this Order, subject to the terms and conditions of this Order (including but not limited to Paragraph 8.3) each Respondent is responsible for compliance with the terms of this Order and each Respondent shall ensure that its respective contractors, subcontractors, laboratories, and consultants perform all Response Activities in conformance with the terms and conditions of this Order. Notwithstanding any provision of this Order, Pure Muskegon's obligations under this Order are limited to compliance with only those obligations set forth in Paragraph 8.6 and Section IX of this Order.

3.3 Each signatory to this Order certifies that it is authorized to execute this Order and to legally bind the party it represents.

IV. STATEMENT OF PURPOSE

Subject to the terms and conditions set forth in this Order, the Respondents agree to perform Response Activities as described in Section VIII (Performance of Response Activities), amend restrictions and obligations in the property deed to facilitate redevelopment of the Property as required in Section IX (Documents and Payments Held in Escrow), and take other actions as specified in this Order to facilitate the redevelopment of the Property for safe and productive uses as part of the Muskegon community.

V. DEFINITIONS

5.1 "Acquisition Deadline" means August 31, 2016, or such later date permitted by the State by notice to Pure Muskegon and the Respondents delivered prior to August 31, 2016, which permission shall not be unreasonably withheld, delayed or conditioned.

5.2 "Certification Re Closing" means the document attached as Exhibit C to the Escrow Agreement at Attachment F to this Order that the Escrow Agent, Melching and Pure Muskegon must deliver certifying that all conditions of transferring the Property from Melching to Pure Muskegon have been satisfied. "Close of Escrow Form" means the document attached as Exhibit E to the Escrow Agreement at Attachment F to this Order that the Escrow Agent delivers to all parties to this Agreement and to Kimberly-Clark certifying that the Closing Conditions pertaining to the transfer of the Property from Melching to Pure Muskegon have been satisfied, that the amendments to the Deed Restrictions have been appropriately recorded, and that all funds and documents that must be disbursed pursuant to this Agreement and pursuant to the State of Michigan agreement with Kimberly-Clark Corporation (AOC-RRD-15-010) have been completed. The full executed Close of Escrow Form confirms the effectiveness of this Order, as set forth in Paragraph 9.3.

5.3 "Day" means a calendar day.

5.4 "Deed Restrictions" means collectively (1) the Quit Claim Deed with Environmental Covenants, Release and Indemnity dated August 23, 2011 and recorded August 29, 2011 in Liber 3888 of Muskegon County Records at Page 749 (the "Deed"); (2) the Declaration of Covenants, Conditions and Restrictions dated August 25, 2011 and recorded on August 29, 2011 in Liber 3888 of Muskegon County Records at Page 748; and (3) the Amendment to the Declaration of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental

Covenants, Release and Indemnity dated October 23, 2012 and recorded on December 13, 2012 in Liber 3933 of Muskegon County Records at Page 397.

5.5 "Effective Date" means the date that the Escrow Agent has determined that all of the Closing Conditions are satisfied, and the Escrow Agent has delivered and, where appropriate, recorded, the Transaction Documents and delivered all amounts payable pursuant to the terms of this Agreement. The Escrow Agent shall confirm the Effective Date by signing the Close of Escrow Form (Exhibit E to Attachment F to this Order), certifying that all of the requirements referenced in that document have been completed.

5.6 "Escrow Agent" means Sun Title Agency, LLC. 1410 Plainfield Ave., N.E., Grand Rapids, Michigan 49505.

5.7 "Escrow Agreement" shall mean the escrow agreement attached hereto as Attachment F.

5.8 "Escrowed Documents" shall mean all documents required to be delivered to the Escrow Agent as a condition of transfer of the Property to Pure Muskegon and this Order becoming effective. The Escrowed Documents are also listed in the Escrow Agreement, Attachment G to this Order, and include:

- (i) a fully executed copy of this Order;
- (ii) fully-executed copies of the Replacement Declaration and Release Documents;
- (iii) a fully executed copy of the Administrative Order between the State of Michigan and Kimberly-Clark Corporation;
- (iv) a cashier's check in the amount of \$15,000 from the Melching Respondents made payable to "Muskegon River Watershed Assembly;"

- (v) a cashier's check in the amount of \$15,000 from Kimberly-Clark Corporation made payable to "Muskegon River Watershed Assembly;" and
- (vi) all documents and funds necessary to consummate the transfer of the Property by Melching, Inc. to Pure Muskegon.

5.9 "Facility" has the meaning set forth in MCL 324.20101(s), provided that, as used herein the term "Facility" shall be used to reference the areas of the Property identified in Attachment A associated with releases at, on, under and from the Property, and any other area, place, or property where facility conditions as defined at MCL 324.20101(s) exist as a result of the migration of hazardous substances from the Property, including areas deemed to be appurtenant to the Property under principles of riparian or littoral ownership as applied under applicable Michigan law.

5.10 "Lime Management Plan" means the work plan attached hereto as Attachment B to this Order.

5.11 "Lime Storage Area" means the historic lime pile on the Property located as described in the survey attached to the Lime Management Plan as its Appendix A.

5.12 "MDEQ" means the Michigan Department of Environmental Quality, its successor entities, and those authorized persons or entities acting on its behalf.

5.13 "Melching Respondents" means Melching Inc., Melcor LLC, and their successors.

5.14 "Part 201" means Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA),

MCL 324.20101 *et seq.*, criteria developed pursuant to MCL 324.20120(a)(1), and the Part 201 Administrative Rules.

5.15 "Party" means either a Respondent, Pure Muskegon, or the State. "Parties" means S.D. Warren Company d/b/a Sappi North America, Melching Inc., Melcor LLC, Pure Muskegon, and the State.

5.16 "Property" means the property located at 2400 Lakeshore Drive, Muskegon, Michigan, and described in the legal description provided in Attachment A, and includes areas deemed to be appurtenant to the Property under principles of riparian or littoral ownership as applied under Michigan common law.

5.17 "Pure Muskegon" means Pure Muskegon, LLC, a Michigan limited liability company, and its successors.

5.18 "Release Documents" means, collectively, (i) the Second Amendment of Quit Claim Deed and Release of Environmental Covenants, Release and Indemnity (Attachment E-1) and (ii) the Release of Declaration of Covenants, Conditions and Restrictions (Attachment E-2).

5.19 "Replacement Declaration" means the Declaration of Environmental Covenants, Release and Indemnity to be executed and recorded in accordance with this Order, in the form contained in Attachment D.

5.20 "Respondents" means Melching Inc., Melcor LLC, and their successors, and S.D. Warren Company d/b/a Sappi North America, and its successors.

5.21 "Response Activity" or "Response Activities" has the meaning set forth in MCL 324.20101(1)(vv).

5.22 "RRD" means the Remediation and Redevelopment Division of the MDEQ and its successor entities.

5.23 "Sappi Respondent" means S.D. Warren Company d/b/a Sappi North America, and its successors.

5.24 "State" or "State of Michigan" means the MDAG and the MDEQ, and any authorized representatives acting on their behalf.

5.25 "Submissions" means all plans, reports, schedules, and other submissions that Respondents provide or are required to provide to the State or the MDEQ pursuant to the Lime Management Plan. "Submissions" does not include the notifications set forth in Section XIV (*Force Majeure*) of this Order.

5.26 "Unreacted Lime" shall mean lime that exceeds a pH of 9.0 as measured using ASTM Standard D4972 – 13 Standard Test Method for pH of Soils.

Unless otherwise stated herein, all other terms used in this Order, which are defined in Part 3, Definitions, of the NREPA, MCL 324.301; Part 201; or the Part 201 Rules, shall have the same meaning in this Order as in Parts 3 and 201 and the Part 201 Rules.

VI. FINDINGS OF FACT AND DETERMINATIONS

The State makes the following Findings of Fact and Determinations.

6.1 The Property is the former Sappi Fine Paper Mill Facility where paper manufacturing and other manufacturing activities have been conducted by various entities for over 100 years. The Property encompasses approximately 120 acres north of Lakeshore Drive in Muskegon.

6.2 Releases of various process chemicals and process waste water occurred at the Property, resulting in contamination of the soil and groundwater.

6.3 The Property is a "Facility" as defined herein.

6.4 Manufacturing operations ceased in 2009, and Melching, Inc. acquired the Property in 2011. Restrictions in the property deed prohibited conducting a baseline environmental assessment as allowed under Part 201, and as a result, Melching, Inc. did not perform a baseline environmental assessment at the Property within the time frame allowed under the law.

6.5 Various restrictions and limitations on the continued use of the Property are contained in the Deed Restrictions as defined in Paragraph 5.4 of this Order. The restrictions and limitations in the documents listed in this paragraph hinder potential redevelopment of the Property for non-industrial use.

6.6 Both the Sappi Respondent and the Melching Respondents have performed Response Activities to address various releases at, on, under or from the Property, including investigation to document closure in compliance with restricted non-residential criteria as set forth in the Closure Report attached as Attachment C (attachment includes the text of the Closure Report; the complete report can be viewed at the MDEQ Grand Rapids District office and at www.michigan.gov/deq). Such Closure Report, including the mixing zone-based criteria developed by the MDEQ for the Facility and contained in Appendix C of the Closure Report, is hereby approved by MDEQ.

6.7 Various chemical constituents, such as bases, acids, and metals constituting "hazardous substances," as that term is defined in Section 20101(1)(x) of the NREPA, are present in soils and groundwater at or emanating from the Property.

6.8 The release of materials from past manufacturing activities, the confirmed presence of fill material containing hazardous substances, and the

confirmed presence of hazardous substances at or above unrestricted criteria in groundwater at or emanating from the Property constitute a "release or threatened release" at the Facility within the meaning of Section 20101(1)(pp) and 20101(1)(ccc) of the NREPA.

6.9 The Melching Respondents and the Sappi Respondent are "persons" as that term is defined in Section 301(h) of Part 3 of the NREPA. "Person" means an individual, partnership, corporation, association, governmental entity, or other legal entity.

6.10 The following persons are liable pursuant to Section 20126 of the NREPA as set forth herein:

(a) Melching, Inc. became an owner and operator of the Property on or after June 5, 1995, and did not conduct a baseline environmental assessment (BEA) within forty-five (45) days of purchase, and did not provide the results of the BEA to the MDEQ. Therefore, Melching, Inc. is a person who is liable pursuant to Section 20126(1)(c)(i) of the NREPA. While Melching, Inc. acknowledges such liability, it reserves the right to assert any and all claims and defenses that may be available subject only to the terms of the settlement set forth in this Order.

(b) The Sappi Respondent is a former owner or operator of the Property and is a person who is liable pursuant to Section 20126(1)(b) of the NREPA for contamination to the extent that such contamination occurred during its period of ownership or operation of the Property. While the Sappi Respondent acknowledges liability for any such releases, the Sappi Respondent has reserved the right to assert any and all claims and defenses that may be available subject only to the terms of the settlement set forth in this Order.

6.11. The Melching Respondents sought to redevelop the Property for productive industrial use consistent with the Property's historic industrial zoning

designation, but both the local government and the community have expressed a strong preference to redevelop the Property for non-industrial use.

6.12 As set forth herein, the Respondents agree to amend the existing Deed Restrictions to facilitate the transfer and redevelopment of the Property in an environmentally responsible manner to benefit the State of Michigan, the City of Muskegon, and the general public.

6.13 In accordance with MCL 324.20118, it is necessary and appropriate that response activities provided in the Order be performed at the Facility.

6.14 The State has determined: (1) that entry of this Order, in conjunction with the State's Administrative Order by Consent with Kimberly-Clark Corporation pertaining to the same Property (AOC-RRD-15-010), will expedite the performance of Response Activities and facilitate the redevelopment and productive use of the Property, (2) that the Respondents will properly perform the Response Activities required by this Order and maintain compliance with this Order, and (3) that entry of this Order is in the public interest and will minimize litigation.

6.15 Pure Muskegon has entered into negotiations with the Melching Respondents to purchase the Property. Pure Muskegon seeks to facilitate the redevelopment of the Property for mixed residential, commercial, and public uses consistent with the desires expressed by the local government and the community. Redevelopment of the Property for any uses other than industrial uses is currently prohibited by the existing Deed Restrictions. Pure Muskegon seeks to purchase the Property simultaneously with the amendment of the Deed Restrictions in accordance with Section IX of this Order in order to permit non-industrial uses consistent with the requirements of this Order.

VII. COMPLIANCE WITH STATE AND FEDERAL LAWS

7.1 All actions required to be taken pursuant to this Order shall be undertaken in accordance with the requirements of all applicable state and federal laws, rules, and regulations, including, but not limited to Part 201 and laws relating to occupational safety and health. Nothing in this Paragraph 7.1 shall be construed to create additional obligations for the Respondents to perform any Response Activities beyond those required pursuant to Section VIII of this Order (Performance of Response Activities); except to the extent that a Respondent has ongoing due care obligations pursuant to MCL 324.20107a as a current owner or operator of the Property. The State acknowledges that with regard to Respondents, the intended use of the Property is as it is currently used (industrial use). The State further acknowledges that with regard to Respondents and their intended use of the Property, compliance with Section VIII of this Order (Performance of Response Activities), and the execution and delivery of the Replacement Declaration (Attachment D) and the Release Documents (Attachment E) as required by Section IX of this Order are the only Response Activities necessary to mitigate unacceptable exposures in a manner which protects the public health and safety as required under Section 107a of Part 201, MCL 324.20107a in connection with the transfer of the Property to Pure Muskegon for its intended redevelopment of the Property. To the extent that Pure Muskegon redevelops the Property for non-industrial uses, Pure Muskegon and other future owners are responsible for any additional Response Activities necessary to ensure compliance with Section 107a of Part 201, MCL 324.20107a. The scope and extent of Response Activities and due care required will depend on the type of use proposed and the location of such use on the Property, and the resulting potential exposures to hazardous substances that must be mitigated.

7.2 This Order does not relieve the obligations of any owner or operator of the Property to obtain and maintain compliance with any required environmental permits.

VIII. PERFORMANCE OF RESPONSE ACTIVITIES

8.1 Performance Objective

For the purposes of this Order, the "Performance Objective" shall be achievement of a pH in groundwater within the range of 6.5 to 9.0 standard units at the Groundwater-Surface Water Interface (GSI) downgradient of the Lime Storage Area verified as described in the Lime Management Plan.

8.2 Response Activities.

(a) The MDEQ hereby approves the Lime Management Plan at Attachment B to this Order, including those Response Activities set forth in the Lime Management Plan, and Respondents shall implement the Response Activities listed in 8.2(a)(i)-(iv) as described in the approved Lime Management Plan until Respondents meet the requirements of Paragraph 8.4(a). Response activities approved under the Lime Management Plan include, but are not limited to:

(i) Installation and operation of the CO₂ injection system as set forth in Sections 5.1 and 6.1 of the Lime Management Plan within the time frame set forth in Section 5.0 of the Lime Management Plan;

(ii) System performance monitoring as set forth in Section 6.2 of the Lime Management Plan;

(iii) Stormwater management as set forth in Sections 5.2, and 6.3 of the Lime Management Plan within the time frame set forth in Section 5.0 of the Lime Management Plan; and

(iv) Groundwater closure verification in Section 6.5 of the Lime Management Plan.

(b) Respondents may also elect to perform additional Response Activities to meet the Performance Objective, including, but not limited to, removal of lime, activities to neutralize lime, covering or capping the Lime Storage Area,

relocating lime or high-pH soils from the Lime Storage Area to other areas of the Property, and/or operation of a groundwater treatment system.

(c) The Respondents shall submit documentation to MDEQ in compliance with the Lime Management Plan.

(d) The Lime Management Plan may be amended as provided below. Respondents may seek modification of the Lime Management Plan to perform Response Activities not specified in the Lime Management Plan to meet the Performance Objective. Response activities may include, but are not limited to removal of lime, activities to neutralize lime, covering or capping the Lime Storage area, relocating lime or high-pH soils from the Lime Storage Area to other areas of the Property, and/or operation of a groundwater treatment system. The Party Representative for MDEQ shall be the Project Manager as set forth in Paragraph 16.1. The Party Representative for the Sappi Respondent shall be the General Counsel for the Sappi Respondent. The Party Representative for the Melching Respondents shall be Douglas W. Melching. Provisions of the Lime Management Plan pertaining to schedules may be amended by agreement of the Project Managers listed in Paragraph 16.1 of this Order; any other provisions of the Lime Management Plan may only be amended by agreement of the Party Representatives.

(e) MDEQ shall not unreasonably withhold its approval of proposed amendments to the Lime Management Plan provided that the Lime Management Plan, with the proposed amendments, shall achieve the Performance Objective set forth in Paragraph 8.1 of this Order.

8.3 (a) The Melching Respondents shall have the primary responsibility for the performance of all Response Activities required under this Order, and the Sappi Respondent shall only be required to conduct such Response Activities in the event that the Melching Respondents have failed or refused to comply with their obligations under this Order.

(b) Upon a determination by MDEQ that the Melching Respondents have failed or refused to perform the Response Activities required under this Order and such failure or refusal results in a breach of the terms and conditions of this Order, the MDEQ shall provide prompt notice of such failure or refusal to the Sappi Respondent. The MDEQ may require the Sappi Respondent to cure any such failure or refusal by the Melching Respondents, by issuing a written notice to the Sappi Respondent (a "Notice of Non-Compliance"). The Notice of Non-Compliance shall specify in reasonable detail any and all violations of, or non-compliance with, the terms of this Order by the Melching Respondents. The Sappi Respondent shall not be required to undertake any Response Activities under this Order unless and until MDEQ issues a Notice of Non-Compliance to the Sappi Respondent. The MDEQ shall set forth in the Notice of Non-Compliance a reasonable time frame for the Sappi Respondent to undertake any required Response Activities. The Sappi Respondent may request approval by MDEQ of a modified schedule with a written submittal of such a request to the MDEQ Project Manager and an explanation for the basis of the request. MDEQ shall not unreasonably withhold its approval of a reasonable request for a modified schedule.

(c) The State or the Melching Respondents shall keep the Sappi Respondent reasonably apprised of the status of Response Activities performed at the Facility under the terms of this Order, and shall provide the Sappi Respondent with copies of all material Submissions under this Order. The Melching Respondents, assisted by the State as needed, shall provide to the Sappi Respondent copies of all other material documents, data, reports, and other communications between MDEQ and the Melching Respondents relating to the performance of Response Activities at the Facility.

(d) To the extent practicable, during the period of effectiveness of this Order, the Sappi Respondent shall be provided with thirty (30) days advance written notice of meetings between the Melching Respondents and the MDEQ at which decisions or pending decisions regarding significant Response Activities or

due care activities at the Facility will be discussed. The Sappi Respondent shall have the right, but not the obligation, to participate in any such meetings. In the event that it is not practicable to provide the Sappi Respondent with thirty (30) days advance written notice, the Sappi Respondent shall be provided reasonable notice as circumstances allow.

(e) Notwithstanding any other provisions to the contrary, the Sappi Respondent's liability for fines and penalties under this Order are set forth in this subparagraph 8.3(e). The Sappi Respondent shall not be responsible or otherwise liable for:

- (i) any exacerbation caused by the Melching Respondents (or their employees, consultants, contractors or agents); or
- (ii) any fines or penalties incurred under the terms of this Order (including, but not limited to, Stipulated Penalties pursuant to Section XVII of this Order) arising from the Melching Respondents' failure or refusal to perform any Response Activities or to take any other actions required under this Order; except that from and after the date which is thirty (30) days after the date on which the Sappi Respondent receives a Notice of Non-Compliance under this Order, the Sappi Respondent shall be subject to fines or penalties pursuant to this Order resulting from the acts or omissions of the Sappi Respondent.

(f) The Respondents shall not be required by the State to undertake any additional Response Activities or incur additional response costs arising from or relating to:

- (i) any new releases of hazardous substances at the Property caused by subsequent owners or operators (notwithstanding whether such hazardous substances are commingled with hazardous materials at the Facility);
- (ii) any exacerbation caused by subsequent owners or operators;
- (iii) any changes in the use of the Property (including, but not limited to, residential use) occurring outside the period of Respondents' ownership;

(iv) any change in the zoning of the Property;

(v) any construction, dredging, grading or excavation

activities that change or in any way alter the GSI compliance point outside the period of Respondents' ownership. The changes or alterations included in this description include, but are not limited to, construction of any harbors, seawalls, boat launches, marinas, or any other activities that alter the location of groundwater discharges or venting to surface water;-

(vi) any excavation, removal, storage, transport, or disposal of contaminated soils or groundwater at or from the Facility relating to any grading, construction or other similar activities performed or undertaken by subsequent owners or operators; or.

(vii) any due care obligations that subsequent owners or operators of the Property may have pursuant to MCL 324.20107a or other applicable environmental laws.

8.4 Completion of Response Activities

(a) If Respondents provide documentation to MDEQ establishing that Respondents have met the requirements of either subparagraph 8.4(a)(i) or (ii), below, the MDEQ will promptly issue its determination that Respondents have fulfilled their obligations under this Order in the form of a Completion Letter:

(i) Respondents may qualify for a Completion Letter by providing documentation to MDEQ establishing that Respondents have met or exceeded the standards for closure as set forth in Paragraph 6.5 of the Lime Management Plan; or

(ii) Respondents may qualify for a Completion Letter by providing documentation to MDEQ establishing that substantially all Unreacted Lime has been removed from the Lime Storage Area, in accordance with state law, as verified and concurred by MDEQ following an onsite inspection with the MDEQ Project Manager or his/her designee.

(b) Upon the issuance of a Completion Letter, the Respondents shall not have any further obligations to conduct Response Activities at the Facility

pursuant to this Order, except to the extent that a Respondent has ongoing due care obligations pursuant to MCL 324.20107a during the time that a Respondent is an owner or operator of the Property.

8.5 The MDEQ's Performance of Response Activities

If MDEQ determines that conditions at the Facility are causing or may cause an endangerment to human health or the environment, the MDEQ may, at its option and upon providing thirty (30) days prior written notice to Respondents and an opportunity for Respondents to undertake the work, take over the performance of those Response Activities. The MDEQ, however, is not required to provide thirty (30) days written notice prior to performing Response Activities that the MDEQ determines are necessary pursuant to Section XIII (Emergency Response) of this Order. Notwithstanding the foregoing, nothing in this Paragraph 8.5 shall be construed to impose any additional liability on Respondents or any obligations upon Respondents to perform Response Activities in addition to or beyond those required to achieve the Performance Objective set forth in this Order.

8.6 Pure Muskegon shall use its reasonable best efforts to acquire title to the Property prior to the Acquisition Deadline. Pure Muskegon agrees to accept title to the Property subject to the Replacement Declaration as set forth in Attachment D, but shall have no obligation to accept title to the Property subject to the Deed Restrictions. Pure Muskegon shall acquire title to the Property through a closing in escrow administered by the Escrow Agent, pursuant to the Escrow Agreement at Attachment F to this Order and referenced in Section IX of this Order. Thereafter, Pure Muskegon shall use its reasonable best efforts to pursue construction of a mixed-use development on the Property consisting of residential uses, commercial uses, and public uses. From and after the earliest date of its purchase or occupancy of the Property, Pure Muskegon shall comply with the following obligations:

- (a) Take all actions necessary to comply, and to cause its employees, contractors, successors and assigns to comply, with all of the duties imposed by Section 20107a of NREPA concerning the Property ("Due Care Obligations");

(b) Provide documentary evidence of compliance with its due care obligations upon the request of the MDEQ within eight (8) months after the earliest date of its purchase or occupancy of the Property;

(c) Comply, and cause its employees, contractors, successors and assigns to comply, with all restrictions set forth in the Replacement Declaration; and.

(d) Carry out the activities set forth in Attachment G, the Minimum Development Plan, in accordance with the terms and schedules set forth in that document.

Pure Muskegon's obligations under this Paragraph 8.6, with the exception of the obligations of Attachment G, Minimum Development Plan, shall automatically cease with respect to any portion of the Property upon the later of the date that it either ceases ownership or possession of such portion of the Property. Apart from the obligations set forth in this Paragraph 8.6, Pure Muskegon shall have no obligation to perform any other obligations required by this Order to be performed by Respondents, whatsoever.

IX. DOCUMENTS AND PAYMENT HELD IN ESCROW

9.1 The Parties agree that the transfer of ownership of the Property shall occur through a closing in escrow pursuant to the terms and conditions of that certain Agreement for Sale and Purchase of Real Estate dated June 27, 2013, as amended, between Melching, Inc. as "seller" and Pure Muskegon, LLC, as "buyer" (the "Purchase Agreement"), with such closing to be administered by the Escrow Agent pursuant to the Escrow Agreement at Attachment F to this Order. The Escrow Agreement provides, among other things, that Respondents and Pure Muskegon shall deliver to the Escrow Agent all of the Escrowed Documents and all funds required for consummation of the transfer of the Property and satisfaction of the payment obligations of this Order, and the Escrow Agent shall confirm that all conditions of closing, as set forth in Exhibit C of Attachment F, are met.

9.2 Notwithstanding whether it has been executed by the Parties, this Order shall not be effective or otherwise bind or obligate any of the Parties until the Effective Date. If the Effective Date does not occur before the Acquisition Deadline, as extended with the consent of the MDEQ, this Order shall automatically terminate without further notice, and shall be considered void ab initio.

9.3 The Parties agree that the Escrow Agent's verification that all of the conditions set forth in Exhibit E of Attachment F, Close of Escrow Form, have been met shall be documented by the Escrow Agent's signature of the Close of Escrow Form. As provided in Paragraph 5.5 of this Order, satisfaction of the Closing Conditions, including delivery and, where appropriate, recording, of the Transaction Documents and delivery of all amounts payable pursuant to the terms of this Agreement, shall make this Order and its covenants fully effective and binding on all Parties. The Escrow Agent shall promptly execute and send a copy of the executed Close of Escrow Form to the Party Representative for each signatory to this Order, using the contact information set forth in the Escrow Agreement, Exhibit D, to confirm satisfaction of the conditions of effectiveness.

X. COMPENSATION FOR INJURIES TO NATURAL RESOURCES

10.1 Within five (5) days of the execution of this Order, The Melching Respondents shall deliver a cashier's check in the amount of \$15,000 made payable to "Muskegon River Watershed Assembly" in the amount of \$15,000.00 (with "MLWP" written in the memo line) to the Escrow Agent to be held in escrow subject to and the terms of the Escrow Agreement. The \$15,000 check shall constitute compensation for any injury to, destruction of, or loss of natural resources at the Facility.

10.2 The Muskegon Lake Watershed Partnership ("MLWP") has agreed to use the \$15,000 payment exclusively for the purpose of implementing shoreline restoration projects to improve fisheries and aquatic habitat in Muskegon Lake; however, the Respondents have no obligation to ensure implementation of such shoreline restoration projects by MLWP.

10.3 The Respondents' resolution of liability to the State for natural resource damages as set forth in this Order shall not constitute an admission of liability by the Respondents for natural resource damages or an admission that natural resource damages have occurred.

XI. SUBMISSIONS AND APPROVALS

11.1 Any Submission and attachments to Submissions under this Order that set forth schedules or procedures for meeting the Performance Objective or for completing other requirements of this Order shall be considered part of this Order and are enforceable pursuant to the terms of this Order. Modifications to Submissions are governed by the terms of Section XXIV (Modifications) of this Order. In the event of a conflict between the requirements of this Order and any Submission or an attachment to a Submission, the requirements of this Order shall prevail.

11.2 An approval of a Submission shall not be construed to mean that the MDEQ concurs with all of the conclusions, methods, or statements in any Submission or warrants that the Submission comports with law.

11.3 Informal advice, guidance, suggestions, or comments provided in good faith by the MDEQ regarding any Submission provided by Respondents shall not be construed as relieving Respondents of their obligation to obtain any formal approval required under this Order.

XII. ACCESS

12.1 Upon the Effective Date of this Order, MDEQ and its authorized employees, agents, representatives, contractors, and consultants will be granted access to enter the Property on the terms and conditions set forth in the Replacement Declaration (Attachment D) to conduct any activity for which access is

required for the implementation of this Order or to otherwise fulfill any responsibility under state or federal laws with respect to the Facility.

12.2 To the extent that the Facility, or any other property where the Response Activities are required to be performed by Respondents under this Order, is owned or controlled by persons other than Respondents, Respondents agree to use their best efforts to secure from such persons written access agreements or judicial orders providing access for the Respondents and the State and their authorized employees, agents, representatives, contractors, and consultants. Respondents shall provide the MDEQ with a copy of each written access agreement or judicial order secured pursuant to this Section, if required. For purposes of this Paragraph, best efforts includes, but is not limited to, providing reasonable consideration acceptable to the owner or taking judicial action to secure such access. Notwithstanding the foregoing, the Sappi Respondent shall have no obligation to secure access to properties owned or controlled by persons other than the Respondents unless and until the Sappi Respondent has received a Notice of Non-Compliance pursuant to Paragraph 8.3(b) above.

XIII. EMERGENCY RESPONSE

13.1 If during the course of performing Response Activities pursuant to this Order, an act of a Respondent or the occurrence of an event caused by a Respondent results in a release or threat of release of a hazardous substance at or from the Facility, or a Respondent causes exacerbation of existing contamination at or from the Facility, and the release, threat of release, or exacerbation poses or threatens to pose an imminent and substantial endangerment to public health, safety, or welfare, or the environment, the Respondent responsible for such release or threat of release (the "Responsible Respondent") shall immediately undertake all appropriate actions to prevent, abate, or minimize such release, threat of release, or exacerbation, and shall immediately notify the MDEQ Project Manager. In the event

of the MDEQ Project Manager's unavailability, the Responsible Respondent shall notify the Pollution Emergency Alerting System (PEAS) at 1-800-292-4706.

13.2 Within ten (10) days of notifying the MDEQ of such an act or event, the Responsible Respondent shall submit a written report, setting forth a description of the act or event that occurred and the measures taken or to be taken to mitigate any release, threat of release, or exacerbation caused or threatened by the act or event and to prevent recurrence of such an act or event. Regardless of whether the Responsible Respondent notifies the MDEQ under this Section, if an act or event causes a release, threat of release, or exacerbation, the MDEQ may: (a) require the Responsible Respondent to stop Response Activities at the Facility for such period of time as may be needed to prevent or abate any such release, threat of release, or exacerbation; (b) require the Responsible Respondent to undertake any actions that are necessary to prevent or abate any such release, threat of release, or exacerbation to the extent caused by the Responsible Respondent; or (c) undertake any actions that are necessary to prevent or abate such release, threat of release, or exacerbation to the extent caused by the Responsible Respondent.

XIV. FORCE MAJEURE

14.1 Respondents shall perform the requirements of this Order within the time limits established herein, unless performance is prevented or delayed by events that constitute a "*Force Majeure*." Any delay in the performance attributable to a *Force Majeure* shall not be deemed a violation of this Order in accordance with this Section.

14.2 For the purposes of this Order, a *Force Majeure* event is defined as any event arising from causes beyond the control of and without the fault of Respondents, of any person controlled by Respondents, or of Respondents' contractors that delays or prevents the performance of any obligation under this Order despite Respondents' best efforts to fulfill the obligation. The requirement that

Respondents exercise best efforts to fulfill the obligation includes Respondents using best efforts to anticipate any potential *Force Majeure* event and to address the effects of any potential *Force Majeure* event during and after the occurrence of the event, such that Respondents minimize any delays in the performance of any obligation under this Order to the greatest extent possible. *Force Majeure* includes an occurrence or nonoccurrence arising from causes beyond the control of and without the fault of Respondents, such as an act of God, untimely review of permit applications or submissions by the MDEQ or other applicable authority, an MDEQ directive that a Respondent stop or halt Response Activities or acts required by this Order, and acts or omissions of third parties that could not have been avoided or overcome by the diligence of Respondents and that delay the performance of an obligation under this Order. *Force Majeure* does not include, among other things, unanticipated or increased costs, changed financial circumstances, or failure to obtain a permit or license as a result of actions or omissions of Respondents.

14.3 The Respondents shall notify the MDEQ by telephone within seventy-two (72) hours of discovering any event other than an act or failure to timely act by the MDEQ that causes a delay or prevents performance with any provision of this Order. Verbal notice shall be followed by written notice within ten (10) calendar days and shall describe, in detail, the anticipated length of delay for each specific obligation that will be impacted by the delay; the cause or causes of delay; the measures taken by Respondents to prevent or minimize the delay; and the timetable by which those measures shall be implemented. Respondents shall use their best efforts to avoid or minimize any such delay.

14.4 Failure of Respondents to comply with the notice requirements of Paragraph 14.3, above, shall render Section XIV (*Force Majeure*) of this Order, void and of no force and effect as to the particular incident involved. The MDEQ may, at its sole discretion and in appropriate circumstances, waive the notice requirements of Paragraph 14.3 of this Order.

14.5 If the Parties agree that the delay or anticipated delay was beyond the control of Respondents, this may be so stipulated and the Parties to this Order may agree upon an appropriate modification of this Order. If the Parties to this Order are unable to reach such agreement, the dispute shall be resolved in accordance with Section XVIII (Dispute Resolution) of this Order. The burden of proving that any delay was beyond the control of Respondents, and that all the requirements of this Section have been met by Respondents, is on Respondents.

14.6 An extension of one compliance date based upon a particular incident does not necessarily mean that Respondents qualify for an extension of a subsequent compliance date without providing proof regarding each incremental step or other requirement for which an extension is sought.

14.7 Notwithstanding the foregoing, the Sappi Respondent shall have no obligation to provide notice of or otherwise respond to a *Force Majeure* event unless and until after the Sappi Respondent has received a Notice of Non-Compliance pursuant to Paragraph 8.3(b) above.

XV. RECORD RETENTION/ACCESS TO INFORMATION

15.1 Respondents shall preserve and retain, for a period of ten (10) years after completion of all Response Activities required under this Order, including operation and maintenance and long-term monitoring at the Facility, all records, sampling and test results, charts, and other documents in its or their control or possession relating to the release or threatened release of hazardous substances, and the storage, generation, disposal, treatment, and handling of hazardous substances at the Facility; and any other records that are maintained or generated by Respondents and their agents pursuant to any requirement of this Order, including records that are maintained or generated by representatives, consultants, or contractors of Respondents. Respondents shall obtain the MDEQ's written permission prior to the destruction of any documents covered by this Paragraph prior

to the end of the retention period described above. Respondents' request shall be accompanied by a copy of this Order and sent to the address listed in Section XVI (Project Managers and Communications/Notices) of this Order, or to such other address as may subsequently be designated in writing by the MDEQ.

15.2 Upon request, subject to applicable privileges, Respondents shall provide to the MDEQ access to electronic copies or paper copies of documents and information within its possession, or within the possession or control of its employees, contractors, agents, or representatives, relating to the performance of Response Activities or other requirements of this Order, including, but not limited to, records regarding the collection and analysis of samples, chain of custody records, manifests, trucking logs, receipts, reports, sample traffic routing forms, or other correspondence, documents, or information related to the Response Activities. Upon request, Respondents shall also make available to the MDEQ, upon reasonable notice, Respondents' employees, contractors, agents, or representatives with knowledge of relevant facts concerning the performance of Response Activities. If requested documents have already been provided to MDEQ, Respondents are not required to provide additional copies of such documents.

15.3 If any Respondent submits documents or information to the MDEQ that the Respondent believes are entitled to protection as provided for in Section 20117(10) of the NREPA, that Respondent may designate in that submission the documents or information which it believes are entitled to such protection. If no such designation accompanies the information when it is submitted to the MDEQ, the MDEQ may provide the information to the public without further notice to Respondent. Information described in Section 20117(11)(a)-(h) of the NREPA, shall not be claimed as confidential or privileged by any Respondent. Information or data generated under this Order shall not be subject to Part 148, Environmental Audit Privilege and Immunity, of the NREPA, MCL 324.14801 *et seq.*

XVI. PROJECT MANAGERS AND COMMUNICATIONS/NOTICES

16.1 Each Respondent and the State shall designate one or more Project Managers. Whenever notices, progress reports, information on the collection and analysis of samples, sampling data, work plan and Response Activity Plan submissions, approvals, or disapprovals, or other technical submissions are required to be forwarded by one Respondent to the State or the other Respondent under this Order; or whenever other communications among the Respondents and the State is needed, such communications shall be directed to the designated Project Managers at the address listed below. Notices and submissions may be initially provided by electronic means but a hard copy must be concurrently sent. If the State or any Respondent changes its designated Project Manager, the name, address, and telephone number of the successor shall be provided to the other Respondent and the State, in writing, as soon as practicable. The Project Manager for the State and each Respondent shall have primary responsibility for overseeing the performance of the Response Activities at the Facility and other requirements specified in this Order for Respondents.

A. As to the MDEQ:

Abigail Hendershott, Project Manager
Remediation and Redevelopment Division
Michigan Department of Environmental Quality
350 Ottawa Avenue NW, Unit 10
Grand Rapids, MI 49503
Phone: 616-356-0500
E-mail Address: hendershotta@michigan.gov

B. As to the Melching Respondents:

Ken Callow
Project Engineer
Melching, Inc.
16942 Woodlane Drive
Nunica, MI 49448
Phone: (616) 837-1214
Fax: (616) 837-0109
E-mail Address: kencallow@melchingdemo.com

- C. As to S.D. Warren Company d/b/a Sappi North America:
Robert Schilling, Environmental Manager
S.D. Warren Company d/b/a Sappi North America
2201 Avenue B.
Cloquet, MN 55720
Phone: (218) 879-0638

16.2 The MDEQ may designate other authorized representatives, employees, contractors, and consultants to observe and monitor the progress of any activity undertaken pursuant to this Order. Additionally, unless and until a Notice of Non-Compliance is issued, the Sappi Respondent shall have the right, but not the obligation to observe and monitor the progress of any activity undertaken pursuant to this Order by the Melching Respondents.

- 16.3 The Party Representative for the Melching Respondents is:

Douglas Melching
President
Melching, Inc.
Melcor, LLC
16942 Woodlane Drive
Nunica, MI 49448
Phone: (616) 837-1214
Fax: (616) 837-0109
E-mail Address: dougmelching@melchingdemo.com

- 16.4 The Party Representative for the Sappi Respondent is:

General Counsel
S.D. Warren Company d/b/a Sappi North America
255 State Street
Boston, MA 02109
Phone: (617) 423-5400

XVII. STIPULATED PENALTIES

17.1 Respondents shall be liable for stipulated penalties in the amounts set forth in Paragraphs 17.2 and 17.3 of this Order, for failure to comply with the requirements of this Order, unless excused under Section XIV (*Force Majeure*) of

this Order, provided that the Sappi Respondent shall only liable for any such stipulated penalties consistent with and subject to the limitations set forth in Paragraphs 8.3(e)(ii) and 18.8. "Failure to Comply" by Respondents shall include failure to complete Submissions and notifications as required by this Order and failure to perform Response Activities in accordance with MDEQ-approved Lime Management Plan within the specified implementation schedules established by or approved under the Lime Management Plan.

17.2 The following stipulated penalties shall accrue per violation per day for violation of Section VIII (Performance of Response Activities) of this Order.

Penalty Per Violation Per Day	Period of Noncompliance
\$175	1 st through 14 th day
\$375	15 th through 30 th day
\$750	31 st day and beyond

17.3 Except as provided in Paragraph 17.2, Section XIV (*Force Majeure*), and Section XVIII (Dispute Resolution) of this Order, if Respondents fail or refuse to comply with any other term or condition of this Order after receiving notice of noncompliance from the MDEQ, Respondents shall pay the MDEQ stipulated penalties of one hundred Dollars (\$100.00) a day for each and every failure or refusal to comply beginning with the third day after receiving such notice.

17.4 All penalties shall begin to accrue on the day after performance of an activity was due or the day a violation occurs, and shall continue to accrue through the final day of completion of performance of the activity or correction of the violation. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Order.

17.5 Except as provided in Section XVIII (Dispute Resolution) of this Order, Respondents shall pay stipulated penalties owed to the State no later than thirty (30) days after Respondents' receipt of a written demand from the State. Interest, at the rate provided for in Section 20126a(3) of the NREPA, shall begin to accrue on the unpaid balance at the end of the thirty (30)-day period on the day after payment was due until the date upon which Respondents make full payment of those stipulated penalties and the accrued interest to the MDEQ.

17.6 The payment of stipulated penalties shall not alter in any way Respondents' obligation to perform the Response Activities required by this Order.

17.7 If Respondents fail to pay stipulated penalties when due, the State may institute proceedings to collect the penalties, as well as any accrued interest. However, the assessment of stipulated penalties is not the State's exclusive remedy if Respondents violate this Order. For any failure or refusal of Respondents to comply with the requirements of this Order, the State also reserves the right to pursue any other remedies to which it is entitled under this Order or any applicable law including, but not limited to, seeking civil fines, injunctive relief, and the specific performance of Response Activities and reimbursement of costs.

17.8 Notwithstanding any other provision of this Section, the State may waive, in its unreviewable discretion, any portion of stipulated penalties and interest that has accrued pursuant to this Order.

XVIII. DISPUTE RESOLUTION

18.1 Unless otherwise expressly provided for in this Order, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Order, including review and approval of any Submissions, except for Section XIII (Emergency Response) of this Order, which is not disputable. However, the procedures set forth in this Section shall not

apply to actions by the State to enforce any of Respondents' obligations that have not been disputed in accordance with this Section. Engagement of dispute resolution pursuant to this Section shall not be cause for Respondents to delay the performance of any Response Activity required under this Order.

18.2 The State shall maintain an administrative record of any disputes initiated pursuant to this Section. The administrative record shall include the information Respondents provide to the State under Paragraphs 18.3 through 18.5 of this Order, and any documents the MDEQ and the State rely on to make the decisions set forth in Paragraphs 18.3 through 18.5 of this Order.

18.3 Except for undisputable matters identified in Paragraph 18.1 of this Order, any dispute that arises under this Order with respect to the MDEQ's disapproval, modification, or other decision concerning requirements of this Order shall, in the first instance, be the subject of informal negotiations between the MDEQ Project Manager and Respondents. A dispute shall be considered to have arisen on the date that a Respondent or the State receives a written Notice of Dispute. The Notice of Dispute shall state the issues in dispute; the relevant facts upon which the dispute is based; factual data, analysis, or opinion supporting the disputing party's position; and supporting documentation upon which the disputing party bases its position. In the event Respondent(s) object(s) to any MDEQ notice of disapproval, modification, or decision concerning the requirements of this Order that is subject to dispute under this Section, Respondent(s) shall submit the Notice of Dispute within ten (10) days of receipt of the MDEQ's notice of disapproval, modification, or decision. The period of informal negotiations shall not exceed twenty (20) days from the date that the State receives a Notice of Dispute from a disputing party, unless the time period for negotiations is modified by written agreement between the disputing party and the State. If the disputing Party does not reach an agreement with the State within twenty (20) days or within the agreed-upon time period, the MDEQ Project Manager will provide the MDEQ's Statement of Position, in writing, to Respondents within twenty (20) business days. In the absence of initiation of formal

dispute resolution by the disputing party under Paragraph 18.4 of this Order, the MDEQ's position as set forth in the MDEQ's Statement of Position shall be binding on the Respondents.

18.4 If Respondent(s) and the MDEQ cannot informally resolve a dispute under Paragraph 18.3 of this Order, Respondent(s) may initiate formal dispute resolution by submitting a written Request for Review to the RRD Chief, with a copy to the MDEQ Project Manager, requesting a review of the disputed issues. This Request for Review must be submitted within ten (10) days of Respondents' receipt of the Statement of Position issued by the MDEQ pursuant to Paragraph 18.3 of this Order. The Request for Review shall state the issues in dispute; the relevant facts upon which the dispute is based; factual data, analysis, or opinion supporting the disputing party's position; and supporting documentation upon which the disputing party bases its position. Within twenty (20) days of the RRD Chief's receipt of a Request for Review from the disputing party, the RRD Chief will provide the MDEQ's Statement of Decision, in writing, to Respondents, which will include a statement of his/her understanding of the issues in dispute; the relevant facts upon which the dispute is based; factual data, analysis, or opinion supporting his/her position; and supporting documentation he/she relied upon in making the decision. The time period for the RRD Chief's review of the Request for Review may be extended by written agreement of the disputing party and the State.

18.5 The MDEQ's Statement of Decision issued under Paragraph 18.4 shall be binding on the Respondents unless, within ninety (90) days after receipt of the MDEQ's written statement of decision, the disputing party files a petition for judicial review in a court of competent jurisdiction that shall set forth a description of the matter in dispute, the efforts made by the disputing party to resolve it, the relief requested, and the schedule, if any, within which the dispute must be resolved to ensure orderly implementation of this Order. Nothing in this Order affects the limitations on the timing of judicial review of the MDEQ decision regarding the selection, extent, or adequacy of any response activity as provided for in Section 20137(6) of the NREPA

18.6 An administrative record of the dispute shall be maintained by the MDEQ. The administrative record shall include all of the information provided by the Respondent(s) pursuant to Paragraph 18.4, as well as any other documents relied upon by the MDEQ in making its final decision pursuant to Paragraph 18.4. Where appropriate, MDEQ shall allow submission of supplemental statements of position by the disputing party.

18.7 In proceeding on any dispute, the burden of proof and standard of review shall be as provided under applicable Michigan law.

18.8 Notwithstanding the invocation of a dispute resolution proceeding, applicable stipulated penalties shall accrue from the date provided in Section XVII (Stipulated Penalties), but payment shall be stayed pending resolution of the dispute. In the event, and to the extent that Respondents do not prevail on the disputed matters, the MDEQ may demand payment of stipulated penalties and Respondents shall pay stipulated penalties as set forth in Paragraph 17.5 of Section XVII (Stipulated Penalties) of this Order subject to the limitations on payment of stipulated penalties by the Sappi Respondent in Paragraph 8.3(e). Respondents shall not be assessed stipulated penalties for disputes that are resolved in their favor, and Respondents and MDEQ may agree on a negotiated payment of a sum less than the amount of stipulated penalties otherwise accruing for disputed issues.

18.9 Notwithstanding the provisions of this Section and in accordance with Section XVII (Stipulated Penalties) of this Order, Respondents shall pay to the MDEQ that portion of a demand for payment of stipulated penalties that is not the subject of an ongoing dispute resolution proceeding.

18.10 As provided for in Section 20137(6) of the NREPA, no action or decision of the MDEQ or the MDAG shall constitute a final agency action giving rise to any rights of judicial review prior to the MDAG's initiation of judicial action to

compel Respondents to comply with this Order or to enforce a term, condition, or other action required by this Order provided that Respondents may seek judicial review from a Statement of Decision issued by the MDEQ pursuant to Paragraph 18.5 above. Nothing in this Order shall expand Respondents' ability to obtain pre-enforcement review of this Order.

XIX. INDEMNIFICATION AND INSURANCE

19.1 The State of Michigan does not assume any liability by entering into this Order. This Order shall not be construed to be an indemnity by the State for the benefit of Respondents or any other person.

19.2 Respondents shall indemnify and hold harmless the State of Michigan and its departments, agencies, officials, agents, employees, contractors, and representatives for any claims or causes of action that arise from, or on account of, acts or omissions of Respondents, their officers, employees, agents, or any other person acting on their behalf or under their control, in performing the activities required by this Order. The Sappi Respondent shall not be required to indemnify or hold harmless the State of Michigan and its departments, agencies, officials, agents, employees, contractors, and representatives from or against any claims or cause of action arising from or relating to the acts or omissions of the Melching Respondent, provided that the Sappi Respondent shall be obligated to provide indemnification pursuant to this Paragraph 19.2 for any acts or omissions of the Sappi Respondent, its officers, agents, or any other person acting on its behalf after it has received a Notice of Non-Compliance.

19.3 Respondents shall indemnify and hold harmless the State of Michigan and its departments, agencies, officials, agents, employees, contractors, and representatives for all claims or causes of action for damages or reimbursement from the State that arise from, or on account of, any contract, agreement, or arrangement between Respondents and any other person for the performance of

Response Activities at the Facility, including any claims on account of construction delays. The Sappi Respondent shall not be required to indemnify or hold harmless the State of Michigan and its departments, agencies, officials, agents, employees, contractors, and representatives from or against any claims or cause of action that arise from, or on account of, any contract, agreement, or arrangement between the Melching Respondent and any other party, provided that the Sappi Respondent shall be obligated to provide indemnification pursuant to this Paragraph 19.3 for any claims or causes of action arising from any contract, agreement, or arrangement between the Sappi Respondent and any other party after it has received a Notice of Non-Compliance.

19.4 The State shall provide Respondents reasonable and timely notice of any claim for which the State intends to seek indemnification pursuant to Paragraphs 19.2 or 19.3 of this Order.

19.5 Neither the State of Michigan nor any of its departments, agencies, officials, agents, employees, contractors, or representatives shall be considered a party to any contract that is entered into by or on behalf of Respondents for the performance of activities required by this Order. Neither Respondents nor their contractor(s) shall be considered an agent of the State.

19.6 Respondents waive all claims or causes of action against the State of Michigan and its departments, agencies, officials, agents, employees, contractors, and representatives for damages, reimbursement, or set-off of any payments made or to be made to the State that arise from, or on account of, any contract, agreement, or arrangement between Respondents and any other person for the performance of Response Activities at the Facility, including any claims resulting from construction delays.

19.7 Prior to commencing any Response Activities pursuant to this Order, and during all times that Respondents are performing Response Activities pursuant

to this Order, the Melching Respondents shall secure and maintain comprehensive general liability insurance with limits of One Million Dollars (\$1,000,000.00) of combined single limit, which names the MDEQ, the MDAG, and the State of Michigan as additional insured parties. The Sappi Respondent shall not be required to secure or maintain insurance or otherwise comply with the requirements of this Paragraph unless and until MDEQ issues a Notice of Non-Compliance under Paragraph 8.3(b) of this Order. If the Respondent responsible for maintaining insurance coverage pursuant to this Paragraph 19.7 demonstrates by evidence satisfactory to the MDEQ that any contractor or subcontractor maintains insurance equivalent to that described above, then, with respect to that contractor or subcontractor, that Respondent needs to provide only that portion, if any, of the insurance described above that is not maintained by the contractor or subcontractor. Regardless of the insurance method used by a Respondent and prior to commencement of Response Activities pursuant to this Order, that Respondent shall provide the MDEQ Project Manager and the MDAG with certificates evidencing said insurance and the MDEQ, the MDAG, and the State of Michigan's status as additional insured parties. Such certificates shall specify the Former Muskegon Mill, the MDEQ Reference No. AOC-RRD-15-009 and the Remediation and Redevelopment Division.

XX. COVENANTS NOT TO SUE BY THE STATE

20.1 MDEQ has assessed relevant factors pertaining to this Facility as required in Part 201, including but not limited to those referred to in MCL 324.20132(4) and volume, toxicity, mobility, strength of evidence, ability to pay, litigative risks, public interest considerations, precedential value, and inequities and aggravating factors, and MDEQ has determined that the terms, conditions, or requirements of this Order, are sufficient to provide all reasonable assurances that the public health and the environment will be protected as required at MCL 324.20132(7). In consideration of the actions that will be performed by Respondents under the terms of this Order, and except as specifically provided for in this Section

and Section XXI (Reservation of Rights by the State) of this Order, the State of Michigan hereby covenants not to sue or to take further administrative action against the Melching Respondents, the Sappi Respondent, and their respective successors, for any environmental conditions, known or unknown, at the Facility, and the State's sole remedy against Respondents for any environmental conditions at, on, under or emanating from the Property shall be the enforcement of this Order.

20.2 The covenants not to sue set forth in Paragraph 20.1 shall take effect on the Effective Date. With regard to Respondents' obligations to address the elevated pH in the groundwater caused by the Lime Storage Area, the continuing effectiveness of the covenants not to sue set forth in Paragraph 20.1 applicable to elevated pH in the groundwater caused by the Lime Storage Area shall be conditioned upon the complete and satisfactory performance by Respondents of their obligations under this Order (if any) with regard to elevated pH in the groundwater caused by the Lime Storage Area.

20.3 The covenants not to sue extend only to Respondents and their successors and do not extend to any other person.

20.4 In consideration of the payment that will be made by the Melching Respondents under the terms of this Order, and except as specifically provided for in this Section and Section XXI (Reservation of Rights by the State) of this Order, the State of Michigan further covenants not to sue or to take further administrative action against the Respondents for existing or potential claims for damages for the injury, destruction of, or loss of natural resources arising from conditions at, on, under or emanating from the Property.

20.5 The State of Michigan further covenants not to sue or to take further administrative action against Respondents and their successors to recover or seek reimbursement of any grants, loans, incentives, or other funds issued by any federal,

state or local governmental agencies or public-private entities to address any environmental conditions at, on, under or emanating from the Property.

XXI. RESERVATION OF RIGHTS BY THE STATE

21.1 The covenants not to sue apply only to those matters specified in Section XX (Covenants Not to Sue by the State) of this Order. The State expressly reserves, and this Order is without prejudice to, all rights to take administrative action or to file a new action pursuant to any applicable authority against Respondents with respect to the following:

- (a) Claims based on failure by Respondents to meet the requirements of this Order;
- (b) Liability for the past, present, or future treatment, handling, disposal, release, or threat of release of hazardous substances outside of the Facility, provided that any hazardous substances migrating in groundwater from the Property shall not be deemed to be outside of the Facility;
- (c) Criminal acts.
- (d) Any matters for which the State is owed indemnification under Section XIX (Indemnification and Insurance) of this Order.
- (e) The release or threatened release of hazardous substances that occur during or after the performance of Response Activities required by this Order or any other violations of state or federal law for which Respondents have not received a covenant not to sue, provided that no administrative action or new judicial action by MDEQ against the Sappi Respondent shall be reserved under this subparagraph 21.1(e) until after MDEQ issues a Notice of Non-Compliance under Paragraph 8.3(b) of this Order.

21.2 The State reserves the right to enforce the terms and requirements of this Order against Respondents if it discovers at any time that conditions at the Facility are not protective of the public health, safety, or welfare, or the environment

because of reliance on false or misleading response activity data provided by Respondents to MDEQ in support of or as part of (1) the Closure Report; (2) submissions under the Lime Management Plan; or other data (if any) submitted by Respondent(s) to demonstrate achievement of the Performance Objective or to support a request for a Completion Letter which is not submitted with the Closure Report or under the Lime Management Plan. The State's right to take action to enforce this Order as reserved under this subsection may only be exercised against the Respondent(s) that provided false or misleading information. Under no circumstances shall a determination by the State that false or misleading response activity data provided solely by the Melching Respondents provide a basis for the State to invalidate, rescind or otherwise nullify the protection provided to the Sappi Respondent pursuant to this Order once a Completion Letter has been issued pursuant to Paragraph 8.4. Any information submitted by Melching Respondents, their officers, employees, agents, or any other person acting on their behalf or under their control to the MDEQ shall be deemed to have been provided solely by the Melching Respondent unless such information was: (1) submitted by the Sappi Respondent; or (2) jointly submitted by both Respondents. The Sappi Respondent shall not be deemed or otherwise construed to have provided information (either individually or in conjunction with the Melching Respondents) solely because the Sappi Respondent has been provided with a copy of such document or attended a meeting at which such information was discussed.

21.3 The MDEQ and the MDAG expressly reserve all of their rights and defenses pursuant to any available legal authority to enforce this Order.

21.4 In addition to, and not as a limitation of any other provision of this Order, the MDEQ retains all of its authority and reserves all of its rights to perform, or contract to have performed, any Response Activities that the MDEQ determines are necessary. Nothing in this Paragraph 21.4 shall be construed to require the Respondents to undertake or pay for Response Activities beyond those required to achieve the Performance Objective set forth in this Order, except to the extent that a

Respondent has ongoing due care obligations pursuant to MCL 324.20107a during the time a Respondent is an owner or operator of the Property.

21.5 In addition to, and not as a limitation of any provision of this Order, the MDEQ and the MDAG retain all of their information-gathering, inspection, access, and enforcement authorities and rights under Part 201, and any other applicable statute or regulation.

21.6 Failure by the MDEQ or the MDAG to enforce any term, condition, or requirement of this Order in a timely manner shall not:

(a) Provide or be construed to provide a defense for Respondents' noncompliance with any such term, condition, or requirement of this Order.

(b) Estop or limit the authority of the MDEQ or the MDAG to enforce any such term, condition, or requirement of the Order, or to seek any other remedy provided by law.

21.7 This Order does not constitute a warranty or representation of any kind by the MDEQ that the Response Activities performed by Respondents in accordance with the MDEQ-approved Lime Management Plan required by this Order will result in the achievement of the Performance Objective stated in Paragraph 8.1 of Section VIII (Performance of Response Activities) of this Order; or the remedial criteria established by law, or that those Response Activities will assure protection of public health, safety, or welfare, or the environment. Nothing in this Paragraph 21.7 shall be construed to require the Respondents to undertake Response Activities beyond those required to achieve the Performance Objective set forth in this Order.

21.8 Except as provided in Section XX (Covenants Not to Sue by the State), nothing in this Order shall limit the power and authority of the MDEQ or the State of Michigan, pursuant to Section 20132(8) of the NREPA, to direct or order all appropriate action to protect the public health, safety, or welfare, or the environment;

or to prevent, abate, or minimize a release or threatened release of hazardous substances, pollutants, or contaminants on, at, or from the Facility.

XXII. COVENANT NOT TO SUE BY RESPONDENTS

22.1 Respondents hereby covenant not to sue or to take any civil, judicial, or administrative action against the State, its agencies, or their authorized representatives, for any claims or causes of action against the State that arise from this Order, including, but not limited to, any direct or indirect claim for reimbursement from the Cleanup and Redevelopment Fund pursuant to Section 20119(5) of the NREPA, or any other provision of law. However, nothing contained in this Paragraph shall limit the right of Respondents to rely on the terms of this Order in any dispute arising under the Order.

22.2 After the Effective Date of this Order, if the MDAG initiates any administrative or judicial proceeding to enforce this Order, Respondents agree not to assert and shall not maintain any defenses or claims that are based upon the principles of waiver, *res judicata*, collateral estoppel, issue preclusion, or claim-splitting, provided, however, that nothing in this Paragraph affects the enforceability of the covenants not to sue set forth in Section XX (Covenants Not to Sue by the State) of this Order.

XXIII. CLAIMS PROTECTION

23.1 The Respondents and the State agree that entry of this Order constitutes an administratively approved settlement for purposes of Section 20129(5) of the NREPA, MCL 324.20129(5), and Section 113(f)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act, 1980 PL 96-510, as amended (CERCLA), 42 USC Section 9613(f)(2); and Respondents are entitled to protection from claims for matters addressed in this Order to the full extent allowable by law.

23.2 The Respondents and the State agree that entry of this Order constitutes an administratively approved settlement for purposes of Section 20129(5) of the NREPA, MCL 324.20129(5), and Section 113(f)(3)(B) of the CERCLA, 42 USC 9613(f)(3)(B), pursuant to which Respondents have, as of the Effective Date, resolved their liability to the MDEQ for the matters set forth in Section XX (Covenants Not to Sue by the State) of this Order. Entry of this Order does not discharge the liability of any other person that may be liable under Section 20126 of the NREPA, or Sections 9607 and 9613 of the CERCLA.

23.3 Pursuant to Section 20129(9) of the NREPA, any action by Respondents for contribution shall be subordinate to the rights of the State of Michigan, if the State files an action pursuant to the NREPA or other applicable state or federal law.

XXIV. MODIFICATIONS

24.1 The Parties may only modify this Order according to the terms of this Section. The modification of any provisions of the Lime Management Plan required by this Order may be made upon written approval from the MDEQ Project Manager and each of the Respondents' Project Managers.

24.2 Modification of any other provision of this Order shall be made only by written agreement between all Respondents' Party Representatives, the RRD Chief, or his or her authorized representative, and the designated representative of the MDAG; provided that no modification of Pure Muskegon's obligations in Paragraph 8.6 or Section IX of this Order may be made without the prior written consent of Pure Muskegon.

XXV. SEPARATE DOCUMENTS

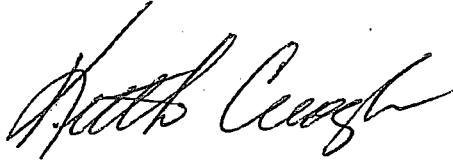
The Parties may execute this Order in duplicate original form for the primary purpose of obtaining multiple signatures, each of which shall be deemed an original, but all of which together shall constitute the same instrument.

XXVI. SEVERABILITY

26.1 The provisions of this Order shall be severable, except as described below. If a court of competent jurisdiction declares that any provision of this Order other than the covenants not to sue in Section XX is inconsistent with state or federal law and therefore unenforceable, the remaining provisions of this Order shall remain in full force and effect, provided that the severing and nullification of any provision or provisions does not result in substantially increased liabilities or obligations of the Respondents under this Order or under Part 201, or otherwise impair Respondents' ability to perform the Response Activities required under this Order. If a court of competent jurisdiction declares all or part of this Order to be unenforceable, authorized representatives for the Respondents, the MDEQ and the MDAG shall meet within thirty (30) days of such action by a court of competent jurisdiction to address alternate means of addressing such liabilities or obligations to the State.

IT IS SO AGREED TO AND ORDERED BY:

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

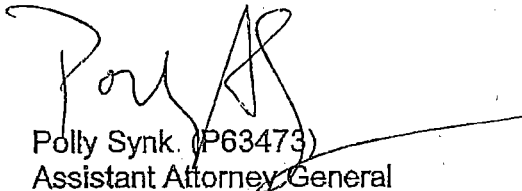


Keith Creagh, Acting Director
Michigan Department of Environmental Quality

7-28-16

Date

MICHIGAN DEPARTMENT OF ATTORNEY GENERAL



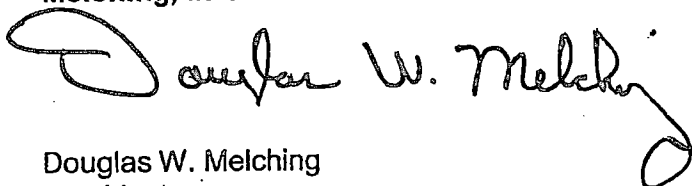
Polly Synk. (P63473)
Assistant Attorney General
Environment, Natural Resources, and Agriculture Division
Michigan Department of Attorney General

07-28-16

Date

IT IS SO AGREED BY:

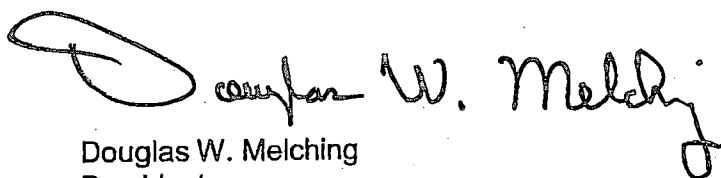
Melching, Inc.



Douglas W. Melching
President
Melching, Inc.

Date 7/26/2016

Melcor, LLC



Douglas W. Melching
President
Melcor, LLC

Date 7/26/2016

S.D. Warren Company d/b/a Sappi North America

Sarah Manchester
Vice President and General Counsel
S.D. Warren Company d/b/a Sappi North America

Date

Pure Muskegon, LLC

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Spring Lake, MI 49466
Phone: (231) 799-6240
Fax: (231) 799-6298
e-mail: lhines@hinescorp.com

Date

IT IS SO AGREED BY:

Melching, Inc.

Douglas W. Melching
President
Melching, Inc.

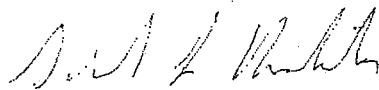
Date

Melcor, LLC

Douglas W. Melching
President
Melcor, LLC

Date

S.D. Warren Company d/b/a Sappi North America



Sarah Manchester
Vice President and General Counsel
S.D. Warren Company d/b/a Sappi North America

Date

Pure Muskegon, LLC

Mr. Chris Witham
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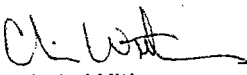
Date

S.D. Warren Company d/b/a Sappi North America

Sarah Manchester
Vice President and General Counsel
S.D. Warren Company d/b/a Sappi North America

Date

Pure Muskegon, LLC


Mr. Chris Witham
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Date July 26, 2016

Attachment A

Legal Description

Parcel 1 – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

Lot 19 and Lot 18 and the West 13 feet of Lot 17, Block 597; and Block 598, except Railroad Right of Way, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records,

Except that part thereof described as follows: Commencing at the Southeast corner of Lot 19, Block 597 for a Point of Beginning, thence Northwesterly along the Easterly line of said Lot 19, 125.00 feet, thence Westerly and parallel to the Southerly line of said Lot 19, 70.00 feet, thence Southerly and parallel to the Easterly line of said Lot 19, 125.00 feet to the Northerly line of Lake Shore Drive, thence Easterly 70.00 feet to the Point of Beginning,

Also except that part thereof described as follows: Commence at the Southwest corner of Lot 19, Block 597 for a Point of Beginning, thence North 68 degrees 05 minutes East along the Northerly line of Lake Shore Drive 14.10 feet, more or less, to a point which is 70.00 feet Southwesterly of the Southeast corner of said Lot 19, thence North 22 degrees 01 minutes West parallel to the Northeasterly line of said Lot 19 a distance of 125 feet, thence North 68 degrees 05 minutes East 70.00 feet to said Northeasterly line of Lot 19, thence South 22 degrees 01 minutes East along said Northeasterly line of Lot 19 a distance of 125.00 feet to the Northerly line of Lake Shore Drive, thence North 68 degrees 05 minutes East along said Northerly line of Lake Shore Drive 65.00 feet, thence North 22 degrees 01 minutes West 155.00 feet, thence South 68 degrees 05 minutes West 125.00 feet, thence South 25 degrees 46 minutes West 44.56 feet, thence South 22 degrees 01 minutes East 124.9 feet more or less to the Northerly line of Lake Shore Drive, thence Northeasterly along said Northerly line of Lake Shore Drive on the arc of a 1558.22 foot radius curve to the left a distance of 8.9 feet more or less to the point of beginning.

Also except that part of Lot 1, Block 598, and that part of Lots 17, 18 and 19, Block 597 of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71, Muskegon County Records), Section 35, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, described as: Commencing at the West one-quarter corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 412.69 feet along the West line of said section and the extension thereof; thence South 89 degrees 10 minutes 03 seconds East 1404.50 feet perpendicular to the West line of said section to the Southwest corner of said Block 597; thence North 01 degrees 03 minutes 48 seconds East 216.58 feet along the West line of said Block 597 to the true place of beginning; thence North 84 degrees 14 minutes 18 seconds East 69.04 feet along the South line of the Mid Michigan Railroad right-of-way line; thence South 21 degrees 22 minutes 45 seconds East 25.86 feet along the East line of the West 13.00 feet of Lot 17 of said Block 597; thence South 68 degrees 14 minutes 11 seconds West 125.79 feet; thence North 31 degrees 14 minutes 58 seconds East 74.61 feet to the place of beginning.

Parcel 2 – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

Block 599 except Railroad Right of Way;

Block 600 except Railroad Right of Way;

Block 601 except Railroad Right of Way;

Block 602 except Railroad Right of Way;

Block 603 except Railroad Right of Way;

Block 604, except the Westerly 260 feet thereof, and also except the Railroad Right of Way, and also except that part of Block 604 described as follows: Commencing at the Southwest corner of said Block 604, thence South 85 degrees 38 minutes 00 seconds East along the South line of said Block a distance of 260.00 feet for point of beginning, thence continue South 85 degrees 38 minutes 00 seconds East along said South line 688.00 feet, thence North 82 degrees 51 minutes 00 seconds West 452.66 feet, thence North 86 degrees 09 minutes 30 seconds West 149.00 feet, thence South 89 degrees 24 minutes 00 seconds West 88.00 feet, thence South 0 degrees 43 minutes 00 seconds West 13.00 feet to point of beginning;

And that part of vacated Richards Street lying between the North right of way line of Lake Shore Drive and the shore of Muskegon Lake, except the Railroad Right of Way;

And the unplatted land (being part of Government Lot 4, Section 35, Town 10 North, Range 17 West) bounded and described as follows: Southerly by Lake Shore Drive, Westerly by Block 602 and Block 601, Northerly by Block 601, and Easterly by Block 600 and Block 599, except the Railroad Right of Way;

All in Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 3 – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

Part of Chesapeake and Ohio Railway Company's South Horn right of way adjacent to Block 602 of the Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commence at the Southeast corner of Lake Shore Drive and Clifford Street in said City of Muskegon, thence North on and along a production of the East line of said Clifford Street, a distance of 86.50 feet to a point, thence West, on and along a line parallel with said Lake Shore Drive a distance of 46.58 feet to a point, thence North at right angles to said Lake Shore Drive, a distance of 9.50 feet to a point in the North line of the aforesaid right of way which point is 750.00 feet, more or less, East from the West line of said Block 602, and which point is the place of beginning; thence East, on and along the North line of said right of way, a distance of 285.00 feet to a point; thence South, at right angles to said North right of way line, a distance of 9.50 feet to a point; thence West, on and along a line parallel with and distant 9.50 feet South from, measured at right angles to, said North right-of-way line a distance of 285.00 feet to a point; thence North a distance of 9.50 feet to the place of beginning.

Attachment B

Lime Management Plan

**2400 Lakeshore Drive
Muskegon, Muskegon County, Michigan**

December 2014

Prepared for:

Melching, Inc.

*C/o Matt VanHoef
Scholten Fant
P.O. Box 454
Grand Haven, MI 49417*

Lakeshore Environmental, Inc. Project Number:10-339



Grand Haven, MI

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Muskegon, MI

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1.0 Introduction

Lakeshore Environmental, Inc. (LEI), on behalf of Melching, Inc. (Melching), has performed environmental services at 2400 Lakeshore Drive, Muskegon, Michigan herein referred to as the "Property". These environmental services include concerns related to a historic Lime Storage Pile (LSP). Based on data from various investigations, high pH groundwater is migrating off-site at the northwest corner of the Property. The source of the high pH groundwater is the historic LSP located in the western portion of the Property.

Melching is negotiating a Covenant Not To Sue (CNTS) with the Michigan Department of Environmental Quality (DEQ). In conjunction with the CNTS, Melching has prepared this Lime Management Plan to insure the proper management of the LSP and the associated high pH groundwater.

1.1 Property Location and Description

The Property is located in Muskegon, Michigan, Section 34, Township 10 North, Range 17 West. The Property consists of 119 acres of industrially developed land along the south shoreline of Muskegon Lake at 2400 Lakeshore Drive, Muskegon, Michigan. The location of the LSP on the Property is provided in Figure 1. A survey of the LSP is provided in Appendix A.

In anticipation of proposed redevelopment, all of the structures are being removed that relate to the prior use of the Property as a paper mill. The LSP is located in the west central portion of the Property. The east portion of the Property consists primarily of paved parking lot and green space. The entire Property is secured by approximately 15,500 linear feet of fence.

1.2 Background

The Property was utilized as a paper mill from the late 1800's to 2009. A byproduct of the paper making process was agricultural (ag) lime (calcium carbonate), which was routed in a ditch to a settling area in the western portion of the Property. As the lime accumulated, the ditch was abandoned and the lime was pumped in a slurry to a storage area, where it was allowed to dry out. Once dry, a portion of the ag lime was sent to a lime kiln where it was converted to industrial lime (calcium oxide) which was returned to the process. Considerably more ag lime was produced than was consumed in the process. As a result, the paper mill sold ag lime to area farmers; however, this market was not sufficient to prevent the accumulation of ag lime and the formation of the LSP.

Based on the information collected to date, the historic LSP is the source of elevated pH in the groundwater. Originally, the water portion of the lime slurry infiltrated through the settled lime resulting in a large increase in the pH of the water. This "lime water" migrated vertically to the water table where it became groundwater with a very high pH. Presently, rain water collects in the LSP, and although it is a much lower volume of water than the former lime slurry, the rain water contacts the lime in the same manner and results in high pH groundwater. The high pH groundwater flows from the LSP in a northwest direction and discharges through the sediment of Muskegon Lake in a relatively small area depicted in Figure 6. The area of discharge is called the Groundwater Surface Water Interface (GSI). As a result of this discharge, the management of the LSP is integral to the rapid reduction of pH at the GSI.

2.0 Objective

The objective of the Lime Management Plan is to achieve a pH within the range of 6.5 to 9.0 at the GSI.

3.0 Relevant Data and Studies

The following section is a summary of the studies Melching completed to develop the Lime Management Plan.

3.1 Lime Storage Pile Characteristics

The LSP is roughly rectangular in shape and covers a surface area of 11 acres (including the side slopes). Based on information collected from profile borings and historic aerial photographs, the lime was originally placed directly into Muskegon Lake, being somewhat constrained to its existing shape by wooden piles and/or sandy fill. Eventually the lime and sand filled the lake and the accumulated material was bailed to the edge and a perimeter berm was constructed. From this point forward, byproduct lime was pumped through a pipe as slurry and discharged to the east end of the LSP where it was confined within the perimeter berm. With the nature of the discharge, most of the lime settled in the eastern portion of the LSP with lime rich water forming a pond in the western portion of the pile. As the lime accumulated, the center of the LSP was excavated in a linear trench extending east to west, with the excavated lime being placed along the south and west perimeter berm. As a result, the western ponded area evolved into a narrow linear pond across the center of the LSP, and the perimeter berm was increased in height to confine the pond. As lime accumulated in the bottom of the pond, the shape and location of the pond changed from time to time, however, it was always located in the central portion of the LSP, typically approximately 10 feet below the height of the perimeter berms.

As a result of the mode of construction of the LSP, the lime comprising the perimeter berm is much older than the lime in the center of the pile. Consequently, the lime at these locations has developed topsoil and is vegetated with large trees over 50 feet in height (in preparation for development the trees were removed from the east and north side of the LSP).

To more fully evaluate the LSP, 10 profile borings and 2 test pits were recently completed by LEI. Soil borings were completed utilizing one of LEI's *Geoprobe* direct push drilling rigs. Soil samples were collected continuously in clear acetate tubes for field evaluation and laboratory testing. Soil borings were advanced to the depth of the former lake bed of Muskegon Lake. To more fully evaluate the LSP on a larger scale, LEI completed 2 test pits utilizing a CAT 385 hydraulic excavator. Excavations were continued until wet green lime was encountered. Soil pH was measured at the time of drilling or excavating utilizing a *Hanna 99121* soil pH meter.

A summary of the collected data is provided in Table 1. The data is illustrated in Figures 2, 3, and 4. Additional information regarding the LSP is provided in Appendix B.

As determined from the profile borings and test pits, the general stratigraphy of the LSP consists of the following (from top to bottom):

1. **Hard lime mixed with occasional wood chips.** As efforts to remove lime were increased towards the end of the development of the LSP, wood chips were added to the surface to increase strength and to allow the lime to support equipment. The equipment compacted the surface of the lime, making it hard and less permeable. The hard lime ranges from 1 to 4 feet in thickness and has an average pH of 8.63. The in place moisture content of the hard white lime is 24 percent.
2. **Dry clean white lime.** This lime is good for ag use with few impurities and good effective calcium carbonate (ECC). The thickness of the dry white lime ranges from 13 to 22 feet, and the lime has an average pH of 11.94. The in-place moisture content of the dry white lime is 33 percent.
3. **Wet green lime.** Due to capillarity and low water drainage from the LSP, wet green lime is found below the white lime. Being saturated, the lime is green in color, has a higher pH, and a slightly septic odor. The wet green lime ranges from 1 to 5 feet in thickness, and has an average pH of 12.70. The in-place moisture content of the wet green lime tested to be 38 percent.
4. **Wet soft white lime.** Below the wet green lime at approximately the surface elevation of Muskegon Lake, the lime is white and extremely soft, having the consistency of toothpaste. The wet soft lime ranges from 3 to 6 feet in thickness and has an average pH of 8.60. The in-place moisture content of the wet soft lime is 46 percent.
5. **Wood and/or peat with shells.** Located below the wet soft lime is a thin layer of wood and/or peat that represents the former lake bottom of Muskegon Lake. The layer ranges in thickness from only 0.2 to 1.5 feet. Only 1 sample had a consistency that LEI believed to be thick enough to allow representative pH measurement and comparison to other samples, and this sample contained a pH of 8.18.
6. **Lake Sand.** Medium stiff fine sand was easily recognized during boring activities as the former bottom of Lake Muskegon. This sand was consistent with the sand identified at other locations at the property. A minimum thickness of 0.7 feet of lake sand was collected at each location, after which boring activities were stopped.

To evaluate the hydraulic properties of the LSP, with specific regard to groundwater flow direction and rate of flow, LEI installed Lime Well 1 (LW-1). LW-1 was installed utilizing direct push methods (*Geoprobe*) to the specific depth of 17 feet, and deliberately completed with a 3 foot well screen which placed the entire screen in green lime. The green lime was selected as it consistently recorded the highest pH. During drilling, the apparent water level in the boring was measured to be 584.87 feet, however, the water level in the well decreased steadily over the next 2 days to a stabilized reading of 581.42 feet. Utilizing groundwater elevation measurements from August 1, 2014, groundwater flow was verified to be northwest at a gradient of 0.004 (Figure 5). This is consistent with earlier predictions, with the exception that the gradient is flattening due to drying out of the LSP. To determine the groundwater flow rate, the hydraulic conductivity of the saturated green lime was tested by slug (injection) testing. Based on the test, the hydraulic conductivity of the green lime is 3.6×10^{-5} cm/sec (0.1 feet/day) which equates to clayey silt. Based on this data, the groundwater flow rate is calculated to be only 0.001 feet/day in the green lime. However, this rate is deceiving as the green lime represents only a fraction of the saturated materials in the subsurface. As a result,

LEI believes the average groundwater flow rate across the Property (0.7 feet/day) is the rate that should be utilized for the vicinity of the LSP and the GSI. The location of LW-1 is provided in Figure 5. The well log for LW-1 is provided in Appendix B.

To define the specific location of the GSI for the high pH groundwater, LEI collected groundwater samples from the sediments beneath Muskegon Lake and measured the pH of the samples. This information was submitted to the DEQ in the July 24, 2014 *Investigation Update*. The data was utilized to define the specific limits of the high pH groundwater (pH > 9.0) resulting from the LSP. The area of high pH groundwater (the "plume") is illustrated in Figure 6.

3.2 Stormwater Testing at the LSP

Immediately after Melching took occupancy of the Property controls were put in place to retain all stormwater on-site, with the exception of the area near the east parking lots which discharges to Richards Street Drain. This was not a concern at the LSP, as stormwater has historically been routed to the lower interior of the pile where it was contained and allowed to infiltrate or evaporate. Early on, stormwater and due care inspections at the Property revealed that the pH of ponded stormwater at the LSP was only slightly elevated, and consistently below 8.5. While somewhat of an anomaly, the data was consistent with the data from the profiling of the LSP (described above), where the hard surface lime only has an average pH of 8.63, and the average pH of rainwater in Michigan is 5.7 (MSU, 2013). Most recently, the ponded stormwater was tested again on August 26, 2014, with the highest pH measured being only 8.38 in a puddle near the northeast portion of the LSP.

To fully evaluate the fate of stormwater in contact with the LSP, LEI completed tests on recently disturbed surfaces of the LSP to simulate worst case conditions. On August 15, 2014, LEI applied de-ionized water to the surface of the LSP at two locations where the surface had been disturbed by an excavator. LEI measured the pH of the de-ionized water (simulated rain) at specific time intervals to evaluate the fate of stormwater in contact with a disturbed surface of the LSP. At the location in the western portion of the LSP the pH of the water increased to only 7.92 after 30 minutes in contact with the disturbed lime. At the second location in the middle of the LSP, the pH of the water increased to 9.1 after 30 minutes in contact with the disturbed lime. It should also be noted that in the 30 minutes it took to complete the testing, the puddles did not shrink in size, which is an indication of the low permeability of even the disturbed lime. Data from the stormwater testing at the LSP is provided in Appendix B.

In conclusion, the testing indicates that the existing surface of the LSP does not have the potential to increase the pH of rainfall above the criteria, unless disturbed. Even where disturbed, it took over 25 minutes for the pH to exceed 9.0. Therefore, if stormwater can be conveyed off any disturbed lime surfaces in less than 25 minutes, there is no hazard associated with the stormwater, and little opportunity for infiltration to create high pH groundwater.

3.3 Fate of Lime in the Groundwater below the LSP

To remove all of the lime in the LSP will require a deep excavation into the groundwater, which is not practical. As a result, it was necessary for LEI to evaluate the fate of lime that exists in the groundwater, and whether it will contribute to high pH groundwater if it is left in-place. After

careful consideration LEI identified a suitable location to complete a study on lime below the water table. The area contained process lime deposited in a historic ditch used to transmit lime to the LSP prior to pumping lime slurry in a pipe. The area was ideal for the test, as the lime was actually thicker than the saturated lime in the LSP, it was hydraulically upgradient of the LSP, and it was deposited at the same time as the saturated lime in the LSP.

On June 12, 2014, LEI installed test wells LS-S (Lime Study South) and LS-N (Lime Study North), east of the existing LSP. Test well LS-S was installed in fill sand, whereas test well LS-N was installed in historic white lime deposited in the former channel leading to the present LSP. After installation, the groundwater elevations verified that the wells are upgradient of the LSP, and that groundwater flow is in a north northwest direction. The groundwater at these locations is also higher than the groundwater in LW-1 installed in the LSP, indicating that any mounding beneath the LSP is not having an impact at the study location.

Utilizing approved low flow sampling methods, groundwater samples have been collected from LS-S and LS-N at least 3 times since the installation of the wells, all yielding similar results. In every case the samples at these locations met applicable criteria for pH, with a maximum range of all pH values of only 6.54 to 6.98. In fact, the pH of the study wells (6.66 and 6.84 most recently) is very similar to well LMW-10 (6.74), also located upgradient of the LSP. The locations of LS-S, LS-N and LMW-10 are illustrated in Figure 5. Information related to the installation and testing of these wells is included in Appendix C.

Based on the data collected, it can be concluded that any historic lime left in the groundwater is sufficiently neutralized (or leached out) by historic groundwater flow that it no longer materially contributes to the elevated pH in the groundwater plume, and thus may be left in place.

3.4 Lime Testing for Agricultural Use

As stated previously, the lime in the LSP has been used historically for agricultural purposes. Melching has continued this activity, and has steadily increased the use of the lime for off-site agricultural purposes. Melching's opportunity to sell ag lime is limited by several other large sources of lime in close proximity to the site. Similar to the ag lime in the LSP, this lime is also a byproduct of industrial processes. To help compete in the ag lime market, Melching has completed testing of the lime in the LSP, and verified that the lime is of equal or better quality than other lime materials from the region. In Michigan, lime quality is evaluated by the *Effective Calcium Carbonate* (ECC) content. The standard ECC for lime in Michigan is 60. The hard lime surface layer of the LSP has an ECC of 70.6 in place, and 92.6 dry. The clean white lime has an ECC of 65.6 in place and 98.5 dry. Based on the testing, the Melching ag lime is excellent quality and has a high pH when compared to other ag lime available in the region. Furthermore, being a byproduct of paper processing that has been extensively tested and approved for ag use, the material (lime) is exempt from waste classification (per NREPA, PA 451, Part 115 Section 11506(1)(g)) and is not regulated by soil criteria as it is not "soil". In accordance with Act 180, P.A. 2014, the certified testing results and a sample of Melching lime has been submitted to the Michigan Department of Agriculture. The lime testing data is provided in Appendix D.

3.5 Lime Mixture Studies

The lime present on the Property can be combined with other materials to create mixtures that increase the opportunities for beneficial re-use, both on and off-site. Important on-site uses include topsoil, landscape berms, impermeable surfaces, and hardened surfaces.

A study was conducted to create a lime mixture to be utilized as topsoil based on its ability to sustain vegetation, be easy to work with, and have sufficient strength to support landscape equipment. To complete the study, LEI chose materials that were inexpensive and readily available, and mixed these materials with lime from the Property in ratios that used the maximum amount of lime, while still allowing the mixture to look like topsoil. After several mixtures were created that looked like topsoil, the materials were compacted in a modified proctor mold to predict the "workability" of the material. The mixtures were also subjected to pH and infiltration rate testing as a method to predict the ability of the mixture to sustain vegetation. Based on the testing, the optimum mixture to simulate topsoil was determined to be 33% wood chips (from the Property), 33% sand, and 34% lime (from the LSP). While a higher percentage of lime was feasible, the material looked white, and the permeability of the mixture dropped to a value similar to silt, which is low for topsoil. The mixture can be readily made by mixing sand with lime, and then adding wood chips; however, the best results were achieved when the wood chips were shredded prior to mixing.

With regard to the use of lime or lime mixtures for the construction of landscape berms, testing indicates that berms constructed of either pure lime or a mixture of 50% lime and 50% wood chips are feasible and economical. In both cases, the lime or lime mixture requires a layer of the lime topsoil described above to allow grasses to grow. The advantage of the lime wood chip mix is long term neutral pH, and increased permeability for roots. A disadvantage of the lime wood chip mix is a gradual reduction in the density of the material over time as the wood chips degrade biologically. Fortunately, based on soil borings performed in the existing berms at the LSP, both with wood chips and without, there is no loss in the height of the berm after the degradation of the wood chips. It is also feasible to construct landscape berms with mixtures of lime and sand, foundry slag, coal, crushed brick and crushed concrete; however, these materials are more expensive than wood chips and better applied to areas where soil strength is needed.

Mixtures of lime/sand and lime/crushed concrete were tested for application as impermeable surfaces (caps or liners). Prior to testing the mixtures, the raw lime from the LSP was tested for permeability and found to have a permeability equal to that of silty clay (5.74×10^{-6} cm/sec). This permeability value is quite low, but not low enough to be suitable for an impermeable cap per DEQ requirements ($<1.0 \times 10^{-7}$ cm/sec). During testing it was postulated that the permeability could be reduced if the material could be compacted, the water content reduced, and the density increased. To achieve these conditions, sand was added to achieve a mixture containing 50% lime and 50% sand. The mixture was compacted in a proctor test mold, and upon extraction, was found to be hard and rather heavy. A second mixture was also prepared and compacted, however, in this case the mixture contained 50% lime and 50% crushed concrete. The second mixture was found to be even harder than the lime/sand mixture, as was expected. Both of the compacted mixtures were then measured for permeability utilizing a

falling head permeameter. While the permeabilities of the mixtures decreased to 8.60×10^{-7} cm/sec (lime/sand) and 3.37×10^{-7} cm/sec (lime/crushed concrete), they did not decrease sufficiently to meet the DEQ requirement. On the other hand, the permeability was still very low, and the compacted mixtures were hard and suitable for roads, pathways, and areas where increased soil strength was needed (e.g. over buried wood chips). Information related to the lime mixture studies is provided in Appendix E.

3.6 Neutralization Studies

It is well documented that ag lime is an excellent material for the neutralization of low pH soil and water. As a result, LEI collected wastewater from several industrial wastewater treatment systems and added lime from the LSP for testing and evaluation. All of the collected wastewaters were from food processing facilities, and as a result were acidic. At each facility, pH adjustment of the wastewater is one of the initial steps in the treatment process, and lime from the LSP was believed to be a suitable replacement for existing pH adjustment chemicals. As expected, lime from the LSP was effective for pH adjustment and was a logical replacement of existing chemicals, specifically with regard to cost. In addition, ag lime is much safer to handle compared to caustic or powdered quicklime.

In addition to uses at wastewater treatment facilities for pH neutralization, the lime in the LSP can also be utilized to neutralize low pH soil pore water or groundwater. Melching has had numerous inquiries from coal storage, composting facilities, and pallet shredders to utilize the lime to either prevent low pH water or to raise low pH stormwater and groundwater. Even though Melching has been reluctant to consider these uses until the new beneficial re-use legislation became effective, tests were performed on lime/coal mixes and lime/wood chip mixes. Initially, LEI mixed 25% lime and 75% coal, wetted the material to 20 percent moisture, and lightly compacted the material into a 12 inch thick soil column. Water was then applied at the normal rate of precipitation in Muskegon (1/8 inch per day during the growing season). After a period of 20 days, water was finally observed at the base of the soil column. The pH of the water at the base of the column was 6.81, an indication that the coal had a strong neutralization effect on the lime (or vice versa).

A similar experiment was completed with a mixture of 50% lime and 50% shredded wood chips, resulting in a pH of 8.40. This somewhat elevated pH was believed to be due to the fact that the wood chip mixture was more permeable than the lime /coal mixture (only 5 days was required for water to drain through), and the wood chips did not have sufficient time to degrade and release organic acids. To test this hypothesis, LEI continued the experiment for an additional 15 days, at which time the pH of the water draining through the lime/shredded wood chip mix had decreased to 6.67. In further support of this hypothesis, it was noted that over the 15 days that water was draining from the mixture the color of the water changed from gray to clear.

Based on the testing, LEI concludes that lime from the LSP can be mixed with other low pH producing materials and have a rapid effect on the neutralization of soil pore water. Information relating to the neutralization studies is provided in Appendix E.

4.0 Options to Meet Objective

As stated above, "the objective of the Lime Management Plan is to achieve a pH within the range of 6.5 to 9.0 at the GSI." Many options are available to complete the objective, whether individually or in combinations. Available options were evaluated and the options determined to be most feasible are described below.

4.1 LSP Removal

Removal of the LSP is one method available to eliminate the lime pile and the associated source of high pH groundwater. Without the presence of lime, rain will not have the opportunity to come in contact with lime and increase in pH. Unfortunately, complete removal of the high pH lime would require an excavation to approximately 7 feet below grade (the depth of groundwater). Removal of the LSP to grade requires removal of approximately 181,000 tons of lime.

Melching has pursued numerous arrangements for the removal of the lime in the LSP. Many of the arrangements have only recently become readily available thanks to the new beneficial re-use provisions in Act 178, 179, and 180 (which became effective September 16, 2014). These arrangements include the following uses of the lime:

1. Delivery to large farms and farm co-ops for fall and spring soil amendment.
2. Use in wastewater treatment for pH adjustment.
3. Blending in horse arenas and race tracks to increase soil strength.
4. Use at dairy farms for odor and vector control.
5. Mixing with crushed concrete to improve compaction and strength.
6. Use in landscape berms.
7. Use in topsoil mixes.
8. Use for neutralization of coal storage areas and other potentially acidic locations.

With the exception of items 3 and 4, which appear to only account for approximately 10,000 tons per year (combined), each of the remaining items has the potential to result in an annual use of over 50,000 tons per year. As a result, the time required to remove the LSP is related primarily to market conditions and financial considerations.

Melching is preparing a *Beneficial Re-Use Plan* for review and approval by the DEQ. The objective of the plan is to obtain pre-approval of the uses described above to expedite the process and to make beneficial re-use of the lime in the LSP more practical (the intended purpose of the new legislation). Primary emphasis will be placed on approvals that promote the on-site re-use of lime. The plan is nearly complete and will be submitted in December 2014.

4.2 In-Situ Groundwater Treatment

Groundwater with elevated pH is present below and downgradient of the LSP. One of the options available to improve (lower) the pH of the groundwater involves neutralization of the groundwater without pumping the groundwater to the surface (in-situ). The most feasible in-situ neutralization methods include air sparging, injection of acid, and injection of carbon dioxide. The advantages of in-situ groundwater treatment are low capital cost, low operation

and maintenance costs, and a small above ground footprint. Disadvantages are the lack of hydraulic control (there is no capture from pumping of the groundwater), and as a result, a longer time requirement to achieve complete treatment of all impacted groundwater.

To evaluate the different in-situ methods, LEI performed laboratory testing. To complete the tests LEI collected over 100 gallons of water from wells LMW-11s and LMW-11d (the wells with the highest pH groundwater) and transported the water to the laboratory at LEI. At the laboratory, LEI transferred 20 gallons of mixed groundwater from the large tank to 3 smaller plastic mixing tanks. Each mixing tank was fitted with a sparge or injection system and a metered quantity of chemicals were applied simultaneously to the tanks. All of methods utilized reduced the pH of the groundwater from an initial pH of 13.0 to less than 8.5, however, air sparging required more than a day to achieve this level of pH adjustment. Injection of concentrated sulfuric acid required 2 liters of acid and 20 minutes to reach a pH of 8.5, whereas, the injection of carbon dioxide required only 0.3 cubic feet of gas and 5 minutes to achieve the pH goal. LEI adjusted the dosing several times and completed additional tests to verify the data and determine appropriate usage rates.

The main advantage of air sparging for pH reduction is it is self regulating. Due to the low percentage of carbon dioxide in air (0.03 percent) it cannot accumulate in air sparged water, and is limited in pH reduction to 8.1. Unfortunately, this results in the generation of lots of scale as calcium carbonate (calcite) precipitates from the lime water. The main advantage to sulfuric acid injection is rapid pH reduction, however, it is the most expensive of the chemicals for neutralization potential, and requires care to handle and apply the acid safely. The advantage of carbon dioxide injection is rapid pH reduction. The disadvantage is that it is more susceptible to accidental lowering of the pH to less than 6.5. This is not the case at the actual LSP where there is sufficient lime to limit pH reduction to 8.1, but may be a concern downgradient where groundwater is elevated in pH but lime is not present. As a result of the laboratory testing LEI concluded that the injection of carbon dioxide was the preferred in-situ method, subject to taking precautions to prevent overly acidic conditions at the GSI.

To further test the feasibility of carbon dioxide injection, on August 6, 2014, LEI installed a pilot injection system at the location of the LMW-11 monitoring wells. The injection system consisted of 4 injection wells spaced at select distances from the monitoring wells, an injection manifold consisting of individual regulators and flow meters, and a carbon dioxide supply consisting of 2, 70 pound carbon dioxide bottles. The injection wells were operated individually while pH was measured in the monitoring wells. The pilot testing continued for several days until it was verified that the injection wells had an effective radius of influence of over 20 feet for the shallow portion of the aquifer (as determined in LMW-11s). The effective radius for the deep portion of the aquifer (as determined in LMW-11d) was over 10 feet in radius, however, even this radius is impressive as the injection wells are only 30 feet deep, and LWM-11d is 40 feet deep.

4.3 Ex-Situ Groundwater Treatment

LEI has considerable experience in ex-situ, or above grade, pH adjustment at industrial wastewater treatment plants, with specific experience at concrete plants where high pH wash

water (termed "lime water") is common. With regard to the property, ex-situ treatment of groundwater will involve either pumping the groundwater from extraction wells or excavating an open trench to the groundwater. Both methods are not recommended, as extraction wells are inefficient due to the fine grain size of the saturated sediments, and an open trench is not conducive to redevelopment of the Property. Based on previous feasibility and operation data from other facilities, the preferred method of ex-situ treatment of the high pH water is neutralization with carbon dioxide. The advantages of ex-situ treatment are control and capture of groundwater with high pH, and rapid neutralization as the treated groundwater is injected back into the groundwater where it also reduces pH via simple dilution.

To better evaluate the feasibility of ex-situ treatment, LEI designed a theoretical treatment system consisting of two ponds excavated below the water table within the LSP. One pond was utilized to extract high pH groundwater, whereas the second pond was utilized to return low pH groundwater. Water pumped from the ponds was treated with a carbon dioxide system identical to those utilized at concrete plants. Based on groundwater modeling data and estimated costs, the system was practical and cost effective; however, it could not account (capture) the groundwater more than 80 feet downgradient of the LSP due to the high gradient to Muskegon Lake, and the low permeability of the lime.

4.4 Capping

The installation of a low permeability cap over the LSP will eliminate the infiltration of rain water which in turn eliminates the formation of high pH groundwater. To meet rigid DEQ specifications for a cap, a material with a permeability of $\leq 10^{-7}$ cm/sec is required, over which a drainage system and cover material is required to protect the cap. Typical low permeability capping materials include clay, geo-membrane's (plastic or rubber liners), concrete, and asphalt. In most cases, a second liner is required by the DEQ as a backup to the primary cap. The primary disadvantages of a cap are installation cost, the requirement for inspection and maintenance of the cap, and the LSP remains an obstacle to the redevelopment of the Property.

4.5 Cover and Contour to Reduce Infiltration

An alternative to a cap is a cover. A cover is also effective at reducing infiltration and eliminating direct contact concerns with the lime. Although low in permeability, a cover does not meet the rigid specifications required by the DEQ, and as a result, it does not completely eliminate infiltration. However, in most cases, a properly designed and installed cover, with sufficient grade and stormwater management, can reduce infiltration to insignificant levels. A finished slope of at least 1 percent is typically sufficient to facilitate runoff of precipitation and a reduction in infiltration.

Presently, the LSP is a bowl shaped depression with little vegetation in the center. Rainfall collects in the low area where there is limited wind and thin organic topsoil over lime. In these conditions, a high percentage of rainfall infiltrates to become groundwater. Assuming a lower permeability cover is installed and the surface of the LSP is contoured with a slope in one direction, a much lower percentage of rainfall will infiltrate and eventually become groundwater. For example, the average precipitation in Muskegon Michigan is 33.5 inches per

year. After covering and contouring, the LSP will be subjected to increased evapotranspiration, at times, greater than precipitation. Conservatively, the lowest average evapotranspiration from the covered and contoured LSP will be 30 percent of total precipitation or 11 inches. Runoff of precipitation from natural soils in Michigan typically accounts for 5 to 50 percent of rainfall. A low permeability cover material, while not meeting DEQ specifications, will easily result in 50 percent runoff or 17 inches. After taking into account runoff and evapotranspiration (28 inches), only 5.5 inches of rainfall remains (16 percent). This equates to an average annual flow rate for the entire LSP of only 3 gallons per minute (GPM). The average volume of dilution from upgradient groundwater flow is calculated to be 155 GPM.

A cover constructed of a sand/wood chips/lime material (compost) is beneficial re-use of site materials and environmentally friendly. This cover would significantly reduce infiltration, is well suited to future development, and eliminates direct contact concerns.

4.6 Neutralization of High pH Lime

While lime is typically utilized to neutralize acidic materials, the opposite is also true. As stated above, a mixture of wood chips (an acid producing material) and lime results in a neutral material and neutral infiltration. The same occurs with a mixture of coal and lime. The Melching site contains significant quantities of both wood chips and residual coal/soil mixtures. These materials could be utilized to neutralize high pH lime, with wood chips having a neutralization strength that is double that of coal (based on testing described above). Other materials include pine needles, foundry sand, peat moss, sulfur, fruit and vegetable wastes, and many types of sludge. The advantage of using wood chips is that they are organic; they increase microbial activity and improve the structure of soil. The advantage of using coal or foundry sand is primarily soil strength. The primary disadvantage of wood chips, fruit and vegetable wastes, and pine needles is they degrade with a large reduction in volume. The primary disadvantage of coal, foundry sand, and sludge is the potential release of metals.

4.7 Monitored Natural Attenuation

The lime in the LSP has a limited ability to neutralize acidic rainwater. Initially this was not the case as new lime was added to the pile until paper production ceased in 2005. In fact, it is likely that Sappi and Melching have now removed more lime from the LSP than was contributed to the pile by Sappi. As a result, the LSP has a fixed or decreasing amount of lime, and the lime decreases in potency every day. Corresponding with this decrease in neutralization capacity is a decrease in the downgradient extent of high pH groundwater.

Monitored natural attenuation (MNA) is the term applied to the process of allowing the environment (Mother Nature) to "naturally attenuate" the environmental degradation. As stated in the name, monitoring of the natural attenuation is required to verify that the process is working. MNA also requires that any risks to potential receptors from the environmental degradation are properly managed.

The LSP is historic and has persisted for numerous decades. Based on the profiling data from the LSP and testing of lime below the water table (described above), the lime below the water table has lost much of its capacity to neutralize rainwater. In fact, the very soft nature of

historic lime below the water table indicates that much of the lime actually dissolved, turning into soluble calcium hydroxide. Eventually, as upgradient groundwater (low in pH and containing dissolved carbon dioxide) moved through the bottom of the LSP for many years, the dominant carbonate species became bicarbonate (also soluble), which is a strong buffer and acts to stabilize pH at about 8.3. It is for this reason that the wet soft lime has a pH in this range (8.6).

Since the LSP is historic and no lime has been added for about 10 years, the LSP is in equilibrium with the environment, and the high pH groundwater cannot get worse in terms of pH or distribution as reaction kinetics indicate it would have reached an equilibrium shortly after lime was no longer added to the pile. As long as rainfall remains approximately the same, and the existing LSP is not disturbed, the LSP could be left exactly as is and any potential impact to the environment will decrease with time.

The advantage of MNA is virtually no capital cost, just the cost of toxicity studies, reports, and groundwater modeling. The disadvantage of MNA is it requires on-going groundwater and sediment sampling (monitoring) until the groundwater pH is no longer above 9.0. It also requires that the LSP not be disturbed. Without initial groundwater treatment to reduce the high pH groundwater at the LSP, and considering the volume of high pH lime that is still present in the LSP, leaving the LSP "as is" and relying on MNA would likely require considerable time to achieve material improvement towards the criteria at the GSI.

5.0 Selected Options to Meet the Objective

It is proposed that a combination of the methods described above be utilized to address concerns regarding the LSP. The methods are applied through the completion of specific tasks, that are divided into 2 distinct phases; those tasks that will occur within 6 months of the approval of this Lime Management Plan (Phase I), and those tasks that may require several years to accomplish (Phase II). Phase I and II tasks are listed below.

Phase I Tasks (6 Months)

1. Install an In-situ carbon dioxide injection system to address high pH groundwater. In conjunction with the installation of the groundwater treatment system, 4 additional compliance wells will be installed for system monitoring and closure.
2. Contour the LSP and install sufficient drainage to reduce the contact time of stormwater and lime in the LSP to less than 25 minutes.
3. Install an ex-situ carbon dioxide injection system to address high pH stormwater (if present) in the stormwater retention basin

Phase II Tasks (Potentially Several Years)

4. Remove the lime in the LSP to existing grade (588 feet on the south, east, and west sides, grading to 594 feet along the north side).
5. Cover the remaining white lime surface of the former LSP with a neutralizing material and seed with grass.

A summary of each task is provided in the following sections.

5.1 Task 1: Installation of In-Situ Carbon Dioxide Injection System

The installation of a groundwater treatment system is proposed consisting of 23 carbon dioxide injection wells. The location of the wells and related information is provided in Figure 6. The wells will be installed in 2 separate treatment zones, a primary treatment zone, and a secondary treatment zone. The primary treatment zone (or interior zone) is located within the northwest corner of the LSP, and is designed to address the high pH groundwater at its source, and reduce or eliminate the downgradient movement of high pH groundwater. The primary treatment zone consists of 8 injection wells installed to an equivalent depth of 40 feet below grade (they will be on the elevated LSP) and with a spacing of 60 feet. A depth of 40 feet was selected based on pilot testing, which indicated that the influence of carbon dioxide injection extended at least 10 feet below the injection well, and clay is encountered at an equivalent depth of 50 feet. In addition, the deeper the injection wells, the higher the "breakout" or starting pressure, and the more difficult it is to balance the system. The larger spacing of 60 feet (30 foot radius) is designed to guarantee high efficiency, with no overlap of the radius of influence of the wells. Being installed within the actual LSP, the wells will be operated until the groundwater pH is approximately 9.0, as a lower pH will only result in the dissolution of wet green lime at the base of the LSP. To achieve a groundwater pH of approximately 9.0 during operation, the system will be set to turn on at a pH of 9.5, and turn off at a pH of 8.5. A wider radius between wells will help eliminate overlap and a lower pH at the edges. These wells will be subject to plugging, as the required pH reduction is associated with calcium carbonate (calcite) precipitation. As a result, each injection well will also be installed with a 5 foot sump,

or solid casing from 40 to 45 feet in depth. The sump will prolong the life of the well by creating a place for the calcite to settle out of suspension below the actual well screen. Eventually, the well and formation will likely plug and additional wells may be required if the continued operation of the system is warranted.

The secondary treatment zone (or exterior zone) consists of 15 injection wells installed along the northwest perimeter of the Property, adjacent to Muskegon Lake. These wells will also be installed to a depth of 40 feet, but they will have a spacing of only 40 feet, creating overlap. Unlike the primary treatment zone, the secondary treatment zone will be operated until the groundwater pH is approximately 8.0, which will prevent the accumulation of calcite, as carbon dioxide injection at near neutral pH results in the dissolution of calcite, as soluble calcium ions and bicarbonate (a weak acid) are generated. With bicarbonate the primary species, the pH is buffered but scale is reduced. To achieve a groundwater pH of approximately 8.0 during operation, the system will be set to turn on at a pH of 8.5, and turn off at a pH of 7.5. The close spacing of the wells will initially provide treatment of high pH groundwater already in the vicinity of Muskegon Lake, and will also provide treatment of any high pH groundwater that makes it past the primary treatment zone.

LEI is proposing to install all of the injection wells and piping below grade for aesthetic purposes. As a result, each injection well will have a dedicated supply line, which will provide individual control. Both the primary and secondary treatment zones will be automatically controlled by a pH meter installed in a "control" monitoring well that is screened from the surface of the saturated formation to the base of the saturated formation at 50 feet in depth. The control location for the primary treatment zone will be at the northwest corner of the LSP (Control Well A); whereas, the control location for the secondary treatment zone (Control Well B) will be adjacent to LMW-11d. The remainder of the equipment will be installed in a treatment building located at the northwest corner of the Property southeast of LMW-11s. As the treatment system requires weekly carbon dioxide bottle exchanges, a concrete pad will be installed at the treatment building, and a gravel driveway will extend from Lakeshore Drive to the treatment building. The treatment building will be fitted with solar panels and storage batteries so that an electric service will not be required. Injection pressure will be provided by the pressurized carbon dioxide "packs," installed in the treatment building. The regulators utilized in the system will be heated to prevent ice buildup. In the event the heated regulators are not sufficient to prevent ice buildup, the treatment building will be heated with propane. The location of the CO₂ injection system is illustrated in Figure 6.

To monitor the improvement of the groundwater during system operation, and to supplement compliance wells LMW-11s and LMW-11d for closure, 4 additional 1 inch diameter monitoring wells will be installed. LMW-12s and LMW-12d will be installed 150 feet south of LMW-11s/11d, and LMW-13s and LMW-13d will be installed 150 feet northeast of LMW-11s/11d. The wells will be constructed in a similar manner to LMW-11s and LMW-11d, including the same screened intervals of 15 to 20 feet in depth and 35 to 40 feet in depth, respectively. The wells will be utilized for the measurement of pH only. The location of the compliance wells is illustrated in Figure 6.

5.2 Task 2: Contour the LSP and Install Stormwater Collection

Contouring of the existing LSP is proposed to direct rainfall to a stormwater collection system that will be installed within the interior of the LSP. Historically, the LSP has maintained perimeter berms that direct all stormwater to the center of the LSP for infiltration and evaporation. Based on testing, the infiltration of rainwater (or historically lime slurry water during paper mill operations) resulted in the creation of high pH groundwater. The excavation of a trench along the base of the LSP is proposed in addition to the installation of a stormwater drain that will rapidly convey stormwater from the LSP to the existing stormwater retention basin, located northeast of the LSP. To minimize the disruption of the existing surface of the LSP, which is hard and lower in pH, a drain along the present base of the LSP will be installed, then later the drain will be lowered as the lime in the LSP is removed and the LSP approaches grade. For stormwater to exit the LSP a trench will be excavated in the northeast corner of the berm and a drain installed. The drain will have sufficient grade to minimize the contact time of the stormwater and lime, with reasonable best effort made to achieve a maximum contact time of only 25 minutes, specifically considering that lime excavation will be occurring as part of LSP removal. Presently, several areas of the LSP are ponded after rain events. The grade of these areas will be adjusted and the surface compacted to eliminate ponding and minimize stormwater contact time.

5.3 Task 3: Install Ex-Situ pH System in Stormwater Retention Basin

While high pH stormwater is not expected in the stormwater retention basin, the installation of a carbon dioxide injection system is proposed. Due to a lack of power at this location, and the short amount of time required to reduce the pH of the water in the basin, the system will be operated manually. High pH water is not expected as the contact time for rainwater and lime will be reduced, and the base of the stormwater retention basin is a mixture of sand, coal, and wood chips.

Following each significant rain event, the pH of any collected water will be tested, and if above 9.0, the water will be neutralized with carbon dioxide injection until the pH is consistently at or below 9.0.

5.4 Task 4: Remove the LSP to Existing Grade

Presently, Melching is hauling lime from the LSP for off-site ag use almost daily. The rate is expected to pick up shortly as crops are removed from the fields, and lime applications proceed. With the numerous uses that have been identified for the lime, and the new beneficial re-use legislation, both on and off-site uses are projected to increase. Ultimately, the lime in the LSP will be removed to grade. As this occurs, the groundwater elevation in the LSP will fall slightly, as capillarity and the infiltration of rain is reduced. This will result in a reduction in the rate at which groundwater travels from the LSP, and will dry out some of the high pH wet green lime (both conditions that are favorable). Once the lime in the LSP is reduced to the surrounding grade of the Property, removal activities will be discontinued unless redevelopment plans and/or financial benefits support additional lime removal. Assuming no additional removal, the surface of the LSP will be contoured to match existing grade, which is 588 feet on the south, east, and west sides, and 594 feet on the north side.

5.5 Task 5: Cover with Neutralizing Material and Seed the Surface of the Remaining Lime

At the time that lime in the LSP has been removed to grade, dry white lime will be at the surface. To prevent direct contact concerns, a minimum of 6 inches of shredded wood chips (or an equivalent organic material) will be placed over the white lime and mixed into the lime. When suitably mixed together, the material will be lightly compacted with a cultipacker, and the area seeded with grass. If needed, the seed will be watered occasionally to improve the opportunity for successful germination.

The organic material will neutralize the lime component of the mixture, resulting in near neutral pH, as discussed in Section 3.6. With near neutral pH and the presence of organic material, the new surface will support grass.

With the grass actively growing evapotranspiration will be greatly increased over the gently sloping area of the former LSP. Considering this, and the neutralization capacity of the organic material mixed into the surface, the potential for rainwater to infiltrate and become high pH groundwater is greatly reduced. In addition, precipitation will not have sufficient contact time to increase in pH to greater than 9.0 based on runoff calculations (Appendix F) that predict a maximum contact time of only 20 minutes. Lastly, the area of the former LSP will be protected with a restrictive covenant (as necessary) to protect against activities that may damage this cover.

6.0 Monitoring Plan and Performance Standards

It is necessary to collect data to properly manage the proposed tasks, just as it is important to know when the objective of the Lime Management Plan has been accomplished. Details of how data collection will occur is provided in the Monitoring Plan. Details of when the objective has been met are provided in the Performance Standards. For simplicity, both have been combined for each specific task, and are explained in the following sections.

6.1 CO₂ Injection System Start-Up

During the start-up period, which LEI has defined as the first month of operation, LEI will test the performance of the CO₂ injection system and make necessary adjustments or modifications to meet the proposed objectives. With regard to the CO₂ injection system, the objective is to achieve a permanent groundwater pH between 6.5 and 9.0 in the compliance wells (LMW-11s/LMW-11d, LMW-12s/LMW-12d, and LMW-13s/LMW-13d). During the start-up period, LEI will test equipment and make measurements daily during the first week of operation, then weekly to the end of the first month, as most equipment failures or design flaws become evident in the first week or two of operation. However, as LEI operated a pilot system for over 1 month, many of the problems have already been worked out and a break-down is not anticipated.

One significant difference between the pilot system and the proposed system is automatic control. The proposed system will measure pH in Control Wells A and B continuously, with specific set points utilized to turn the injection wells "on" and "off." As a result, during the Start-Up period, pH will be measured in the control wells (using portable meters) and compared to the automated pH reading for accuracy and corresponding adjustment, if needed. In addition, pH will also be field measured in the compliance wells during the Start-Up period. Measurements will be made after CO₂ injection has been halted for one hour to allow for equalization of the groundwater pH. As explained below, longer equalization times will be utilized during Post Start-Up monitoring.

Measurement of pH will occur after purging of the groundwater in the compliance wells has reached steady state conditions based on the field measurement of temperature, dissolved oxygen, pH, specific conductance, and oxidation-reduction potential. Considering pH is less affected by pumping rate, and to extract groundwater from a greater distance from the well screen, the pumping rate will be as great as possible considering the ability of the well to produce groundwater. Some additional field observations may occur to further aid in the calibration of the CO₂ injection system.

In the event the system cannot meet the start-up objectives in the first month of operation, the start-up period will be extended one week at a time until the Performance Standard is achieved.

The Start-Up Monitoring Plan and Performance Standards are provided in the table below.

CO ₂ Injection System Start-Up (First Month of Operation)			
Monitoring Plan			
Location	Parameter	Frequency	Task
Control Wells A and B	pH	Daily for week 1, then weekly	Compare field pH with the automated pH probes for calibration, if needed. Adjust set points to 8.5 (off) and 9.5 (on) for Control Well A and 7.5 (off) and 8.5 (on) for Control Well B.
Injection Wells (All)	Flow rate, pressure	Daily for week 1, then weekly	Balance the system, improve efficiency, and minimize gaps in coverage.
Compliance Wells	pH	Daily for week 1, then weekly	Verify pH reduction to 6.5 to 9.0, and adjust injection well pressure, if needed.
CO ₂ Packs (2)	Pressure	Daily for week 1, then weekly	Calculate the CO ₂ usage rate and rate of change out to prevent system shut off.
Storage Batteries	Voltage	Daily for week 1, then weekly	Ensure the electrical system is charging.
Floor Vents	Operation	Daily for week 1, then weekly	Prevent the accumulation of carbon dioxide in the building. Keep the temperature below 120 degrees F.
Heated Regulators	Temperature	Daily for week 1, then weekly	Prevent CO ₂ System Freeze-up (20° F)
Performance Standard			
Objective	Deliverable	Standard	
System Operation as Proposed	As Built Drawings and Start-Up Verification Report	Submit report verifying proper installation and operation within 8 weeks after the Start-Up is complete.	

6.2 CO₂ Injection System Post Start-Up Performance Monitoring

Post start up performance monitoring will involve (at the minimum) monthly pH field measurement in the compliance wells and the control wells for 3 months (1 quarter after startup), then quarterly until Closure Verification is initiated. Prior to monthly and quarterly readings, the CO₂ injection system will be turned off for a period of at least 12 hours to allow the CO₂ to dissipate and groundwater conditions to stabilize. A 12 hour waiting period was selected to provide a very conservative stabilization period. Data collected during pilot testing indicated a waiting period of at least 1 hour was needed to obtain representative pH readings (readings typically increased 0.5 S.U. during the first hour after shut down).

It is anticipated that there will be many times when one or both zones, and some injection wells within one or both zones, are "dormant," or turned on yet not actively injecting CO₂. This is due to the fact that the system can neutralize groundwater much faster than the rate at which it flows. During dormant conditions, the automated pH probes will be actively measuring pH, however, pH conditions in the groundwater will not be sufficient to warrant CO₂ injection. At the point the data indicates the pH of the groundwater is between 6.5 and 9.0 for a period of 30 days, the system can be permanently turned off, and Closure Verification will proceed (Section 6.5).

An outline of the Post Start-Up Monitoring Plan is provided below.

CO ₂ Injection System Post Start-Up Monitoring Plan			
Location	Parameter	Frequency	Task
Control Wells A and B	pH from automated pH probes	Monthly (3), then quarterly	Measure pH. Adjust set points, if needed, to 8.5 (off) and 9.5 (on) for Control Well A and 7.5 (off) and 9.0 (on) for Control Well B.
Compliance Wells	pH	Monthly (3), then quarterly	Evaluate the pH of the groundwater to determine if the system can be turned off.
Injection Wells (All)	Flow rate, pressure	Monthly (3), then quarterly	Balance the system, improve efficiency, and minimize gaps in coverage.
CO ₂ Packs (2)	Pressure	Monthly (3), then quarterly	Calculate the CO ₂ usage rate. Determine change out frequency.
Storage Batteries	Voltage	Monthly (3), then quarterly	Ensure the electrical system is charging.
Floor Vents	Operation	Monthly (3), then quarterly	Prevent the accumulation of carbon dioxide in the building. Keep the temperature below 120 degrees F.
Heated Regulators	Temperature	Monthly (3), then quarterly	Prevent CO ₂ System Freeze-up if temperature below 20° F
Performance Standards			
Objective	Deliverable	Standard	
Reduction in the pH of the Groundwater	Quarterly Sampling Reports	Submittal of reports within 4 weeks of the end of the previous quarter.	

6.3 Stormwater Collection System Testing and Verification

Improvements to the stormwater collection system will be completed to reduce the contact time for rain water with lime, and the LSP will be contoured to reduce the volume of rain water that is allowed to infiltrate. Based on testing at the LSP, the goal is to reduce the contact time of stormwater and lime to less than 25 minutes, and to reduce or eliminate the areas of ponding. It is anticipated that these activities will be completed within 30 days after the approval of this Lime Management Plan, depending on the weather.

After completion of the activities described above, tests will be conducted to verify that the objectives have been achieved. Since lime must be removed from the LSP to achieve management goals, and it is not known how long lime removal will take, testing of the stormwater collection system will be conducted until the LSP is closed. In the event that high pH stormwater reaches the stormwater retention basin, a portable CO₂ injection system will be maintained on site to immediately reduce the pH to neutral conditions. As removal of lime from the LSP approaches the existing grade, the perimeter berms will necessarily be removed. During the removal of the berms, every reasonable best effort will be made to direct all stormwater to the inside of the LSP. In the event this cannot be achieved due to the low grade at the time, a perimeter ditch will be installed outside of the LSP (and lime) that will direct stormwater to the existing stormwater retention basin.

A stormwater management plan for the Property is currently in place, even so LEI proposes to prepare an additional plan just for the LSP, although it is not required as no stormwater currently leaves the LSP. The stormwater plan for the LSP will include a summary of the testing data and any corrections to meet the objectives. It will also include the data from the inspections performed after significant rain events, including the measurements of stormwater pH, and whether or not neutralization of the stormwater was necessary.

The Monitoring Plan and Performance Standards are provided below.

Stormwater Collection System Monitoring Plan			
Location	Parameter	Frequency	Task
LSP	Contact Time	First 0.25 inch or larger rain event.	Verify contact time is less than 25 minutes at any location in the LSP. Correct if necessary.
LSP	Volume of Ponded Water	After each rain event greater than 0.25 inches (2), then each event greater than 1.0 inches.	Measure ponded water, if any, and determine acreage. If greater than 0.1 acres, correct by contouring.
Perimeter of LSP	Off LSP Flow	After each rain event greater than 0.25 inches (2), then each event greater than 1.0 inches	Verify that high pH stormwater, with the exception of water in the drainage system, is not running outside of LSP. Correct by contouring, if necessary.
Stormwater Retention Basin	pH	After each rain event greater than 0.25 inches (2), then each event greater than 1.0 inches	Measure pH of storm water and if above 9.0, operate portable CO ₂ injection system to lower pH to 8.0
Portable CO ₂ Injection System	Confirm Availability and Function	Quarterly	Lower the pH of water in the Stormwater Retention Basin, if needed.
Performance Standards			
Objective	Deliverable	Standard	
Limit contact time and stormwater infiltration.	Stormwater Management Plan	Preparation within 60 days of stormwater collection system installation and contouring. The Stormwater Plan will be updated and retained on-site in accordance with NPDES standards.	

6.4 Source Material Removal, Neutralization, and Long Term Reduction of Infiltration

Removal of lime from the LSP until the existing grade is encountered is proposed. At completion, the area of the former LSP will be gently sloping from north to south at a 1 percent grade. To address direct contact concerns and to neutralize the new exposed lime surface, the area will be covered with a minimum of 6 inches of organic neutralizing material (e.g. shredded wood chips) which will support grass. Both the slope and low permeability neutralizing cover will reduce infiltration and the generation of high pH groundwater.

Since the future use of the area has not yet been determined, it is not proposed to remove lime from below grade, or to install an impermeable cover. However, if market conditions or redevelopment plans warrant, additional lime may be removed from the pile, and the current proposal for neutralization and cover may be altered accordingly.

The Monitoring Plan and Performance Standards for Task G.4 are provided below.

Source Material Removal, Neutralization, and Infiltration Monitoring Plan			
Location	Parameter	Frequency	Task
Former LSP	Final Grade	As needed, within 30 days of the end of lime removal. Make corrections to grade, if needed, within 30 days, and re-survey.	Complete survey of the surface of the former LSP. Verify the elevation of the surface of the LSP does not deviate by more than 2 feet higher or lower (4 feet total) from the proposed elevations.
Former LSP	Thickness of Cover Material	Within 30 days of the end of lime removal. Correct, if needed, and re-test.	Complete a minimum of 10 soil borings to measure the thickness of the cover material.
Former LSP	Grass	As needed, within 30 days of the end of lime removal. Re-plant, if needed, and inspect.	Plant grass and water as necessary to promote germination and propagation.
Former LSP	Soil water pH	After first rain event greater than 0.25 inches, then annually after 1 inch or greater rain event.	Measure the amount of infiltration, and pH (if suitable volume) from buried sampling system.
Performance Standards			
Objective	Deliverable	Standard	
Verify Surface of Former LSP Is Contoured to Existing Grade.	Survey prepared by a licensed professional surveyor (P.S.) or engineer (P.E.).	Completion and submittal within 60 days of the end of lime removal from the LSP.	
Verify Cover Material is at least 1 foot thick at 10 separate locations	Soil boring logs from geologist or engineer.	Completion and submittal within 60 days of the end of lime removal from the LSP.	
Verify 75% Coverage of Surface with Grass	Inspection report with photographs	Completion and submittal within 90 days of growing season after the end of lime removal.	
Verify pH of infiltration is 9.0 or less.	Testing report	Completion and submittal within 90 days of the end of lime removal, ground frost permitting.	

6.5 Groundwater Closure Verification

The relevant pathway at the Property is the Groundwater/Surface Water Interface or GSI. After application of the Site Specific Mixing Zone Based Criteria to all other parameters, the only parameter in the groundwater that has been identified above the relevant criteria is pH downgradient of the LSP. This was explained in detail in the Closure Report for the Property, also submitted in December 2014. As a result, the closure of the groundwater with high pH is

complete when it is demonstrated that the operation of the CO₂ injection system is no longer needed, based on the pH measured in the compliance wells, or on any other provisions of applicable law, including Section 20e of Part 201 (GSI), or as agreed by the DEQ.

The highest pH discovered in the groundwater at the property was 13.31 in LWM-11s. Based on the groundwater flow direction at the LSP, it is logical that LMW-11s has the highest pH at the Property. It is for this reason that LMW-11s and LMW-11d are compliance monitoring wells. To supplement the data from LMW-11s and LMW-11d, 4 additional compliance wells will be installed downgradient of the LSP. The wells will provide verification that the southern and northeastern extent of the plume has also stabilized in a pH range of 6.5 to 9.0. The location of the wells is illustrated in Figure 6.

The conditions of Groundwater Closure Verification will consist of Tasks 1 through 6. For simplicity, these same conditions and tasks are also summarized in a table following Tasks 1 through 6.

1. The CO₂ Injection system may be turned off after monitoring data from the compliance wells demonstrate that the pH of the groundwater is within the range of 6.5 and 9.0 for 30 days.
2. In order to support closure based on data from the compliance wells, the pH of the compliance wells must remain within the range of 6.5 and 9.0 for an additional 2 quarterly sampling events after the initial data that supported the shut-down of the CO₂ injection system. The 2 additional quarters of sampling will account for the travel time of the groundwater to ensure that at least one sampling event has provided sufficient time to allow the groundwater to move from the LSP to the compliance wells. Closure verification samples will be submitted to a laboratory for analysis. If the samples do not meet criteria, the system will be returned to operation for a minimum period of 30 days, after which the system can be turned off and the verification period can be re-started.
3. After a period of 2 years from the start of operation of the injection system, and if closure has not been achieved based on compliance well data, other methods to verify compliance may be utilized, such as an alternate compliance point (e.g. the groundwater below Lake Muskegon), or risk assessment and natural attenuation.
4. After receipt of data supporting closure from the existing compliance wells, or preliminary data demonstrating the feasibility of closure based on other methods, notice will be provided to the DEQ Project Manager of the intention to prepare a LSP Closure Report.
5. Data supporting closure will be compiled and summarized in a LSP Closure Report. In consideration of the proposed redevelopment of the Property, this LMP including LSP closure methods may be amended if necessary, with prior approval from the DEQ Project Manager. The LSP Closure Report will also discuss in detail any approved amendments. The LSP Closure Report will be completed within 90 days of the receipt of data supporting the closure.
6. Upon receipt of closure approval from the DEQ, all injection wells, underground piping, compliance wells, control wells, and equipment related to the CO₂ injection system will be removed or properly abandoned within 60 days from the time that frost is out of the ground.

Groundwater Closure Verification			
Location	Parameter	Frequency	Task
CO ₂ Injection System	Operation	Per Closure Requirements	Shut down system.
Compliance Wells	pH	Quarterly (initial and 2 additional quarters)	Sampling and laboratory analysis of groundwater pH in the compliance wells. If the pH in any closure verification sample does not meet the objective, the system will be returned to operation.
Performance Standards			
Objective	Deliverable	Standard	
Reduction in the pH of the Groundwater	Quarterly Sampling Reports	Submittal of reports within 4 weeks of the end of the quarter. Reports will provide a summary of compliance well data and the status of the objective of achieving a groundwater pH within the range of 6.5 to 9.0.	
Notice to DEQ of Closure Plan.	Notification Letter with Draft Closure Plan	After a period of 2 years of operation of the CO ₂ Injection System, the opportunity to utilize other methods to verify compliance will be available, such as an alternate monitoring point or risk assessment and natural attenuation. When data supporting closure is available, a Notice of Closure will be provided to the DEQ Project Manager.	
Documentation of Closure	Closure Report	Submittal of report to DEQ Project Manager within 90 days of Notice of Closure.	
CO ₂ Injection System	Proper Abandonment	Upon approval of Closure from the DEQ, all equipment relating to the CO ₂ Injection System will be removed and/or properly abandoned within 60 days from the time that frost is out of the ground.	

7.0 Conclusion

This Lime Management Plan was prepared to address environmental concerns relating to the LSP. The plan proposes the installation and operation of a groundwater treatment system, and the removal of the LSP to grade. In addition, the plan proposes to reduce the amount of infiltration to the LSP, which is the source of high pH groundwater. These tasks will expedite the reduction of the high pH groundwater in several ways: 1) directly through active treatment, 2) indirectly through a reduction in the mass of lime, 3) via neutralization with organic material, and 4) through a reduction in infiltration by means of surface contouring and installation of a low permeability cover.

Furthermore, based on the data collected to date, LEI concludes that the high pH groundwater has already reached equilibrium and is in the process of reduction, even without the tasks proposed in this plan. Considering that the paper process pumped thousands of gallons per day of lime slurry to the LSP for numerous decades, it is technically impossible for the current pH to have been lower in the relative past. In addition, the process of pumping lime slurry to the LSP was ceased several years ago, and the water content of the lime and lime pile has undoubtedly been decreasing ever since. In fact, pH can only be measured in an aqueous solution, so unsaturated lime technically has no pH and therefore cannot exceed the criteria.

A CO₂ pilot injection system was operated for over 1 month that significantly reduced groundwater pH at the worst location identified. Upon installation of a full scale system that is more than an order of magnitude larger than the pilot system, and completion of the other tasks described in this report, LEI concludes that the Lime Management Plan will reach the Performance Standards, and all obligations regarding the LSP will be met.

Tables

Table 1: Lime Storage Pile Profile Data

TABLE 1
Lime Storage Pile Profile Data
Melching, Inc.
August 2014

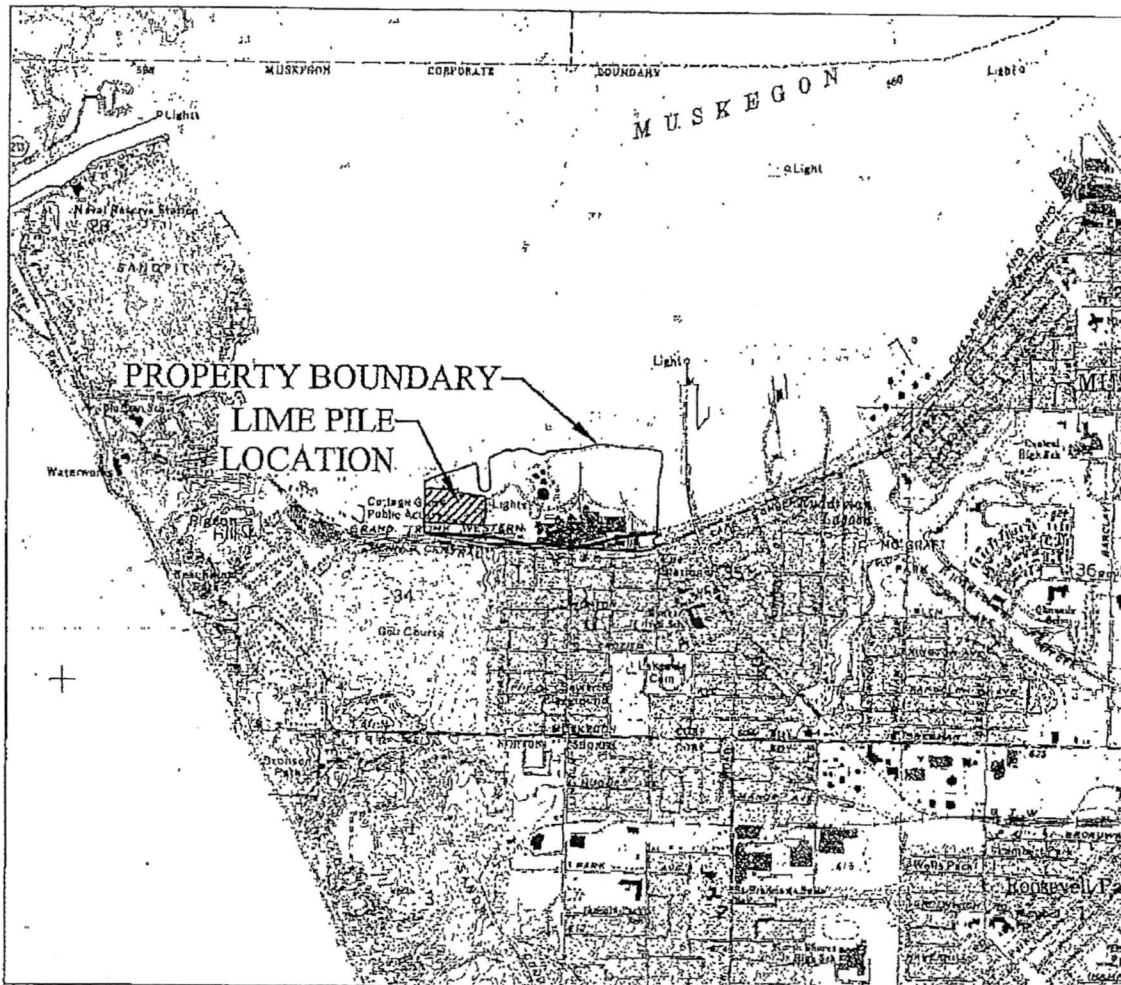
Boring Location	Ground Elevation	White Lime w Chips (Hard)	pH	White Lime (Dry)	pH	Green Lime (Wet)	pH	White Lime (Wet) (Soft)	pH	Wood/Peat w Shells (Wet)	Depth to Lake Sand	Comments
LB-1	599.04	0-1'	8.67	1-16'	12.22	16-20'	12.59	20-24'	10.78	24-25.2'	25.2'	
LB-2	599.80	0-2'	9.01	2-16'	11.76	16-20'	12.33	20-25'	ns	25-26.1'	26.1'	
LB-3	596.46	0-2'	8.60	2-14'	12.29	14-17'	13.40	17-23.5'	7.73	23.5-24.7'	24.7'	Wood/Peat pH = 8.18
LB-4	595.35	0-3'	8.72	3-14'	11.90	14-15'	13.07	15-21'	ns	21-21.6'	21.6'	Wood/Sand pH = 7.46
LB-5	596.42	0-3'	8.73	3-14'	12.11	14-15'	12.74	15-20'	ns	20-21.5'	21.5'	
LB-6	596.00	0-4'	8.28	4-13'	11.99	13-15'	12.70	15-18'	8.41	18-20.2'	20.2'	
LB-7	596.72	0-2'	8.66	2-14'	11.20	14-17'	13.31	17-21'	7.66	21-21.7'	21.7'	Wood/Sand pH = 7.37
LB-8	598.11	0-3'	8.55	3-15'	12.15	15-20'	12.29	20-23'	8.43	23-23.9'	23.9'	
LB-9	604.62	0-1'	8.25	1-22'	11.96	22-26'	12.42	26-30'	ns	30-30.5'	30.5'	
LB-10	608.78	0-2'	8.81	2-24'	11.83	24-28'	12.12	28-34'	ns	34-34.2'	34.2'	
AVG pH			8.63		11.94		12.70		8.60			
EXC. 1	594.00	0-0.5'	8.35	0.5-11'	9.72	11-13'+						
EXC. 2	601-602	0-1'	8.47	1-13'	11.65	13-15'+	12.60					

ns: no sample collected, lime too soft

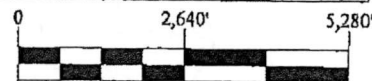


Figures

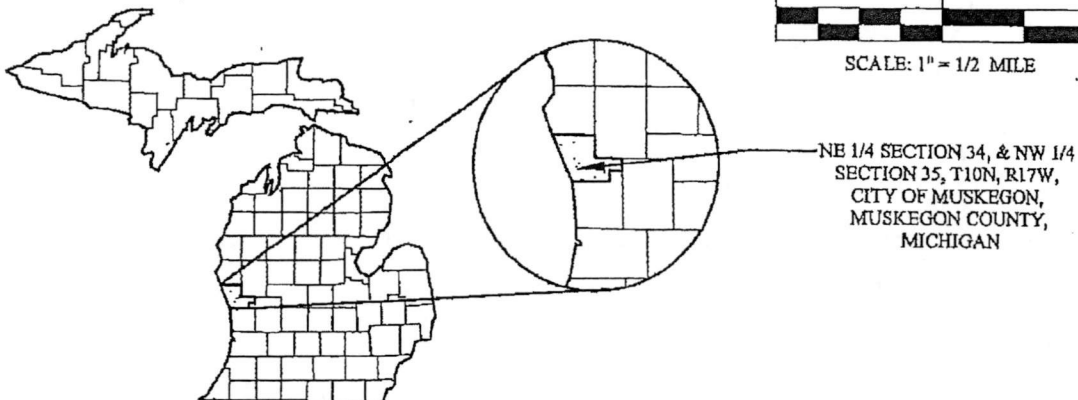
- Figure 1: Location of Property and Lime Storage Pile**
- Figure 2: Lime Storage Pile Plan with Topography and Cross Section Locations**
- Figure 3: Lime Storage Pile Cross Section A-A'**
- Figure 4: Lime Storage Pile Cross Section B-B'**
- Figure 5: Lime Study Wells, pH Data, and Groundwater Elevations**
- Figure 6: Proposed CO₂ Injection System**



USGS 7.5 MINUTE QUAD:
MUSKEGON WEST, MICHIGAN 1980



SCALE: 1" = 1/2 MILE



SITE LOCATION MAP - LIME PILE

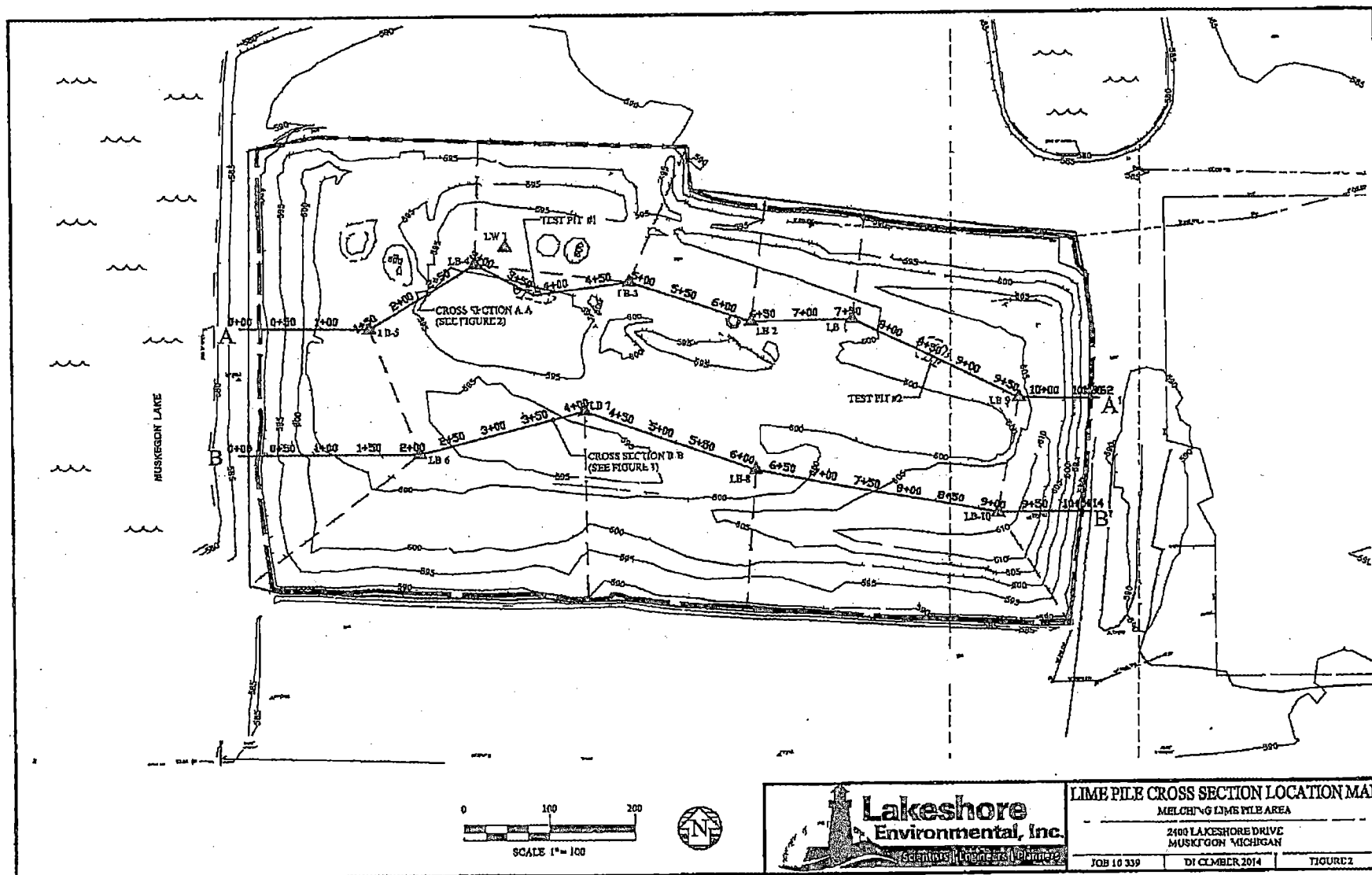
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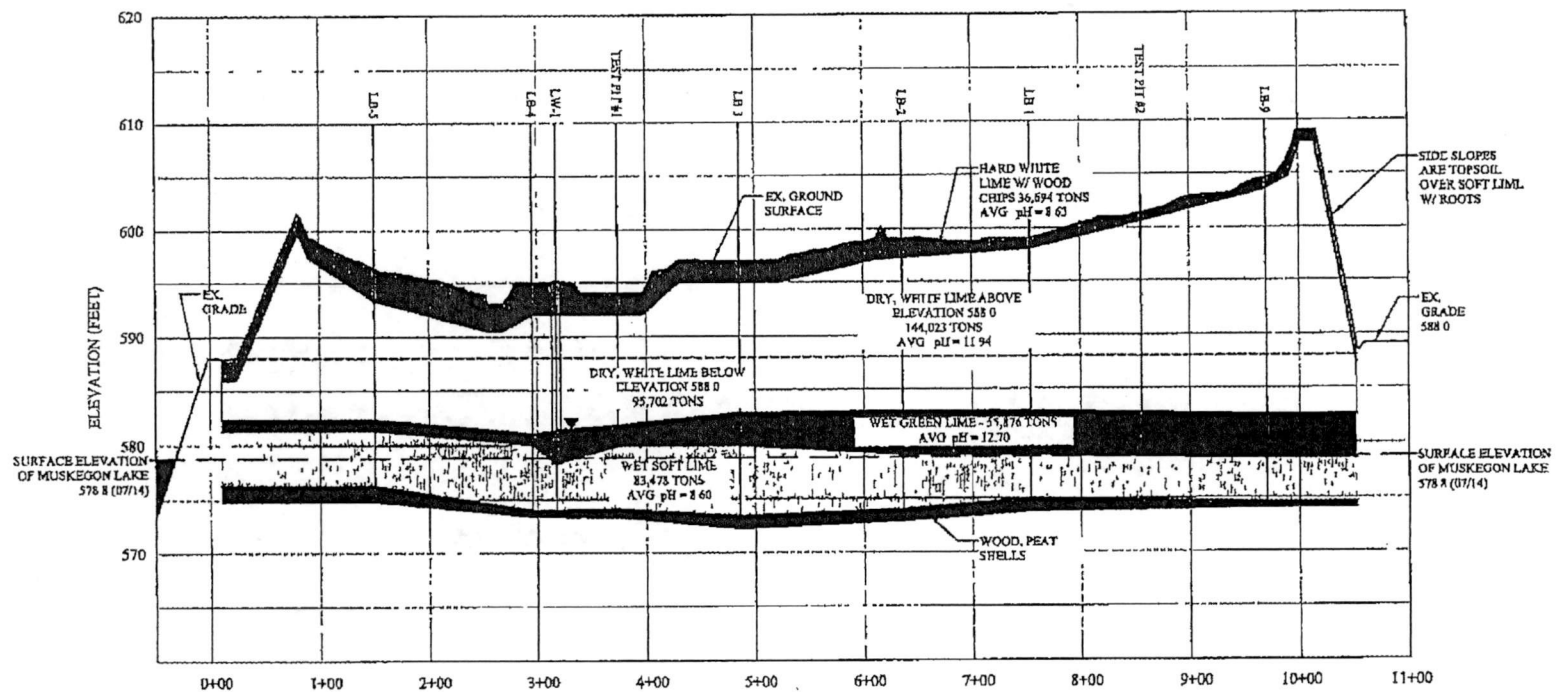
2400 LAKESHORE DRIVE
MUSKEGON, MI 49441

JOB 11-407-02

DECEMBER 2014

FIGURE 1





CROSS SECTION A-A'
 H 1" = 100'
 V 1" = 10'
 VERT EXAGGERATION 10X



GEOLOGIC CROSS-SECTION A-A'

MELCHING LIME PILE AREA

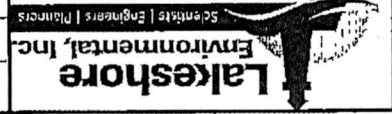
2400 LAKESHORE DRIVE
 MUSKEGON, MICHIGAN

JOB 10-339

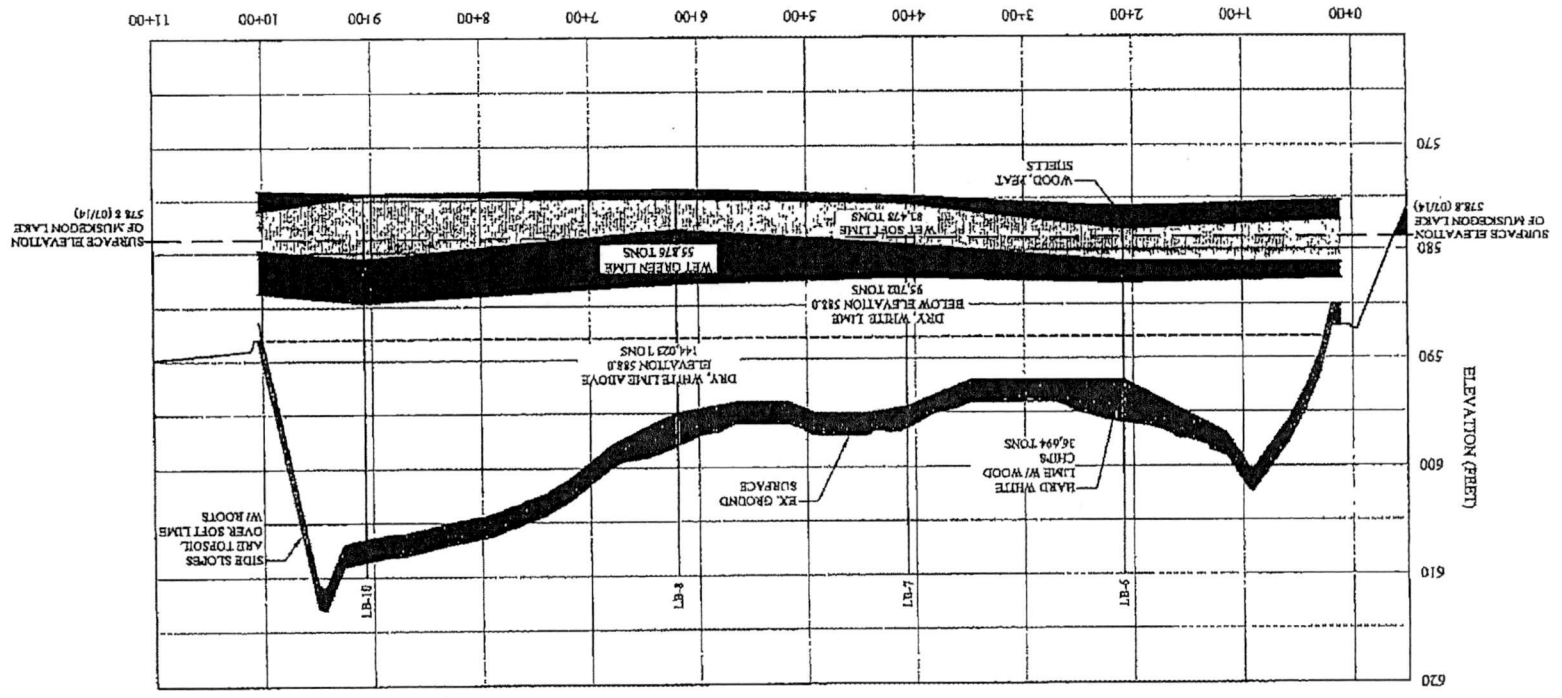
DECEMBER 2014

FIGURE 3

GEOLOGIC CROSS-SECTION B-B
 METCHING LIME PILE AREA
 2400 LAKESHORE DRIVE
 MUSKOGEE, MICHIGAN
 JOB 10-319
 DECEMBER 2014
 FIGURE 4



CROSS SECTION B-B
 H: 1"=100'
 V: 1"=10'
 VERT. EXAGGERATION 10X



LMW-11D		
Parameter	Criteria	Result
pH	6.5-9.0 SU	12.4 SU

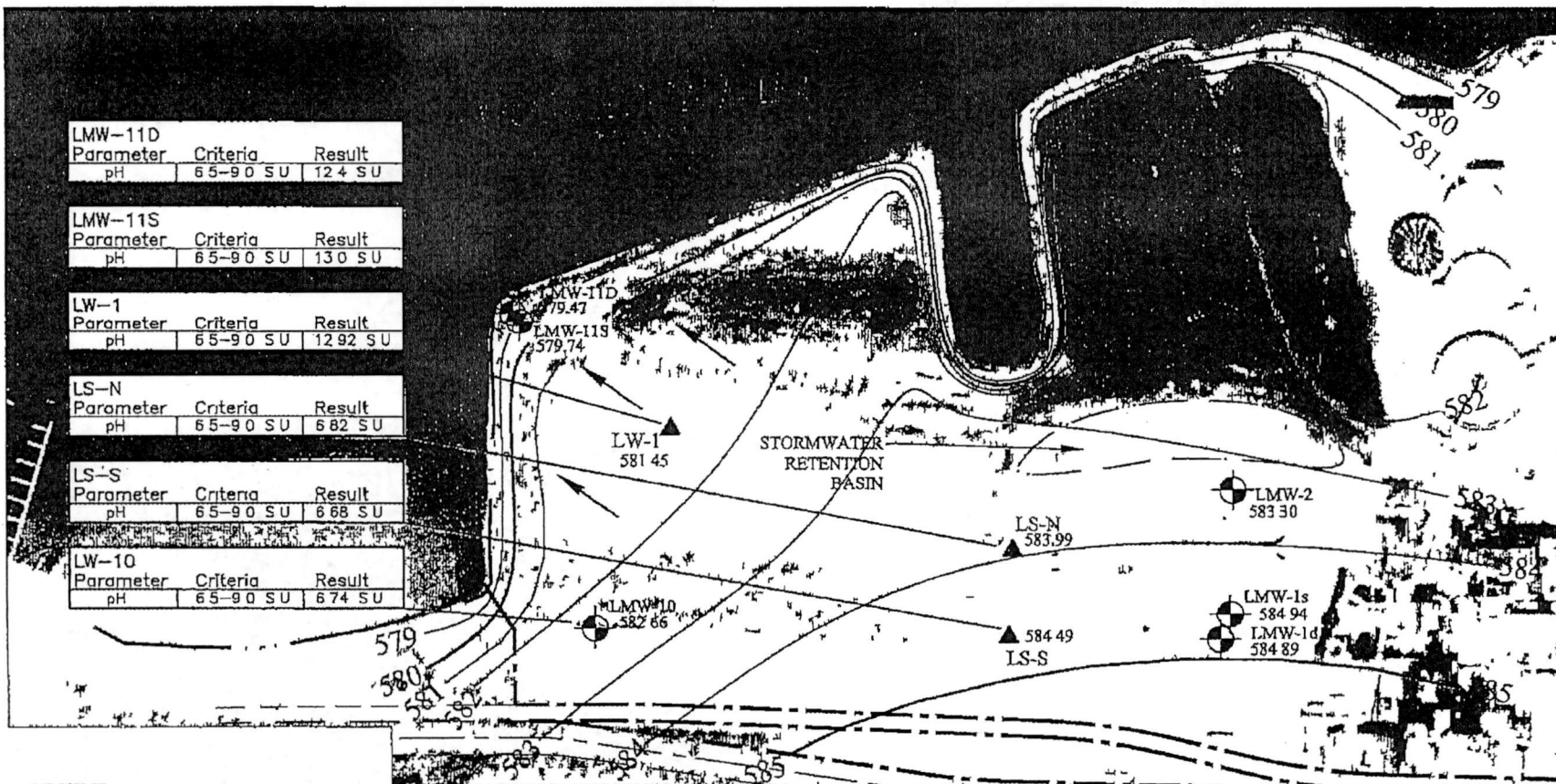
LMW-11S		
Parameter	Criteria	Result
pH	6.5-9.0 SU	13.0 SU

LW-1		
Parameter	Criteria	Result
pH	6.5-9.0 SU	12.92 SU

LS-N		
Parameter	Criteria	Result
pH	6.5-9.0 SU	6.82 SU

LS-S		
Parameter	Criteria	Result
pH	6.5-9.0 SU	6.68 SU

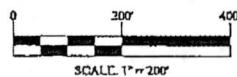
LW-10		
Parameter	Criteria	Result
pH	6.5-9.0 SU	6.74 SU



LEGEND

- ▲ LIME STUDY WELL LOCATIONS
- GROUNDWATER FLOW DIRECTION
- - - GROUNDWATER ELEVATION CONTOUR

ALL pH READINGS AND GROUNDWATER
ELEVATIONS MEASURED 8-1-2014



LIME STORAGE PILE
GROUNDWATER ELEVATIONS
2400 LAKESHORE DRIVE
MUSKEGON MICHIGAN

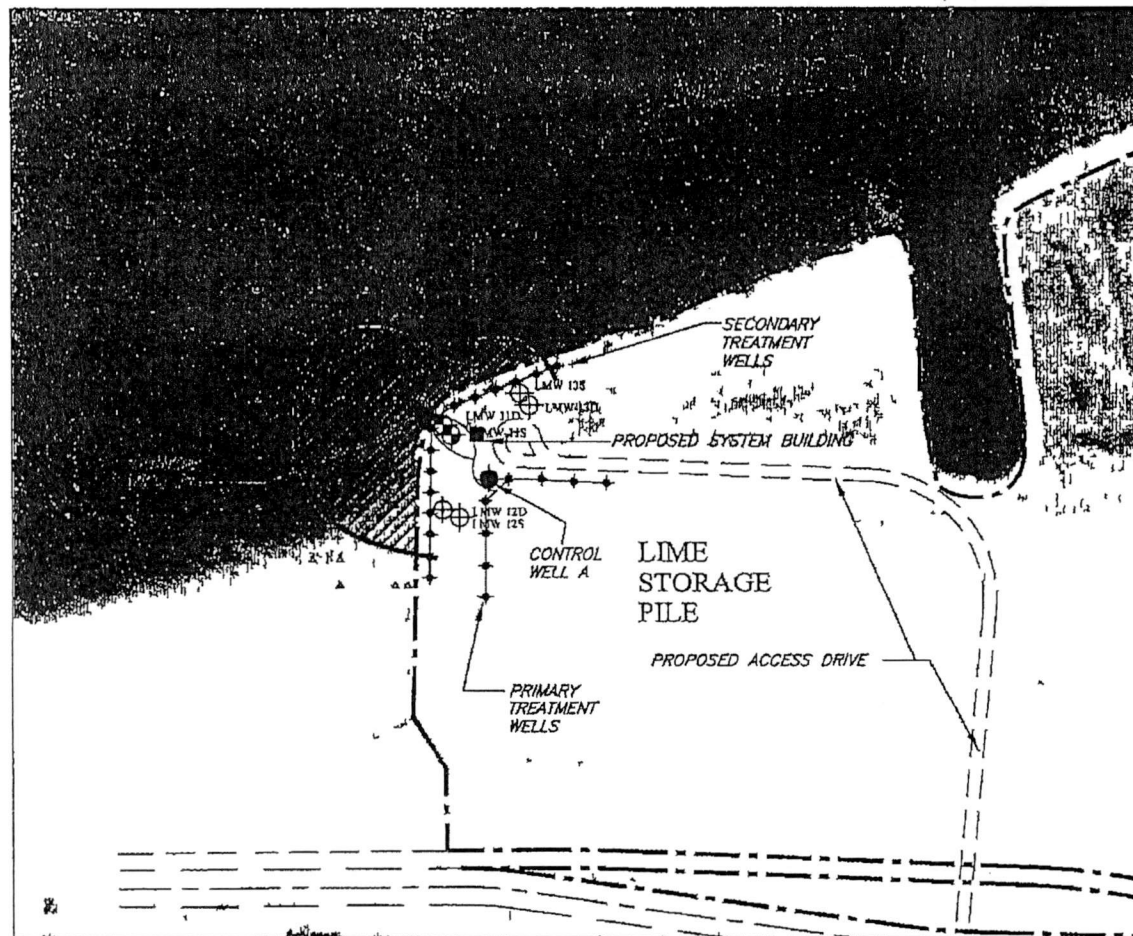
JOB # 10 339






DECEMBER 2014

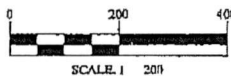
FIGURE 5

CO₂ INJECTION SYSTEM DATA

- 23 CO₂ INJECTION WELLS
- INJECTION WELLS INSTALLED TO 40' DEEP
SCREENED INTERVAL FROM 20'-40'
- ALL INJECTION WELLS INDIVIDUALLY
CONTROLLED
- CO₂ SYSTEM CONTROLLED BY 2 SEPARATE
pH METERS INSTALLED DOWN GRADIENT OF
INJECTION WELLS
- INTERIOR INJECTION WELLS IN LIME
STORAGE PILE WILL ACT AS PRIMARY
TREATMENT WELLS
- EXTERIOR INJECTION WELLS ALONG LAKE
SUPPLEMENT THE PRIMARY INJECTION
WELLS AND ACT AS FAIL SAFE
- ALL INJECTION WELLS AND CONTROLS WILL
BE INSTALLED BELOW GRADE
- ALL CONTROLS, LIGHTS, AND HEATED
REGULATORS TO BE POWERED BY SOLAR
ENERGY THERE IS NO ELECTRICAL SERVICE



-  OFF-SITE AREA OF GROUNDWATER WITH pH ABOVE 9.0 su
-  pH SAMPLING POINTS
-  EXISTING COMPLIANCE WELLS
-  CONTROL WELLS
-  PROPOSED COMPLIANCE WELLS



CO₂ INJECTION SYSTEM

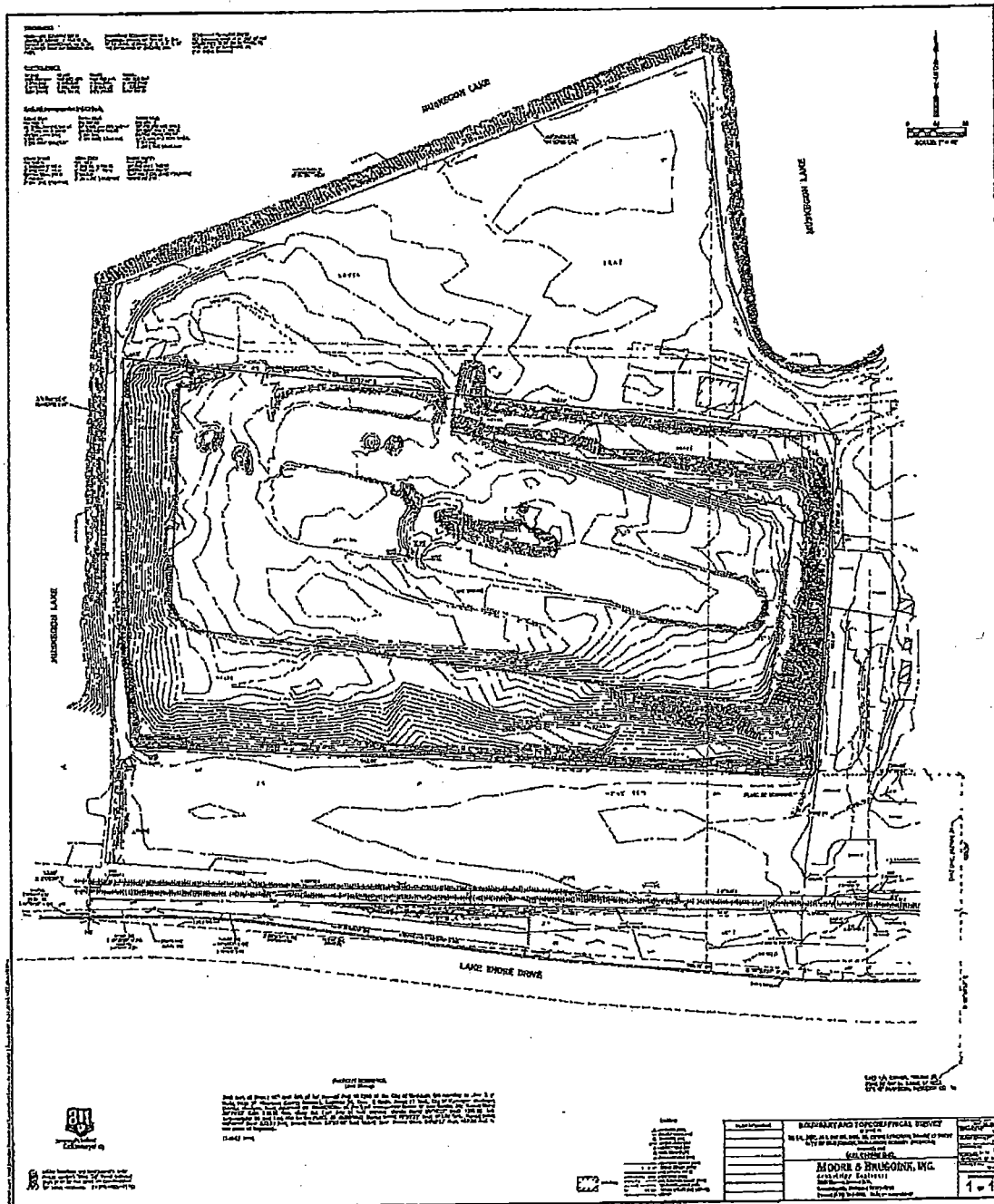
2400 LAKESHORE DRIVE
MUSKEGON, MICHIGAN

JOH # 10-119

DECEMBER 2014

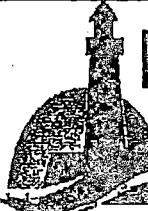
FIGURE 6

Appendix A:
Survey of Lime Storage Pile



Appendix B:
Information Relating to the Lime Storage Pile

SOIL BORING / WELL CONSTRUCTION LOG

 Lakeshore Environmental, Inc. <small>Scientists Engineers Planners</small>		DRILLING METHOD: DIRECT PUSH - GEOPROBE		BORING NO. LW-1			
		SAMPLING METHOD: CONTINUOUS CORES		SHEET 1 OF 1			
		SURFACE CONDITIONS: HARD LIME		DRILLING			
		WATER LEVEL DURING DRILLING 10.48'		START TIME 8:12	FINISH TIME 11:38		
SITE NAME: MELCHING INC. LOCATION: 2400 LAKESHORE DRIVE, MUSKEGON, MI		STATIC GROUNDWATER LEVEL 13.93' FROM GRADE		DATE JUNE 6, 2014	DATE JUNE 6, 2014		
DRILL RIG: GP 5400		OPERATOR: KCK					
DRILLING CONTRACTOR: LEI		GROUND ELEVATION:		595.35			
LEI PROJECT #: 10-339		T.O.C. ELEVATION		598.42			
SUPERVISED BY: KCK		GROUNDWATER ELEVATION		581.42			
DEPTH IN FEET	SOIL GRAPH	DESCRIPTION OF MATERIAL	RECOVERY	SAMPLER	FID (ppm)	WELL CONSTRUCTION SUMMARY	DESCRIPTION OF OPERATION AND REMARKS
5'		Gray white LIME with wood chips. Hard, dry, wood odor.					BENTONITE SEAL FROM 13' TO SURFACE. INSTALLED 1.0" DIAMETER P.V.C. WELL TO 17.0', SCREENED INTERVAL 14.0'-17.0' SCREEN FILTER PACKED WITH SAND ALTHOUGH INSTALLED IN LIME.
10'		White LIME. Dry to 10.0' then wet, chalk odor.					
15'		Green LIME. Soft, wet, Septic odor.					
20'		White LIME. Very soft, wet. No odor					
25'		E.O.B. at 20' in soft LIME					HOLE PLUG 18.0' TO 20.0'

BOUWER AND RICE SLUG TEST WORKSHEET

This worksheet presents a method of interpretation of slug test data, based on the Bouwer & Rice method.

Page 1: Procedures

1. Plot on semi-log paper, time on the arithmetic scale versus difference in head from static conditions (y) on the logarithmic scale.

y | semilog graph
time

2. Fit a straight line through the data and from the graph, find y_0 and y_t for an arbitrarily chosen t value
3. Calculate

$$K = \frac{rc^2 \ln(R_e/r_w)}{2L_e} (1/y) \ln(y_0/y_t)$$

Where:

K = hydraulic conductivity
rc = radius of the well casing
rw = radial distance from the center of the well to normal K of the aquifer
Re = the effective radius over which y is dissipated
Le = the length of the well screen
Lw = the penetration depth of the well into the aquifer
H = thickness of the aquifer
t = time since beginning of test
y0 = change in water level at beginning of test
yt = water level at t

and:

$$\ln(R_e/r_w) = \frac{1.1}{\ln(L_w/r_w)} + \frac{A + B \ln\{(H-L_w)/r_w\}^{A-1}}{L_e/r_w}$$

Where:

A = from curves generated by analog analyses
B = from curves generated by analog analyses

BOUWER AND RICE SLUG TEST WORKSHEET

Calculations

Given.

Well and aquifer parameters:

Lime Well 1 (Test by NCK)
H(ft) = 45.00
Le(ft) = 3.00
Lw(ft) = 10.00
rw(ft) = 0.250
rc(ft) = 0.041
Le/rw = 12.00

Curve values:

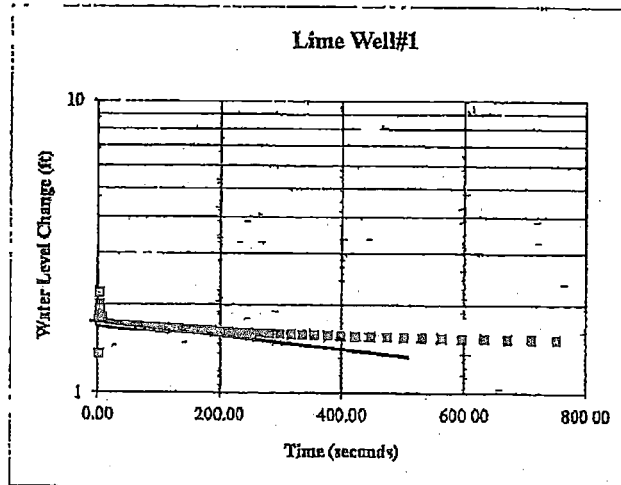
A = 2.25
B = 0.50

Calculation of $\ln(R_e/r_w)$

Well No	Test No	Le (ft)	Lw (ft)	rw (ft)	H (ft)	A	B	$\ln(R_e/r_w)$
LW-1	1	3.00	10.00	0.250	45.00	2.25	0.50	1.49

Calculation of Hydraulic Conductivity (K) and Transmissivity (T)

Well No.	Test No.	$\ln(R/r_w)$	r_c (ft)	L_e (ft)	t (sec)	y_0 (ft)	y_t (ft)	K (ft/min)	K (ft/d)	K (cm/sec)	K (gal/d/ft ²)	T (ft ² /d)	T (gal/d/ft)
LW-1	1	1.49	0.041	3.00	2.23	1.68	0.0001	0.10	3.60E-05	1	4.88	35	



Kurt Koella (lakeshoreenvironmental.com)

From: Ken Callow [kencallow@melchingdemo.com]
Sent: Tuesday, August 26, 2014 9:01 AM
To: Kurt Koella (lakeshoreenvironmental.com)
Subject: Lime Pile Puddle pH

Kurt

I walked the lime pile this morning looking for some puddles to check the pH. I found 1 just to the south, and a little east of the "roadway" across the original ponds. (a little east of LSB-3 on your map). This had the appearance of being a relatively new puddle – maybe from yesterday's rain. The pH in this puddle was 8.38

I looked further and there was also some standing water in the north west corner area (near LSB-1 on your map). This puddle had the appearance of being there a long time and I have observed water in this area before. The pH in this puddle was 7.86.

Ken

Ken Callow
Project Engineer
Melching, Inc
Cell: 616 502 4607
Office: 616 837 1214

8-15-14

Melching 10-339
Stormwater Runoff Testing
LIME STORAGE PILE

Kurt Koella / Ryan Vande Griend

Applied De-ionized water
to disturbed surface of lime
and measured pH. No water
added after start

Test Location 1 (West)
start time 3:25 meter kit #7

minutes	0-1	5	10	20	30
pH	7.84	7.65	7.67	7.79	7.92
EC S.C.	146	147	149	174	178

Test Location 2 (middle)
start time 3:30 meter kit #4

minutes	0-1	5	10	20	30
pH	7.9	8.1	8.5	8.9	9.1



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www.lakeshoreenvironmental.com

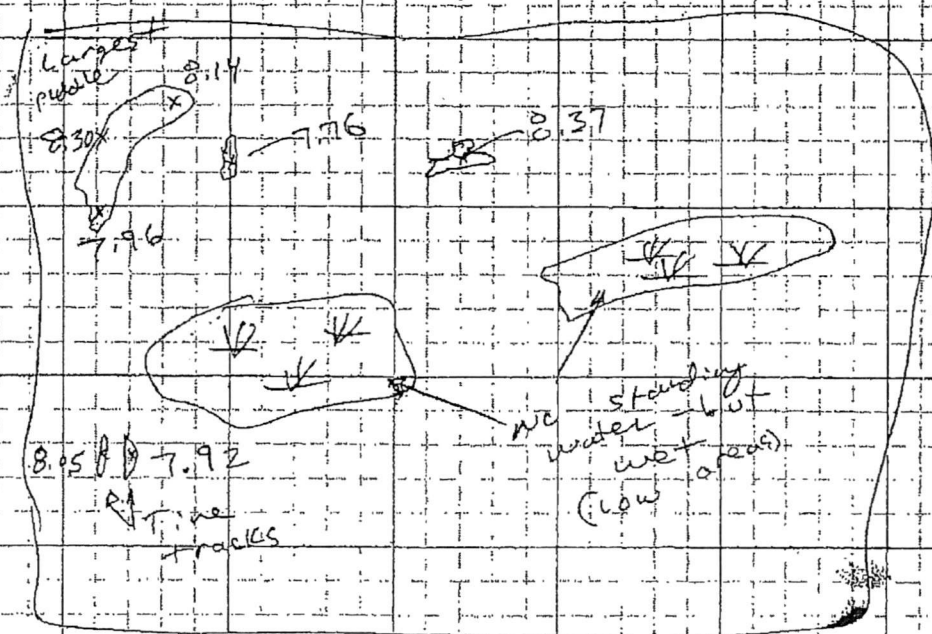
JOB Melching
SHEET NO. _____ OF _____
CALCULATED BY KCK DATE 6/5/14
PROJECT NO. _____ SCALE _____
PROJECT _____

TO DO
Line Profile Borings
Line well
measure pH of SW puddles
Line Study Locations
KCK
NCK
GP 4800
Path Finder

Started line profile borings to depth of
lake sand or lake clay. Initial boring is collected
North middle then counter clockwise. Tubes collected
continuously and labeled for later evaluation. Top
Hard, then soft to very soft. Sand @ base
st. ff.


While rate operating probe I looked for suitable
study well locations with shovel and hand auger.
Found several potential locations for probing.

Measured pH of water already on line pile
from previous rain (over 1 week earlier). Infiltration
rate of line surface very slow. Notes below




Appendix C:
Information Relating to the Fate of Lime in the Groundwater

SOIL BORING / WELL CONSTRUCTION LOG

 Lakeshore Environmental, Inc. Scientists Engineers Planners		DRILLING METHOD: DIRECT PUSH - GEOPROBE		BORING NO. LS-S			
		SAMPLING METHOD: CONTINUOUS CORES		SHEET 1 OF 1			
		SURFACE CONDITIONS: GRAVEL		DRILLING			
		WATER LEVEL DURING DRILLING 4.0'		START TIME 13:12	FINISH TIME 13:58		
SITE NAME: MELCHING INC. LOCATION: 2400 LAKESHORE DRIVE, MUSKEGON, MI		STATIC GROUNDWATER LEVEL 3.62 FROM GRADE		DATE JUNE 12, 2014	DATE JUNE 12, 2014		
DRILL RIG: G 5400		OPERATOR: NCK					
DRILLING CONTRACTOR: LEI		GROUND ELEVATION: 559.02					
LEI PROJECT #: 10-339		T.O.C. ELEVATION 590.38					
SUPERVISED BY: KCK		GROUNDWATER ELEVATION 585.40					
DEPTH IN FEET	SOIL GRAPH	DESCRIPTION OF MATERIAL	RECOVERY	SAMPLER	FID (ppm)	WELL CONSTRUCTION SUMMARY	DESCRIPTION OF OPERATION AND REMARKS
0'		White GRAVEL and crushed concrete Stiff, dry. No odor.					
5'		Brown fine to coarse SAND. Some stones, (fill) Moist to 4.0' then wet, loose, no odor.					BENTONITE SEAL FROM WATER TABLE TO SURFACE.
10'							INSTALLED 1.0" DIAMETER P.V.C. WELL TO 13.6', SCREENED INTERVAL 8.6'-13.6'
15'		Light brown fine SAND, some wood to 17', some shells, Mod stiff, wet. No odor.					
20'		E.O.B. at 20' in LAKE SAND					
25'							

SOIL BORING / WELL CONSTRUCTION LOG

 Lakeshore Environmental, Inc. Scientists Engineers Planners		DRILLING METHOD: DIRECT PUSH - GEOPROBE		BORING NO. LS-N			
		SAMPLING METHOD: CONTINUOUS CORES		SHEET 1 OF 1			
		SURFACE CONDITIONS: GRAVEL		DRILLING			
		WATER LEVEL DURING DRILLING 4.5'		START TIME 10:20	FINISH TIME 11:05		
SITE NAME: MELCHING INC. LOCATION: 2400 LAKESHORE DRIVE, MUSKEGON, MI		STATIC GROUNDWATER LEVEL 4.69' FROM GRADE		DATE JUNE 12, 2014	DATE JUNE 12, 2014		
DRILL RIG: G 5400		OPERATOR: NCK					
DRILLING CONTRACTOR: LEI		GROUND ELEVATION: 589.68					
LEI PROJECT #: 10-339		T.O.C. ELEVATION 590.88					
SUPERVISED BY: KCK		GROUNDWATER ELEVATION 584.99					
DEPTH IN FEET	SOIL GRAPH	DESCRIPTION OF MATERIAL	RECOVERY	SAMPLER	FID (ppm)	WELL CONSTRUCTION SUMMARY	DESCRIPTION OF OPERATION AND REMARKS
0'		Gray GRAVEL and crushed concrete Stiff, dry. No odor.					
5'		White LIME Wet, very soft. Chalk odor.					BENTONITE SEAL FROM WATER TABLE TO SURFACE.
10'							INSTALLED 1.0" DIAMETER P.V.C. WELL TO 13.6', SCREENED INTERVAL 8.6'-13.6'
15'							
		Dark brown spongy WOOD, Dry in center, loose. Wood odor.					
		Lt brown fine SAND, Stiff, wet. No odor.					
20'		E.O.B. at 20' in LAKE SAND					
25'							



the science of compliance

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June 18, 2014

Mr. Kurt Koella
Lakeshore Environmental, Inc.
803 Verhoeks Street
Grand Haven, MI 49417

Phone: (616) 844-5050
Fax: (616) 844-5053

RE: Trace Project T14F246
Client Project Melching 10-339

Dear Mr. Koella:

Enclosed are your analytical results. The results of this report relate only to the samples listed in the body of this report.

All reports were examined through Trace's validation process to ensure that requirements for quality and completeness were satisfied. All reported analytical results were obtained in accordance with the methods referenced on the reports. Every practical effort was made to meet the reporting limit specifications for this work, however, some results may have raised reporting limits to correct for percent solids.

For clients that require NELAC Accreditation, Trace certifies that these test results meet all requirements of the NELAC Standard, except for those analytes with a "N" notation. These analytes have not been evaluated by NELAC at Trace's discretion and will not be reported unless requested by client.

If you have questions concerning this report, please contact me at 231.773.5998 or by email at jmink@trace-labs.com.

Sincerely,

Jon Mink
Senior Project Manager

Enclosures



NJDEP Accreditation No. M1008 PADEP Accreditation No. 68-04471

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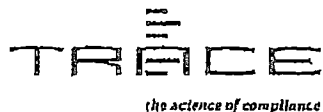
SAMPLE SUMMARY

Trace Project ID T14F246
Client Project ID Melching 10-339

Trace ID	Sample ID	Matrix	Collected By	Date Collected	Date Received
T14F246-01	LS-S	Aqueous	nck	06/13/14 10 50	06/13/14 15 01
T14F246-02	LS-N	Aqueous	nck	06/13/14 12 14	06/13/14 15 01

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www.trace-labs.com

AN EXPLANATION OF TERMS AND SYMBOLS WHICH MAY OCCUR IN THIS REPORT

DEFINITIONS

LCS	Laboratory Control Sample
LCSD	Laboratory Control Sample Duplicate
MS	Matrix Spike
MSD	Matrix Spike Duplicate
RPD	Relative Percent Difference
DUP	Matrix Duplicate
RDL	Reporting Detection Limit
MCL	Maximum Contamination Limit
TIC	Tentatively Identified Compound
<, ND or U	Indicates the compound was analyzed for but not detected
*	Indicates a result that exceeds its associated MCL or Surrogate control limits
N	Indicates that the compound has not been evaluated by NELAC
NA	Indicates that the compound is not available.

NOTE: Samples for volatiles that have been extracted with a water miscible solvent were corrected for the total volume of the solvent/water mixture.

DATA QUALIFIERS

Trace ID: T14F246-01

Analysis: SM 4500-H+ B-00

pH Note pH : The pH was analyzed at 15:17

Trace ID: T14F246-02

Analysis: SM 4500-H+ B-00

pH Note pHa : The pH was analyzed at 15:18

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ANALYTICAL RESULTS

Trace Project ID T14F246
Client Project ID Melching 10-330

Trace ID	T14F246-01	Date Collected	06/13/14 10:50	Matrix	Aqueous
Sample ID	LS-S	Date Received	06/13/14 15:01		

PARAMETERS	RESULTS	UNITS	RDL	DILUTION	PREPARED BY	ANALYZED BY	NOTES	MCL
------------	---------	-------	-----	----------	-------------	-------------	-------	-----

WET CHEMISTRY

Analysis Method: SM 4500-H+ B-00
Batch: T045989

pH	6.65	pH Units		1	06/13/14	jrw	06/13/14	jrw	pH
----	------	----------	--	---	----------	-----	----------	-----	----

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ANALYTICAL RESULTS

Trace Project ID: T14F246
Client Project ID: Melching 10-339

Trace ID:	T14F246-02	Date Collected	06/13/14 12:14	Matrix	Aqueous
Sample ID	LS-N	Date Received	06/13/14 15:01		

PARAMETERS	RESULTS UNITS	RDL	DILUTION	PREPARED BY	ANALYZED BY	NOTES	MCL
------------	---------------	-----	----------	-------------	-------------	-------	-----

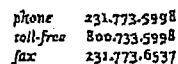
WET CHEMISTRY

Analysis Method SM 4500-H+ B-00
Batch: T045998

pH	6.86 pH Units	1		06/13/14 Jrw	06/13/14 Jrw	pHs	
----	---------------	---	--	--------------	--------------	-----	--

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TRACE ID NO.
T14F244

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SAMPLE LOG IN CHECKLIST

Trace ID #: <u>T14F246</u>	Date: <u>15.01</u>	Package Description: <u>Cooler</u>
Client Name: <u>LEI</u>	Time: <u>10.13.14</u>	Logged In by: <u>BMC</u>

Cooler Receipt

Cooler/samples delivered by:	Trace courier <input type="checkbox"/>	Name of delivery person: _____
	Hand delivered <input checked="" type="checkbox"/>	
	Commercial courier <input type="checkbox"/>	UPS <input type="checkbox"/> FED EX <input type="checkbox"/> US Mail <input type="checkbox"/>
Tracking Number:	<input type="checkbox"/> Not Applicable	
Tracking #	_____	
COC Seals present and intact on cooler?	No <input type="checkbox"/>	<input checked="" type="checkbox"/> Not Applicable
	Yes <input type="checkbox"/>	
Custody seals signed by Client?	No <input type="checkbox"/>	Client custody seal # (if applicable) _____
	Yes <input type="checkbox"/>	

Coolant and Temperature

Type of Coolant Used		Cooler Temperature	
Slurry w/ crushed, cubed, or chip ice?	<input type="checkbox"/>	Correction Factor	IR Thermometer: <u>-0.1</u> °C
Multiple bags of ice around samples?	<input checked="" type="checkbox"/>		Digital Stick Thermometer: _____ °C
Ice Packs/ Blue Ice	<input type="checkbox"/>	Temperature Blank	<u>None</u> °C (Use Digital Stick Thermometer)
No Coolant Present	<input type="checkbox"/>	Range of 3 samples	<u>12-13</u> °C (Use IR Thermometer)
		Melt Water:	_____ °C (IR or Stick Therm - circle one)
		Ice still present upon receipt:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

General

	Yes	No	NA	Comments
All bottles arrived unbroken with labels in good condition?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Each sample point is in a sealed plastic bag?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Labels filled out completely?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
All bottle labels agree with Chain of Custody (COC)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sufficient sample to run tests requested?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
pH checked and samples at correct pH?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	See Below*
Correct preservative added to samples?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Air bubbles absent from VOAs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
COC filled out properly and signed by client?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
COC signed in by TRACE sample custodian?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Was project manager called and samples discussed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Notes:

*EMD pH Test Strips Used.

<input type="checkbox"/> pH 0-2.5	<input type="checkbox"/> pH 11-0-13.0
<input type="checkbox"/> Lot 1HC390427	<input type="checkbox"/> Lot HC949254
<input type="checkbox"/> Other _____	

Form 70-A-10
Effective 8/20/13

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Purge & Sample Log

Page: 1 of 1

Date: 6-13-14

Project Name: <u>Melchior, Inc</u>				Project No.: <u>10-379</u>			
Location:				Sampler Name: <u>NCK</u>			
Well I.D./Sample Point: <u>LS-5</u>				Sample I.D.: <input type="checkbox"/> Same as Well I.D.			

Static Water Elevation Data/Purge Calculation:				Well Information (If known):			
(A) Depth To Bottom of Well		Gallons Per Foot of Water:	Top of Casing: _____				
(B) Depth To Water:	<u>5.57</u>	1.0" - 0.041 2.0" - 0.163	Screen Length: _____				
(C) Height of Water In Well (A-B):		1.5" - 0.092 4.0" - 0.653	Screened Interval: _____				
Well Volume (V):		Note: 2" well 3V = 0.5 x C	Pump Inlet Depth: _____				
Calculated Purge Volume (3V):		OR <input type="checkbox"/> Low Flow					

Purge Information:		Water Quality Probe Info: <u>Meter Kit #7 / Pump Kit #7</u>	
Purge Method:	<input type="checkbox"/> Baller/Rope <input type="checkbox"/> 12V Submersible Pump <input checked="" type="checkbox"/> Peristaltic <input type="checkbox"/> SS GeoSub <input type="checkbox"/> Low Flt <input type="checkbox"/> Other: _____		
Equipment Decontamination:	<input type="checkbox"/> Dedicated <input checked="" type="checkbox"/> Disposable <input type="checkbox"/> Field Cleaned <input type="checkbox"/> Other: _____		
Purge Start Time:		Flow Rate = 0.1 - 0.5 l/min Max Drawdown = 0.1 M (0.33 ft)	

Time	Depth to Water (FL BTOC)	Flow Rate (mL/min)	Temp. (°C) +/- 10%	pH (s.u.) +/- 0.1 s.u.	Cond. (uS/cm) +/- 3%	ORP (mV) +/- 10 mV	Dissolved O2 (mg/L) +/- 10%	Turbidity (NTU) +/- 10%
10:12	5.57	100	14.0	6.74	4890	-47	2.71	83
10:15			12.6	6.71	4270	-92	0.92	83
10:20			12.0	6.56	3754	-111	0.09	257
10:25			11.7	6.54	3710	-120	0.17	121
10:30			11.7	6.53	3627	-108	0.06	94.5
10:35			11.6	6.54	3602	-101	0.07	82.3
10:40			11.7	6.56	3609	-97	0.09	78.1
10:45			11.7	6.54	3612	-99	0.09	76.6
10:48			11.7	6.54	3605	-100	0.10	76.0

☐ Add'l measurements on back.
☐ Groundwater parameters stabilized.
☐ Groundwater parameters did not stabilize.
☐ Purged dry and sampled

Sample Collection Information:		Analytes: <u>pH</u>		Lab: <u>Trace</u>	
Collection Method:	<input type="checkbox"/> Baller <input type="checkbox"/> Transfer Vessel <input checked="" type="checkbox"/> Pump Outlet <input type="checkbox"/> Flowcell Outlet <input type="checkbox"/> Other: _____				
Field Filtered:	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes- Filter Method, <input type="checkbox"/> In-line Filter <input type="checkbox"/> Membrane Filter <input type="checkbox"/> Other: _____				
Sample Time:	<u>10:50</u>	Elapsed Time:	<u>0138</u>	Total Volume Purged:	

Additional Comments:

I certify that this sample was collected as recorded above and handled in accordance with applicable QA/QC project protocols

Signed: _____

Date: _____



Purge & Sample Log

Page: 1 of 1

Date: 6-13-14

Project Name: <u>Melchior</u>	Project No.: <u>10-379</u>
Location: <u>Muskegon, MI</u>	Sampler Name: <u>NCK</u>
Well I.D./Sample Point: <u>LS-N</u>	Sample I.D.: <input checked="" type="checkbox"/> Same as Well I.D.

Static Water Elevation Data/Purge Calculation:

Well Information (if known):

(A) Depth To Bottom of Well:

(B) Depth To Water:

(C) Height of Water in Well (A-B):

Well Volume (V):

Calculated Purge Volume (3V):

<u>6.29 ft</u>

Gallons Per Foot of Water:

1.0" - 0.041 2.0" - 0.163

1.5" - 0.092 4.0" - 0.653

Note: 2" Well 3V = 0.5 x C

OR ☐ Low Flow

Top of Casing: _____

Screen Length: _____

Screened Interval: _____

Pump Inlet Depth: _____

Purge Information:

Water Quality Probe Info:

meter kit 7 / Pump kit 7

Purge Method: ☐ Baller/Rope ☐ 12V Submersible Pump ☒ Peristaltic ☐ SS GeoSub ☒ Low Flow ☐ Other: _____

Equipment Decontamination: ☐ Dedicated ☒ Disposable ☐ Field Cleaned ☐ Other: _____

Purge Start Time: _____

Flow Rate = 0.1 - 0.5 L/min
Max Drawdown = 0.1 M (0.33 ft)

Time	Depth to Water (ft. BTOW)	Flow Rate (mL/min)	Temp. (°C) +/- 10%	pH (s.u.) +/- 0.1 s.u.	Cond. (uS/cm) +/- 3%	ORP (mV) +/- 10 mV	Dissolved O2 (mg/L) +/- 10%	Turbidity (NTU) +/- 10%
11:15	6.29	1.00	13.0	6.76	3960	-120	0.02	E3
11:15			13.0	6.76	3840	-122	0.01	E3
11:20			13.0	6.76	3780	-126	0.00	E3
11:26			12.6	6.76	3800	-134	0.00	E3
11:31			12.5	6.75	3530	-139	0.00	E3
11:35			12.6	6.75	3490	-146	0.00	E3
11:40			12.8	6.74	3290	-143	0.00	896
11:45			12.7	6.74	3230	-144	0.00	823
11:54			12.9	6.75	3110	-146	0.00	732
11:59			13.0	6.73	3020	-148	0.00	510
12:05			13.2	6.70	2965	-149	0.00	292
12:12			13.4	6.71	2835	-150	0.00	364

☐ Addn'l measurements on back. ☐ Groundwater parameters stabilized. ☐ Groundwater parameters did not stabilize. ☐ Purged dry and sampled.

Sample Collection Information:

Analytes: pH

Lab: TRACE

Collection Method: ☐ Baller ☐ Transfer Vessel ☒ Pump Outlet ☐ Flowcell Outlet ☐ Other: _____

Field Filtered: ☒ No ☐ Yes: Filter Method: ☐ In-line Filter ☐ Membrane Filter ☐ Other: _____

Sample Time: 12:14

Elapsed Time: 1:02

Total Volume Purged: _____

Additional Comments: Sample gray in color.

I certify that this sample was collected as recorded above and handled in accordance with applicable QA/QC project protocols.

Signed: _____

Date: _____

Melching 10-339

6-19-14

70°F cloudy, windy,

NCK / KCK green
Partly under geoprabe

Surveyed LSS, LSN

Statics on LMW-15, 1d, 2, 10,
115, 11d

Sampled pH of LSS, LSN

st	+S	HI	-S	ELEV	com
BM	403	591.14		587.11	Planet Hit
LSN ^{Tac} GRND			.26	590.88	
LSN ^{Tac} GRND			1.55	589.59	
TP1			1.40	589.74	
	4.80	594.54			
LSN Tac			3.66	590.88	
LSN GRND			4.86	589.68	
LSS Tac			4.16	590.38	
LSS GRND			5.52	589.02	

Statics	
LMW-1d	7.80
LMW-15	8.14
LMW-2	9.02
LMW-115	10.31
LMW-11d	12.76
LMW-10	7.96

Low Flow pH
Temp

LSN pH:	6.98	15.1
LSS pH	6.81	14.3

LS-S		LS-N
SWL	4.89 ft	5.89
WD	15.00 ft	14.79
	Tac	SWL
LS-S	590.38	4.89
LS-N	590.88	5.89
	GWE	
	585.49	
		587.99

$$\text{slope} = \frac{.5}{100} = .005$$

Prices b/m LS-S & LS-N .33.5 prices
~100 ft

Purge & Sample Log

Page: _____ of _____

Date: 8/24/17

Project Name: <u>Melching Demolition</u>					Project No.: <u>10-329</u>				
Location: <u>Muskegon, MI</u>					Sampler Name: <u>NCK/KCK</u>				
Well I.D./Sample Point: <u>LSS</u>					Sample I.D.: <input checked="" type="checkbox"/> Same as Well I.D.				

Static Water Elevation Data/Purge Calculation:					Well Information (If known):				
(A) Depth To Bottom of Well:	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>	Gallons Per Foot of Water:			Top of Casing:				
(B) Depth To Water:	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>	1.0' - 0.041 2.0' - 0.163			Screen Length:				
(C) Height of Water In Well (A-B):	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>	1.5' - 0.092 4.0' - 0.653			Screened Interval:				
Well Volume (V):	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>	Note: 2" well 3V = 0.5 x C			Pump Inlet Depth:				
Calculated Purge Volume (3V):	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>	OR <input checked="" type="checkbox"/> Low Flow							

Purge Information:		Water Quality Probe Info: <u>Meter Kit 7</u>	
Purge Method: <input type="checkbox"/> Bailor/Rope <input type="checkbox"/> 12V Submersible Pump <input checked="" type="checkbox"/> Peristaltic <input type="checkbox"/> SS GeoSub <input type="checkbox"/> Low Flow <input type="checkbox"/> Other:			
Equipment Decontamination: <input type="checkbox"/> Dedicated <input type="checkbox"/> Disposable <input checked="" type="checkbox"/> Field Cleaned <input type="checkbox"/> Other:			
Purge Start Time: <u>1:00 PM</u>		Flow Rate = 0.1 - 0.5 L/min Max Drawdown = 0.1 M (0.33 ft)	

Time	Depth to Water (Ft. BTOC)	Flow Rate (mL/min)	Temp. (°C) +/- 10%	pH (s.u.) +/- 0.1 s.u.	Cond. (µS/cm) +/- 3%	ORP (mV) +/- 10 mV	Dissolved O2 (mg/L) +/- 10%	Turbidity (NTU) +/- 10%
1:05	6.41	100	14.3	6.57	4910	26.0	0.99	87.7
1:10		100	14.0	6.59	4320	24.0	1.15	32.0
1:15		100	14.0	6.62	4172	20.7	1.22	29.6
1:20		100	13.9	6.65	4140	11.2	1.33	22.8
1:25		100	13.8	6.67	4137	10.5	1.47	20.0
1:30		100	13.6	6.67	4130	1.1	1.49	18.5
1:35		60	13.6	6.67	4129	-7.3	1.47	18.4
1:40		60	13.6	6.66	4130	-9.0	1.46	18.4

Hikes

☐ Addn'l measurements on back.
 ☐ Groundwater parameters stabilized.
 ☐ Groundwater parameters did not stabilize.
 ☐ Purged dry and sampled.

Sample Collection Information:		Analytes: _____		Lab: _____	
Collection Method: <input type="checkbox"/> Bailor <input type="checkbox"/> Transfer Vessel <input type="checkbox"/> Pump Outlet <input type="checkbox"/> Flowcell Outlet <input type="checkbox"/> Other:					
Field Filtered: <input type="checkbox"/> No <input type="checkbox"/> Yes Filter Method: <input type="checkbox"/> In-line Filter <input type="checkbox"/> Membrane Filter <input type="checkbox"/> Other:					
Sample Time: <div style="border: 1px solid black; width: 150px; height: 20px;"></div>		Elapsed Time: <u>0:40</u>		Total Volume Purged: <div style="border: 1px solid black; width: 100px; height: 20px;"></div>	

Additional Comments:
Muskegon Lake water sample: 2.56 ft

I certify that this sample was collected as recorded above and handled in accordance with applicable QA/QC project protocols.
 Signed: [Signature] Date: 8/21/14

Purge & Sample Log

Page: _____ of _____

Date: 8/21/24

Project Name: <i>Melching Demolition</i>	Project No.: <i>10-339</i>
Location: <i>Muskegon, MI</i>	Sampler Name: <i>NCK / KCK</i>
Well I.D./Sample Point: <i>LS-N1</i>	Sample I.D.: <input checked="" type="checkbox"/> Same as Well I.D.

Static Water Elevation Data/Purge Calculation:

(A) Depth To Bottom of Well:

(B) Depth To Water:

(C) Height of Water in Well (A-B):

Well Volume (V),

Calculated Purge Volume (3V):

Gallons Per Foot of Water:

1.0" - 0.041 2.0" - 0.153

1.5" - 0.092 4.0" - 0.653

Note: 2nd well 3V = 0.5 x C

OR ☒ Low Flow

Well Information (if known):

Top of Casing: _____

Screen Length: _____

Screened Interval: _____

Pump Inlet Depth: _____

Purge Information:

Water Quality Probe Info:

Meter Kit -

Purge Method: ☐ Baller/Rope ☐ 12V Submersible Pump ☒ Peristaltic ☐ SS GeoSub ☒ Low Flow ☐ Other:

Equipment Decontamination: ☐ Dedicated ☐ Disposable ☒ Field Cleaned ☐ Other:

Purge Start Time: 1:45 PM

Flow Rate = 0.1 - 0.5 L/min

Max Drawdown = 0.1 M (0.33 ft)

[illegible]

☐ Add'n'l measurements on back. ☐ Groundwater parameters stabilized. ☐ Groundwater parameters did not stabilize. ☐ Purged dry and sampled.

Sample Collection Information:

Analytes:

Lab:

Collection Method: ☐ Bailor ☐ Transfer Vessel ☐ Pump Outlet ☐ Flowcell Outlet ☐ Other: _____

Field Filtered: ☐ No ☐ Yes: Filter Method: ☐ In-line Filter ☐ Membrane Filter ☐ Other: _____

Sample Time: _____

Elapsed Time: _____

Total Volume Purged:

Additional Comments:

I certify that this sample was collected as recorded above and handled in accordance with applicable QA/QC project protocols.

Signed:

Date:

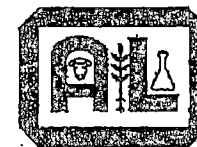
Date: 8/21/14

Appendix D:
Lime Testing Data for Agricultural Use

REPORT NO
F14147-7003
ACCOUNT NUMBER
49591

A & L GREAT LAKES LABORATORIES, INC.

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www.algreatlakes.com • lab@algreatlakes.com



QUALITY ANALYSES FOR INFORMED DECISIONS®

TO LAKESHORE ENVIRONMENTAL INC
803 VERHOEKS ST
GRAND HAVEN, MI 49417-2164

ATTN NATE KOELLA

LAB NUMBER 40453

SAMPLE ID Lime (Hard Surface Lime)

LIME ANALYSIS

DATE RECEIVED 5/27/2014

DATE REPORTED 5/30/2014 PAGE 1 of 2

PARAMETER	AS RECEIVED BASIS	DRY BASIS	UNIT	REPORTING LIMIT (AR BASIS)	METHOD REFERENCE
Moisture (105 deg C)	23.8	0.0	%	0.1	AOAC 950.01
Solids	76.2	100.0	%	0.1	AOAC 950.01
Calcium (Ca)	28.9	38.0	%	0.1	ASTM C602 20
Calcium (Ca)	579	760	lb/T	0.1	ASTM C602 20
Magnesium (Mg)	0.30	0.39	%	0.01	ASTM C602 20/ICP
Magnesium (Mg)	6	8	lb/T	0.01	ASTM C602 20/ICP
Calcium Carbonate Equiv (CCE)	73.0	95.8	%	0.1	AOAC 955.01
pH	9.66		Std Unit	0.01	A&L SOP 7.01
Passing U S #8 Sieve		98.2	%	0.1	AOAC 924.02
Passing U S #60 Sieve		95.2	%	0.1	AOAC 924.02

pH was read on a 1:1 sample water slurry after 1 hour

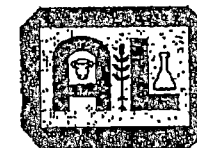
Report Approved By _____ Approval Date _____

A&L LMC

REPORT NO.
F14147-7003
ACCOUNT NUMBER
49591

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QUALITY ANALYSES FOR INFORMED DECISIONS®

TO: LAKESHORE ENVIRONMENTAL INC
803 VERHOEKS ST
GRAND HAVEN, MI 49417-2164

ATTN: NATE KOELLA

LAB NUMBER: 40453
SAMPLE ID: Lime

LIME ANALYSIS

DATE RECEIVED: 5/27/2014
DATE REPORTED: 5/30/2014 PAGE: 2 of 2

PARAMETER	AS RECEIVED BASIS	DRY BASIS	UNIT	REPORTING LIMITS (AS BASIS)	METHOD/REFERENCE
Michigan Lime Quality Parameters:					
Neutralizing Value (NV)	73.0	95.8	%	0.1	MSU E-471
Fineness Factor		96.7	%	0.1	MSU E-471
Effective Calcium Carbonate (ECC)	70.6	92.6	%	0.1	MSU E-471
Adjusted Lime Application Rate = Recommended Rate of Standard Lime x (60 / ECC)					MSU E-471

pH was read on a 1:1 sample:water slurry after 1 hour.

REPORT NO.
F14216-7013
ACCOUNT NUMBER
49591

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QUALITY ANALYSES FOR INFORMED DECISIONS®

TO: LAKESHORE ENVIRONMENTAL INC
803 VERHOEKS ST
GRAND HAVEN, MI 49417-2164

ATTN: JAY POLL

LAB NUMBER: 41208
SAMPLE ID: Melching 3-16

LIME ANALYSIS

DATE RECEIVED: 8/4/2014
DATE REPORTED: 8/7/2014
PAGE: 1 of 4

PARAMETER	AS RECEIVED BASIS	DRY BASIS	UNIT	REPORTING LIMIT (AR BASIS)	METHOD/REFERENCE
Moisture (105 deg. C)	33.4	0.0	%	0.1	AOAC 950.01
Solids	66.6	100.0	%	0.1	AOAC 950.01
Calcium (Ca)	25.9	38.9	%	0.1	ASTM C602.20
Calcium (Ca)	518	778	lb/T	0.1	ASTM C602.20
Magnesium (Mg)	0.29	0.44	%	0.01	ASTM C602.20/ICP
Magnesium (Mg)	6	9	lb/T	0.01	ASTM C602.20/ICP
Calcium Carbonate Equiv. (CCE)	65.9	98.9	%	0.1	AOAC 955.01
pH	12.60		Std. Unit	0.01	A&L SOP 7.01
Passing U.S. #8 Sieve		100.0	%	0.1	AOAC 924.02
Passing U.S. #60 Sieve		99.2	%	0.1	AOAC 924.02

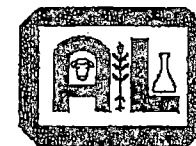
pH was read on a 1:1 sample water slurry after 1 hour.

Report Approved By: _____ Approval Date: _____

REPORT NO
F14216-7013
ACCOUNT NUMBER
49591

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www.algreatakes.com • lab@algreatakes.com



QUALITY ANALYSES FOR INFORMED DECISIONS®

TO LAKESHORE ENVIRONMENTAL INC
803 VERHOEKS ST
GRAND HAVEN, MI 49417-2164

ATTN JAY POLL

LAB NUMBER 41208
SAMPLE ID Melching 3-16

LIME ANALYSIS

DATE RECEIVED 8/4/2014
DATE REPORTED 8/7/2014 PAGE 2 of 4

PARAMETER	AS RECEIVED	DRY	UNIT	REPORTING	METHOD/REFERENCE
	BASIS	BASIS		(AR BASIS)	
Michigan Lime Quality Parameters					
Neutralizing Value (NV)	65.9	98.9	%	0.1	MSU E-471
Fineness Factor		99.6	%	0.1	MSU E-471
Effective Calcium Carbonate (ECC)	65.6	98.5	%	0.1	MSU E-471
Adjusted Lime Application Rate = Recommended Rate of Standard Lime x (60 / ECC)					MSU E-471

pH was read on a 1:1 sample water slurry after 1 hour

~~NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)~~
~~Act 451 of 1994~~

~~PART 113~~
~~SOLID WASTE MANAGEMENT~~

324.11501 Meanings of words and phrases.

Sec. 11501. For purposes of this part, the words and phrases defined in sections 11502 to 11506 have the meanings ascribed to them in those sections.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Waste Management Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

Popular name: Solid Waste Act

***** 324.11502 THIS SECTION IS AMENDED EFFECTIVE SEPTEMBER 16, 2014: See 324.11502.amended *****

324.11502 Definitions; A to C.

Sec. 11502. (1) "Applicant" includes any person.

(2) "Ashes" means the residue from the burning of wood, coal, coke, refuse, wastewater sludge, or other combustible materials.

(3) "Beverage container" means an airtight metal, glass, paper, or plastic container, or a container composed of a combination of these materials, which, at the time of sale, contains 1 gallon or less of any of the following:

- (a) A soft drink, soda water, carbonated natural or mineral water, or other nonalcoholic carbonated drink.
- (b) A beer, ale, or other malt drink of whatever alcoholic content.
- (c) A mixed wine drink or a mixed spirit drink.

(4) "Bond" means a financial instrument executed on a form approved by the department, including a surety bond from a surety company authorized to transact business in this state, a certificate of deposit, a cash bond, an irrevocable letter of credit, insurance, a trust fund, an escrow account, or a combination of any of these instruments in favor of the department. The owner or operator of a disposal area who is required to establish a bond under other state or federal statute may petition the department to allow such a bond to meet the requirements of this part. The department shall approve a bond established under other state or federal statute if the bond provides equivalent funds and access by the department as other financial instruments allowed by this subsection.

(5) "Certificate of deposit" means a negotiable certificate of deposit held by a bank or other financial institution regulated and examined by a state or federal agency, the value of which is fully insured by an agency of the United States government. A certificate of deposit used to fulfill the requirements of this part shall be in the sole name of the department with a maturity date of not less than 1 year and shall be renewed not less than 60 days before the maturity date. An applicant who uses a certificate of deposit as a bond shall receive any accrued interest on that certificate of deposit upon release of the bond by the department.

(6) "Certified health department" means a city, county, or district department of health that is specifically delegated authority by the department to perform designated activities as prescribed by this part.

(7) "Coal or wood ash" means either or both of the following:

- (a) The residue remaining after the ignition of coal or wood, or both, and may include noncombustible materials, otherwise referred to as bottom ash.
- (b) The airborne residues from burning coal or wood, or both, that are finely divided particles entrained in flue gases arising from a combustion chamber, otherwise referred to as fly ash.

(8) "Collection center" means a tract of land, building, unit, or appurtenance or combination thereof that is used to collect junk motor vehicles and farm implements under section 11530.

(9) "Composting facility" means a facility where composting of yard clippings or other organic materials occurs using mechanical handling techniques such as physical turning, windrowing, or aeration or using other management techniques approved by the director.

(10) "Consistency review" means evaluation of the administrative and technical components of an application for a permit or license or evaluation of operating conditions in the course of inspection, for the

Popular name: Solid Waste Act

***** 324.11505.amended THIS AMENDED SECTION IS EFFECTIVE SEPTEMBER 16, 2014 *****

324.11505.amended Definitions; R, S.

Sec. 11505. (1) "Recyclable materials" means source separated materials, site separated materials, high grade paper, glass, metal, plastic, aluminum, newspaper, corrugated paper, yard clippings, and other materials that may be recycled or composted.

(2) "Regional solid waste management planning agency" means the regional solid waste planning agency designated by the governor pursuant to 42 USC 6946.

(3) "Resource recovery facility" means machinery, equipment, structures, or any parts or accessories of machinery, equipment, or structures, installed or acquired for the primary purpose of recovering materials or energy from the waste stream.

(4) "Response activity" means an activity that is necessary to protect the public health, safety, welfare, or the environment, and includes, but is not limited to, evaluation, cleanup, removal, containment, isolation, treatment, monitoring, maintenance, replacement of water supplies, and temporary relocation of people.

(5) "Rubbish" means nonputrescible solid waste, excluding ashes, consisting of both combustible and noncombustible waste, including paper, cardboard, metal containers, yard clippings, wood, glass, bedding, crockery, demolished building materials, or litter of any kind that may be a detriment to the public health and safety.

(6) "Salvaging" means the lawful and controlled removal of reusable materials from solid waste.

(7) "Sharps" means that term as defined in section 13807 of the public health code, 1978 PA 368, MCL 333.13807.

(8) "Scrap wood" means wood or wood product that is 1 or more of the following:

(a) Plywood, particle board, pressed board, oriented strand board, fiberboard, resonated wood, or any other wood or wood product mixed with glue, resins, or filler.

(b) Wood or wood product treated with creosote or pentachlorophenol.

(c) Any wood or wood product designated as scrap wood in rules promulgated by the department.

(9) "Site separated material" means glass, metal, wood, paper products, plastics, rubber, textiles, garbage, or any other material approved by the department that is separated from solid waste for the purpose of recycling or conversion into raw materials or new products.

(10) "Slag" means the nonmetallic product resulting from melting or smelting operations for iron or steel.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2007, Act 212, Eff. Mar. 26, 2008;—Am. 2014, Act 24, Imd. Eff. Mar. 4, 2014;—Am. 2014, Act 178, Eff. Sept. 16, 2014.

Popular name: Act 451

Popular name: NREPA

Popular name: Solid Waste Act

***** 324.11506 THIS SECTION IS AMENDED EFFECTIVE SEPTEMBER 16, 2014: See 324.11506.amended *****

324.11506 Definitions; S to Y.

Sec. 11506. (1) "Solid waste" means garbage, rubbish, ashes, incinerator ash, incinerator residue, street cleanings, municipal and industrial sludges, solid commercial and solid industrial waste, and animal waste. ~~However, solid waste does not include the following:~~

(a) Human body waste.

(b) Medical waste.

(c) Organic waste generated in the production of livestock and poultry.

(d) Liquid waste.

(e) Ferrous or nonferrous scrap directed to a scrap metal processor or to a reuser of ferrous or nonferrous products.

(f) Slag or slag products directed to a slag processor or to a reuser of slag or slag products.

(g) Sludges and ashes managed as recycled or nondetrimental materials appropriate for agricultural or silvicultural use pursuant to a plan approved by the department. Food processing residuals, garbage, precipitated calcium carbonate from sugar beet processing, wood ashes resulting solely from a source that burns only wood that is untreated and inert, ~~lime from kraft pulping processes generated prior to bleaching~~, or aquatic plants may be applied on, or composted and applied on, farmland or forestland for an agricultural or silvicultural purpose, or used as animal feed, as appropriate, and such an application or use does not require a

plan described in this subdivision or a permit or license under this part. In addition, source separated materials approved by the department for land application for agricultural and silvicultural purposes and compost produced from those materials may be applied to the land for agricultural and silvicultural purposes and that application does not require a plan described in this subdivision or permit or license under this part. Land application authorized under this subdivision for an agricultural or silvicultural purpose, or use as animal feed as provided for in this subdivision shall be performed in a manner that prevents losses from runoff and leaching. Land application under this subdivision shall be at an agronomic rate consistent with generally accepted agricultural and management practices under the Michigan right to farm act, 1981 PA 93, MCL 286.471 to 286.474.

- (h) Materials approved for emergency disposal by the department.
- (i) Source separated materials.
- (j) Site separated material.
- (k) Fly ash or any other ash produced from the combustion of coal, when used in the following instances:
 - (i) With a maximum of 6% of unburned carbon, if used as a component of concrete, grout, mortar, or casting molds.
 - (ii) With a maximum of 12% unburned carbon passing M.D.O.T. test method MTM 101, if used as a raw material in asphalt for road construction.
 - (iii) As aggregate, road material, or building material that in ultimate use will be stabilized or bonded by cement, limes, or asphalt.
 - (iv) As a road base or construction fill that is covered with asphalt, concrete, or other material approved by the department and that is placed at least 4 feet above the seasonal groundwater table.
 - (v) As the sole material in a depository designed to reclaim, develop, or otherwise enhance land, subject to the approval of the department. In evaluating the site, the department shall consider the physical and chemical properties of the ash, including, but not limited to, leachability, and the engineering of the depository, including, but not limited to, the compaction, control of surface water and groundwater that may threaten to infiltrate the site, and evidence that the depository is designed to prevent water percolation through the material.
- (l) Soil that is washed or otherwise removed from sugar beets, has not more than 35% moisture content, and is registered as a soil conditioner under part 85. Any testing required to become registered under part 85 is the responsibility of the generator.
- (m) Soil that is relocated under section 20120c.
- (n) Diverted waste that is managed through a waste diversion center.
- (o) Other wastes regulated by statute.
- (2) "Solid waste hauler" means a person who owns or operates a solid waste transporting unit.
- (3) "Solid waste processing plant" means a tract of land, building, unit, or appurtenance of a building or unit or a combination of land, buildings, and units that is used or intended for use for the processing of solid waste or the separation of material for salvage or disposal, or both, but does not include a plant engaged primarily in the acquisition, processing, and shipment of ferrous or nonferrous metal scrap, or a plant engaged primarily in the acquisition, processing, and shipment of slag or slag products.
- (4) "Solid waste transporting unit" means a container, which may be an integral part of a truck or other piece of equipment used for the transportation of solid waste.
- (5) "Solid waste transfer facility" means a tract of land, a building and any appurtenances, or a container, or any combination of land, buildings, or containers that is used or intended for use in the rehandling or storage of solid waste incidental to the transportation of the solid waste, but is not located at the site of generation or the site of disposal of the solid waste.
- (6) "Source separated material" means glass, metal, wood, paper products, plastics, rubber, textiles, garbage, or any other material approved by the department that is separated at the source of generation for the purpose of conversion into raw materials or new products including, but not limited to, compost, biogas from anaerobic digestion, or synthetic gas from gasification or pyrolysis.
- (7) "Type I public water supply", "type IIa public water supply", "type IIb public water supply", and "type III public water supply" mean those terms, respectively, as described in R 325.10502 of the Michigan administrative code.
- (8) "Waste diversion center" means property or a building, or a portion of property or a building, designated for the purpose of receiving or collecting diverted wastes and not used for residential purposes.
- (9) "Yard clippings" means leaves, grass clippings, vegetable or other garden debris, shrubbery, or brush or tree trimmings, less than 4 feet in length and 2 inches in diameter, that can be converted to compost humus. Yard clippings does not include stumps, agricultural wastes, animal waste, roots, sewage sludge, or garbage.

History: 1994, Act 451, Iff. Mar. 30, 1995;—Am. 1995, Act 65, Imd. Eff. May 31, 1995;—Am. 1996, Act 392, Imd. Eff. Oct. 3, 1996;—Am. 1998, Act 466, Imd. Eff. Jan. 4, 1999;—Am. 2007, Act 212, Iff. Mar. 26, 2008;—Am. 2010, Act 345, Imd. Eff. Dec. 21, 2010;—Am. 2012, Act 446, Imd. Eff. Dec. 27, 2012;—Am. 2014, Act 24, Imd. Eff. Mar. 4, 2014.

Popular name: Act 451

Popular name: NREPA

Popular name: Solid Waste Act

***** 324.11506.amended THIS AMENDED SECTION IS EFFECTIVE SEPTEMBER 16, 2014 *****

324.11506.amended Definitions; S to Y.

Sec. 11506. (1) "Solid waste" means garbage, rubbish, ashes, incinerator ash, incinerator residue, street cleanings, municipal and industrial sludges, solid commercial waste, solid industrial waste, and animal waste. ~~However, solid waste does not include the following:~~

- (a) Human body waste.
- (b) Medical waste.
- (c) Organic waste generated in the production of livestock and poultry.
- (d) Liquid waste.
- (e) Ferrous or nonferrous scrap directed to a scrap metal processor or to a reuser of ferrous or nonferrous products.
- (f) Slag or slag products directed to a slag processor or to a reuser of slag or slag products.
- (g) Sludges and ashes managed as recycled or nondetrimental materials appropriate for agricultural or silvicultural use pursuant to a plan approved by the department.
- ~~(h) The following materials that are used as animal feed, or are applied on, or are composted and applied on, farmland or forestland for an agricultural or silvicultural purpose at an agronomic rate consistent with GAAMPs:~~
 - (i) Food processing residuals and garbage.
 - (ii) Precipitated calcium carbonate from sugar beet processing.
 - (iii) Wood ashes resulting solely from a source that burns only wood that is untreated and inert.
 - ~~(iv) Lime from kraft pulping processes generated prior to bleaching.~~
 - (v) Aquatic plants.
 - (i) Materials approved for emergency disposal by the department.
 - (j) Source separated materials.
 - (k) Site separated material.
 - (l) Coal ash, when used under any of the following circumstances:
 - (i) As a component of concrete, grout, mortar, or casting molds, if the coal ash does not have more than 6% unburned carbon.
 - (ii) As a raw material in asphalt for road construction, if the coal ash does not have more than 12% unburned carbon and passes Michigan test method for water asphalt preferential test, MTM 101, as set forth in the state transportation department's manual for the Michigan test methods (MTM).
 - (iii) As aggregate, road material, or building material that in ultimate use is or will be stabilized or bonded by cement, limes, or asphalt, or itself act as a bonding agent. To be considered to act as a bonding agent, the coal ash must have at least 10% available lime.
 - (iv) As a road base or construction fill that is placed at least 4 feet above the seasonal groundwater table and covered with asphalt, concrete, or other material approved by the department.
 - (m) Inert material.
 - (n) Soil that is washed or otherwise removed from sugar beets, has not more than 35% moisture content, and is registered as a soil conditioner under part 85. Any testing required to become registered under part 85 is the responsibility of the generator.
 - (o) Soil that is relocated under section 20120c.
 - (p) Diverted waste that is managed through a waste diversion center.
 - (q) Beneficial use by-products.
 - (r) Coal bottom ash, if substantially free of fly ash or economizer ash, when used as cold weather road abrasive.
 - (s) Stamp sands when used as cold weather road abrasive in the Upper Peninsula by any of the following:
 - (i) A public road agency.
 - (ii) Any other person pursuant to a plan approved by a public road agency.
 - (i) Any material that is reclaimed or reused in the process that generated it.
 - (u) Any secondary material that, as specified in or determined pursuant to 40 CFR part 241, is not a solid

Appendix E:
Lime Mixture and Neutralization Study Data



JOB melching mix Research
SHEET NO OF
CALCULATED BY RVC DATE 5/14/14
PROJECT NO. 10-539 SCALE
PROJECT melching

pH Testing of Final Mixes for Topsoil			
33% mix	Used Hanna pH meter & Hanna Solution IF needed		
34% Lime, 33% Sand, 33% shredded wood chips			
Proctor compaction	0.44" 0.23" 0.05"	1st 25 2nd 25 3rd 25	
No bleeding, no sticking to mold, very compact			
Tested opt. moisture 16.4%	"hockey puck"		
pH "as is" = 7.82			
pH of leachate after deionized water added ~ 200 ml in ~ 100 ml cut			
pH = 7.17			
50% mix			
50% Lime, 25% Sand, 25% Shredded wood chips			
Proctor Compaction	0.42" 0.13" 0.37"	1st 25 2nd 25 3rd 25	
Mixture white, powdery, though compacted, spongy			
Moisture 28.0%			
pH "as is" = 8.89			
No leachate - water ponded			
low infiltration			

**Determination of Coefficient of Permeability
Falling Head Test**

Client: Melching, Inc.

Date: May 15, 2014

Project: Lime Compost Mix

Project # 10-339

Soil Description: 34% lime, 33% sand, 33% wood chips

	<u>Test 1</u>	<u>Test 2</u>	<u>Test 3</u>
Initial head of water (mm) =	914	914	914
Final head of water (mm) =	87	92	93
Duration of test (seconds) =	1800	1800	1800
Sample length (mm) =	102	102	102
Sample diameter (mm) =	51	51	51
Stand-pipe diameter (mm) =	12.7	12.7	12.7
Area of stand-pipe (mm ²) =	126.68	126.68	126.68
Area of sample (mm ²) =	2042.82	2042.82	2042.82
Coefficient of permeability, k (cm/s) =	8.26E-05	8.07E-05	8.03E-05
Coefficient of permeability, k (ft/d) =	0.23	0.23	0.23
Average Coefficient of Permeability, k (cm/s) =			8.12E-05
k (ft/d)			0.23



**Determination of Coefficient of Permeability
Falling Head Test**

Client: Melching, Inc.

Date: May 15, 2014

Project: Lime Compost Mix

Project # 10-339

Soil Description: 50% lime, 25% sand, 25% wood chips

	<u>Test 1</u>	<u>Test 2</u>	<u>Test 3</u>
Initial head of water (mm) =	914	914	914
Final head of water (mm) =	560	524	520
Duration of test (seconds) =	3600	3600	3600
Sample length (mm) =	102	102	102
Sample diameter (mm) =	51	51	51
Stand-pipe diameter (mm) =	12.7	12.7	12.7
Area of stand-pipe (mm ²) =	126.68	126.68	126.68
Area of sample (mm ²) =	2042.82	2042.82	2042.82
Coefficient of permeability, k (cm/s) =	8.61E-06	9.77E-06	9.91E-06
Coefficient of permeability, k (ft/d) =	0.02	0.03	0.03
Average Coefficient of Permeability, k (cm/s) =			9.43E-06
k (ft/d)			0.03





JOB Melching
SHEET NO. _____ OF _____
CALCULATED BY RVG DATE 5/15/14
PROJECT NO. _____ SCALE _____
PROJECT _____

Mix Testing	Lime	W Sand
50% Lime / 50% Sand	Lime	W Crushed Concrete
Proctor Compaction	0.19" 0.17" 0.24"	1st 2.5 2nd 2.5 3rd 2.5
<p>mixture white, hard, compacts easily (hockey puck) No bleeding, but some lime stuck to mold. M heavier than other mixes. - too hard for pit probe. Water added ponded on surface.</p>		
50% Lime / 50% Crushed Concrete		
<p>Could not measure compaction due to coarse stones, but very little. - mixture white, very hard due to lime dust in mix, heavy. - too hard for probe and water ponded. (Good material for loads, etc.)</p>		

Determination of Coefficient of Permeability Falling Head Test

Client: Melching, Inc.

Date: May 12, 2014

Project: Lime Storage Pile

Project # 10-339

Soil Description: Dry white lime, 6 feet deep

Location: Test Pit #1

	<u>Test 1</u>	<u>Test 2</u>	<u>Test 3</u>
Initial head of water (mm) =	914	914	914
Final head of water (mm) =	253	240	249
Duration of test (seconds) =	14400	14400	14400
Sample length (mm) =	102	102	102
Sample diameter (mm) =	51	51	51
Stand-pipe diameter (mm) =	12.7	12.7	12.7
Area of stand-pipe (mm ²) =	126.68	126.68	126.68
Area of sample (mm ²) =	2042.82	2042.82	2042.82
Coefficient of permeability, k (cm/s) =	5.64E-06	5.87E-06	5.71E-06
Coefficient of permeability, k (ft/d) =	0.02	0.02	0.02
Average Coefficient of Permeability, k (cm/s) =			5.74E-06
k (ft/d)			0.02



**Determination of Coefficient of Permeability
Falling Head Test**

Client: Melching, Inc.

Date: July 8, 2014

Project: Lime Storage Pile

Project # 10-339

Soil Description: 50% Lime and 50% Sand (Compacted)

Location: LSP 6 feet and south fill sand

	<u>Test 1</u>	<u>Test 2</u>	<u>Test 3</u>
Initial head of water (mm) =	914	914	914
Final head of water (mm) =	635	602	617
Duration of test (seconds) =	28800	28800	28800
Sample length (mm) =	102	102	102
Sample diameter (mm) =	51	51	51
Stand-pipe diameter (mm) =	12.7	12.7	12.7
Area of stand-pipe (mm ²) =	126.68	126.68	126.68
Area of sample (mm ²) =	2042.82	2042.82	2042.82
Coefficient of permeability, k (cm/s) =	8.00E-07	9.17E-07	8.63E-07
Coefficient of permeability, k (ft/d) =	0.002	0.003	0.002

Average Coefficient of Permeability, k (cm/s) =	8.60E-07
k (ft/d)	0.002

Testing Performed by NCK
Location GH lab



**Determination of Coefficient of Permeability
Falling Head Test**

Client: Melching, Inc.

Date: July 15, 2014

Project: Lime Storage Pile

Project # 10-339

Soil Description: 50% Lime and 50% Crushed Concrete (Compacted)

Location: LSP 6 feet and northeast crush pile

	<u>Test 1</u>	<u>Test 2</u>	<u>Test 3</u>
Initial head of water (mm) =	914	914	914
Final head of water (mm) =	813	769	771
Duration of test (seconds) =	28800	28800	28800
Sample length (mm) =	102	102	102
Sample diameter (mm) =	51	51	51
Stand-pipe diameter (mm) =	12.7	12.7	12.7
Area of stand-pipe (mm ²) =	126.68	126.68	126.68
Area of sample (mm ²) =	2042.82	2042.82	2042.82
Coefficient of permeability, k (cm/s) =	2.57E-07	3.79E-07	3.74E-07
Coefficient of permeability, k (ft/d) =	0.001	0.001	0.001
Average Coefficient of Permeability, k (cm/s) =			3.37E-07
k (ft/d)			0.001

Testing Performed by NCK
Location GH lab





803 Verhoeks Street | Grand Haven, MI 49417
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www.lakeshoreenvironmental.com

JOB Meiching, Inc. - Neutralization
SHEET NO. 1 OF 2
CALCULATED BY RVG DATE 6-15-14
PROJECT NO. _____ SCALE _____
PROJECT _____

pH		Testing of Lime Mixtures		
<u>Lime / coal</u>		<u>25% / 75%</u>		<u>Meter Kit 2</u>
Starting weights =		<u>300gms Lime</u>		
		<u>900gms Coal</u>		
		<u>1200gms Total</u>		
<u>+20% Moisture</u>		<u>240gms H₂O</u>		
Diameter of Mold (<u>8"</u>)				
Apply mud @ <u>1/8"</u> day (Normal for summer in Michigan)				
$A = \pi \times 0.33^2 = 0.35 \text{ ft}^2$		$1 \text{ gal} = 0.62 \text{ Gallons per ft}^2$		
$0.62 \text{ gal/ft}^2 \times 0.35 \text{ ft}^2 = 0.22 \text{ gallons or } 821 \text{ ml/day}$				
$821 \text{ ml} \times 0.13 (1/8) = 10216 \text{ ml/day}$				
pH Distilled Water = <u>6.98</u>				
Date	Volume Added	pH	Comments	
6-15-14	10216	No liquid	Mix does not even look wet	
6-16	"	Mud solid	same	
6-17-14	"	No water		
6-18-14	"	No water	Looks like grey mud	water ponded
19	"		Grey mud	
20	"		Grey clay, water in mix	
21	"		Grey clay	
22	"		Grey shale	
23	"		"	
24	"		"	
25	"		"	
26	"			
27	"			
30	30718	"	Grey mud, no much water on top	
7-1-14	10216	"	Grey clay	
7-2-14	10216	"		
7-3-14	10216	"	Some water, not enough for pH	
7-4-14	10216	"	"	
7-5-14	10216	6.81	Water clear	
7-6-14	10216	6.76	Water clear, new water	
7-12-14	10216, each day	6.46	Water clear, new water	



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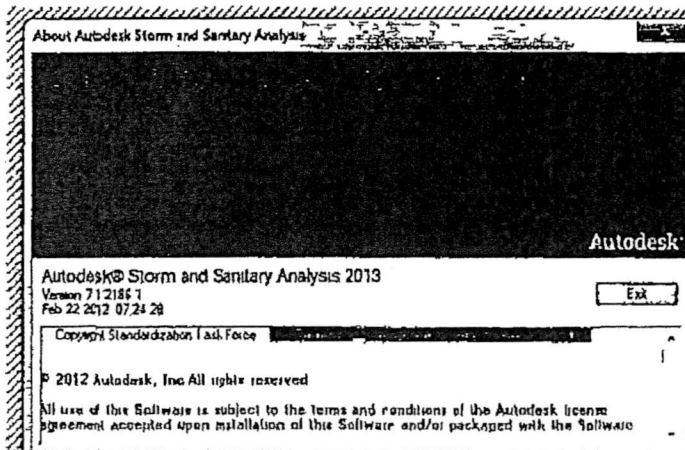
JOB Neutralization Study
 SHEET NO. 2 OF 2
 CALCULATED BY RVG DATE 6-15-14
 PROJECT NO. _____ SCALE _____
 PROJECT Meichner, Inc.

Lime / Shredded Wood Chips		50%/50%	
600gms Lime + 600gms Wood Chips + 20% Moisture = 240gms H ₂ O			
Apply 102.6 ml/day for simulated rain during growing season.			
pH Distilled Water equals 6.98			
Date	Volume Added	pH	Comments
6-15-14	102.6	No Water	Looks like dry sand/dust
16 th	"	"	Moist sand/dust
17	"	"	"
18	"	"	"
19	"	"	Some water, not enough for pH
20	"	8.40	Lt. grey color to water
6-23-14	307.8	8.42	Lt. brown color to water, new
24	102.6	8.32	new water
25	"	7.67	"
26	"	7.40	clear water
27	"	7.21	"
30	307.8	7.73	Lt. grey color
7-4-14	102.6	7.07	clear
7-2-14	"	6.78	"
7-3-14	"	6.70	"
7-4-14	"	6.73	"
7-5-14	"	6.33	"
7-6-14	"	6.67	"
7-12-14	102.6 each day	6.64	"
Water (teachate) emptied each day.			

Appendix F:

Stormwater Contact Time Calculations after Cover is Installed

Melching Lime Pile – Time of Concentration Analysis



General Physical Properties Input screen (t.o.c. not input, but derived from other input screens below)

Subbasins

General

Subbasin ID: Sub 01

Connectivity

Rain gage: Rain Gage-01

Outlet node: Out-01

Buttons: Delete, Show, Report

Description:

Physical Properties / SCS TR 55 TOC / Curve Number

Physical properties

Area: 11.900

Time of concentration: 15.07

Weighted curve number: 74.00

Impervious area: 0.5

Permeable area: 0.5

Analysis summary

Peak runoff: 10206.417 gpm

Total precipitation: 3.950 in

Total runoff: 1.560 in

Total infiltration: 2.35 in

Subbasin ID	Area	Wt. CN	TOC	Rain Gage ID
1 Sub 01	11.900	74.00	15.07	Rain Gage-01

Buttons: Close, Help

Sheet Flow Screen

Subbasins

General

Subbasin ID: Sub-01

Connectivity: Rain gauge: Rain Gauge 01

Doutlet node: Out 01

Delete

Show

Report

Description

Physical Properties

SCS TR-55 TOC

Curve Number

SCS TR-55 time of concentration

Methodology

Average

Maximum

Minimum

Summation

Weighted average

Sheet Flow

Shallow Concentrated Flow

Channel Flow

TOC Repet

Subarea A

Subarea B

Subarea C

N Manning's roughness

Flow length

Slope

24 hr rainfall

Computed low time

0.1

100

1

2.67

10.23

ft

ft

ft

in

min

Total TOC 15.07 min

Subbasin ID	Area	Wt CN	TOC	Rain Gauge ID
1 Sub-01	10.000	74.00	15.07	Rain Gauge-01

Close

Help

Manning's Roughness for Overland Sheet Flow:

Natural	0.10 - 0.20
Short Grass Prairie	

Using $n = 0.10$

Shallow Concentrated Flow screen:

Subbasins			
General	Connectivity		
Subbasin ID: Sub-01	Rain gage:	Rain Gage-01	Delete
	Outlet node:	Out-01	Show
Description:		Report	
Physical Properties SCS TR-55 TOC Curve Number			
SCS TR-55 time of concentration			
Methodology			
Average			
Minimum			
Maximum			
Summation			
Weighted average			
Sheet Flow		Shallow Concentrated Flow	
Subarea A		Subarea B	
Flow length:	435 ft		
Slope:	1 %		
Surface type:	Grasspc	Unpavc	Unpavc
Velocity:	1.50 ft/s		
Computed flow time:	4.83 min		
Total TOC: 15.07 min		Export print	

Subbasin ID /	Area	VA, CN	TOC	Rain Gage ID
Sub-01	11.820	74.00	15.07	Rain Gage-01

Close Help

Attachment C

Closure Report

**Melching, Inc.
Muskegon, Michigan
DEQ Facility ID No. 61000359**

April 14, 2015

Prepared for submittal to:

***Mr. Robert Wagner, Chief
Remediation and Redevelopment Division
Michigan Department of Environmental Quality
Lansing, Michigan***

*Lakeshore Environmental, Inc. Project Number
10-339*



Grand Haven, MI

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Muskegon, MI

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Appendix A	Information Related to the Analysis of Known Releases
Appendix B	Soil Boring and Monitoring Well Construction Logs
Appendix C	DEQ Mixing Zone Based GSI Criteria
Appendix D	Pertinent Soil Sampling Data
Appendix E	Pertinent Groundwater Data
Appendix F	Groundwater and Surface Water Elevation Data
Appendix G	Pertinent Surface Water Sampling Data

1.0 Introduction/Objective

The Melching, Inc. (Melching) property is located at 2400 Lakeshore Drive, Muskegon, Michigan (Figure 1). Melching purchased the property (herein referenced as the Site) from S.D. Warren Company dba Sappi Fine Paper (Sappi) on August 25, 2011. Melching took occupancy of the Site on August 31, 2011. Demolition activities were initiated on September 28, 2011.

On January 26, 2012, the Michigan Department of Environmental Quality (DEQ) issued a Violation Notice (VN) to Sappi regarding releases at the Sappi (former SD Warren) paper mill. Sappi forwarded the letter to Melching on January 30, 2012. The DEQ letter requested that Sappi address 19 Items of Concern. Melching, the new owner, committed to proper management of these known releases. These Items of Concern are typically described collectively as the "known releases." On February 27, 2014, Melching received NFA approval for Item 16 (fuel oil release near buildings 50 and 56), thus for purposes of this Closure Report DEQ Items 1 through 15, and 17 through 19 are hereby referenced as the "Known Releases." More recently, the DEQ has proposed to include the Lime Storage Pile (LSP) and Coal Storage Areas (CSA) as Items of Concern.

Between April 2012 and September 2014, Lakeshore Environmental, Inc. (LEI) has performed environmental investigations at the Site on behalf of Melching. These investigations have included sampling and analysis of soil, groundwater, surface water, and sediments. Investigations at this site have focused on the area encompassing all of the Known Releases, which are located in the central portion of the Site. However, additional data has been collected outside of the area of Known Releases as part of on-going due care activities at the Site.

Data from numerous investigations demonstrate that no chemicals of concern (COC) are leaving the site above applicable criteria, with one exception, the hydronium ion (pH). High pH groundwater caused by lime in the LSP is present below the LSP and migrates in a northwest direction off-site into the sediments of Muskegon Lake. The high pH groundwater does not have a measurable effect on the actual surface water in Muskegon Lake. The high pH groundwater at the LSP is being addressed through source removal, neutralization, cover of the LSP, natural attenuation, and a groundwater treatment system. It is anticipated that several years will be required to achieve closure of the LSP. The objective of this Closure Report is to address all on-site COC with the specific exception of the high pH groundwater caused by the LSP. Under these conditions, the Site qualifies for closure under provisions of Part 201 of the Michigan Natural Resources and Environmental Protection Act, Public Act 451 of 1994, as amended.

1.1 Background

The present Melching site was developed in 1874 as Rogers sawmill. Central Paper Company began paper production in 1899. S.D. Warren purchased the site from Central Paper Company in 1953, and Sappi Fine Paper (Sappi) purchased the site from S.D. Warren in 1994. Sappi shut

down the pulp mill in 2005, and discontinued all operations in 2009. Melching purchased the Sappl facility on August 25, 2011.

Melching has received numerous requests to re-develop the Site for a variety of uses ranging from heavy industrial to residential. In cooperation with the DEQ, Melching is negotiating an Administrative Order of Consent containing a Covenant Not To Sue (CNTS), which will help facilitate the sale of the Site for re-development. The submittal of this Closure Report is one of the requirements of the CNTS.

1.1.1 Known Releases

Nineteen releases associated with the former paper mill were described in a Violation Notice (VN) from DEQ to Sappl dated January 26, 2012 and addressed further in Melching's May 2012 Baseline Assessment and Response Plan (BARP).

The Known Releases are listed with an item number assigned to each and a summary of pertinent information relating to the releases is provided in Appendix A. These Known Releases were acknowledged by the DEQ and included as part of the CNTS. As stated in earlier reports, many of the listed releases were contained within concrete structures and directed to the mill wastewater treatment plant such that there was no actual release to the environment.

The Known Releases originally referenced by the DEQ in the VN are all located within the central portion of the Site and involved the same COCs, and were therefore addressed by unitary investigations of the central portion of the Site. More recently, the DEQ has proposed to include the Lime Storage Pile (LSP) and Coal Storage Areas (CSA) as Items of Concern. The location of these areas is illustrated in Figure 2.

1.1.2 DEQ Meetings and Submittals

In response to DEQ concerns regarding the Known Releases, numerous meetings have taken place between Melching and the DEQ. Early on, emphasis was placed on data collection relating to the perimeter of the central area of Known Releases to determine if COC were moving off-site at concentrations above applicable criteria. At the same time, it was agreed that the applicable criteria for the Site were the Groundwater Surface Water Interface (GSI) criteria. As a result, initial investigations included the installation of groundwater monitoring wells and geologic borings along the perimeter of the Site adjacent to Muskegon Lake to better define the GSI. Based on the data collected from initial investigations no COCs were found to be leaving the site above applicable criteria.

At the request of the DEQ, the list of COCs was expanded and additional items of concern were included. After the completion of additional studies, it was determined that high pH groundwater was migrating to the GSI with Muskegon Lake above applicable criteria, yet causing no exceedances in the actual surface water of Muskegon Lake. A list of Melching submittals to the DEQ is included in Table 1.

2.0 Conceptual Site Model (Hydrogeology)

The following section is a summary of the hydrogeological conditions of the Site based on collected data and historical documentation.

2.1 General Geologic and Hydrologic Setting

The Site is located on the south shore of Muskegon Lake in a region known as the Michigan Lake Border Plain, which is characterized by low relief and low altitude. The low relief and altitude are the result of glacial erosion followed by post glacial deposition of clay and sand in several large glacial lakes. While dune sand is present along the Lake Michigan shoreline west of the site, none is naturally present at the site. In general, the stratigraphy in the area is composed of approximately 5 to 45 feet of lake sand deposited in glacial Lake Nipissing (4,000 years ago). Approximately 130 feet of lake clay is present below the sand that was deposited in glacial Lake Chicago (11,200 to 11,800 years ago). Below the extensive clay deposit is approximately 15 feet of glacial till (a gravel, silt, and clay mixture) from the advance and retreat of the Lake Michigan Lobe of the Wisconsin glacier (13,000 to 30,000 years ago). Sandstone bedrock is present below the till, at a total depth of 200 feet below the present ground surface.

Though not geologic in origin, the south shore of Muskegon Lake was historically filled with lumbering wastes in the 1800s, followed with fill from unknown sources in the 1900s.

2.2 Soils

At least 53 soil borings have been completed at the Site by Melching. Of those, 13 soil borings were completed at select locations for the specific purpose of preparing geologic cross sections. The borings were completed utilizing direct push methods (*Geoprobe*) and continuous core samples were collected for evaluation. The location of these soil borings is provided in Figure 3 (Soil Boring and Monitoring Well Location Map). The soil boring logs are provided in Appendix B. Figure 4 (East-West Geologic Cross Section) illustrates the site stratigraphy along the north margin of the site adjacent to Muskegon Lake. A review of Figure 4 reveals the stratigraphy consists of 15 to 16 feet of fill material composed primarily of dark brown sand in the east grading to sand, wood, and lime in the west. The fill sand does not appear to be spent foundry sand. The fill sand does contain trace amounts of wood, gravel, coal, lime, and brick. A two to three foot thick layer of wood and peat is located below the fill sand that likely represents the former bottom of Muskegon Lake prior to filling. A 12 to 35 foot thick layer of gray fine sand with shells is located below the wood and peat. Gray clay (with varves) is located below the fine sand layer, with the top of the clay sloping from 30 feet in depth in the east to 52 feet in depth in the west.

Figure 5 (North-South Geologic Cross Section) illustrates the stratigraphy through the central portion of the site. In the south (LMW-1) the stratigraphy consists of 8 feet of densely compacted wood chips above 4 feet of sand fill with bricks. A one foot layer of wood and peat is then encountered. Light brown fine sand (natural) extends from the peat to 49 feet in depth, at which point dense gray clay is encountered. Although no borings were completed by Melching farther south of LMW-1 (in the vicinity of the railroad tracks), the soils are reported by

the Muskegon County Soil Survey to be natural sand (Roscommon and Au Gres) to the depth of clay. In the north, directly north of the stormwater retention basin (former surge basin) the subsurface was found to consist of 18 feet of brown fill sand, one (1) foot of wood and peat, then 32 feet of gray fine sand. Soft gray clay was encountered at a depth of 51 feet.

2.3 Groundwater Flow Direction and Velocity

To determine the groundwater flow direction and velocity for the conceptual site model, Lakeshore initially installed and developed 10 groundwater monitoring wells at select locations surrounding the Known Releases. The number of wells on the site has been expanded since 2012, and 29 wells installed by Melching were present in early 2014. All wells have been surveyed for location and elevation. A summary of monitoring well information is provided in Table 2. Based on site stratigraphy, it was confirmed that a single unconfined water bearing formation is present at the site that ranges from 27 feet in thickness in the east to 42 feet in thickness in the west. The water bearing formation is underlain by an extensive clay aquitard. Utilizing the groundwater elevations from the monitoring wells, flow was determined to be northerly at an average gradient of 0.006 (Figure 6). Groundwater elevation data from the shallow/deep well clusters was used to calculate the vertical gradient in the upgradient (LMW-1s/1d) and downgradient (LMW-3s/3i/3d) locations. At the upgradient location (LMW-1s/1d), the vertical gradient is primarily upward (discharge), indicating that groundwater from elevated recharge areas to the south is migrating vertically to the clay then upwelling at the site. Presently, during times of high precipitation and water levels, the vertical gradient is downward or recharge, as surface water infiltrates vertically to become groundwater. At the downgradient locations (LMW-3s/3i/3d, LMW-4s/4i1/4i2/4d, LMW-5s/5s, LMW-8s/8d, LMW-9s/9d) the vertical gradient is always upward (discharge). At downgradient location LMW-11s/11d the gradient was upward until August 2014, at which time the high water levels and precipitation resulted in a downward gradient (similar to wells LMW-1s/1d). The stormwater retention basin (former surge basin) is always higher than the surrounding groundwater and is in a recharge condition. It is for this reason that the data from the wells downgradient of the former surge basin (LMW-3s/3i/3d) are believed to be representative sampling points for groundwater leaving the former surge basin. The calculated vertical gradients are 0.002 in the south and 0.012 in the north. Both the horizontal and vertical groundwater flow directions and gradients are consistent with those expected in this geologic setting.

To determine the hydraulic conductivity and porosity of the water bearing formation, which is required to calculate groundwater flow rates, pneumatic falling head tests and grain size analysis were performed. The data from these tests was provided in earlier reports, with the average hydraulic conductivity of the water bearing formation calculated to be 46 feet/day, and the porosity estimated to be 0.4. Using these values, a groundwater flow rate of 0.7 feet per day is calculated.

2.4 Groundwater/Surface Water Interface

The calculated groundwater flow direction and stratigraphy verify that groundwater is flowing to the sediment of Muskegon Lake. This occurs along a seepage face designated the groundwater/surface water interface (GSI). The GSI is the entire length and width of the saturated soil along the northern margin of the Site, with potential lesser contributions from

the east and west margins of the site. Beginning in 2012, Melching has installed numerous groundwater monitoring wells directly adjacent to the GSI along Muskegon Lake. These wells are designated the near GSI wells. Based on data collected from the near GSI monitoring wells, there are 2 distinct locations along the GSI where groundwater exceeds generic GSI criteria. However, the groundwater does not exceed Mixing Zone Based Criteria at any location, with the exception of pH at the LSP, as explained below in Section 2.5.

To more accurately define the specific locations where groundwater downgradient of the Known Releases and the LSP was entering Muskegon Lake, beginning March 27, 2014, LEI installed temporary wells within the sediment of Muskegon Lake and collected groundwater samples. When completed, LEI had collected 56 groundwater samples and 28 surface water samples from the area downgradient of the Known Releases, and 65 groundwater samples and 40 surface water samples from the area downgradient of the LSP. The data from the sampling at these locations is provided in Table 3 and Table 4, respectively. The data is illustrated in Figure 7 and Figure 8, respectively. A complete evaluation of collected data was submitted in the July 24, 2014 *Investigation Update*.

With regard to the GSI at the Known Releases, the data verifies that pH is not above DEQ Part 201 Generic Non-Residential Cleanup Criteria (GNRCC) at the GSI (6.5 to 9.0 s.u.), even though near GSI wells LMW-4i2 (10.09 s.u.) and LMW-4d (10.49 s.u.) exceed the GNRCC. Although not above criteria, the color of the groundwater very accurately defined the width of the relevant GSI. During sampling it was noted that the groundwater at select locations was tea colored, which was identical to the tea color of the groundwater at LMW-4i2 and LMW-4d. The resulting area of tea colored groundwater (Figure 7) which represents the width of the relevant GSI, was 125 feet. It should be noted that surface water samples collected immediately above the sediment of Muskegon Lake showed no elevated COCs or evidence of tea colored staining. The vertical extent of the relevant GSI was defined by TDS to be the entire saturated thickness of the aquifer (39 feet).

With regard to the GSI at the LSP, the data defined an area where groundwater was above the GNRCC for pH (Figure 8), although the surface water samples collected were below GNRCC. The horizontal extent of the relevant GSI was defined to be 550 feet wide based on pH. The vertical extent of the relevant GSI was defined to be the entire saturated thickness of the aquifer (41.5 feet) based on TDS.

2.5 Mixing Zone Based Criteria

Considering that the generic GSI criteria were developed for application to any GSI situation, they are conservative. As a result, the DEQ provides numerous options to address site specific GSI concerns. To properly evaluate this exposure pathway relative to Site-specific conditions, Melching submitted a request to the DEQ for Mixing Zone Based Criteria on August 15, 2014. In the Administrative Order by Consent to which this Closure Report is appended, the DEQ approved Mixing Zone Based Criteria for arsenic, selenium, silver and TDS (as set forth in Appendix C). No Mixing Zone Based Criteria is available for pH. Taking the Mixing Zone Based Criteria into consideration, the only COC above the GSI criteria is pH from the LSP.

3.0 Summary of Site Investigations

3.1 Due Care Activities

Melching, as the owner of a site with known environmental contamination, is required to prepare and implement a Due Care Plan. An initial step in the preparation of the plan is the identification and evaluation of possible environmental hazards. Prior to occupation, Melching evaluated the Site and provided training to employees with regard to hazards. Training has continued throughout demolition activities, as new tasks are undertaken and the focus of operations moves to different areas of the Site. Since Melching's acquisition of the Site all of the process chemicals have been removed, and the work force has been reduced from approximately 1,000 employees (Sappi) to less than 50 (Melching).

Melching encountered several instances where it was necessary to excavate soil. In each case, Melching contacted LEI prior to excavation activities to evaluate soils for due care purposes. In all cases, soil samples were collected and analyzed at an outside laboratory. A summary of this data was provided to the DEQ in the February 24, 2014 *Due Care Sampling Summary*.

3.2 Soil

After a thorough review of available data regarding the Known Releases at the Site, and the potential risks associated with the releases, no immediate concerns were identified with respect to the soil. As a result, soil sampling was completed primarily for due care activities, as discussed above. Numerous soil samples were also collected during monitoring well installation to evaluate the Site hydrogeology.

A summary of soil testing data in areas associated with the Known Releases, the LSP, and the Coal Storage Areas is provided below. The data is summarized (and illustrated) in Figure 9. Pertinent soil testing data is provided in Appendix D.

3.2.1 Known Releases

In November 2011, Melching completed three soil borings for due care purposes prior to the installation of a below grade electrical service required to operate fire suppression pumps. The soil borings were in the area of the Known Releases, specifically the fuel oil release near Building 50/56 (DEQ Item of Concern #16). The borings were completed to a depth of 4.0 feet (the proposed trench depth) with the soils screened with a flame ionization detector (FID) to detect the presence of ionizable compounds in the soil. No stained soils, odors, or positive FID readings were discovered in any borings. Though no FID readings were observed, the samples were submitted for analysis of Michigan 10 metals, polynuclear aromatic hydrocarbons (PNAs), and volatile organic compounds (VOCs). Laboratory results reported no metals, PNAs, or VOCs, above GNRCC with the exception of selenium at one location which slightly exceeded the generic GSI criteria. However, the concentration of selenium identified in the soil was within the range for natural soil in Michigan, and selenium was not identified in the groundwater in downgradient near GSI wells.

Beginning October 2, 2012, and ending August 9, 2013, LEI collected 13 soil samples in the area of the former fuel oil release location (Item #16 of the DEQ Items of Concern). While some oil stained soil was identified at the release location, which was removed and properly disposed, the soil was tested and the results indicated that it did not exceed applicable criteria. In light of this, and also based on extensive groundwater testing that revealed no detectable volatiles or PNAs in the monitoring wells, LEI submitted a *No Further Action* (NFA) request to the DEQ on March 8, 2013. Melching received DEQ approval of the NFA on April 26, 2014.

3.2.2 Lime Storage Pile (LSP)

Lime generated from the Kraft paper process is technically not soil or waste (it is exempted waste per NREPA, PA 451, Part 115, Section 11506(1) (g)). However, the lime in the LSP is the source of high pH groundwater at the northwest corner of the Site. As a result, sampling of the lime was necessary to facilitate the removal of the lime. Being an exempt material that is valuable for soil neutralization, the lime at the Site has been sold for agricultural use for several decades. In January 19, 2012, in response to several requests to sell lime for agricultural purposes (as in the past), Melching collected two samples of the lime for due care purposes. Being due care samples, the samples were collected from lime that was believed to represent "worst case" conditions, which in this case was a powdery bright white lime and a dark green fibrous lime. The vast majority of the lime is white soft lime (typical lime). The samples were analyzed for a complete metals scan (EPA 6020A), low level mercury, chloride, and pH. Although process lime is not considered soil, the samples were compared to DEQ soil criteria for general evaluation. No COC were identified above GNRCC, with the exception of pH (which is expected for lime), and zinc above the generic GSI criteria in the dull green lime. The zinc was not considered a concern at the GSI as zinc has almost no mobility at a pH of 12.2 (the pH of the dark green lime), and zinc deficiency is common in West Michigan soils. This is further verified by the fact that zinc was not identified above the GNRCC in the groundwater samples collected from the near GSI wells at the LSP.

On April 3, 2014, LEI collected 4 surface samples of the lime at random locations within the LSP. The samples were submitted to a laboratory for analysis of pH and metals. A separate composite sample was also collected and submitted for agricultural testing. The test data revealed that 3 lime samples contained chromium slightly above the Generic GSI Protection (GSIP) criteria, and 1 sample contained selenium slightly above the GSIP. Again, this was not a concern as chromium and selenium have almost no mobility in high pH lime. To verify this, LEI requested that the laboratory perform leaching analysis (SPLP), a DEQ approved test designed to determine the "actual" potential for a metal to leach. None of the samples leached any metals above the generic GSI criteria. The agricultural tests verify that the lime is good quality agricultural lime, having a calcium carbonate equivalent (CCE) higher than average agricultural lime.

3.2.3 Coal Storage Areas (CSA)

Similar to process lime, coal is an industrial product and is not soil. However, in contrast to the LSP, all of the above grade coal was removed from the Site, leaving only historic residual coal/soil mixtures below grade too poor in quality to use for power generation. As described

above, and illustrated in Figure 2, the Site contains 2 CSA, separated by a boat basin or "coal slip" where coal was unloaded from lake freighters and deposited on the CSA. Samples have been collected in the CSA specifically for closure, with the complete data and methods submitted to the DEQ in the July 24, 2014 *Investigation Update*.

In summary, LEI completed 4 borings on April 4, 2014, to collect samples from below the former CSA to determine if any COC had leached from the coal to the underlying soil at concentrations above non-residential soil criteria. LEI completed 2 borings in the east CSA and 2 borings in the west CSA. Samples were collected continuously in the borings in clear acetate cores and inspected for the presence of coal. At the depth where coal was no longer present, samples of the underlying soil were collected for comparison to the DEQ soil criteria. No COC were identified in the soil samples above the GNRCC, which in this case is the GSIP or surface water protection criteria, which is the concentration in the soil that would result in leaching above the generic GSI criteria. As a result, actual leaching tests were not necessary.

3.3 Groundwater

Lakeshore has sampled 29 different monitoring wells at the Site utilizing approved low flow sampling methods. Many of the wells have been sampled several times since April 2012, and have provided data relevant to seasonal variation and natural attenuation. Relevant groundwater sampling data is illustrated in Figure 10. Additional groundwater information is provided in Appendix E.

A summary of the groundwater and surface water elevation data is provided in Appendix F. Based on the data, the groundwater flow direction and rate is unchanged throughout the year. The groundwater elevations have gradually increased 2.19 feet from September 2012 to August 2014. This correlates with an increase in the elevation of the area water table and a corresponding increase of Muskegon Lake of 1.75 feet over the same period.

3.3.1 Known Releases

On April 18, 2012 Lakeshore initiated groundwater sampling in the area of Known Releases via the sampling of 10 monitoring wells that surrounded all of the Known Releases. Samples were analyzed for Michigan 10 metals, polynuclear aromatic hydrocarbons (PNAs), volatile organic compounds (VOCs), sodium, and sulfate. No COC were identified above GNRCC.

The initial wells were tested again on June 20, 2012, for sodium, sulfate, and PNAs, again, with no COC above GNRCC.

On July 31, 2012, 8 newly installed near GSI wells were sampled for Michigan 10 metals, sodium, and sulfate. Arsenic (LMW-4i2, LMW-4d), chromium (LMW-4i2, LMW-4d), silver (LMW-4d), and pH (LMW-4i2, LMW-4d), were discovered over GNRCC in the deeper wells in a single monitoring well cluster location.

On August 27, 2012, wells LMW-4i2 and LWM-4d were sampled for arsenic, hexavalent and trivalent chromium, and silver with similar results, except that LMW-4i2 was now below

applicable criteria for chromium, and no hexavalent chromium was discovered in the groundwater.

On March 27, 2014, near GSI wells LMW-4i2 and LMW-4d, the only site wells with COC over the GNRCC, were sampled for arsenic, chromium, and silver. Only well LMW-4d exceeded the generic GSI criteria for arsenic, however, both wells still exceeded the pH criteria.

Also beginning March 27, 2014 and proceeding into April 2014, LEI collected 56 groundwater samples from beneath the sediment of Muskegon Lake to determine the horizontal extent of high pH groundwater downgradient of the near GSI wells. Although tea colored groundwater (substantially the same color as was discovered in LMW-4i2 and LMW-4d) was discovered in the temporary wells used to collect samples, none of the samples contained pH that exceeded the GSI criteria. In addition, the tea color found in the groundwater was not observed in any of the 28 surface water samples collected at this location.

On August 1, 2014, LEI collected groundwater samples from LMW-4s, LMW-4i1, LMW-4i2, and LMW-4d and analyzed the samples for total dissolved solids (TDS). The TDS in the groundwater ranged from 710 mg/l in LMW-4s to 2,500 mg/l in LMW-4d. These values exceed the generic GSI criteria for TDS of 500 mg/l, but are significantly lower than the Site Specific Mixing Zone Based Criteria of 3,250 mg/l.

On August 6, 2014, LEI collected additional groundwater samples from LMW-4s, LMW-4i1, LMW-4i2, and LMW-4d and analyzed the samples for total phosphorus. Total phosphorus ranged from 0.266 mg/l in LMW-4i2 to 0.380 mg/l in LMW-4d, both values significantly below the generic GSI criteria of 1.0 mg/l.

3.3.2 Lime Storage Pile (LSP)

To evaluate high pH groundwater relating to the LSP, if present, LEI installed three groundwater monitoring wells on March 27, 2014. The wells included a shallow and deep well cluster in an area downgradient of the lime storage area (northwest), and a shallow well installed in an area upgradient of the lime storage area (south). The primary objective of the well installations was to more accurately determine the groundwater flow direction downgradient of the lime storage area in preparation of groundwater sampling in the sediment of Muskegon Lake. Another significant objective was to collect groundwater pH values at the near GSI well locations.

Well installation was initiated at the upgradient location (LMW-10) where the well was installed to a depth of 13.5 feet. Wells LMW-11s and LMW-11d were installed downgradient of the LSP, at depths of 20 feet and 40 feet respectively. Groundwater elevations in the wells verified that flow was to the northwest. Following the groundwater elevation determination, the downgradient wells were purged using low flow methodology and the field parameters measured. Most significantly, the pH of LMW-11s was 13.18, and the pH of LMW-11d was 12.16, both values above the applicable criteria range of 6.5 to 9.0. In light of this data, Melching authorized LEI to initiate groundwater sampling in the sediments of Muskegon Lake.

As the downgradient extent of high pH groundwater from the LSP was not obtained at the near GSI wells, on March 31, 2014 LEI initiated the collection of groundwater samples from the sediment below Muskegon Lake utilizing temporary wells. Sampling progressed until the extent of high pH groundwater was determined, which required the collection of 65 groundwater samples. At select locations, groundwater samples were pumped directly from the sample tubing to appropriate laboratory containers for potential laboratory analysis at a later date.

On April 3, 2014, LEI collected groundwater samples (re-samples) at select locations and submitted the samples to a laboratory to verify the field pH results from the earlier field analysis. The analytical results verified the earlier pH results.

On April 11, 2014, LEI sampled LMW-11s and LMW-11d to verify earlier pH results. In addition to field parameters, groundwater samples were submitted to a laboratory for analysis of Michigan 10 metals and pH. LMW-11s exceeded the generic GSI criteria for pH, arsenic, selenium, and silver, whereas LMW-11d only exceeded the generic GSI criteria for pH. Utilizing the Mixing Zone Based GSI criteria, applied to all locations, only pH exceeded the criteria in this area.

On April 30, 2014, LEI submitted preserved samples from the temporary wells (collected March 31, 2014 and April 1, 2014) to the laboratory for analysis of arsenic, selenium, and silver, the compounds identified in the near GSI wells above the generic GSI criteria. At the location with the highest pH and closest to the near GSI wells (NO W50), arsenic, selenium, and silver exceeded the generic GSI criteria, but not the Mixing Zone Based GSI criteria. Although no metals exceed mixing zone based GSI criteria, it should be noted that the elevated metals in the groundwater are the result of high pH groundwater moving through historic fill materials from unknown sources (potentially including spent foundry sand). Thus reduction of pH in the groundwater via the activities proposed in the Lime Management Plan (or natural attenuation) will reduce the mobilization of metals from the LSP into the groundwater.

On August 1, 2014, and again on August 8, 2014, LEI collected groundwater samples from near GSI wells LMW-11s and LMW-11d, and analyzed the samples for TDS. The maximum TDS value obtained in the testing was 1,900 mg/l in LMW-11s and 940 mg/l in LMW-11d. The maximum TDS of 1,900 mg/l is above the generic GSI criteria of 500 mg/l, but well below the site specific Mixing Zone Based GSI criteria of 3,250 mg/l.

3.3.3 Coal Storage Areas (CSA)

As discussed in Section 3.2.2, soil sampling data from below the CSA verifies that COCs do not have the potential to leach above criteria and ultimately enter the groundwater. As a result, no groundwater testing was deemed necessary in the CSA. In support of this conclusion is sediment sampling data from the GSI directly adjacent to the CSA. On November 14, 2011, LEI collected 10 sediment samples from the bottom of Muskegon Lake for anticipated dredging of areas adjacent to the CSA to improve access to the coal slip. Samples SS-1 through SS-6 were located immediately adjacent to the west CSA, and samples SS-7 and SS-8 were located immediately adjacent to the east CSA. Samples were collected at the proposed dredge depths,

with the minimum depth being 3.5 feet into the sediment. At this depth, the sediment samples were saturated with groundwater from the coal storage areas. The sediment samples consisted of fine materials (mud). Per dredge sampling protocol, all of the fine sediments were submitted for analysis of 12 heavy metals, PNAs, and PCBs. In accordance with the EPA methods for analysis of sediment samples, all of the water (in this case – groundwater) contributes to the concentrations of COC in the sample. All of the sediment samples met DEQ applicable criteria for upland disposal. When compared to Part 201 criteria for soil, all of the samples met generic GSIP, with the exception of selenium in SS-4 and SS-5. No COC exceeded the Site Specific Mixing Zone Based criteria (including the selenium in SS-4 and SS-5). Based on the data from the sediment samples, which included groundwater from the CSA, LEI concludes that the CSA do not leach hazardous substances at concentrations that pose a threat to the environment. A summary of the sediment sampling data is provided in Table 6. The sediment sampling locations are illustrated in Figure 9.

3.4 Surface Water

Melching has collected surface water samples for due care purposes beginning March 29, 2012 (shortly after occupancy of the site). To date, Melching has collected 84 surface water samples, and analyzed these samples for an extensive list of parameters, including, VOCs, PNAs, metals, sulfate, sodium, chloride, hardness, alkalinity, total phosphorus, pH, dissolved oxygen, specific conductance, oxidation reduction potential, turbidity, and temperature. Surface water samples were collected at three locations within the water column utilizing 3 different sampling methods, which are described below:

1. Directly above the sediment at the base of Muskegon Lake utilizing a 4 inch long stainless steel point. Samples were collected using low flow methodology.
2. Directly above the sediment at the base of Muskegon Lake utilizing a 2.5 inch diameter horizontal *Kemmerer* sampler. The sampler would be lowered to the bottom of the lake and allowed to rest on the bottom for 5 minutes to stabilize. The sampler would be closed and the sampler brought to the surface where the sample would be transferred to appropriate sample bottles for laboratory analysis.
3. At the middle of the water column between the surface and the bottom of the lake utilizing a submersible pump lowered to the appropriate depth. The intake of the pump is 1.0 inches in diameter. Surface water was directed through polyethylene tubing and samples collected utilizing low flow methodology.

Surface water samples were collected at the locations illustrated in Figure 11. Pertinent surface water sampling data is provided in Appendix F. Of all the samples collected and analyzed, no parameters were above applicable criteria with the exception of mercury, which was found in water samples collected all over Muskegon Lake, not just off-shore of the Melching Site. Considering mercury has not been identified in the groundwater or surface water at the Melching Site, the presence of low levels of mercury (barely detectable) is from background conditions in Muskegon Lake.

It should also be noted, specifically, that there was no exceedance of pH or discoloration of surface water at any location.

3.5 Vapor/Air

Vapor/air testing has occurred continuously at the Melching Site for due care purposes. The only COC identified that is a concern with regard to air is asbestos, for which Melching has an on-site consultant who specializes in asbestos identification and remediation. Prior to any activities on the Site, a complete vapor/air investigation was completed in which all asbestos containing materials were identified and isolated. In fact, no asbestos abatement activities have occurred without prior encapsulation and monitoring before, during, and after demolition activities. In all the testing, which occurs almost daily, no asbestos has been identified in the atmosphere outside of the abatement enclosures, nor in the soil or water.

Based on the analysis of numerous soil and groundwater samples, no COC has been identified above the DEQ vapor inhalation criteria.

4.0 Extent of Contamination

4.1 Soils

4.1.1 Known Releases

Prior to occupancy, Melching reviewed all available records from Sappi and the DEQ regarding the environmental quality of the Site soil. Emphasis was placed on soil hazards that may be encountered during demolition, and what steps may be required to prevent exacerbation of any potential soil contamination. Based on this review, and operational data from former Sappi employees who worked at the Site, LEI concluded that soil contamination, if present, was confined to the Site and had no potential to leave the site unless disturbed during excavation activities. As a result, the decision was made to address any potential soil contamination during focused due care activities, as opposed to an expensive exploratory grid of widely spaced soil borings.

To date, no soil contamination in the area of Known Releases has been identified above applicable criteria. It is possible that soil contamination exists based on the DEQ Items of Concern, however, if it exists, it is confined to the immediate area of the release, as specific inspections of these locations prior to occupancy of the site revealed no obvious evidence of the releases. In fact, based on available data, most of the releases were addressed by Sappi at the time of discovery, many years prior to the purchase of the site by Melching.

4.1.2 LSP

As explained earlier, lime generated from Kraft paper production is not soil. Even so, COC for process lime include pH and metals. Being lime, however, the clean white lime below the surface of the LSP contains a pH higher than the "soil" criteria. The horizontal extent of high pH lime is limited to the perimeter of the LSP. The vertical extent of high pH lime is limited to an approximate elevation of 579 based on profile borings in the LSP. This elevation equates to an approximate depth below the grade of the Site of 9 feet.

Six (6) samples of the lime were tested for metals, with all samples meeting applicable criteria.

4.1.3 CSAs

Similar to lime, coal is known to contain COC above DEQ criteria, yet it is sold, stored, and distributed to thousands of locations throughout Michigan. As a result, testing of the coal and comparison to "soil" criteria was deemed impractical. In light of this, the horizontal extent of soil contamination is the limit of the CSAs, as illustrated in Figure 2.

The vertical extent of coal and corresponding soil contamination was determined based on the results of 4 profile borings completed in the coal storage areas. The profile borings were completed to determine the depth of coal, and to collect samples of the actual soil beneath the coal for evaluation of COC. All of the submitted soil samples were found to be below applicable criteria for metals, defining the vertical extent of soil contamination from coal to be limited to the average elevation of 582 in the east CSA and 584 feet in the west CSA, which equates to an average depth below grade of 5 feet and 6 feet respectively.

4.2 Groundwater

4.2.1 Known Releases

The horizontal extent of groundwater contamination in the area of the Known Releases is defined as follows:

1. To the south by LMW-1s and LMW-1d.
2. To the east by LMW-6, LMW-7, LMW-9s, and LMW-9d.
3. To the west by LMW-1s, LMW-1d, LMW-2, LMW-8s, and LMW-8d.
4. To the north by groundwater samples N25 W50, N25 W0, N25 E50, N50 E100, and N50 E150.

The vertical extent of groundwater contamination in the area of the Known Releases is defined by the lower clay layer which is found at a depth of 49 feet in the south sloping slightly downward to a depth of 51 feet in the north.

The groundwater contamination within this area is composed of the following COC: pH, TDS, arsenic, chromium, and silver. It should be noted that these metals are commonly identified in the groundwater of the Muskegon Lake area based on the *Summary Report Area-Wide Assessment of Historic Fill of Muskegon Lake Shoreline, September 2008*.

4.2.2 LSP

The horizontal extent of groundwater contamination at the LSP is defined as follows:

1. To the south by LMW-10.
2. To the east by LS-S and LS-N.
3. To the west by S350 W25, S200 W300, ON W300, and N200 W200.
4. To the north by N200 W200, N300 OE, and N300 E150.

The vertical extent of groundwater contamination at the LSP is defined by the lower clay layer which is found at a depth of 49 feet in the south and 52 feet in the north.

The groundwater contamination within this area is composed of the following COC: pH, TDS, arsenic, selenium, and silver (all metals which are commonly identified in the groundwater of the Muskegon lake area, as stated above).

4.2.3 CSAs

No groundwater contamination has been identified at the CSAs.

5.0 Response Activities Performed by Melching

Immediately after occupancy, Melching initiated numerous response activities to improve the environmental condition of the Site. A brief summary of these activities is provided below:

- Removed and properly disposed all hazardous materials (e.g. hydraulic oils, transformer oils, gasoline, paints, turpentine thinners and solvents, freon and refrigerants, sodium thiosulfate, potassium permanganate, PCB ballast from lighting, potassium hydroxide, sulfuric acid, phosphoric acid, hydrochloric acid, etc.).
- Encapsulated and removed asbestos from the entire facility at a cost in excess of 1 million dollars.
- Removed 637 above ground storage tanks. No new underground storage tanks have been identified during demolition activities (all 13 underground tanks were removed by Sappl in the 1990s).
- Removed and properly disposed of the waste materials in the 637 above ground tanks described above.
- Assisted in the removal of the remaining coal piles.
- Removed 1,769 tons of lime from the LSP both in pellets and in bulk.
- Excavated soil at the former fuel oil release location (DEQ Item #16) and properly disposed. Received closure from DEQ.
- Constructed stormwater filtration and retention basin. Contoured coal storage area and wood chip storage to drain to filtration basin.
- Partially covered coal storage area with crushed concrete to reduce potential direct contact with coal and reduce infiltration.
- Commenced daily inspection program of the site perimeter and stormwater collection system and measure pH of the collected stormwater.
- Initiated groundwater treatment via carbon dioxide injection.

In addition to the source removal and neutralization activities discussed above, Melching has conducted the following response activities relating to the characterization and definition of potential environmental concerns:

- Collected and analyzed 194 groundwater samples.
- Collected and analyzed 32 soil samples.
- Collected and analyzed 84 surface water samples.
- Collected and analyzed 16 other samples.
- Completed 61 soil borings.
- Installed 29 groundwater monitoring wells.
- Compiled and submitted 16 environmental reports to the DEQ (including this report).

With the community in mind, it should also be noted that Melching has not pursued numerous potentially profitable opportunities related to the existing industrial use of the Site. These opportunities included:

- Ship scrapping.
- Scrap iron storage and transportation.
- Liquid asphalt storage and distribution.
- Dry fertilizer storage and distribution.
- Power production, including biofuels.
- Sand loading dock.
- Aggregate storage.
- Marine repair facility (dry dock for large vessels).
- Preformed concrete manufacturing.
- Food processing.

In these examples, Melching's decision to progress with mixed use development was a response that was beneficial to the environmental resources of the area, as these activities would have resulted in increased use and presence of hazardous substances and would have potentially impaired closure opportunities.

6.0 Institutional, Access, and Use Controls

The Site is currently protected by various recorded restrictions. To facilitate closure and re-development, in conjunction with the CNTS agreement, the existing restrictions will be released. Melching will simultaneously record replacement restrictions to address risk management and due care issues associated with the Site. A copy of the deed restrictions approved by the DEQ is attached to the Consent Agreement referenced above. A summary of the institutional, access, and use controls is provided in the sections below.

6.1 Groundwater Use Restrictions

A restrictive covenant will be placed on the Site that prohibits the use of groundwater. The Site is supplied with municipal water and sewer so there is no need to use groundwater, with the exception of dewatering for development purposes. However, no dewatering will occur unless proper characterization of the groundwater has been conducted and treatment equipment is in place and operational (if necessary), pursuant to applicable regulatory guidelines.

6.2 Soil Use Restrictions

New restrictions approved by the DEQ will be placed on the entire Site prohibiting the use of the soil to generally provide that no excavation, relocation, movement, or removal of soils from the Site will occur unless proper characterization of the soil has been conducted and appropriate handling, staging, and disposal methods have been arranged pursuant to applicable regulatory guidelines.

6.3 Lime Storage Pile Restrictions

Restrictions approved by the DEQ will be imposed on the LSP to protect the cover as described in the LMP from disturbance or destruction as the cover is specifically designed to eliminate direct contact with the remaining lime and the cover reduces the infiltration of precipitation which may result in high pH groundwater.

6.4 Miscellaneous Restrictions

1. Existing zoning limits the use to non-residential exposures.
2. The entire Site is enclosed within a locked fence that restricts access to the Site for unauthorized purposes.

7.0 Risk Assessment & Analysis

7.1 Site Use and Applicable Comparison Criteria

The Site is currently zoned industrial. Given this land use designation and the nature of known contamination on the Site, current DEQ Part 201 Generic Non-Residential Cleanup Criteria (GNRCC) were the applicable comparison criteria utilized to evaluate exposure pathways relative to the intended non-residential closure of the Known Releases, LSP and CSA.

7.2 Exposure Pathway Evaluation

The exposure pathway evaluation relies on data collected from locations related to the Known Releases, LSP and CSA, which was compared to the applicable criteria. This data is representative of the potential hazardous substances of concern considering past Site use. Based on the information provided below, no complete exposure pathways exist.

Soil Direct Contact Pathway

No known soil contamination exists related to the Known Releases, LSP and CSA. To address additional potential concerns regarding direct contact in areas where surface soils and/or non-soil materials may raise direct contact concerns, access to the site is restricted by a fence and other security measures. Therefore, the soil direct contact pathway is not complete.

Particulate Soil Inhalation Pathway

No known soil contamination exists related to the Known Releases, LSP and CSA; therefore, the particulate soil inhalation pathway is not complete.

Drinking Water Pathway

Although hazardous substances have been identified in the Site groundwater at concentrations above GNRCC for the drinking water pathway, the Site water supply is provided by a clean municipal source. Furthermore, a recorded restriction prohibiting the use of groundwater at the Site for potable or irrigation purposes and will be continued in the replacement restrictions. Additionally, the City of Muskegon Ordinance Chapter 34 (Article III, Sections 65-67) prohibits the extraction of groundwater for potable or irrigation purposes. Therefore, the drinking water pathway is not complete.

GSI Pathway

Hazardous substances related to the Known Releases, LSP and CSA have been identified in the Site groundwater at levels in excess of GNRCC for the GSI exposure pathway. However, the generic GSI criteria for the hazardous substances of concern were developed for application to any GSI situation, so they are deliberately conservative and not Site-specific.

To properly evaluate this exposure pathway relative to Site-specific conditions, Melching submitted a request to the DEQ for Mixing Zone Based Criteria on August 15, 2014. In the Administrative Order by Consent to which this Closure Report is appended, the DEQ approved Mixing Zone Based Criteria for arsenic, selenium, silver and TDS (as set forth in Appendix C). No Mixing Zone Based Criteria is available for pH.

Utilizing the Site-Specific Mixing Zone Based Criteria, arsenic, selenium, silver and TDS concentrations do not represent a GSI exposure pathway concern. While pH does exceed the generic GSI criteria in the northwest corner of the Site (i.e. the LSP plume), remedial activities are proposed in the Lime Management Plan (LMP), dated December 9, 2014, which will effectively neutralize the pH conditions to normal levels. Closure of that single unresolved IOC issue, will occur in the future as contemplated in the CNTS and LMP.

Considering the above, the GSI exposure pathway is not complete for any of the IOC issues for which closure is sought in this report.

8.0 Conclusion

Melching has prepared this Closure Report to specifically address environmental concerns at the Site, with the exception of high pH groundwater caused by the LSP. This high pH groundwater has not resulted in measureable environmental degradation to Muskegon Lake. Furthermore, the high pH groundwater is in the process of active remediation in accordance with the LMP.

In the absence of any complete exposure pathways, LEI concludes that the "Closure" of this Site is justified and requests that the DEQ acknowledge that Melching, Inc. has met all obligations with regard to Part 201 requirements for the Site, except for closure in the future of the elevated pH at the GSI from the LSP, pursuant to the LMP.

Attachment D

**REPLACEMENT DECLARATION OF ENVIRONMENTAL COVENANTS,
RELEASE AND INDEMNITY**

THIS REPLACEMENT DECLARATION OF ENVIRONMENTAL COVENANTS, RELEASE AND INDEMNITY, (this "Declaration"), made this ___ day of _____, 2016 (the "Effective Date"), by Melching, Inc., a Michigan corporation ("Melching" or "Declarant" or "Grantee"), in order to provide for the orderly development of the property commonly known as 2400 Lakeshore Drive, and other parcels all in Muskegon, Michigan, as more particularly described in attached Exhibit 1 (the "Real Property"), subject to certain restrictions concerning the use, development and testing of certain portions of the Real Property (defined below and in Exhibit 1 as the "Restricted Parcels"), and to induce S.D. Warren Company, a Pennsylvania corporation ("S.D. Warren" or "Grantor"), the Grantor under that certain Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated August 23, 2011 and recorded August 29, 2011 in Liber 3888 of Muskegon County Records at Page 749 (the "Original Quit Claim Deed"), amended by that certain Amendment to Declaration Of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated October 23, 2012, and recorded December 13, 2012, in Liber 3933 of Muskegon County Records at Page 397 (as further amended as of the Effective Date, the "Quit Claim Deed"), to release from the Quit Claim Deed as of the Effective Date certain restrictions concerning the use, development and testing of the Real Property and to discharge and release, in its entirety, as of the Effective Date that Declaration of Covenants, Conditions and Restrictions dated August 25, 2011 and recorded August 29, 2011, in Liber 3888 of Muskegon County Records at Page 748, amended by that certain Amendment to Declaration Of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated October 23, 2012, and recorded December 13, 2012, in Liber 3933 of Muskegon County Records at Page 397 (the "Prior Declaration") executed by and between S.D. Warren and Melching with respect to the Real Property.

ENVIRONMENTAL COVENANTS, RELEASE AND INDEMNITY

Declarant hereby represents, warrants, covenants and agrees to and with the Grantor Parties (terms not defined in the text of this Declaration are defined in paragraph 4 of this Declaration) as follows:

1. **Representation and Warranty.** Declarant hereby reaffirms the following representation and warranty that Declarant, as Grantee under the Original Quit Claim Deed, made to Grantor as of the date of the Original Quit Claim Deed, to induce Grantor to convey the Real Property to Declarant as Grantee under the Original Quit Claim Deed:

Grantee represents and warrants that as of the date of the Original Quit Claim Deed, Grantee has conducted such inspections and investigations of the Real Property, including environmental conditions, as Grantee deemed appropriate in Grantee's sole discretion and, based on such inspections and investigations, Grantee accepts the condition of the Real Property, including specifically without limitation, the environmental and geological condition of the Real Property, in an "AS-IS" and with "ALL FAULTS" condition. **GRANTEE ACKNOWLEDGES AND AGREES WITH GRANTOR THAT: (i) GRANTEE IS PURCHASING THE REAL PROPERTY IN "AS-IS, WHERE IS" CONDITION "WITH ALL FAULTS" AND DEFECTS AS OF THE DATE OF THE ORIGINAL QUIT CLAIM DEED AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, OR ANY OTHER WARRANTY OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF GRANTOR OR THE GRANTOR PARTIES.**

2. **Hazardous Substances.** The Grantee Parties acknowledge that the portion of the Real Property encompassed by the Restricted Parcels is a "facility" as defined by MCL 324.20101(1)(s) due to presence of Hazardous Substances in soils and groundwater at, on under and from the Restricted Parcels in excess of the concentrations that satisfy the cleanup criteria for unrestricted residential use.

The Grantee Parties (including each Subsequent Grantee) hereby fully release and forever discharge Grantor and the Grantor Parties, and each Subsequent Grantee shall be deemed to have fully released and forever discharged the Grantor, the Grantor Parties and the Melching Parties, from liability with respect to any Claims existing as of the date of the Original Quit Claim Deed, as of this date, or in the future resulting from, arising out of or relating to the condition of the Property, or non-compliance with any Environmental Law related to the Property, and from all Environmental Liabilities related to the Property, including without limitation, any environmental contamination, or presence of Hazardous Substances and the handling, use, treatment, removal, storage, decontamination, cleanup, transport or disposal thereof, whether such contamination or Hazardous Substances are located on, at or under the Property, or have migrated or will migrate from or to the Property, and the Grantee Parties hereby waive any cause of action (including without limitation any right of contribution) a Grantee Party had, has or may

have against a Grantor Party, with respect to the foregoing, whether arising under common law, or federal, state or local statute, rule or regulation. The foregoing release and discharge shall apply to any condition or noncompliance with Environmental Law, including any environmental condition, past, present or future, known or unknown, suspected or unsuspected, contemplated or unanticipated or any liability a Grantee Party may incur as a result of any claim or other assertion of liability by a third party. Each of the Grantee Parties also waives the benefits of all laws which provide that a waiver of unknown Claims is unenforceable or which would otherwise limit the obligations, waivers or releases of the Grantee Parties set forth in this deed. This release shall be construed broadly, so that if any question arises as to its scope, breadth or duration, the release shall be effective and not subject to any exception or restriction, whether or not foreseen or foreseeable, at the time this Declaration with Environmental Covenants, Release and Indemnity is signed. The foregoing release, discharge and covenants in this paragraph 2 shall constitute a real covenant, and not a personal obligation, and shall run with and burden the land and be binding upon all future owners of, and successors to, any interest in the Real Property, to the same extent as the same are binding upon the Grantee Parties. The foregoing release and waiver shall not, however, apply to Claims against a Grantor Party or a Melching Party arising from a new release of hazardous substances or exacerbation of existing contamination on the Property, to the extent the Claim is attributable to the negligence or misconduct of the Grantor Party or Melching Party asserting the right to the release or waiver.

3. **Indemnification.** Each Grantee Party (including each Subsequent Grantee) for itself hereby covenants and agrees with the Grantor Parties that it shall indemnify the Grantor Parties, and each Subsequent Grantee shall be deemed to covenant and agree with the Grantor Parties and the Melching Parties that it shall indemnify the Grantor Parties and the Melching Parties, and hold them harmless from, against and in respect of any and all Environmental Liabilities associated with the Property arising from any or all of the following: (1) the failure or refusal of the Grantee Party to perform the Due Care Obligations of such Grantee Party with respect to its ownership of or activities on the Property or any portion thereof; (2) any exacerbation of Hazardous Substances at, on, under or from the Property to the extent caused by the Grantee Party or any of its directors, officers, employees, agents, subsidiaries, predecessors, contractors legal representatives, successors and assigns; (3) any and all Claims for reimbursement or recovery of any costs, fees or expenses arising from or relating to any Redevelopment Funding obtained by or on behalf of the Grantee Party; or (4) any Claims arising from the breach of any representation, warranty or covenant, or failure to perform any affirmative obligation of the Grantee Party under this Declaration. The foregoing covenants and affirmative obligations to indemnify in this paragraph 3 shall constitute a real covenant, and not a personal obligation, and shall run with and burden the land and be binding upon each Grantee Party and each future owner of, and successor to, any interest in any portion of the Property to which this paragraph 3 applies, each to the same extent as the same are binding upon the Grantee Party, provided (1) the indemnity obligations of Melching to the Grantor Parties shall not be released by the conveyance of any portion of the Real Property to any Subsequent Grantee, (2) each Subsequent Grantee shall be required to indemnify the Grantor and the Melching Parties against Claims only to the extent of liabilities arising from the act or omission of that Subsequent Grantee, and (3) the indemnity of the Melching Parties required by this paragraph shall not be binding on any Subsequent Grantee to the extent it would operate as a release or modification of the obligations

of any of the Melching Parties under these Declarations or under any written agreement between any of the Melching Parties and that Subsequent Grantee.

4. **Definitions.** As used herein, the following terms have the following meanings:

"Claim" or "Claims" means any and all demands, claims, counterclaims, actions or causes of action, suits, proceedings, investigations, proceedings, regulatory actions, assessments, losses, damages, liabilities, debts, obligations, consequential damages, costs and expenses of every kind, including without limitation interest, penalties, fines, remedial action costs, cleanup costs, and attorneys' fees and disbursements, fees of other experts or consultants, claims or other assertions of liability by third parties, and other costs and expenses.

"CNTS" means that certain Administrative Order by Consent entered into voluntarily by and between the MDEQ; the Michigan Department of Attorney General; and S.D. Warren Company d/b/a Sappi North America, Melching Inc., and Melcor LLC, as "Respondents," concerning the performance by Respondents of certain response activities at the Property.

"Declarant Site Activities" means activities Declarant or any other Grantee Party (including their successors, assigns, agents, consultants, contractors and designees, but not including any Subsequent Grantee) shall perform on the Property (i) as authorized by the then-current owner of the Property, or (ii) as required, authorized or approved by the CNTS, including without limitation implementation of the Lime Management Plan, or (iii) as performed pursuant to a plan authorized or approved by the then-current owner of the Property or the MDEQ (including removal of contaminated soils, and the removal of useful materials (such as lime), and (iv) to remove salvageable and unsalvageable building materials for disposal, reuse or resale.

"Due Care Obligations" means the obligations and duties of a person who owns or operates property that he or she knows is a facility under MCL Chapter 324, including specifically MCL - 324.20107 and 324.20114, and Mich. Admin Code. R 299.51001 - 299.51021, Part 10, Compliance with Section 20107a of Act.

"Environmental Law" means any federal, state or local law or other legal requirement pertaining to the environment, natural resources, or the health or safety of the public or employees, now or hereafter enacted, including, but not limited to: the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601, *et seq.* ("CERCLA"); the Solid Waste Disposal Act, also known as the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, *et seq.* ("SWDA" or "RCRA"); the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11011, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401, *et seq.* ("CAA"); the Clean Water Act, 33 U.S.C. §§ 1251, *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. §§ 651, *et seq.*; the Toxic Substances Control Act, 15 U.S.C. §§ 2602, *et seq.*; the Rivers and Harbors Act of 1899, 33 U.S.C. § 401, *et seq.*; the Oil Pollution Act of 1990, 33 U.S.C. § 2701, *et seq.*; each as previously amended and as amended from time to time in the future; any state or local law similar to

the foregoing; all regulations and guidance documents issued pursuant to the foregoing; all permits issued to Grantor or any of its subsidiaries pursuant to the foregoing; all common law decisions; and any other state, federal or local law, pertaining to: (i) the existence, cleanup and/or remedy of contamination on property; (ii) the emission or release of any Hazardous Substances into the environment, including, without limitation, into sewer systems or within buildings; (iii) the control of hazardous wastes; (iv) the use, generation, transport, treatment, storage, disposal, removal or recovery of Hazardous Substances, including building materials containing Hazardous Substances; or (v) worker or community protection.

"Environmental Liabilities" means Claims, judgments, damages (including punitive damages), losses, penalties, fines, liabilities, encumbrances, liens, violations, costs and expenses (including attorneys' fees) of investigation, remediation, clean-up, corrective action, monitoring, or defense of any matter arising under any Environmental Laws (whether at law or in equity) or in any way relating to (i) the environment (including any surface or subsurface physical medium or natural resource such as air, land, soil, surface waters, ground waters, stream and river sediments, and biota), (ii) the use, generation, storage, treatment, disposal, processing, transportation, handling, release, emission or remediation of Hazardous Substances, including building materials containing Hazardous Substances, or (iii) impacts on human health and safety resulting from the foregoing, of whatever kind or nature by any party, entity, or authority, whether or not resulting from the violation or noncompliance with any Environmental Laws.

"Facility" has the meaning set forth in MCL 324.20101(s), including specifically those portions of the Real Property where a hazardous substance in excess of the concentrations that satisfy the cleanup criteria for unrestricted residential use has been released, deposited, disposed of, or otherwise has come to be located in which response activities have not been completed under Part 201 that satisfy the cleanup criteria for unrestricted residential use, and any area, place, or property adjacent to the Real Property that may be associated with such releases at, on under and from the Real Property.

"Grantee Parties" means Melching, Inc. and its affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, grantors and anyone acting on its behalf or their behalf with respect to the Real Property or otherwise. Subsequent Grantees as defined herein shall become Grantee Parties upon acquisition of any ownership interest in the Real Property or any portion thereof, provided each Subsequent Grantee shall be required to indemnify the Grantor against Claims under paragraph 3 of this Declaration only to the extent of liabilities arising from the act or omission of that Subsequent Grantee.

"Grantor Parties" means S.D. Warren Company and its affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, grantors and anyone acting on its behalf or their behalf with respect to the condition of the Real Property or otherwise, including specifically but without limitation Kimberly-Clark Corporation and Scott Paper Company and their respective subsidiaries.

"Hazardous Substances" shall mean any "hazardous substance," "pollutant," or "contaminant" as defined at 42 U.S.C. § 9601, as well as any extremely hazardous substances, hazardous waste, pollutant, contaminant and any other substance, material or waste regulated by an Environmental Law, and any petroleum products, agricultural chemicals, asbestos, urea formaldehyde, radio-active materials and polychlorinated biphenyls, whether or not regulated by any Environmental Law.

"Lime Management Plan" means that certain Lime Management Plan, 2400 Lakeshore Drive, Muskegon, Muskegon County, Michigan, dated December 2014, Prepared for Melching, Inc., by Lakeshore Environmental, Inc., as approved by the MDEQ.

"Lime Storage Area" means the portion of the Property described on attached Exhibit 2C, depicted on the property description map attached as Exhibit 2B, and illustrated in detail on attached Exhibit 2D.

"MDEQ" means the Michigan Department of Environmental Quality, or its successor agencies.

"Melching Parties" means Melching, Inc., Melcor, LLC, and their respective affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, grantors and anyone acting on its behalf or their behalf with respect to the Real Property or otherwise.

"Property" means, collectively, the Real Property, the Facility and the Riparian Property.

"Redevelopment Funding" means any and all grants, loans, incentives or other funding obtained from any federal state or local government bodies or agencies, quasi-public entities, foundations, or charitable institutions used to investigate or conduct Response Activities at the Real Property, including, but not limited to: (i) funding provided for any facility with a brownfield designation, or any other similar designation premised on the presence of Hazardous Substances at, on under or from the Real Property; (ii) Brownfields and Land Revitalization grants or loans under the U.S. EPA Brownfield Program (including, but not limited to, the small Business Liability Relief and Brownfields Revitalization Act, Public Law 107-118); and/or (iii) any Brownfield Tax Incentives pursuant to the Internal Revenue Code (including, but not limited to Sec. 198(a)).

"Restricted Parcels" means those parcels of Real Property designated as "Restricted Parcels" on Exhibit 1, together with any Riparian Property accruing to the described Restricted Parcels.

"Response Activity" means the evaluation, investigation, remediation, demolition, providing or the taking of other actions necessary to protect the public health, safety, or welfare, or the environment or the natural resources, including, but not limited to, any such activities that are required by the MDEQ or other governmental agencies.

"Riparian Property" means any riparian property or rights accruing to the Real Property, any portion of the lake bed or bottom land of Muskegon Lake abutting the Real Property that was or may have been contaminated or otherwise affected by activities on the Real Property, whether or not such lake bed or bottom land is technically riparian property under Michigan law, and whether or not such lake bed or bottom land is also Real Property or a part of the Facility.

"Subsequent Grantee" means any party acquiring all or any portion of the Real Property from Melching or its successors in interest, or from any other entity, and includes, without limitation, any subsequent Grantee or transferee acquiring any interest in the Real Property or any portion thereof from any Grantor or transferor, including each such Subsequent Grantee's affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, legal representatives, successors and assigns, and anyone acting on its behalf or their behalf with respect to the Real Property or otherwise.

5. **Restrictive Covenants.** The Declarant hereby declares, and each of the Grantee Parties jointly and severally hereby covenants and agrees with the Grantor Parties that the following restrictive covenants shall apply to the Restricted Parcels:

(a) There shall be no extraction of ground water for any purpose and no construction of wells or other devices to extract groundwater for consumption, irrigation, or any other use, except for wells and devices that are for environmental investigation or remediation (provided the foregoing is subject to the terms of paragraph 5(c) of this Declaration). Short term dewatering for construction purposes is permitted provided that the dewatering, including management and disposal of the groundwater, is conducted in accordance with all applicable local, state, and federal laws and regulations and does not cause or result in a new release, exacerbation of existing contamination, or any other violation of local, state, and federal environmental laws and regulations including, but not limited to, Part 201 of the NREPA.

(b) Prior to undertaking any activities that will involve the grading, excavation, removal, storage or disposal of any soils, the Grantee Party undertaking such activities shall characterize the soils in the area that will be affected by such activities and shall manage all soils, media, and/or debris in accordance with all applicable Environmental Laws including, but not limited to, the applicable requirements of Michigan Natural Resources and Environmental Protection Act, the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), and the administrative rules promulgated thereunder.

(c) Prior to undertaking any activities that may involve the dredging, excavation, removal, storage or disposal of sediments, soils or debris from any bottomlands underlying Muskegon Lake the Grantee Party undertaking such activities shall characterize the sediment or soils in the area that will be affected by such activities and shall manage such sediments in accordance with all applicable Environmental Laws. Furthermore, any underwater construction activities, including, but not limited to, dredging, drilling, pile driving, excavation, and

removal of sediments conducted by the Grantee Parties shall be performed consistent with all applicable Environmental Laws.

(d) No person shall undertake any activity or activities that would interfere with Declarant Site Activities, including but not limited to, any activity: (1) that would interfere with the function of or obstruct access to any monitoring wells, treatment wells, or any other remediation equipment pursuant to the CNTS or any other plan or proposal approved by the MDEQ; or (2) any activity that could affect the integrity or effectiveness of any caps or isolation barriers pursuant to the CNTS or any other plan or proposal approved by the MDEQ, whether or not any such structures or equipment are present at the time that this instrument is or the Original Quit Claim Deed was recorded; without limiting the foregoing, activities prohibited by this subparagraph 5(d) shall include without limitation, removing, destroying, or altering any well or device, or any cap or isolation barrier, in any way that renders it inoperable or incapable of functioning as intended, provided (i) this subparagraph 5(d) shall not prohibit any activities conducted in accordance with a plan approved by the MDEQ, which approval shall confirm that the approved activities shall not affect the protection provided by the CNTS, and (ii) any such activities shall be subject to the indemnification provisions of this Declaration.

(e) Neither the Grantor Parties nor the Melching Parties shall have any obligation, of any nature whatsoever, to any person or governmental entity, with respect to any Environmental Liabilities arising out of a Subsequent Grantee's failure to comply with any of such Subsequent Grantee's "due care" obligations to address the presence of Hazardous Substances pursuant to MCL 324.20107a, 42 USC 9607(b)(3), and/or any other applicable Environmental Law as revised or amended.

(f) None of the Grantee Parties, the affiliates, divisions or subsidiaries of the Grantee Parties, nor any of their respective directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, nor any party possessing any right, title or interest in any portion of the Restricted Parcels may without the prior written consent of the S.D. Warren Company and Melching, dismantle, destroy, remove, demolish, raze or substantially alter any structures or improvements, excavate soils, or perform any intrusive subsurface activities (including, but not limited to, digging piling, driving, trenching and boring) or permit any of the foregoing to occur, within the area identified on the attached Exhibit 2A as the "Demolition Restricted Area," and depicted on the property description map attached as Exhibit 2B as "Restricted Area #1".

6. **Declarant Site Activities, Site Access and Cooperation Provisions.** Subject to the restrictive covenants in paragraph 5 of this Declaration, Grantor and Grantee agree that the following activities shall be permitted on the **Real Property, including the Restricted Parcels**:

(a) The MDEQ and its designated representatives shall have the right to enter at reasonable times and upon reasonable notice for the purpose of observing any ongoing Declarant Site Activities, including the right to take samples, inspect the operation and maintenance of any monitoring wells and/or remediation equipment and inspect any records relating to them. Nothing in this Declaration shall limit or otherwise affect the MDEQ's right of entry and access, or the MDEQ's authority to take Response Activities necessary as a result of

the Declarant's failure to perform the Declarant Site Activities as set forth in the NREPA and any successor statutory provisions, or other state or federal law.

(b) Subject to Section 6(c) and Section 9 of this Declaration, Declarant (including its successors, assigns, agents, consultants, contractors and designees) shall have the right to enter the Restricted Parcels from time to time to undertake the Declarant Site Activities. The Declarant's access rights under this subparagraph 6(b) shall continue as long as necessary to complete the Declarant Site Activities, including specifically, but not limited to, the Lime Management Plan, as determined by the MDEQ.

(c) Until Declarant has completed all Declarant Site Activities, Declarant and the Grantee Parties will cooperate with each other in creating a schedule and plan to ensure Declarant Site Activities, proposed development activities of the property owner, and the long term plan of use and enjoyment of the redeveloped property by all property owners will not unreasonably interfere with each other. Accordingly, until the Declarant has completed all Declarant Site Activities, (i) any Grantee Party from time to time that undertakes to redevelop its portion of the Property shall first submit a development plan to Declarant, (ii) before commencing or changing any Declarant Site Activities, Declarant shall submit a plan for such Declarant Site Activities to each Grantee Party affected by the Declarant Site Activities, and (iii) Declarant and such Grantee Party or Parties shall each provide the other with a reasonable time for review and comment and, if necessary, adjustment of their respective plans. Such cooperation shall be required notwithstanding any provision in this Declaration to the contrary.

(e) Each of the Grantee Parties for itself and its successors and assigns hereby waives any claim under any theory of law, including common law nuisance, arising from any Declarant Site Activities performed in accordance with this Declaration, except to the extent (i) the performance of the Declarant Site Activities causes a new release of hazardous substances at the Property or exacerbates existing contamination on the Property, and (ii) such waiver would operate as a release or modification of the obligations of any of the Melching Parties under these Declarations or under any written agreement between any of the Melching Parties and a Subsequent Grantee.

(f) The Grantor Parties shall have the right, but not the obligation, to enter the Property to implement, complete or correct Declarant Site Activities in the event that Melching Inc., or Melcor LLC fail or refuse to comply with their obligations as the "Melching Respondents" under the CNTS or any of the Grantee Parties fail to or refuse to comply with their indemnity obligations under this Declaration, subject to the same restrictions, conditions and limitations applicable to the Melching Parties under this Declaration.

7. **Access Easement.** Declarant, for the benefit of Declarant, Grantor, the Grantor Parties, the Grantee Parties, the owners of interests in any portion of the Restricted Parcels, and their respective successors and assigns, hereby grants and reserves a non-exclusive access easement over the Real Property for access to portions of the Restricted Parcels for the purpose of performing Declarant Site Activities (provided this grant shall not establish a right or obligation of any party other than Declarant to perform any Declarant Site Activities except pursuant to a separate agreement with or assignment by Declarant). At the request of any owner

of the Real Property from time to time that undertakes to redevelop its portion of the Real Property in accordance with a development plan that complies with this Declaration, Declarant shall agree to limit its Declarant Site Activities, including access rights, to locations and configurations that will accommodate such redevelopment without unreasonably interfering with Declarant Site Activities. Without limiting the foregoing, such access easement areas will provide vehicular access and egress between the right-of-way of a public street and the portion of the Real Property that is the subject of Declarant Site Activity. After a burdened portion of the Real Property is developed and placed in use for its intended purpose, the owner of such portion of the Real Property shall have the right to impose reasonable restrictions on the use of the easement area within its portion of the Real Property, including reasonable restrictions on the hours and days of use and the duration of the easement with respect to each easement area. The Access Easement established by this Section 7 shall continue only until the Declarant Site Activities have been completed, as determined by the MDEQ or, if the MDEQ does not exercise authority to make such determination, as contemplated by the CNTS.

8. **Declaration Runs with the Land.** Grantor and Grantee expressly declare and agree that, except as expressly provided herein, all covenants, conditions, agreements and obligations imposed by this Declaration shall run with the land and bind all future owners of, and successors to, any interest in the Real Property, and Grantee expressly acknowledges that it has received adequate, material and fair consideration for the perpetual imposition of these covenants, conditions and restrictions as a real covenant running with the land, and that the covenants, conditions, and restrictions imposed hereby upon the alienability of the Real Property and/or Riparian Property are fair and reasonable restrictions in substance, duration and application; by their acquisition of any interest in the Real Property or Riparian Property, all Grantee Parties, including future owners and successors and assigns, shall be deemed to have affirmed in like form the running of such covenants with the land, the adequacy of consideration and the reasonableness of such covenants.

9. **Acknowledgement of Consideration.** Declarant acknowledges, represents and agrees, and by purchasing an interest in the Real Property each Subsequent Grantee acknowledges, represents and agrees, that the easements, covenants, conditions, agreements, and obligations imposed upon them and their interests by this Declaration and all exhibits attached thereto are legal, valid and enforceable in all material respects as covenants running with the land, and constituted a material inducement to Grantor, upon which Grantor reasonably relied in releasing the Deed Restrictions from the Original Quit Claim Deed as of the Effective Date, and that Grantor would not have released those Deed Restrictions in the absence of the delivery and recording of this Declaration.

10. **Governing Law; Severability.** This Declaration and all exhibits hereto shall be deemed to have been mutually drafted by the parties after consultation with their respective counsel. No canon of construction resolving ambiguities in favor of one party over the other shall be applicable hereto. This Declaration and all exhibits hereto shall be governed by and interpreted in accordance with the laws of the State of Michigan. If any provision of this Declaration or exhibits hereto is in conflict with any statute or rule of any law in the State of Michigan or is otherwise void, illegal, or unenforceable for any reason, then that provision shall be deemed severable from or enforceable to the maximum extent permitted by law, as the case may be, and that provision shall not invalidate any other provision hereof.

11. **Beneficiaries; Amendment.** The Grantor Parties and Grantee Parties shall each be beneficiaries of this Declaration, with full rights of enforcement, in accordance with the terms of this Declaration. The Grantor Parties and Grantee Parties agree that MDEQ may enforce the terms of this Declaration as necessary to ensure that the restrictions and rights set forth herein continue to be implemented to protect the public health, safety, welfare, and the environment. No other rights in third parties are intended by this Declaration, and no other person or entity shall have any rights or authorities hereunder to enforce these restrictions, terms, conditions, or obligations other than the Grantor Parties, the Grantee Parties, Subsequent Grantees that take on the obligations of Grantee Parties, MDEQ, and their successors and assigns. This Declaration shall not be modified, amended or terminated except by an instrument executed by S.D. Warren and Melching or their respective corporate successors and assigns, each in its sole discretion, and recorded in the land records of Muskegon County, Michigan. Further, the provisions of paragraphs 5 and 6 of this Declaration shall not be modified, amended or terminated without the written consent of the MDEQ or its successor agencies, in its discretion, which consent shall be incorporated in the instrument that amends this Declaration or in a separate instrument recorded in the land records of Muskegon County, Michigan.

Without limiting the foregoing, S.D. Warren and Melching or their respective corporate successors and assigns, each in its sole discretion, shall consider any proposed modification, amendment or release of paragraphs 5(a), 5(b), or 5(c) of this Declaration with respect to all or any portion of the Restricted Parcels, or paragraph 6(a) with respect to all or any portion of the Real Property, provided such proposal is presented in writing with (1) evidence from duly qualified experts that the proposed modification, amendment or release will not result in foreseeable risks of exposure to existing contamination based upon applicable Michigan cleanup criteria, which writing must describe the specific exposure risks and specific additional investigation undertaken to assess those risks and (2) written approval of the proposed modification, amendment or release by the MDEQ or its successor agencies based on its review of such evidence.

Signature Pages Follow

Signature Page

DECLARANT:

MELCHING, INC.

By _____

Its: _____

STATE OF _____)

ss.:

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by _____ as _____ of _____, a _____ corporation, on behalf of the corporation.

Notary Public

County, _____

My commission expires: _____

Signature Page

GRANTOR:

S.D. WARREN COMPANY

By Sarah Manchester, Vice President and General Counsel

STATE OF MASSACHUSETTS)
) ss.:
COUNTY OF SUFFOLK)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by Sarah Manchester, Vice President and General Counsel of S.D. Warren Company, a Pennsylvania corporation, on behalf of the corporation.

Notary Public _____ County, _____
My commission expires: _____

DRAFTED BY AND RETURN TO:
Stinson Leonard Street (SMO)
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402
612-335-1500

**Exhibit 1 to Declaration
Legal Description of the Real Property**

Property in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

Restricted Parcels

Parcel A – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

That part of Blocks 598, 599, 601 and 602 of the Revised Plat of 1903 of the City of Muskegon as recorded in Liber 3 of Plats, Page 71, part of the Southwest 1/4, Section 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section; thence South 89 degrees 11 minutes 37 seconds East 488.51 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way) to the Place of Beginning; thence North 00 degrees 48 minutes 23 seconds East 310.18 feet perpendicular to said right-of-way line; thence South 88 degrees 56 minutes 12 seconds East 686.80 feet; thence South 05 degrees 19 minutes 28 second East 50.00 feet; thence South 10 degrees 02 minutes 06 seconds East 238.18 feet; thence Westerly 253.57 feet along aforesaid North right-of-way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 85 degrees 29 minutes 33 seconds West 253.20 feet; thence North 89 degrees 11 minutes 37 seconds West 484.81 feet along said right-of-way line to the Place of Beginning. Also subject to railroad right-of-way across subject property.

Parcel B – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

That part of Blocks 598, 599, 600, 601 and 602 of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71, Muskegon County Records), part of the Southwest one-quarter, Section 35, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, being described as: COMMENCING at the West one-quarter corner of said Section 35; thence North 00°49'57" East 347.09 feet along the West line of said section; thence South 89°11'37" East 973.32 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way); thence Easterly 253.57 feet along said right-of-way line on a 1367.00 foot radius curve to the left, the chord of which bears North 85°29'33" East 253.20 feet to the PLACE OF BEGINNING; thence North 10°02'06" West 238.18 feet; thence North 05°19'26" West 50.00 feet; thence North 88°56'12" West 591.89 feet; thence North 01°03'48" East 1302.28 feet; thence South 85°18'57" East 175.31 feet along an intermediate traverse line to the shore of Muskegon Lake; thence South 87°13'08" East 497.19 feet along said traverse line; thence South 82°07'10" East 151.35 feet along said traverse line to the East line of Block 598; thence South 01°03'48" West 1282.87 feet along said East block line; thence South 31°14'58" West 74.61 feet; thence South 26°33'42" West 44.65 feet; thence South 21°45'52" East 119.75 feet; thence Westerly 174.32 feet along aforesaid North right-of-way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 76°31'31" West 174.20 feet to the place of beginning. All lands herein described extend to the

Restricted Parcels (continued)

waters edge of Muskegon Lake. Also SUBJECT TO railroad right-of-way across subject property.

Parcel C – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

That part of Blocks 601, 602, 603 and 604, of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71), Sections 34 and 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section to the Northerly right of way line of Lake Shore Drive (a 66.00 foot wide public right of way) to the Place of Beginning; thence North 89 degrees 11 minutes 37 seconds West 19.36 feet along said North right of way line; thence North 89 degrees 00 minutes 09 seconds West 536.05 feet; thence North 89 degrees 13 minutes 46 seconds West 768.17 feet along said North right of way line; thence North 85 degrees 25 minutes 57 seconds West 388.49 feet along said North right of way line; thence North 82 degrees 34 minutes 08 seconds West 448.42 feet along said North right of way line; thence North 85 degrees 52 minutes 47 seconds West 149.07 feet along said North right of way line; thence South 89 degrees 31 minutes 08 seconds West 87.96 feet along said North right of way line; thence North 01 degrees 00 minutes 26 seconds East 53.65 feet to an intermediate traverse line of Muskegon Lake; thence North 02 degrees 04 minutes 37 seconds East 809.35 feet along said traverse line; thence North 72 degrees 15 minutes 37 seconds East 315.95 feet along said traverse line; thence North 69 degrees 10 minutes 35 seconds East 559.46 feet along said traverse line; thence South 06 degrees 30 minutes 50 seconds East 477.00 feet along said traverse line; thence North 77 degrees 43 minutes 53 seconds East 242.00 feet along said traverse line; thence North 07 degrees 47 minutes 31 seconds West 513.00 feet along said traverse line; thence North 72 degrees 30 minutes 24 seconds East 571.33 feet along said traverse line; thence South 71 degrees 00 minutes 41 seconds East 343.90 feet along said traverse line; thence North 80 degrees 16 minutes 18 seconds East 1074.06 feet along said traverse line; thence South 01 degrees 03 minutes 48 seconds West 1302.28 feet; thence North 88 degrees 56 minutes 12 seconds West 94.91 feet; thence South 00 degrees 48 minutes 23 seconds West 310.18 feet; thence North 89 degrees 11 minutes 37 seconds West 488.51 feet along the aforesaid North right of way line to the Place of Beginning. All lands herein described extend to the waters edge of Muskegon Lake. Also subject to railroad right of way across subject property.

Non-Restricted Parcels

Legal Descriptions

Parcel 1:

Lots 1, 2, and the North 80 feet of Lots 3, 4, and 5, Block 1, LeBoeuf Avenue Subdivision, as recorded in Liber 6 of Plats, Page 27, Muskegon County Records.

Parcel 2:

Lots 1 through 7 inclusive, East ½ of Lot 8 and the north 10 feet of vacated alley abutting the same, Block 664, revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 3:

Lots 18-27 inclusive, Block 664, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 4:

Lots 1, 2, and 3, Block 677, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 5:

The North 132 feet of Lot 4, Block 677, Revised Plat (of 1903) of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 6:

That part of Block 693, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commence at a point 100 feet South of the South line of Lake Street (now Lake Shore Drive) and 135 feet West of the East line of said Block 693; thence West parallel with Lake Street 50 feet; thence North parallel with the East line of said Block 100 feet; thence East parallel with Lake Street 50 feet; thence South parallel with the East line of said Block 100 feet to the Point of Beginning. Also known as Lot 5 and the West 20 feet of Lot 4, of an unrecorded resubdivision of Block 693.

Parcel 7:

Part of Block 693 of the Revised Plat of the City of Muskegon described as follows: Commence on the South line of Lake Street 185 feet West of the East line of said Block 693, thence West along the South line of Lake Street 60 feet, thence South 100 feet, thence East 60 feet, thence North 100 feet to the place of beginning, according to the recorded plat thereof as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Non-Restricted Parcels (continued)

Parcel 8:

That part of Block 693, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commence at a point on the South line of Lake Street (now Lake Shore Drive) 285 feet West of the East line of said Block 693; thence West 60 feet; thence South 100 feet; thence East 60 feet; thence North 100 feet to the Point of Beginning. Also known as Lots 8 and 9, of an unrecorded resubdivision of Block 693.

Parcel 9:

That part of Block 693, Revised Plat of 1903 of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commencing 100 feet South of the South line of Lake Street and 345 feet West of the East line of said Block, thence West parallel with Lake Street 30 feet, thence North parallel with East line of said Block a distance of 100 feet, thence East along the South line of Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning, and part of Block 693 of the Revised Plat of the City of Muskegon described as follows: Beginning at a point 100 feet South of the South line of Lake Street and 375 feet West of the East line of said block and going West parallel with Lake Street 30 feet, thence North parallel with the East line of said Block a distance of 100 feet, thence East parallel with Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning.

Together with that part of vacated alley adjacent to the above described property. Said alley is described as: Part of a 14 foot unplatted alley in Block 693 of the Revised Plat of 1903 of the City of Muskegon located 100 feet South of and parallel to Lakeshore Drive, extending East 100 feet from the East line of Sherin Street.

Exhibit 2A to Declaration

Demolition Restricted Area

That part of Block 602 of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71, Muskegon County Records), Section 34, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, described as: **COMMENCING** at the East one-quarter corner of said Section 34; thence North $00^{\circ}49'57''$ East 347.09 feet along the East line of said section; thence North $89^{\circ}11'37''$ West 19.36 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way); thence North $89^{\circ}00'09''$ West 275.71 feet along said North right of way line; thence North $00^{\circ}53'16''$ East 28.74 feet to the **PLACE OF BEGINNING**; thence North $88^{\circ}58'42''$ West 38.00 feet; thence North $00^{\circ}53'16''$ East 57.50 feet; thence South $88^{\circ}58'42''$ East 38.00 feet; thence South $00^{\circ}53'16''$ West 57.50 feet to the place of beginning.

Exhibit 2B to Declaration
Restricted Area #1 / Demolition Restricted Area Illustration

MA946155.dwg 946155 Property Description M

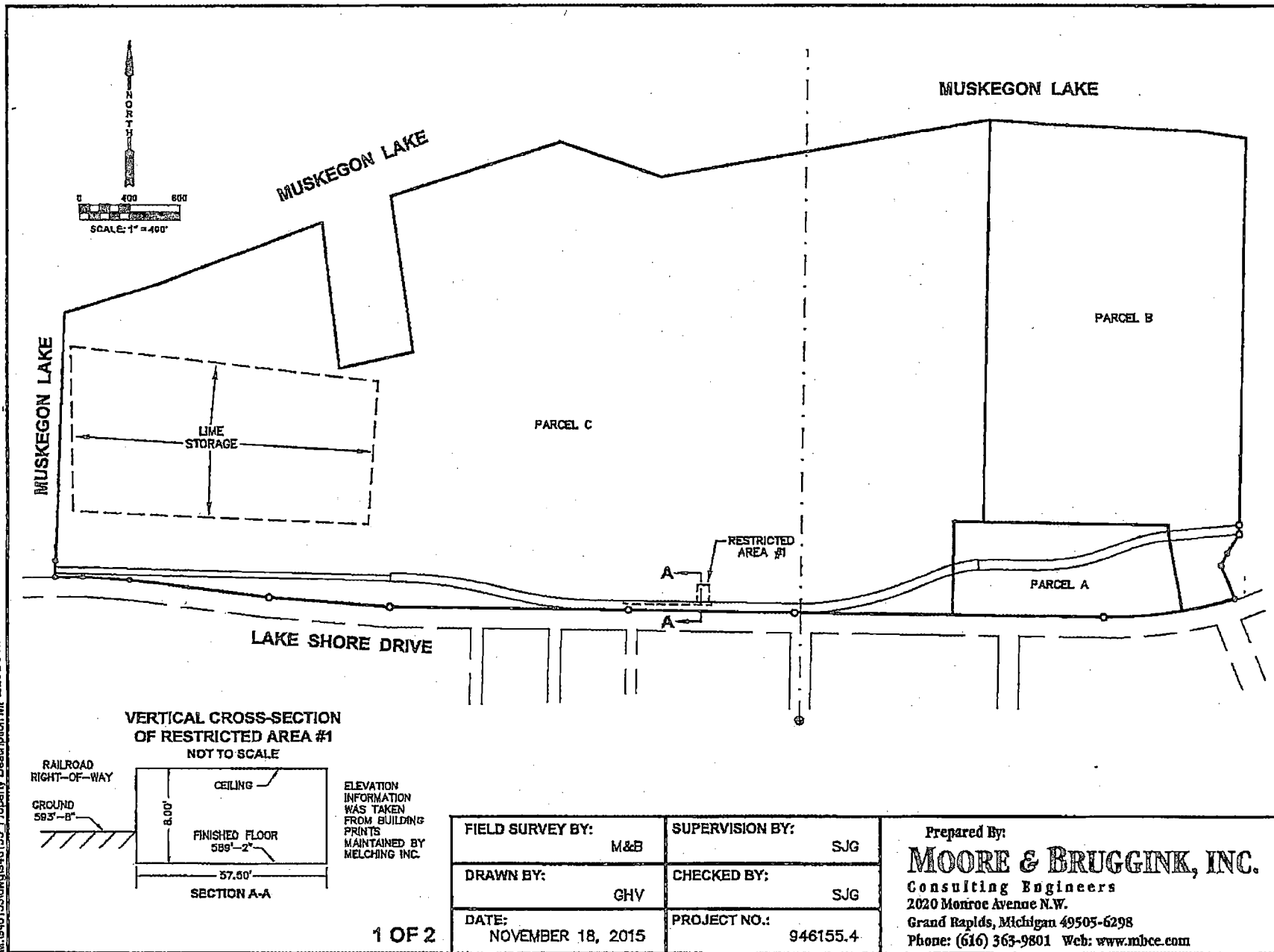


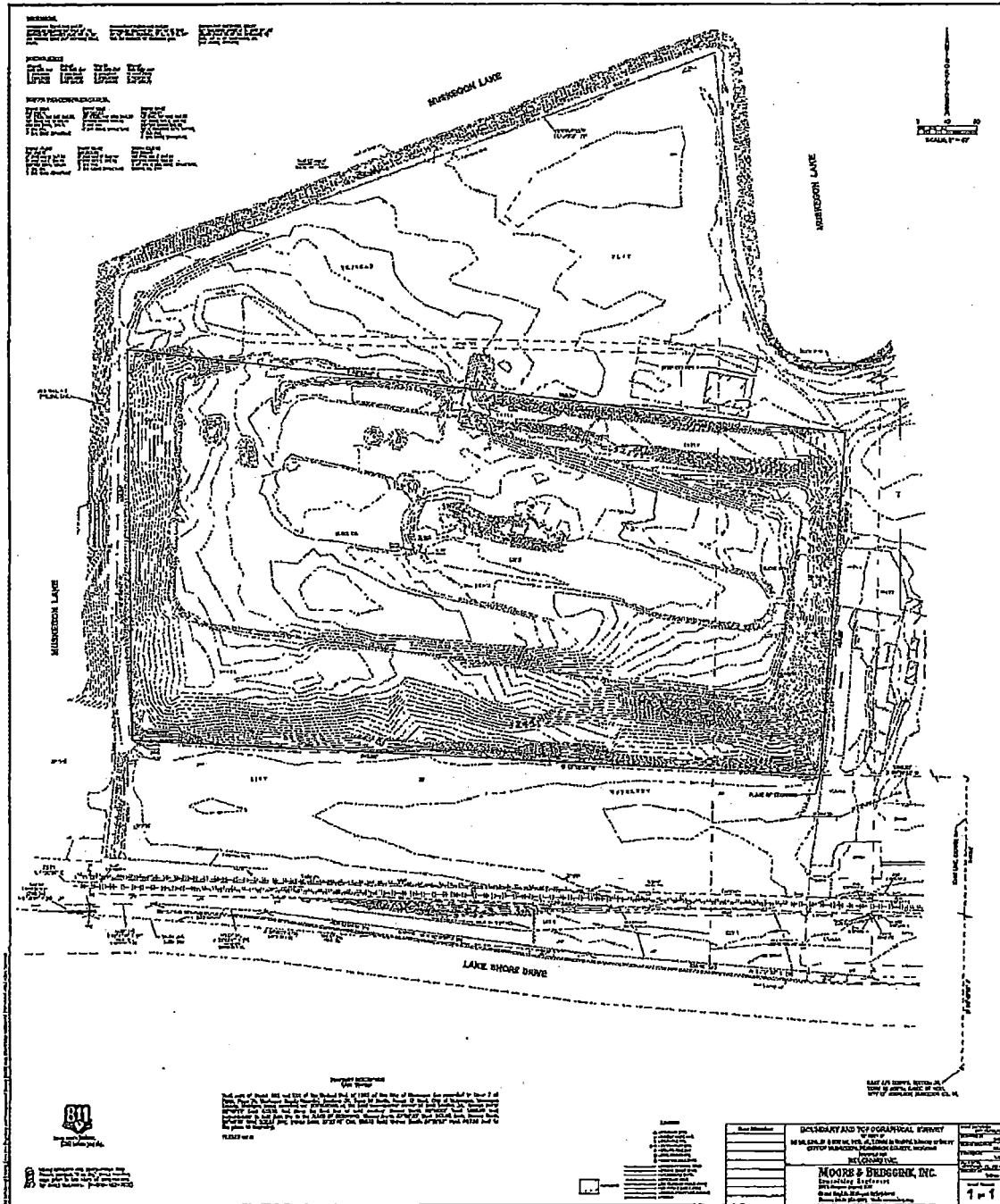
Exhibit 2C to Declaration

Lime Storage Area Legal Description

That part of Blocks 603 and 604 of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plat, Page 71, Muskegon County Records), Sections 34, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, being described as: COMMENCING at the East one-quarter corner of said Section 34; thence North 00°49'57" East 620.58 feet along the East line of said section; thence North 89°10'03" West 1396.80 feet perpendicular to said East line to the PLACE OF BEGINNING; thence North 87°06'33" West 843.68 feet; thence North 00°40'41" West 532.24 feet; thence South 83°23'46" East 988.19 feet; thence South 04°01'53" West 467.58 feet to the place of beginning.

11.0523 acres

**Exhibit 2D to Declaration
Lime Storage Area
Illustration**



SECOND AMENDMENT OF QUIT CLAIM DEED
and RELEASE OF
ENVIRONMENTAL COVENANTS, RELEASE AND INDEMNITY

THIS SECOND AMENDMENT OF QUIT CLAIM DEED, (this "Second Amendment"), made this ___ day of _____, 2016 (the "Effective Date"), by and between S.D. Warren Company, a Pennsylvania corporation ("S.D. Warren") and Melching, Inc., a Michigan corporation ("Melching;" S.D. Warren and Melching are collectively referred to as the "Parties") amends (i) that certain Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated August 23, 2011 and recorded August 29, 2011 in Liber 3888 of Muskegon County Records at Page 749 (the "Original Deed"), and (ii) that certain Amendment to Declaration Of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release And Indemnity, dated October 23, 2012, and recorded December 13, 2012, in Liber 3933 of Muskegon County Records at Page 397 (the "First Deed Amendment") which amended the Original Deed. For purpose of this Second Amendment, the term "Deed" shall mean the Original Deed as amended by the First Deed Amendment. The property commonly known as 2400 Lakeshore Drive, Muskegon, Michigan, and other parcels as more particularly described in such Deed (the "Real Property"), was conveyed by S.D. Warren to Melching by way of the Deed subject to certain restrictions concerning the use, development and testing of certain parcels described in the Deed, including without limitation, those set forth on Exhibit 2 to the Deed captioned "Environmental Covenants, Release and Indemnity," and those restrictions listed in the First Deed Amendment, which restrictions the Parties wish to release as of the Effective Date.

NOW, THEREFORE, for good and valuable consideration, deemed by the Parties to be actual and adequate, the Parties agree as follows:

AGREEMENT

1. The Parties have executed, delivered and recorded this Second Amendment for the sole purpose of releasing the Deed Restrictions as of the Effective Date. The effective date of the conveyance shall be and remain August 23, 2011. The execution, delivery and recording of this Second Amendment shall not be construed to release either Party from its obligations and liabilities to the other Party arising under any other agreement or instrument between the Parties, including without limitation obligations and liabilities arising under the Deed Restrictions before the Effective Date.

2. The Parties agree that Exhibit 2 attached to the Original Deed, all terms, conditions, and restrictions set forth in the First Deed Amendment, and the following text of the Original Deed, (together, the "Deed Restrictions"), are hereby released and deleted entirely:

Further, with respect to the Restricted Parcels, subject to the following use restriction, which shall run with the land and be binding upon, inure to the benefit of, and be enforceable by Grantor and Grantee and their respective successors, assigns, and legal representatives:

The Restricted Parcels may be used only for industrial purposes. For purposes of this Quit Claim Deed with Environmental Covenants, Release and Indemnity, the term "industrial purposes" shall mean those uses of the Real Property in which exposure to hazardous substances, pollutants and contaminants is largely limited to adult workers, access by the general public is restricted or infrequent, and activities are otherwise consistent with health risk-based cleanup criteria for industrial uses as established by State and Federal regulatory agencies with jurisdiction over environmental conditions at the Real Property. Without limiting the foregoing, prohibited uses of the Real Property shall include residential uses, offices, hotels, educational facilities, child care facilities, hospitals, health care and elder care facilities, parks and other outdoor recreational facilities, agricultural and aqua-culture uses and mining.

There shall be no extraction of ground water from beneath the Restricted Parcels for any purpose and no construction of wells or other devices to extract groundwater for consumption, irrigation, or any other use, except for wells and devices that are part of an agency-approved response activity. Short term dewatering for construction purposes is permitted provided the dewatering, including management and disposal of the groundwater, is conducted in accordance with all applicable local, state, and federal laws and regulations and does not cause or result in a new release, exacerbation of existing contamination, or any other violation of local, state, and federal environmental laws and regulations including, but not limited to, Part 201 of the NREPA.

3. The Exhibits attached to the Deed are hereby amended as follows:

a) Exhibits attached to Original Deed:

Exhibit 1 to Quit Claim Deed, Legal Description, shall remain unchanged, provided the parties acknowledge that, before the Effective Date Grantee conveyed to a third party the real property commonly known as 2333 Lakeshore Drive, which is legally described as follows:

The west half Lot 8, all of Lots 9 and 10, and the north 10 feet of the abutting vacated alley, Block 664, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Exhibit 2 to Quit Claim Deed, Environmental Covenants, Release and Indemnity, is deleted by this Second Amendment in its entirety as of the Effective Date.

Exhibit 3 to Quit Claim Deed, Binding Acknowledgment, is deleted by this Second Amendment in its entirety as of the Effective Date.

Exhibit 4 to Quit Claim Deed, Disclosure of Facility Status, is amended to read, in its entirety, as follows:

Pursuant to the requirements of Part 201 of the Michigan Natural Resources and Environmental Protection act ("Part 201") at MCL 324.20116, Seller hereby disclosed that the Restricted Parcels constitute a "facility" as defined in MCL 324.20101 because hazardous substances are present in soils and/or groundwater at concentrations in excess of the unrestricted residential use criteria established by the Michigan Department of Environmental Quality ("MDEQ"). The hazardous substances known to be present at the facility include: (1) gasoline, diesel, fuel oil and other petroleum constituents released as a result of spills or leaks from and/or failure of underground storage tanks ("USTs"), above-ground storage tanks ("ASTs"), and associated pumps and piping systems; (2) Polychlorinated Biphenyls ("PCBs") released from transformers and electrical equipment; (3) acids, sodium hydroxide, sodium, sulfates, lead and arsenic released as a result of spills or leaks from ASTs, processing equipment and associated piping and drain systems.

- b) Exhibits attached to First Deed Amendment: All exhibits attached to the First Deed Amendment are hereby deleted in their entirety.

4. Intent and Effect of this Agreement. This Second Amendment deletes the Deed Restrictions and the Binding Acknowledgement entirely as of the Effective Date. This Second Amendment shall not be deemed to forgive, release or discharge any violation occurring before the Effective Date of the Deed Restrictions as they existed before the Effective Date.

5. Ratification; Reaffirmation; References; Entire Agreement; Recording. All of the covenants, conditions, and restrictions affecting the Real Property as contained in the Deed shall remain in full force and effect, except as specifically modified hereby. The Deed as amended hereby, constitutes the entire agreement with respect to the matters addressed herein. This Second Amendment shall be recorded in the appropriate real property records of Muskegon County and may be recorded with any other Governmental Entity, if so required.

Signature Pages Follow

SECOND AMENDMENT OF QUIT CLAIM DEED

Signature Page

GRANTOR:

S.D. WARREN COMPANY

By _____
Sarah Manchester, Vice President
and General Counsel

STATE OF MASSACHUSETTS)
 ss.:
COUNTY OF SUFFOLK)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016,
by Sarah Manchester, as Vice President and General Counsel of S.D. Warren Company, a
Pennsylvania corporation, on behalf of the corporation.

Notary Public

County, _____
My commission expires: _____

By _____
Its: _____

SS.:

Notary Public _____
County, _____
My commission expires: _____

5

Attachment F

ESCROW AGREEMENT

This Escrow Closing Agreement (this "Agreement") is made and entered into this ____ day of July __, 2016, by and among S.D. Warren Company d/b/a Sappi North America, a Pennsylvania corporation ("S.D. Warren"), Melching Inc., a Michigan corporation ("Melching"), Pure Muskegon, LLC, a Michigan limited liability company ("Pure Muskegon"), Kimberly-Clark Corporation, a Delaware corporation ("Kimberly-Clark"), Michigan Department of Environmental Quality ("MDEQ"); and Sun Title Agency of Michigan, LLC, a Michigan limited liability company (the "Escrow Agent"). (All of the parties to this Agreement other than the Escrow Agent are referred to collectively as the "Transaction Parties").

Capitalized Terms used but not defined herein shall have the respective meanings given in that certain Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15--009 by and among MDEQ, the Michigan Department of Attorney General ("MDAG"), S.D. Warren, Melching and Pure Muskegon (the "Multi-Party Order").

RECITALS:

A. MDEQ, MDAG, S.D. Warren, Melching, and Pure Muskegon propose to enter into the Multi-Party Order, upon satisfaction of certain conditions precedent, in order to address certain rights, obligations and liability related to certain environmental conditions and performance of certain response activities at the former Sappi Paper Mill Facility located at 2400 Lakeshore Drive in Muskegon, Muskegon County, Michigan (described in the Order as the "Property").

B. In consideration for entering into the Order, among other things, S.D. Warren and Melching intend to execute and deliver for recording (1) "Release Documents" amending and releasing certain restrictive covenants that currently allow only industrial development on the Property and (2) the less restrictive "Replacement Declaration" attached to the Order.

C. Melching and Pure Muskegon have entered into that certain Agreement for Sale and Purchase of Real Estate dated June 27, 2013 (as amended, the "Purchase Agreement"), under which Melching has agreed to sell the Property to Pure Muskegon.

D. MDEQ, MDAG, and Kimberly-Clark propose to enter Michigan Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15-010 (the "Kimberly-Clark Order") related to the Property.

E. The effectiveness of the Multi-Party Order and the agreement to deliver and record the Release Documents and Replacement Declaration, are conditioned upon the acquisition of the Property by Pure Muskegon, and the Purchase Agreement is conditioned upon delivery and recording of the Release Documents and Declaration.

F. In order to accommodate the contemporaneous satisfaction of the conditions for the effectiveness of the Multi-Party Order, delivery and recording of the Release Documents and

Declaration, the effectiveness of the Kimberly-Clark Order, and acquisition of the Property by Pure Muskegon, the Transaction Parties other than Kimberly Clark, desire to deliver the documents and funds each is required to deliver to satisfy their obligations under each Order or Purchase Agreement to the Escrow Agent. To accommodate the other Transaction Parties, Kimberly-Clark is willing to deliver its counterpart of the Kimberly-Clark Order and the funds payable by Kimberly-Clark under the Kimberly-Clark Order to the Escrow Agent, to be held in trust by the Escrow Agent and distributed in accordance with this Agreement. The Escrow Agent shall hold, assemble, record and distribute the documents and funds all as set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and in the Multi-Party Order, the Kimberly-Clark Order, the Purchase Agreement and the foregoing premises, the parties hereby agree as follows:

1. Appointment, Compensation and Recitals. By this Agreement, the Transaction Parties appoint the Escrow Agent to act as an escrow agent, and the Escrow Agent accepts the appointment, for purposes of receiving, holding, assembling, recording and distributing the documents described in this Agreement (the "Transaction Documents") and for receiving, holding and distributing funds in accordance with this Agreement. For its services under this Agreement, the Escrow Agent shall receive \$500.00, payable upon execution of this Agreement in equal parts by Melching and Pure Muskegon. The foregoing Recitals are incorporated in this Agreement by this reference as if fully set forth in this Section; provided, however, that the parties acknowledge and agree that nothing in the Recitals shall be deemed to modify any of their respective agreements or obligations as set forth in the individual Transaction Documents to which each is a party.

2. Open and Close of Escrow. Escrow Agent shall accept delivery from Transaction Parties of their respective Transaction Documents and funds commencing on July 26, 2016 and continuing for a period ending at 5:00 p.m. Central Time on August 31, 2016 (the "Escrow Delivery Date").

3. Document Delivery Obligations. Each Transaction Party shall submit its respective Transaction Documents in compliance with this Agreement on or before the Escrow Delivery Date. At such time as Escrow Agent has received all Transaction Documents, Escrow Agent shall so notify the Transaction Parties. Escrow Agent shall hold and handle all Transaction Documents as set forth in this Agreement. In connection with said deliveries into escrow, the parties acknowledge and agree as follows:

- a. The specific Transaction Documents required to be delivered to Escrow Agent by each Transaction Party are indicated on the chart attached hereto as Exhibit A.
- b. Unless noted otherwise on Exhibit A, parties shall deliver or authorize delivery to Escrow Agent, on or before the Escrow Delivery Date, four signed original counterparts of all indicated documents, notarized if applicable, complete with all appropriate exhibits and in all other respects, provided that (a) only one original signed copy shall be required with respect to documents that are to be recorded, which documents shall be dated effective as of the Closing Date and (b) undated

documents shall be deemed complete if the party delivering the undated document provides the Escrow Agent authority to fill in the date .

4. Effect of Delivery to Escrow Agent. The parties acknowledge and agree that notwithstanding the execution of the Transaction Documents and any other documents relating to the Multi-Party Order and the Kimberly-Clark Order, the Release Documents and Declaration, or the Purchase Agreement, or delivery of such documents or funds relating to each Order or the Purchase Agreement to the Escrow Agent, (a) that none of such documents shall be deemed to be in force and effect as between the Transaction Parties, the Purchase Price shall not be released by the Escrow Agent to Melching as Seller under the Purchase Agreement, no other funds shall be disbursed by the Escrow Agent, and the Transaction Documents shall not be released, recorded or distributed by the Escrow Agent on behalf of any of the Transaction Parties, unless and until the Escrow Agent confirms to every Transaction Party that all Closing Conditions (defined in Section 6) are satisfied and (b) the Effective Date of the Multi-Party-Order and the Kimberly – Clark Order shall be the date the Escrow Agent records the Recordation Documents. The Escrow Agent shall deliver the funds and Transaction Documents other than the Recordation Documents on or before the date of recording of the Recordation Documents, and shall confirm having completed all deliveries and recording using the Close of Escrow Confirmation Form attached at Exhibit E to this Agreement.

5. Effective Date and Deadline. The Effective Date of the Multi-Party Order and the Kimberly-Clark Order shall be the date on or before the Acquisition Deadline of August 31, 2016, that the Escrow Agent has determined that all of the Closing Conditions are satisfied, and the Escrow Agent has delivered and, where appropriate, recorded, the Transaction Documents and delivered all amounts payable pursuant to the terms of this Agreement. The Effective Date shall be the same for each Order, and shall be memorialized by the Escrow Agent on the executed Close of Escrow Confirmation Form (Exhibit E). If the Effective Date has not occurred on or before 5:00 p.m. Central Time on the Acquisition Deadline, (a) the Transaction Parties acknowledge and agree any Transaction Documents executed and delivered to the Escrow Agent under this Agreement shall be null and void and the Escrow Agent shall cooperate in such nullification by return or destruction of each Transaction Document as directed by the Transaction Party that delivered the Transaction Document to the Escrow Agent, (b) the Escrow Agent shall return any funds it received to the Transaction Party that delivered the funds, and (c) if necessary, the parties shall use their best efforts to cause the Transaction Documents to be removed from record or otherwise made inoperable as to any Transaction Party or any other person. In furtherance of the foregoing, the Escrow Agent shall not record the Release Documents and Declaration until each Transaction Party has delivered all funds and Transaction Documents it is required to deliver, and the Escrow Agent is irrevocably authorized and committed to deliver the Transaction Documents and funds as instructed by this Agreement. In the event the Escrow Agent fails for any reason to deliver the executed Close of Escrow Confirmation Form to the MDEQ, or delivers the executed Close of Escrow Confirmation Form to the MDEQ after the date of such recording, the Multi-Party-Order and the Kimberly-Clark Order shall nevertheless be effective as of the date of recording of the Release Documents and Declaration. If for any reason the Escrow Agent fails to deliver funds to the Muskegon River Watershed Assembly on or before the date the Escrow Agent records the Recordation Documents, the sole remedy of the MDEQ shall be to pursue recovery of such funds from the Escrow Agent or the party that failed to deliver the funds to the Escrow Agent.

6. Escrow Agent's Authorizations and Obligations; Closing Conditions. Escrow Agent shall, to the extent not already completed, date all Transaction Documents effective as of the date the Closing Conditions (defined below) are met and shall complete any blanks intended for recording references of other documents upon recordation of said other documents. Upon receipt of the Transaction Documents and the Funds as defined below, Escrow Agent shall confirm that all of the following conditions (collectively, the "Closing Conditions") have been satisfied:

- a. Escrow Agent has in hand the Transaction Documents, fully executed, dated, and otherwise in the state of readiness for closing as is required under this Agreement, including, without limitation, all of documents that are to be recorded (the "Recordation Documents") in originals and in form acceptable for filing or recording in Muskegon County, Michigan;
- b. Escrow Agent is unconditionally prepared to record the Recordation Documents;
- c. Escrow Agent has received all funds required to be delivered under the Purchase Agreement, the Orders or any other Transaction Document (the "Funds");
- d. Escrow Agent, in its capacity as a duly authorized officer of First American Title Insurance Company (the "Title Company") is, immediately upon its disbursement of funds required to be paid pursuant to closing statements prepared and approved by Melching and Pure Muskegon for their closing (the "Closing Statements"), unconditionally and irrevocably committed to issue to Pure Muskegon an Owner's Policy of title satisfying the conditions of the Purchase Agreement;
- e. Escrow Agent has complied with, or is prepared to comply with, instructions delivered to the Escrow Agent in this Agreement and under any separate instructions from the Transaction Parties (to the extent the same are consistent with this Agreement);
- f. Escrow Agent has signed this Agreement where indicated and returned a PDF of Escrow Agent's signature page to each of the Transaction Parties; and
- g. Escrow Agent has received and executed final Closing Statements signed by Melching and Pure Muskegon and compliant with the terms of this Agreement and the Purchase Agreement;
- h. Escrow Agent has sent a written notice to each Transaction Party, certifying that all Closing Conditions have been satisfied, with scanned copies of assembled Transaction Documents as noted on Exhibit D.

7. Close of Escrow. Upon receipt of executed counterparts of the Certification Re Closing in the form attached to this Agreement as Exhibit C from Melching and Pure Muskegon, Escrow Agent shall, immediately without further notice or direction, take the following actions, all of which shall be deemed to occur simultaneously:

- a. Execute a counterpart of the Certification Re Closing on its own behalf and distribute a PDF of a fully executed Certification Re Closing to each Transaction Party.
- b. Disburse all Funds pursuant to the Closing Statements and send the cashier's checks from Melching and Kimberly-Clark as listed at par. 4 and par. 5 of Exhibit A (Transaction Documents) to the Muskegon River Watershed Assembly at the address listed on Exhibit D.
- c. Date all undated documents as of the Closing Date;
- d. Cause all Recordation Documents to be recorded on the Closing Date in the appropriate county offices in Muskegon County, Michigan in the order of recordation that said documents appear on attached Exhibit B.
- e. Send all other Transaction Documents to the parties noted on attached Exhibit D and send all Recordation Documents to the parties noted on such Recordation Documents;
- f. Insert the date of recording of the Recordation Documents and execute with a dated signature the Close of Escrow Confirmation Form (Exhibit E) and send a copy to each Transaction Party; and
- g. Issue the policy of title insurance ordered and paid for by Pure Muskegon, if any, which title insurance policy and associated gap insurance coverage Escrow Agent/Title Company hereby acknowledges and agrees, shall be deemed to be issued and effective as of the date of disbursement of the Funds pursuant to Section 7(b) above, including payment in full of all title insurance premiums and charges. As soon as is reasonably practicable, but in any event, no later than ten (10) business days after recording, Escrow Agent shall send to Pure Muskegon its original title insurance policy.

8. Notices. All notices and communications required or permitted under this Agreement shall be in writing and shall be served: (i) by depositing the same in the United States mail, postage prepaid and certified, with return receipt requested; (ii) by delivering the same in person; (iii) by delivering the same by email (with the original sent within 24 hours by one of the other methods permitted herein); or (iv) by a nationally-recognized overnight parcel delivery service, postage prepaid (producing a delivery receipt). Notice given in accordance herewith shall be effective upon the earlier of: actual receipt of the notice, including as such receipt may be evidenced by electronic delivery receipt; on the third (3rd) day following deposit of same in the United States mail as provided for herein; or on the next day following delivery of the same to an overnight carrier as provided above, regardless of whether same is actually received. Each of the parties hereby authorizes their respective contact/representative, as set forth on Exhibit D, to authorize any action and to make or receive any notice, communication, and delivery of documents relative to the Transactions and this Agreement and the other parties are authorized to accept the same. Said contacts/representatives addresses are as set forth on Exhibit D, attached hereto.

9. Escrow Agent Actions in Event of Dispute. Notwithstanding anything in this Agreement to the contrary, if Escrow Agent reasonably determines that the parties are in disagreement about the interpretation of this Agreement or about the rights and obligations of any of the parties hereto, or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent shall so notify the Transaction Parties, with a description of the disagreement, and if the same is not resolved within three (3) business days after such notice, Escrow Agent shall have the right to take either or both of the following actions in the sole discretion of the Escrow Agent:

- a. suspend all or any part of its activities under this Agreement until Escrow Agent receives either: (i) joint written instructions from all affected Transaction Parties; or (ii) notice that the disagreement has been resolved between the parties, in arbitration, or by final judgment of a court of competent jurisdiction, or
- b. petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction, in any venue convenient to Escrow Agent, for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, deliver and pay into such court, for holding and disposition in accordance with the instructions of such court, all Transaction Documents and Funds.

Escrow Agent shall have no liability to the Transaction Parties or any other person with respect to any such suspension of performance or delivery and disbursement into court.

10. Reliance: Standard of Care. Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, reasonably believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice, or instructions in connection with the provisions hereof has been duly authorized to do so. In performing any of its duties hereunder, Escrow Agent shall not incur any liability to anyone for any damages, losses, or expenses, except for Escrow Agent's willful or negligent default under this Agreement.

11. Indemnity. The Transaction Parties, other than Kimberly-Clark and MDEQ, hereby jointly and severally agree to indemnify Escrow Agent, its officers and directors, and hold them harmless from and against any and all damages, costs, claims, liabilities, losses, expenses, fees, or charges of any character or nature which Escrow Agent may incur or with which it may be threatened by reason of its performance of its obligations under this Agreement, in each case except to the extent attributable to the willful default or negligence of the Escrow Agent.

12. Revocation. This Agreement and the agency created in Escrow Agent hereby are coupled with an interest of each of the respective Transaction Parties hereto and shall be binding upon and enforceable against the respective successors, legal representatives and assigns of the parties. This Agreement and Escrow Agent's agency authority granted herein are irrevocable.

13. Counterparts. This Agreement may be executed in counterparts and shall be binding upon the parties notwithstanding that all parties have not signed the same counterpart.

14. State Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan without regard to conflicts of laws statutes.

15. Business Days. Notwithstanding anything herein to the contrary, in the event the final date of performance by any party to this Agreement of any condition or obligation hereunder falls upon a non-business day (i.e., Saturday, Sunday, national holiday or local holiday recognized by major Michigan banks), the final date for performance of such condition or obligation shall be extended automatically and without notice until the next succeeding business day.

16. Termination of Escrow Agreement. Upon Escrow Agent's administration and delivery of the Transaction Documents, Funds, and Policies in full compliance with the terms and conditions of this Agreement, this Agreement shall terminate and be of no further force and effect.

17. Amendments to Agreement. This Agreement supersedes all prior instructions to Escrow Agent, written and oral, and may only be amended after the Effective Date by a writing signed by all Transaction Parties and accepted by Escrow Agent, provided that Escrow Agent shall be permitted to accept minor and nonmaterial variations in escrow instructions if, in Escrow Agent's reasonable discretion the same are compatible with this Agreement. All escrow Transaction Documents and Funds shall be deemed submitted irrevocably by parties once delivered to Escrow Agent and shall only be released from escrow pursuant to the terms of this Agreement.

18. Entire Agreement. This Agreement and the exhibits hereto set forth the entire agreement and understanding among all of the Transaction Parties and the Escrow Agent related to the delivery and distribution of the Transaction Documents. This Agreement shall not amend, nullify or otherwise alter the obligations between or among any subset of Transaction Parties under the Multi-Party Order, the Kimberly Clark Order, the Purchase Agreement or any other agreement. This Agreement shall not cause any Transaction Party or the Escrow Agent to assume obligations or liability under the Multi-Party Order, the Kimberly Clark Order, the Purchase Agreement or any other agreement to which the Transaction Party or the Escrow Agent is not otherwise a party.

[Signature Page Follows]

[Signature Page to Escrow Closing Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above by their duly authorized officers.

S.D. WARREN COMPANY

By: _____
Name: _____
Its: _____

MELCHING INC.

By: _____
Name: _____
Its: _____

KIMBERLY CLARK CORPORATION

By: _____
Name: _____
Its: _____

PURE MUSKEGON, LLC

By: _____
Name: _____
Its: _____

**SUN TITLE AGENCY OF MICHIGAN,
LLC**

By: _____
Name: _____
Its: _____

**MICHIGAN DEPARTMENT OF
ENVIRONMENTAL QUALITY**

By: _____
Name: _____
Its: _____

Exhibit A

Transaction Documents

1. Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15--009, fully executed by MDEQ, MDAG, S.D. Warren, Melching and Pure Muskegon ("Multi-Party Order")
2. Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15-010, fully executed by MDEQ, MDAG, and Kimberly-Clark Corporation, a Delaware corporation ("Kimberly-Clark Order")
3. Declaration and Release Documents; fully-executed by S.D. Warren and Melching, and notarized:
 - a. Second Amendment of Quit Claim Deed and Release of Environmental Covenants, Release and Indemnity ("Second Amendment of Quit Claim Deed")
 - b. Release of Declaration of Covenants, Conditions and Restrictions ("Release of Declaration")
 - c. Replacement Declaration of Environmental Covenants, Release and Indemnity ("Replacement Declaration")
4. Cashier's check in the amount of \$15,000 from the Melching Respondents made payable to "Muskegon River Watershed Assembly"
5. Cashier's check in the amount of \$15,000 from or on behalf of Kimberly Clark made payable to "Muskegon River Watershed Assembly"
6. Certification Re Closing, in the form attached to this Agreement as Exhibit C, executed by Escrow Agent, Melching and Pure Muskegon, certifying that all documents and funds required to close the sale of the Property by Melching to Pure Muskegon pursuant to the Purchase Agreement have been delivered to the Escrow Agent, and no further action is required to be taken by Melching or Pure Muskegon under the Purchase Agreement, all conditions of closing other than disbursement of funds and distribution and recording of documents by the Escrow Agent have been irrevocably satisfied or waived.
7. Irrevocable Instructions to Pay executed by Pure Muskegon and Melching, Inc.

Exhibit B

Order of Recordation

1. Second Amendment of Quit Claim Deed and Release of Environmental Covenants, Release and Indemnity
2. Release of Declaration of Covenants, Conditions and Restrictions
3. Replacement Declaration of Environmental Covenants, Release and Indemnity
4. Deed from Melching to Pure Muskegon

Exhibit C
CERTIFICATION RE CLOSING

The undersigned jointly and severally hereby certify to S.D. Warren Company d/b/a Sappi North America, a Pennsylvania corporation, as of this ____ day of _____, 2016, as follows:

1. All conditions to closing set forth in that Agreement for Sale and Purchase of Real Estate dated as of June 27, 2013, as amended, by and between Melching, Inc., as seller, and Pure Muskegon, LLC, as purchaser (the "*Purchase Agreement*") have been satisfied or waived.

2. All closing documents and other documents and certificates required to be executed and delivered at closing by the parties to the Purchase Agreement have been executed and delivered by the parties to Sun Title Agency of Michigan, LLC, as escrow agent, to be held in escrow pursuant to that certain Escrow Agreement dated July __, 2016 by and among the Transaction Parties (the "*Escrow Agreement*").

3. The purchase price required to be paid by Pure Muskegon, LLC under the Purchase Agreement, net of all offsets and credits permitted by the Purchase Agreement, has been paid to Sun Title Agency of Michigan, LLC, as escrow agent, to be held in escrow pursuant to the Escrow Agreement.

4. Apart from disbursement of funds and distribution and recording of the documents held in escrow by Sun Title Agency of Michigan, LLC, no further act by any party to the Purchase Agreement is necessary to transfer title to the Property (as defined in the Purchase Agreement) in accordance with the terms and conditions of the Purchase Agreement.

5. Pure Muskegon, LLC and Melching, Inc. has each on its own behalf irrevocably authorized Sun Title Agency of Michigan, LLC, and Sun Title Agency of Michigan, LLC is irrevocably obligated, to disburse the funds and distribute and record the documents held in escrow by Sun Title Agency of Michigan, LLC.

6. This Certification Re Closing may be executed in counterparts and shall be effective upon delivery of counterparts executed by all parties to each party.

PURE MUSKEGON, LLC

By: _____

Its: _____

SUN TITLE AGENCY OF MICHIGAN, LLC

By: _____

Its: _____

MELCHING, INC.

By: _____

Its: _____

Exhibit D
Distribution of Final Documents

Transaction Party	Document	Original or Copy
S.D. Warren Company c/o Stinson Leonard Street 150 South Fifth Street Suite 2300 Minneapolis, MN 55402 Attention: Eric Galatz Eric.galatz@stinson.com	Multi-Party Order	Original
	Kimberly-Clark Order	Copy
	Second Amendment of Quit Claim Deed	Copy
	Release of Declaration	Copy
	Replacement Declaration	Copy
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
Melching Inc. c/o Scholten Fant 100 North Third Street P.O. Box 454 Grand Haven, MI 49417-0454 Attention: Matthew C. VanHoef mvanhoef@scholtenfant.com	Multi-Party Order	Original
	Kimberly-Clark Order	Copy
	Second Amendment of Quit Claim Deed	Copy
	Release of Declaration	Copy
	Replacement Declaration	Copy
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
Pure Muskegon, LLC c/o Miller Johnson 45 Ottawa Ave. SW, Suite 1100 P.O. Box 306 Grand Rapids, MI 49501-0306 Attention: Alan C. Schwartz SchwartzA@millerjohnson.com	Multi-Party Order	Copy
	Kimberly-Clark Order	Copy
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
MDEQ c/o Michigan Department of Attorney General ENRA Division 525 West Ottawa Street Lansing, MI 48933 Attention: Polly A. Synk Assistant Attorney General	Multi-Party Order	Original
	Kimberly-Clark Order	Original
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
Kimberly Clark c/o Eimer Stahl LLP 224 South Michigan Avenue Suite 1100 Chicago, IL 60604 Attention David Stahl dstahl@eimerstahl.com	Kimberly-Clark Order	Original
	Certification Re Closing	Copy
	Close of Escrow Form	Copy

Muskegon River Watershed Assembly Kathy Evans, Staff Support Muskegon Lake Watershed Partnership 316 Morris Avenue, Suite 340 Muskegon, MI 49440 kevans@wmsrdc.org	Kimberly-Clark Cashier's Check	Original
	Melching Cashier's Check	Original

Exhibit E
Close of Escrow Form

In my capacity as the Escrow Agent under the Escrow Agreement dated July __, 2016, I certify by my signature that the following conditions have been satisfied:

1. All of the conditions set forth in the Certification Re Closing pertaining to the sale of the Property identified in the Agreement for Sale and Purchase of Real Estate dated June 27, 2013, as amended, (Purchase Agreement) by and between Melching Inc., as seller, and Pure Muskegon, LLC, as buyer, have been satisfied.
2. The Certification Re Closing has been executed by Melching, Pure Muskegon, and the Escrow Agent.
3. The purchase price required to be paid by Pure Muskegon, LLC under the Purchase Agreement, net of all offsets and credits permitted by the Purchase Agreement, has been distributed to Melching.
4. The following documents have been recorded in the appropriate county offices in Muskegon County, Michigan and in the order set forth in Exhibit B:
 - a. Second Amendment of Quit Claim Deed and Release of Environmental Covenants, Release and Indemnity;
 - b. Release of Declaration of Covenants, Conditions and Restrictions;
 - c. Declaration Replacement Declaration of Environmental Covenants, Release and Indemnity; and
 - d. Deed from Melching to Pure Muskegon.
5. The Funds required to be paid by Melching under its Administrative Order by Consent entered with the Michigan Department of Environmental Quality, AOC RRD-15-009, have been distributed to the Muskegon River Watershed Assembly.
6. The Funds required to be paid by Kimberly-Clark under its Administrative Order by Consent entered with the Michigan Department of Environmental Quality, AOC RRD-15-010, have been distributed to the Muskegon River Watershed Assembly.
7. All other Transaction Documents have been sent to the Transaction Parties as specified on Exhibit D to the Escrow Agreement.

SUN TITLE AGENCY OF MICHIGAN, LLC

By: _____

Its: _____

DATE: _____

Attachment G

MINIMUM DEVELOPMENT PLAN

**2400 Lakeshore Drive
Muskegon, Michigan**

Prepared by:
Pure Muskegon, LLC
1218 E. Pontaluna Road
Spring Lake, MI 49456

June 28, 2016

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Figure

Figure 1 Site Plan of the Property

1.0 INTRODUCTION

This Minimum Development Plan (MDP) has been prepared to summarize the minimum proposed development activities that will be conducted by Pure Muskegon, LLC, a Michigan limited liability company (Pure Muskegon) at the former Sappi paper mill property following the anticipated transfer of ownership from Melching, Inc. (Melching) to Pure Muskegon. The MDP is not the final development plan, but serves as Pure Muskegon's plan for satisfying its initial due care obligations in connection with the redevelopment of this property.

The property consists of 120 acres of industrial land situated along the south shoreline of Muskegon Lake between Lake Michigan and downtown Muskegon formerly operated by Sappi Fine Paper Products (the Property). With more than one mile of Muskegon Lake frontage and nearby access to Lake Michigan, Muskegon Country Club, and downtown Muskegon, this Property represents a unique and exciting mixed-use redevelopment opportunity with the potential to impact the entire Midwest.

Pure Muskegon has been actively pursuing the acquisition of the Property over the past three years. During this time, Melching has demolished nearly 1,000,000 square feet of functionally obsolete building space, resolved certain known contamination issues with the Michigan Department of Environmental Quality (MDEQ), and prepared a Lime Management Plan to eliminate identified pH concerns. These actions have positioned the Property for transfer to Pure Muskegon who is poised to conduct an environmental assessment of the Property, complete a Baseline Environmental Assessment and Due Care Plan and implement this MDP, which will help facilitate the subsequent mixed-use redevelopment.

2.0 ACTIVITY DESCRIPTION AND IMPLEMENTATION SCHEDULE

The following subsections summarize the minimum redevelopment activities that will be conducted and the anticipated implementation schedule once Pure Muskegon becomes the new owner of the Property. A Site Plan depicting the Property is attached.

2.1 Securing and Improving Site Fence line

Upon site acquisition, Pure Muskegon will commence with taking the necessary steps to verify that the entire Property is adequately secured with fencing, limiting site access to only two gated locations along Lakeshore Drive (the south border of the site). Access to the Property will be monitored.

Along the fencerow, scrub vegetation will be cleared and routinely maintained. The existing fence line bordering the waterfront will be screened with a durable and aesthetically pleasing green cover that permits air flow, but minimizes visibility.

2.2 Demolition of Existing Stacks

Two large stacks are located on the Property. The two stacks are coated with an asbestos-containing paint. Pure Muskegon will demolish and remove the stacks (including asbestos paint abatement) by December 31, 2017 provided that (i) all permits and approvals for demolition of the two stacks are issued by the City of Muskegon and the State of Michigan, (ii) a \$1,000,000 Brownfield Redevelopment Grant is awarded by the State of Michigan to fund the cost of removing the two stacks, and (iii) Melching escrows not less than \$250,000 of the purchase price paid by Pure Muskegon at closing to fund Melching's initial share of the cost of removing the two stacks in excess of \$1,000,000.

2.3 Site Grading, Capping/Covering, and Seeding

Melching is obligated to complete demolition activities within 12 months of closing. Demolition activities conducted by Melching will include the following (the Demolition Activities):

- Removal of all remaining above-grade structures, with the exception of the former piano factory building (vintage brick structure to be repurposed); a slab-on-grade, metal sided building (to be used as a contractor office and storage structure during potential future redevelopment activities); and the two large stacks that are coated with asbestos paint.
- Removal of underground piping.
- Removal of below-grade building footings/foundations and pilings to depths consistent with City of Muskegon requirements and the purchase agreement conditions between Melching and Pure Muskegon.

Provided that Melching posts a \$1,000,000 performance bond in favor of Pure Muskegon to insure performance of the Demolition Activities, and if Melching fails to complete those Demolition Activities within one year after Pure Muskegon acquires ownership of the Property, Pure Muskegon will diligently pursue a claim under the performance bond to facilitate completion of the Demolition Activities.

Within forty-five (45) days after acquiring the Property, Pure Muskegon will conduct a Baseline Environmental Assessment for the Property in compliance with Part 201 of NREPA. Pure Muskegon will also perform a Phase II Environmental Site Assessment of the Property for the purpose of evaluating Part 201 Due Care Obligations (Phase II ESA). The Phase II ESA will include an evaluation of surface soils to determine if unacceptable direct contact exposures are present on the Property. If the Phase II ESA identifies soil contamination that presents a direct contact risk to human health (Contaminated Areas), Pure Muskegon will take steps to cover those Contaminated Areas as necessary to eliminate that risk prior to the first use of those areas. The cover may consist of clean soil, crushed concrete, dredged fill, or other suitable material, or it may consist of improvements (such as roads, parking lots, etc.) constructed in the course of the redevelopment of the Property.

Contaminated Areas of the Property where construction of improvements is not scheduled to commence until after December 31 of 2017 will be temporarily covered and stabilized by Pure Muskegon no later than eighteen (18) months after completion of demolition activities with grass seed or other native vegetation to (i) prevent erosion of contaminated soil into Muskegon Lake to the extent required by applicable law, and (ii) prevent runoff of contaminated storm water into Muskegon Lake to the extent required by applicable law.

Pure Muskegon shall be liable for stipulated penalties to the MDEQ for failure to meet the deadline for placing cover on those Contaminated Areas that are not scheduled to be improved prior to December 31, 2017, as set forth in this paragraph: a penalty of \$500.00 will apply to each Contaminated Area not scheduled to be improved prior to December 31, 2017 where cover is not in place eighteen (18) months after the completion of demolition; the \$500.00 penalty shall apply to each Contaminated Area where cover is not timely placed, but the penalty shall only apply once (not on a daily or recurring basis); Pure Muskegon shall pay stipulated penalties to the MDEQ within thirty (30) days after receipt of a written demand from MDEQ; interest at the rate provided in Section 20126a(3) of the NREPA shall begin to accrue on the unpaid balance at the end of the 30-day period after the payment was due until the date upon which Pure Muskegon makes full payment of the stipulated penalties and the accrued interest to MDEQ. If Pure Muskegon fails to pay stipulated penalties when due, MDEQ may institute proceedings to collect the penalties, as well as any accrued interest. However, the assessment of stipulated penalties is not the State's exclusive remedy with regard to the Minimum Development Plan. Notwithstanding any other provision of this Minimum Development Plan, MDE may waive, in its unreviewable discretion, any portion of stipulated penalties and interest that has accrued.

3.0 CONCLUSIONS

This document represents the MDP for the site once Pure Muskegon becomes the new owner. Executing the MDP will ensure an environmentally safe and secure site, provide a significantly improved viewshed for the neighboring communities, and establish a sound foundation for future redevelopment initiatives.

Although this MDP is a good starting point, Pure Muskegon truly desires to help facilitate a much greater redevelopment plan for the site - repurposing and revitalizing the former Sappi industrial property into a vibrant and sustainable waterfront mixed-use development. With the anticipated support of local and state partners, this vision will become a reality and create new energy for the entire Muskegon community.

Pure Muskegon projects initial private investment of nearly \$7. million, including pre-site acquisition costs, site acquisition costs, and completion of the MDP. To advance the project beyond the MDP, Pure Muskegon will work with the City of Muskegon and other key stakeholders to develop a place-based redevelopment plan that will significantly improve the

aesthetic character of the area, draw in new people and businesses to the community, significantly increase the City of Muskegon's tax base, create jobs, provide new linkages between downtown Muskegon and Lake Michigan, and serve as a catalyst for additional nearby private investment.



Received & Sealed for Record
MARK F. FAIRCHILD REGISTER OF DEEDS
Muskegon County Michigan
08/08/2016 09:26 AM Liber: 4095 Page: 639

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**REPLACEMENT DECLARATION OF ENVIRONMENTAL COVENANTS,
RELEASE AND INDEMNITY**

THIS REPLACEMENT DECLARATION OF ENVIRONMENTAL COVENANTS, RELEASE AND INDEMNITY, (this "Declaration"), made this 24 day of July, 2016 (the "Effective Date"), by Melching, Inc., a Michigan corporation ("Melching" or "Declarant" or "Grantee"), in order to provide for the orderly development of the property commonly known as 2400 Lakeshore Drive, and other parcels all in Muskegon, Michigan, as more particularly described in attached Exhibit 1 (the "Real Property"), subject to certain restrictions concerning the use, development and testing of certain portions of the Real Property (defined below and in Exhibit 1 as the "Restricted Parcels"), and to induce S.D. Warren Company, a Pennsylvania corporation ("S.D. Warren" or "Grantor"), the Grantor under that certain Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated August 23, 2011 and recorded August 29, 2011 in Liber 3888 of Muskegon County Records at Page 749 (the "Original Quit Claim Deed"), amended by that certain Amendment to Declaration Of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated October 23, 2012, and recorded December 13, 2012, in Liber 3933 of Muskegon County Records at Page 397 (as further amended as of the Effective Date, the "Quit Claim Deed"), to release from the Quit Claim Deed as of the Effective Date certain restrictions concerning the use, development and testing of the Real Property and to discharge and release, in its entirety, as of the Effective Date that Declaration of Covenants, Conditions and Restrictions dated August 25, 2011 and recorded August 29, 2011, in Liber 3888 of Muskegon County Records at Page 748, amended by that certain Amendment to Declaration Of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated October 23, 2012, and recorded December 13, 2012, in Liber 3933 of Muskegon County Records at Page 397 (the "Prior Declaration") executed by and between S.D. Warren and Melching with respect to the Real Property.

ENVIRONMENTAL COVENANTS, RELEASE AND INDEMNITY

Declarant hereby represents, warrants, covenants and agrees to and with the Grantor Parties (terms not defined in the text of this Declaration are defined in paragraph 4 of this Declaration) as follows:

1. **Representation and Warranty.** Declarant hereby reaffirms the following representation and warranty that Declarant, as Grantee under the Original Quit Claim Deed, made to Grantor as of the date of the Original Quit Claim Deed, to induce Grantor to convey the Real Property to Declarant as Grantee under the Original Quit Claim Deed:

Grantee represents and warrants that as of the date of the Original Quit Claim Deed, Grantee has conducted such inspections and investigations of the Real Property, including environmental conditions, as Grantee deemed appropriate in Grantee's sole discretion and, based on such inspections and investigations, Grantee accepts the condition of the Real Property, including specifically without limitation, the environmental and geological condition of the Real Property, in an "AS-IS" and with "ALL FAULTS" condition. **GRANTEE ACKNOWLEDGES AND AGREES WITH GRANTOR THAT: (i) GRANTEE IS PURCHASING THE REAL PROPERTY IN "AS-IS, WHERE IS" CONDITION "WITH ALL FAULTS" AND DEFECTS AS OF THE DATE OF THE ORIGINAL QUIT CLAIM DEED AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, OR ANY OTHER WARRANTY OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF GRANTOR OR THE GRANTOR PARTIES.**

2. **Hazardous Substances.** The Grantee Parties acknowledge that the portion of the Real Property encompassed by the Restricted Parcels is a "facility" as defined by MCL 324.20101(1)(s) due to presence of Hazardous Substances in soils and groundwater at, on under and from the Restricted Parcels in excess of the concentrations that satisfy the cleanup criteria for unrestricted residential use.

The Grantee Parties (including each Subsequent Grantee) hereby fully release and forever discharge Grantor and the Grantor Parties, and each Subsequent Grantee shall be deemed to have fully released and forever discharged the Grantor, the Grantor Parties and the Melching Parties, from liability with respect to any Claims existing as of the date of the Original Quit Claim Deed, as of this date, or in the future resulting from, arising out of or relating to the condition of the Property, or non-compliance with any Environmental Law related to the Property, and from all Environmental Liabilities related to the Property, including without limitation, any environmental contamination, or presence of Hazardous Substances and the handling, use, treatment, removal, storage, decontamination, cleanup, transport or disposal thereof, whether such contamination or Hazardous Substances are located on, at or under the Property, or have migrated or will migrate from or to the Property, and the Grantee Parties hereby waive any cause of action (including without limitation any right of contribution) a Grantee Party had, has or may



have against a Grantor Party, with respect to the foregoing, whether arising under common law, or federal, state or local statute, rule or regulation. The foregoing release and discharge shall apply to any condition or noncompliance with Environmental Law, including any environmental condition, past, present or future, known or unknown, suspected or unsuspected, contemplated or unanticipated or any liability a Grantee Party may incur as a result of any claim or other assertion of liability by a third party. Each of the Grantee Parties also waives the benefits of all laws which provide that a waiver of unknown Claims is unenforceable or which would otherwise limit the obligations, waivers or releases of the Grantee Parties set forth in this deed. This release shall be construed broadly, so that if any question arises as to its scope, breadth or duration, the release shall be effective and not subject to any exception or restriction, whether or not foreseen or foreseeable, at the time this Declaration with Environmental Covenants, Release and Indemnity is signed. The foregoing release, discharge and covenants in this paragraph 2 shall constitute a real covenant, and not a personal obligation, and shall run with and burden the land and be binding upon all future owners of, and successors to, any interest in the Real Property, to the same extent as the same are binding upon the Grantee Parties. The foregoing release and waiver shall not, however, apply to Claims against a Grantor Party or a Melching Party arising from a new release of hazardous substances or exacerbation of existing contamination on the Property, to the extent the Claim is attributable to the negligence or misconduct of the Grantor Party or Melching Party asserting the right to the release or waiver.

3. **Indemnification.** Each Grantee Party (including each Subsequent Grantee) for itself hereby covenants and agrees with the Grantor Parties that it shall indemnify the Grantor Parties, and each Subsequent Grantee shall be deemed to covenant and agree with the Grantor Parties and the Melching Parties that it shall indemnify the Grantor Parties and the Melching Parties, and hold them harmless from, against and in respect of any and all Environmental Liabilities associated with the Property arising from any or all of the following: (1) the failure or refusal of the Grantee Party to perform the Due Care Obligations of such Grantee Party with respect to its ownership of or activities on the Property or any portion thereof; (2) any exacerbation of Hazardous Substances at, on, under or from the Property to the extent caused by the Grantee Party or any of its directors, officers, employees, agents, subsidiaries, predecessors, contractors legal representatives, successors and assigns; (3) any and all Claims for reimbursement or recovery of any costs, fees or expenses arising from or relating to any Redevelopment Funding obtained by or on behalf of the Grantee Party; or (4) any Claims arising from the breach of any representation, warranty or covenant, or failure to perform any affirmative obligation of the Grantee Party under this Declaration. The foregoing covenants and affirmative obligations to indemnify in this paragraph 3 shall constitute a real covenant, and not a personal obligation, and shall run with and burden the land and be binding upon each Grantee Party and each future owner of, and successor to, any interest in any portion of the Property to which this paragraph 3 applies, each to the same extent as the same are binding upon the Grantee Party, provided (1) the indemnity obligations of Melching to the Grantor Parties shall not be released by the conveyance of any portion of the Real Property to any Subsequent Grantee, (2) each Subsequent Grantee shall be required to indemnify the Grantor and the Melching Parties against Claims only to the extent of liabilities arising from the act or omission of that Subsequent Grantee, and (3) the indemnity of the Melching Parties required by this paragraph shall not be binding on any Subsequent Grantee to the extent it would operate as a release or modification of the obligations



of any of the Melching Parties under these Declarations or under any written agreement between any of the Melching Parties and that Subsequent Grantee.

4. **Definitions.** As used herein, the following terms have the following meanings:

"Claim" or "Claims" means any and all demands, claims, counterclaims, actions or causes of action, suits, proceedings, investigations, proceedings, regulatory actions, assessments, losses, damages, liabilities, debts, obligations, consequential damages, costs and expenses of every kind, including without limitation interest, penalties, fines, remedial action costs, cleanup costs, and attorneys' fees and disbursements, fees of other experts or consultants, claims or other assertions of liability by third parties, and other costs and expenses.

"CNTS" means that certain Administrative Order by Consent entered into voluntarily by and between the MDEQ; the Michigan Department of Attorney General; and S.D. Warren Company d/b/a Sappi North America, Melching Inc., and Melcor LLC, as **"Respondents,"** concerning the performance by Respondents of certain response activities at the Property.

"Declarant Site Activities" means activities Declarant or any other Grantee Party (including their successors, assigns, agents, consultants, contractors and designees, but not including any Subsequent Grantee) shall perform on the Property (i) as authorized by the then-current owner of the Property, or (ii) as required, authorized or approved by the CNTS, including without limitation implementation of the Lime Management Plan, or (iii) as performed pursuant to a plan authorized or approved by the then-current owner of the Property or the MDEQ (including removal of contaminated soils, and the removal of useful materials (such as lime), and (iv) to remove salvageable and unsalvageable building materials for disposal, reuse or resale.

"Due Care Obligations" means the obligations and duties of a person who owns or operates property that he or she knows is a facility under MCL Chapter 324, including specifically MCL - 324.20107 and 324.20114, and Mich. Admin Code. R 299.51001 - 299.51021, Part 10, Compliance with Section 20107a of Act.

"Environmental Law" means any federal, state or local law or other legal requirement pertaining to the environment, natural resources, or the health or safety of the public or employees, now or hereafter enacted, including, but not limited to: the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601, *et seq.* ("CERCLA"); the Solid Waste Disposal Act, also known as the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, *et seq.* ("SWDA" or "RCRA"); the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11011, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401, *et seq.* ("CAA"); the Clean Water Act, 33 U.S.C. §§ 1251, *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. §§ 651, *et seq.*; the Toxic Substances Control Act, 15 U.S.C. §§ 2602, *et seq.*; the Rivers and Harbors Act of 1899, 33 U.S.C. § 401, *et seq.*; the Oil Pollution Act of 1990, 33 U.S.C. § 2701, *et seq.*; each as previously amended and as amended from time to time in the future; any state or local law similar to



the foregoing; all regulations and guidance documents issued pursuant to the foregoing; all permits issued to Grantor or any of its subsidiaries pursuant to the foregoing; all common law decisions; and any other state, federal or local law, pertaining to: (i) the existence, cleanup and/or remedy of contamination on property; (ii) the emission or release of any Hazardous Substances into the environment, including, without limitation, into sewer systems or within buildings; (iii) the control of hazardous wastes; (iv) the use, generation, transport, treatment, storage, disposal, removal or recovery of Hazardous Substances, including building materials containing Hazardous Substances; or (v) worker or community protection.

"Environmental Liabilities" means Claims, judgments, damages (including punitive damages), losses, penalties, fines, liabilities, encumbrances, liens, violations, costs and expenses (including attorneys' fees) of investigation, remediation, clean-up, corrective action, monitoring, or defense of any matter arising under any Environmental Laws (whether at law or in equity) or in any way relating to (i) the environment (including any surface or subsurface physical medium or natural resource such as air, land, soil, surface waters, ground waters, stream and river sediments, and biota), (ii) the use, generation, storage, treatment, disposal, processing, transportation, handling, release, emission or remediation of Hazardous Substances, including building materials containing Hazardous Substances, or (iii) impacts on human health and safety resulting from the foregoing, of whatever kind or nature by any party, entity, or authority, whether or not resulting from the violation or noncompliance with any Environmental Laws.

"Facility" has the meaning set forth in MCL 324.20101(s), including specifically those portions of the Real Property where a hazardous substance in excess of the concentrations that satisfy the cleanup criteria for unrestricted residential use has been released, deposited, disposed of, or otherwise has come to be located in which response activities have not been completed under Part 201 that satisfy the cleanup criteria for unrestricted residential use, and any area, place, or property adjacent to the Real Property that may be associated with such releases at, on under and from the Real Property.

"Grantee Parties" means Melching, Inc. and its affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, grantors and anyone acting on its behalf or their behalf with respect to the Real Property or otherwise. Subsequent Grantees as defined herein shall become Grantee Parties upon acquisition of any ownership interest in the Real Property or any portion thereof, provided each Subsequent Grantee shall be required to indemnify the Grantor against Claims under paragraph 3 of this Declaration only to the extent of liabilities arising from the act or omission of that Subsequent Grantee.

"Grantor Parties" means S.D. Warren Company and its affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, grantors and anyone acting on its behalf or their behalf with respect to the condition of the Real Property or otherwise, including specifically but without limitation Kimberly-Clark Corporation and Scott Paper Company and their respective subsidiaries.



"Hazardous Substances" shall mean any "hazardous substance," "pollutant," or "contaminant" as defined at 42 U.S.C. § 9601, as well as any extremely hazardous substances, hazardous waste, pollutant, contaminant and any other substance, material or waste regulated by an Environmental Law, and any petroleum products, agricultural chemicals, asbestos, urea formaldehyde, radio-active materials and polychlorinated biphenyls, whether or not regulated by any Environmental Law.

"Lime Management Plan" means that certain Lime Management Plan, 2400 Lakeshore Drive, Muskegon, Muskegon County, Michigan, dated December 2014, Prepared for Melching, Inc., by Lakeshore Environmental, Inc., as approved by the MDEQ.

"Lime Storage Area" means the portion of the Property described on attached Exhibit 2C, depicted on the property description map attached as Exhibit 2B, and illustrated in detail on attached Exhibit 2D.

"MDEQ" means the Michigan Department of Environmental Quality, or its successor agencies.

"Melching Parties" means Melching, Inc., Melcor, LLC, and their respective affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, grantors and anyone acting on its behalf or their behalf with respect to the Real Property or otherwise.

"Property" means, collectively, the Real Property, the Facility and the Riparian Property.

"Redevelopment Funding" means any and all grants, loans, incentives or other funding obtained from any federal state or local government bodies or agencies, quasi-public entities, foundations, or charitable institutions used to investigate or conduct Response Activities at the Real Property, including, but not limited to: (i) funding provided for any facility with a brownfield designation, or any other similar designation premised on the presence of Hazardous Substances at, on under or from the Real Property; (ii) Brownfields and Land Revitalization grants or loans under the U.S. EPA Brownfield Program (including, but not limited to, the small Business Liability Relief and Brownfields Revitalization Act, Public Law 107-118); and/or (iii) any Brownfield Tax Incentives pursuant to the Internal Revenue Code (including, but not limited to Sec. 198(a)).

"Restricted Parcels" means those parcels of Real Property designated as "Restricted Parcels" on Exhibit 1, together with any Riparian Property accruing to the described Restricted Parcels.

"Response Activity" means the evaluation, investigation, remediation, demolition, providing or the taking of other actions necessary to protect the public health, safety, or welfare, or the environment or the natural resources, including, but not limited to, any such activities that are required by the MDEQ or other governmental agencies.



"Riparian Property" means any riparian property or rights accruing to the Real Property, any portion of the lake bed or bottom land of Muskegon Lake abutting the Real Property that was or may have been contaminated or otherwise affected by activities on the Real Property, whether or not such lake bed or bottom land is technically riparian property under Michigan law, and whether or not such lake bed or bottom land is also Real Property or a part of the Facility.

"Subsequent Grantee" means any party acquiring all or any portion of the Real Property from Melching or its successors in interest, or from any other entity, and includes, without limitation, any subsequent Grantee or transferee acquiring any interest in the Real Property or any portion thereof from any Grantor or transferor, including each such Subsequent Grantee's affiliates, divisions and subsidiaries and each of their directors, officers, employees, stockholders, agents, subsidiaries, legal representatives, successors and assigns, and anyone acting on its behalf or their behalf with respect to the Real Property or otherwise.

5. **Restrictive Covenants.** The Declarant hereby declares, and each of the Grantee Parties jointly and severally hereby covenants and agrees with the Grantor Parties that the following restrictive covenants shall apply to the Restricted Parcels:

(a) There shall be no extraction of ground water for any purpose and no construction of wells or other devices to extract groundwater for consumption, irrigation, or any other use, except for wells and devices that are for environmental investigation or remediation (provided the foregoing is subject to the terms of paragraph 5(c) of this Declaration). Short term dewatering for construction purposes is permitted provided that the dewatering, including management and disposal of the groundwater, is conducted in accordance with all applicable local, state, and federal laws and regulations and does not cause or result in a new release, exacerbation of existing contamination, or any other violation of local, state, and federal environmental laws and regulations including, but not limited to, Part 201 of the NREPA.

(b) Prior to undertaking any activities that will involve the grading, excavation, removal, storage or disposal of any soils, the Grantee Party undertaking such activities shall characterize the soils in the area that will be affected by such activities and shall manage all soils, media, and/or debris in accordance with all applicable Environmental Laws including, but not limited to, the applicable requirements of Michigan Natural Resources and Environmental Protection Act, the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), and the administrative rules promulgated thereunder.

(c) Prior to undertaking any activities that may involve the dredging, excavation, removal, storage or disposal of sediments, soils or debris from any bottomlands underlying Muskegon Lake the Grantee Party undertaking such activities shall characterize the sediment or soils in the area that will be affected by such activities and shall manage such sediments in accordance with all applicable Environmental Laws. Furthermore, any underwater construction activities, including, but not limited to, dredging, drilling, pile driving, excavation, and



removal of sediments conducted by the Grantee Parties shall be performed consistent with all applicable Environmental Laws.

(d) No person shall undertake any activity or activities that would interfere with Declarant Site Activities, including but not limited to, any activity: (1) that would interfere with the function of or obstruct access to any monitoring wells, treatment wells, or any other remediation equipment pursuant to the CNTS or any other plan or proposal approved by the MDEQ; or (2) any activity that could affect the integrity or effectiveness of any caps or isolation barriers pursuant to the CNTS or any other plan or proposal approved by the MDEQ, whether or not any such structures or equipment are present at the time that this instrument is or the Original Quit Claim Deed was recorded; without limiting the foregoing, activities prohibited by this subparagraph 5(d) shall include without limitation, removing, destroying, or altering any well or device, or any cap or isolation barrier, in any way that renders it inoperable or incapable of functioning as intended, provided (i) this subparagraph 5(d) shall not prohibit any activities conducted in accordance with a plan approved by the MDEQ, which approval shall confirm that the approved activities shall not affect the protection provided by the CNTS, and (ii) any such activities shall be subject to the indemnification provisions of this Declaration.

(e) Neither the Grantor Parties nor the Melching Parties shall have any obligation, of any nature whatsoever, to any person or governmental entity, with respect to any Environmental Liabilities arising out of a Subsequent Grantee's failure to comply with any of such Subsequent Grantee's "due care" obligations to address the presence of Hazardous Substances pursuant to MCL 324.20107a, 42 USC 9607(b)(3), and/or any other applicable Environmental Law as revised or amended.

(f) None of the Grantee Parties, the affiliates, divisions or subsidiaries of the Grantee Parties, nor any of their respective directors, officers, employees, stockholders, agents, subsidiaries, predecessors, legal representatives, successors and assigns, nor any party possessing any right, title or interest in any portion of the Restricted Parcels may without the prior written consent of the S.D. Warren Company and Melching, dismantle, destroy, remove, demolish, raze or substantially alter any structures or improvements, excavate soils, or perform any intrusive subsurface activities (including, but not limited to, digging piling, driving, trenching and boring) or permit any of the foregoing to occur, within the area identified on the attached Exhibit 2A as the "Demolition Restricted Area," and depicted on the property description map attached as Exhibit 2B as "Restricted Area #1".

6. **Declarant Site Activities, Site Access and Cooperation Provisions.** Subject to the restrictive covenants in paragraph 5 of this Declaration, Grantor and Grantee agree that the following activities shall be permitted on the Real Property, including the Restricted Parcels:

(a) The MDEQ and its designated representatives shall have the right to enter at reasonable times and upon reasonable notice for the purpose of observing any ongoing Declarant Site Activities, including the right to take samples, inspect the operation and maintenance of any monitoring wells and/or remediation equipment and inspect any records relating to them. Nothing in this Declaration shall limit or otherwise affect the MDEQ's right of entry and access, or the MDEQ's authority to take Response Activities necessary as a result of



the Declarant's failure to perform the Declarant Site Activities as set forth in the NREPA and any successor statutory provisions, or other state or federal law.

(b) Subject to Section 6(c) and Section 9 of this Declaration, Declarant (including its successors, assigns, agents, consultants, contractors and designees) shall have the right to enter the Restricted Parcels from time to time to undertake the Declarant Site Activities. The Declarant's access rights under this subparagraph 6(b) shall continue as long as necessary to complete the Declarant Site Activities, including specifically, but not limited to, the Lime Management Plan, as determined by the MDEQ.

(c) Until Declarant has completed all Declarant Site Activities, Declarant and the Grantee Parties will cooperate with each other in creating a schedule and plan to ensure Declarant Site Activities, proposed development activities of the property owner, and the long term plan of use and enjoyment of the redeveloped property by all property owners will not unreasonably interfere with each other. Accordingly, until the Declarant has completed all Declarant Site Activities, (i) any Grantee Party from time to time that undertakes to redevelop its portion of the Property shall first submit a development plan to Declarant, (ii) before commencing or changing any Declarant Site Activities, Declarant shall submit a plan for such Declarant Site Activities to each Grantee Party affected by the Declarant Site Activities, and (iii) Declarant and such Grantee Party or Parties shall each provide the other with a reasonable time for review and comment and, if necessary, adjustment of their respective plans. Such cooperation shall be required notwithstanding any provision in this Declaration to the contrary.

(e) Each of the Grantee Parties for itself and its successors and assigns hereby waives any claim under any theory of law, including common law nuisance, arising from any Declarant Site Activities performed in accordance with this Declaration, except to the extent (i) the performance of the Declarant Site Activities causes a new release of hazardous substances at the Property or exacerbates existing contamination on the Property, and (ii) such waiver would operate as a release or modification of the obligations of any of the Melching Parties under these Declarations or under any written agreement between any of the Melching Parties and a Subsequent Grantee.

(f) The Grantor Parties shall have the right, but not the obligation, to enter the Property to implement, complete or correct Declarant Site Activities in the event that Melching Inc., or Melcor LLC fail or refuse to comply with their obligations as the "Melching Respondents" under the CNTS or any of the Grantee Parties fail to or refuse to comply with their indemnity obligations under this Declaration, subject to the same restrictions, conditions and limitations applicable to the Melching Parties under this Declaration.

7. **Access Easement.** Declarant, for the benefit of Declarant, Grantor, the Grantor Parties, the Grantee Parties, the owners of interests in any portion of the Restricted Parcels, and their respective successors and assigns, hereby grants and reserves a non-exclusive access easement over the Real Property for access to portions of the Restricted Parcels for the purpose of performing Declarant Site Activities (provided this grant shall not establish a right or obligation of any party other than Declarant to perform any Declarant Site Activities except pursuant to a separate agreement with or assignment by Declarant). At the request of any owner



of the Real Property from time to time that undertakes to redevelop its portion of the Real Property in accordance with a development plan that complies with this Declaration, Declarant shall agree to limit its Declarant Site Activities, including access rights, to locations and configurations that will accommodate such redevelopment without unreasonably interfering with Declarant Site Activities. Without limiting the foregoing, such access easement areas will provide vehicular access and egress between the right-of-way of a public street and the portion of the Real Property that is the subject of Declarant Site Activity. After a burdened portion of the Real Property is developed and placed in use for its intended purpose, the owner of such portion of the Real Property shall have the right to impose reasonable restrictions on the use of the easement area within its portion of the Real Property, including reasonable restrictions on the hours and days of use and the duration of the easement with respect to each easement area. The Access Easement established by this Section 7 shall continue only until the Declarant Site Activities have been completed, as determined by the MDEQ or, if the MDEQ does not exercise authority to make such determination, as contemplated by the CNTS.

8. **Declaration Runs with the Land.** Grantor and Grantee expressly declare and agree that, except as expressly provided herein, all covenants, conditions, agreements and obligations imposed by this Declaration shall run with the land and bind all future owners of, and successors to, any interest in the Real Property, and Grantee expressly acknowledges that it has received adequate, material and fair consideration for the perpetual imposition of these covenants, conditions and restrictions as a real covenant running with the land, and that the covenants, conditions, and restrictions imposed hereby upon the alienability of the Real Property and/or Riparian Property are fair and reasonable restrictions in substance, duration and application; by their acquisition of any interest in the Real Property or Riparian Property, all Grantee Parties, including future owners and successors and assigns, shall be deemed to have affirmed in like form the running of such covenants with the land, the adequacy of consideration and the reasonableness of such covenants.

9. **Acknowledgement of Consideration.** Declarant acknowledges, represents and agrees, and by purchasing an interest in the Real Property each Subsequent Grantee acknowledges, represents and agrees, that the easements, covenants, conditions, agreements, and obligations imposed upon them and their interests by this Declaration and all exhibits attached thereto are legal, valid and enforceable in all material respects as covenants running with the land, and constituted a material inducement to Grantor, upon which Grantor reasonably relied in releasing the Deed Restrictions from the Original Quit Claim Deed as of the Effective Date, and that Grantor would not have released those Deed Restrictions in the absence of the delivery and recording of this Declaration.

10. **Governing Law; Severability.** This Declaration and all exhibits hereto shall be deemed to have been mutually drafted by the parties after consultation with their respective counsel. No canon of construction resolving ambiguities in favor of one party over the other shall be applicable hereto. This Declaration and all exhibits hereto shall be governed by and interpreted in accordance with the laws of the State of Michigan. If any provision of this Declaration or exhibits hereto is in conflict with any statute or rule of any law in the State of Michigan or is otherwise void, illegal, or unenforceable for any reason, then that provision shall be deemed severable from or enforceable to the maximum extent permitted by law, as the case may be, and that provision shall not invalidate any other provision hereof.



11. **Beneficiaries; Amendment.** The Grantor Parties and Grantee Parties shall each be beneficiaries of this Declaration, with full rights of enforcement, in accordance with the terms of this Declaration. The Grantor Parties and Grantee Parties agree that MDEQ may enforce the terms of this Declaration as necessary to ensure that the restrictions and rights set forth herein continue to be implemented to protect the public health, safety, welfare, and the environment. No other rights in third parties are intended by this Declaration, and no other person or entity shall have any rights or authorities hereunder to enforce these restrictions, terms, conditions, or obligations other than the Grantor Parties, the Grantee Parties, Subsequent Grantees that take on the obligations of Grantee Parties, MDEQ, and their successors and assigns. This Declaration shall not be modified, amended or terminated except by an instrument executed by S.D. Warren and Melching or their respective corporate successors and assigns, each in its sole discretion, and recorded in the land records of Muskegon County, Michigan. Further, the provisions of paragraphs 5 and 6 of this Declaration shall not be modified, amended or terminated without the written consent of the MDEQ or its successor agencies, in its discretion, which consent shall be incorporated in the instrument that amends this Declaration or in a separate instrument recorded in the land records of Muskegon County, Michigan.

Without limiting the foregoing, S.D. Warren and Melching or their respective corporate successors and assigns, each in its sole discretion, shall consider any proposed modification, amendment or release of paragraphs 5(a), 5(b), or 5(c) of this Declaration with respect to all or any portion of the Restricted Parcels, or paragraph 6(a) with respect to all or any portion of the Real Property, provided such proposal is presented in writing with (1) evidence from duly qualified experts that the proposed modification, amendment or release will not result in foreseeable risks of exposure to existing contamination based upon applicable Michigan cleanup criteria, which writing must describe the specific exposure risks and specific additional investigation undertaken to assess those risks and (2) written approval of the proposed modification, amendment or release by the MDEQ or its successor agencies based on its review of such evidence.

Signature Pages Follow



Signature Page

DECLARANT:

MELCHING, INC.

By

Its:

PRESIDENT

Douglas Melching

STATE OF MI

ss.:

COUNTY OF Ottawa

The foregoing instrument was acknowledged before me this 20th day of July, 2016, by Douglas Melching as President of Melching Inc., a Michigan corporation, on behalf of the corporation.

Jessica Melching
Notary Public

Ottawa County, MI

My commission expires: 5-6-20



Signature Page

GRANTOR:

S.D. WARREN COMPANY

By Sarah Manchester
Sarah Manchester, Vice President and
General Counsel

STATE OF MASSACHUSETTS)
) ss.:
COUNTY OF SUFFOLK)

The foregoing instrument was acknowledged before me this 26 day of July 2016, by Sarah Manchester, Vice President and General Counsel of S.D. Warren Company, a Pennsylvania corporation, on behalf of the corporation.

Notary Public
Suffolk County,
My commission expires: 9-30-16

DRAFTED BY AND RETURN TO:
Stinson Leonard Street (SMO)
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402
612-335-1500

**Exhibit 1 to Declaration
Legal Description of the Real Property**

Property in the City of Muskegon, County of Muskegon, State of Michigan, to wit:

Restricted Parcels

Parcel A – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

That part of Blocks 598, 599, 601 and 602 of the Revised Plat of 1903 of the City of Muskegon as recorded in Liber 3 of Plats, Page 71, part of the Southwest 1/4, Section 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section; thence South 89 degrees 11 minutes 37 seconds East 488.51 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way) to the Place of Beginning; thence North 00 degrees 48 minutes 23 seconds East 310.18 feet perpendicular to said right-of-way line; thence South 88 degrees 56 minutes 12 seconds East 686.80 feet; thence South 05 degrees 19 minutes 28 second East 50.00 feet; thence South 10 degrees 02 minutes 06 seconds East 238.18 feet; thence Westerly 253.57 feet along aforesaid North right-of-way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 85 degrees 29 minutes 33 seconds West 253.20 feet; thence North 89 degrees 11 minutes 37 seconds West 484.81 feet along said right-of-way line to the Place of Beginning. Also subject to railroad right-of-way across subject property.

Parcel B – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

That part of Blocks 598, 599, 600, 601 and 602 of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71, Muskegon County Records), part of the Southwest one-quarter, Section 35, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, being described as: **COMMENCING** at the West one-quarter corner of said Section 35; thence North 00°49'57" East 347.09 feet along the West line of said section; thence South 89°11'37" East 973.32 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way); thence Easterly 253.57 feet along said right-of-way line on a 1367.00 foot radius curve to the left, the chord of which bears North 85°29'33" East 253.20 feet to the **PLACE OF BEGINNING**; thence North 10°02'06" West 238.18 feet; thence North 05°19'26" West 50.00 feet; thence North 88°56'12" West 591.89 feet; thence North 01°03'48" East 1302.28 feet; thence South 85°18'57" East 175.31 feet along an intermediate traverse line to the shore of Muskegon Lake; thence South 87°13'08" East 497.19 feet along said traverse line; thence South 82°07'10" East 151.35 feet along said traverse line to the East line of Block 598; thence South 01°03'48" West 1282.87 feet along said East block line; thence South 31°14'58" West 74.61 feet; thence South 26°33'42" West 44.65 feet; thence South 21°45'52" East 119.75 feet; thence Westerly 174.32 feet along aforesaid North right-of-way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 76°31'31" West 174.20 feet to the place of beginning. All lands herein described extend to the

Restricted Parcels (continued)



waters edge of Muskegon Lake. Also **SUBJECT TO** railroad right-of-way across subject property.

Parcel C – 2400 Lakeshore Drive (Property I.D. No. 24-205-598-0001-00):

That part of Blocks 601, 602, 603 and 604, of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71), Sections 34 and 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section to the Northerly right of way line of Lake Shore Drive (a 66.00 foot wide public right of way) to the Place of Beginning; thence North 89 degrees 11 minutes 37 seconds West 19.36 feet along said North right of way line; thence North 89 degrees 00 minutes 09 seconds West 536.05 feet; thence North 89 degrees 13 minutes 46 seconds West 768.17 feet along said North right of way line; thence North 85 degrees 25 minutes 57 seconds West 388.49 feet along said North right of way line; thence North 82 degrees 34 minutes 08 seconds West 448.42 feet along said North right of way line; thence North 85 degrees 52 minutes 47 seconds West 149.07 feet along said North right of way line; thence South 89 degrees 31 minutes 08 seconds West 87.96 feet along said North right of way line; thence North 01 degrees 00 minutes 26 seconds East 53.65 feet to an intermediate traverse line of Muskegon Lake; thence North 02 degrees 04 minutes 37 seconds East 809.35 feet along said traverse line; thence North 72 degrees 15 minutes 37 seconds East 315.95 feet along said traverse line; thence North 69 degrees 10 minutes 35 seconds East 559.46 feet along said traverse line; thence South 06 degrees 30 minutes 50 seconds East 477.00 feet along said traverse line; thence North 77 degrees 43 minutes 53 seconds East 242.00 feet along said traverse line; thence North 07 degrees 47 minutes 31 seconds West 513.00 feet along said traverse line; thence North 72 degrees 30 minutes 24 seconds East 571.33 feet along said traverse line; thence South 71 degrees 00 minutes 41 seconds East 343.90 feet along said traverse line; thence North 80 degrees 16 minutes 18 seconds East 1074.06 feet along said traverse line; thence South 01 degrees 03 minutes 48 seconds West 1302.28 feet; thence North 88 degrees 56 minutes 12 seconds West 94.91 feet; thence South 00 degrees 48 minutes 23 seconds West 310.18 feet; thence North 89 degrees 11 minutes 37 seconds West 488.51 feet along the aforesaid North right of way line to the Place of Beginning. All lands herein described extend to the waters edge of Muskegon Lake. Also subject to railroad right of way across subject property.



Non-Restricted Parcels

Legal Descriptions

Parcel 1:

Lots 1, 2, and the North 80 feet of Lots 3, 4, and 5, Block 1, LeBoeuf Avenue Subdivision, as recorded in Liber 6 of Plats, Page 27, Muskegon County Records.

Parcel 2:

Lots 1 through 7 inclusive, East ½ of Lot 8 and the north 10 feet of vacated alley abutting the same, Block 664, revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 3:

Lots 18-27 inclusive, Block 664, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 4:

Lots 1, 2, and 3, Block 677, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 5:

The North 132 feet of Lot 4, Block 677, Revised Plat (of 1903) of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Parcel 6:

That part of Block 693, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commence at a point 100 feet South of the South line of Lake Street (now Lake Shore Drive) and 135 feet West of the East line of said Block 693; thence West parallel with Lake Street 50 feet; thence North parallel with the East line of said Block 100 feet; thence East parallel with Lake Street 50 feet; thence South parallel with the East line of said Block 100 feet to the Point of Beginning. Also known as Lot 5 and the West 20 feet of Lot 4, of an unrecorded resubdivision of Block 693.

Parcel 7:

Part of Block 693 of the Revised Plat of the City of Muskegon described as follows: Commence on the South line of Lake Street 185 feet West of the East line of said Block 693, thence West along the South line of Lake Street 60 feet, thence South 100 feet, thence East 60 feet, thence North 100 feet to the place of beginning, according to the recorded plat thereof as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.



Non-Restricted Parcels (continued)

Parcel 8:

That part of Block 693, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commence at a point on the South line of Lake Street (now Lake Shore Drive) 285 feet West of the East line of said Block 693; thence West 60 feet; thence South 100 feet; thence East 60 feet; thence North 100 feet to the Point of Beginning. Also known as Lots 8 and 9, of an unrecorded resubdivision of Block 693.

Parcel 9:

That part of Block 693, Revised Plat of 1903 of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commencing 100 feet South of the South line of Lake Street and 345 feet West of the East line of said Block, thence West parallel with Lake Street 30 feet, thence North parallel with East line of said Block a distance of 100 feet, thence East along the South line of Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning, and part of Block 693 of the Revised Plat of the City of Muskegon described as follows: Beginning at a point 100 feet South of the South line of Lake Street and 375 feet West of the East line of said block and going West parallel with Lake Street 30 feet, thence North parallel with the East line of said Block a distance of 100 feet, thence East parallel with Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning.

Together with that part of vacated alley adjacent to the above described property. Said alley is described as: Part of a 14 foot unplatted alley in Block 693 of the Revised Plat of 1903 of the City of Muskegon located 100 feet South of and parallel to Lakeshore Drive, extending East 100 feet from the East line of Sherin Street.



Exhibit 2A to Declaration

Demolition Restricted Area

That part of Block 602 of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71, Muskegon County Records), Section 34, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, described as: **COMMENCING** at the East one-quarter corner of said Section 34; thence North 00°49'57" East 347.09 feet along the East line of said section; thence North 89°11'37" West 19.36 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way); thence North 89°00'09" West 275.71 feet along said North right of way line; thence North 00°53'16" East 28.74 feet to the **PLACE OF BEGINNING**; thence North 88°58'42" West 38.00 feet; thence North 00°53'16" East 57.50 feet; thence South 88°58'42" East 38.00 feet; thence South 00°53'16" West 57.50 feet to the place of beginning.



Restricted Area #1 / Demolition Restricted Area Illustration

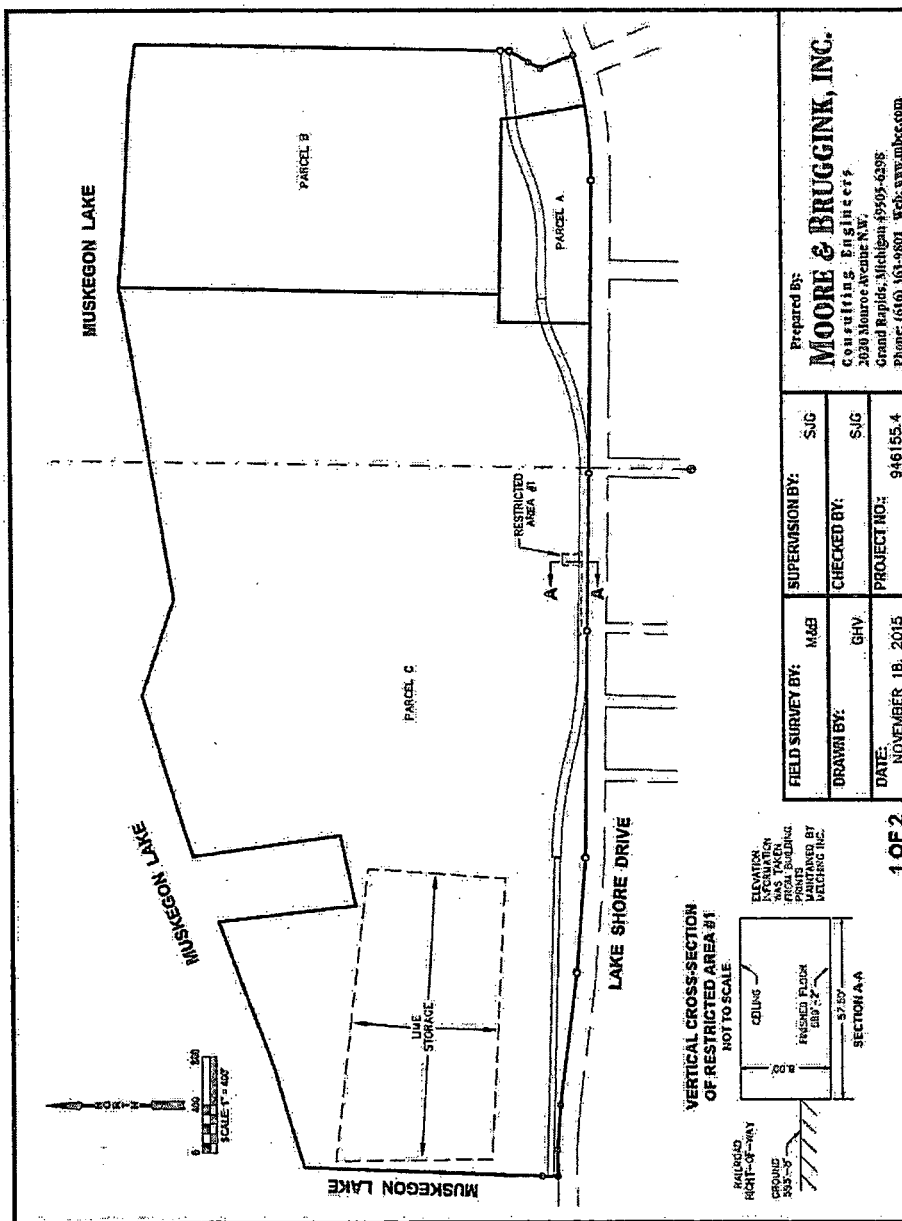


Exhibit 2C to Declaration

Lime Storage Area

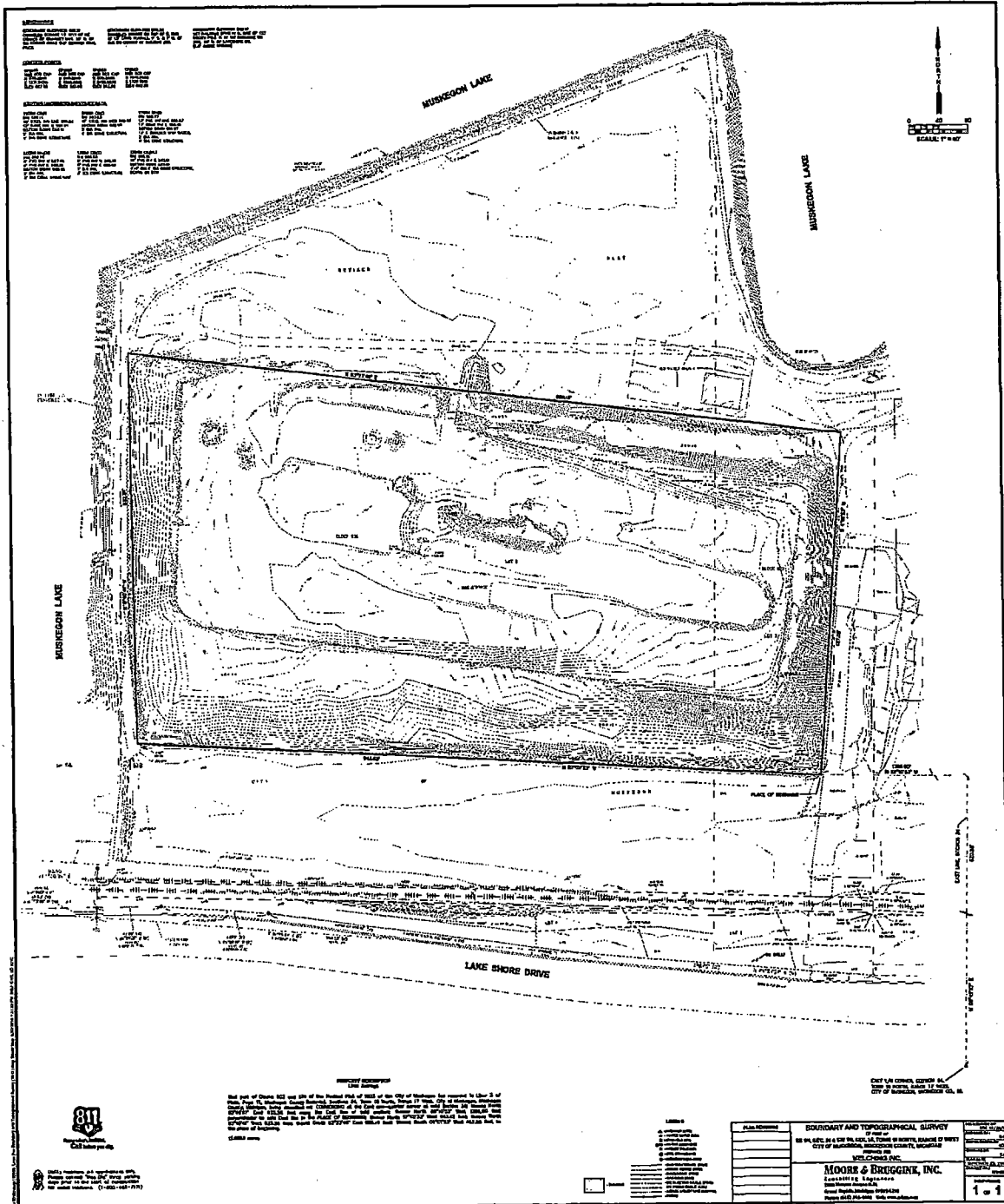
Legal Description

That part of Blocks 603 and 604 of the Revised Plat of 1903 of the City of Muskegon (as recorded in Liber 3 of Plats, Page 71, Muskegon County Records), Sections 34, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, being described as: COMMENCING at the East one-quarter corner of said Section 34; thence North 00°49'57" East 620.58 feet along the East line of said section; thence North 89°10'03" West 1396.80 feet perpendicular to said East line to the PLACE OF BEGINNING; thence North 87°05'33" West 943.68 feet; thence North 00°40'41" West 532.24 feet; thence South 83°23'46" East 988.19 feet; thence South 04°01'53" West 467.58 feet to the place of beginning.

11.0523 acres



**Exhibit 2D to Declaration
Lime Storage Area
Illustration**





Received & Sealed for Record
MARK F. FAIRCHILD REGISTER OF DEEDS
Muskegon County Michigan
08/08/2016 09:26 AM Liber: 4095 Page: 637

MARK F. FAIRCHILD Liber: 4095 Page: 637
REGISTER OF DEEDS PAGE: 1 of 5
Muskegon County Michigan 08/08/2016 09:26 AM
049 5561459



SECOND AMENDMENT OF QUIT CLAIM DEED
and RELEASE OF
ENVIRONMENTAL COVENANTS, RELEASE AND INDEMNITY

THIS SECOND AMENDMENT OF QUIT CLAIM DEED, (this "Second Amendment"), made this 29th day of July, 2016 (the "Effective Date"), by and between S.D. Warren Company, a Pennsylvania corporation ("S.D. Warren") and Melching, Inc., a Michigan corporation ("Melching," S.D. Warren and Melching are collectively referred to as the "Parties") amends (i) that certain Quit Claim Deed with Environmental Covenants, Release and Indemnity, dated August 23, 2011 and recorded August 29, 2011 in Liber 3888 of Muskegon County Records at Page 749 (the "Original Deed"), and (ii) that certain Amendment to Declaration Of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release And Indemnity, dated October 23, 2012, and recorded December 13, 2012, in Liber 3933 of Muskegon County Records at Page 397 (the "First Deed Amendment") which amended the Original Deed. For purpose of this Second Amendment, the term "Deed" shall mean the Original Deed as amended by the First Deed Amendment. The property commonly known as 2400 Lakeshore Drive, Muskegon, Michigan, and other parcels as more particularly described in such Deed (the "Real Property"), was conveyed by S.D. Warren to Melching by way of the Deed subject to certain restrictions concerning the use, development and testing of certain parcels described in the Deed, including without limitation, those set forth on Exhibit 2 to the Deed captioned "Environmental Covenants, Release and Indemnity," and those restrictions listed in the First Deed Amendment, which restrictions the Parties wish to release as of the Effective Date.

NOW, THEREFORE, for good and valuable consideration, deemed by the Parties to be actual and adequate, the Parties agree as follows:

AGREEMENT

1. The Parties have executed, delivered and recorded this Second Amendment for the sole purpose of releasing the Deed Restrictions as of the Effective Date. The effective date of the conveyance shall be and remain August 23, 2011. The execution, delivery and recording of this Second Amendment shall not be construed to release either Party from its obligations and liabilities to the other Party arising under any other agreement or instrument between the Parties, including without limitation obligations and liabilities arising under the Deed Restrictions before the Effective Date.

2. The Parties agree that Exhibit 2 attached to the Original Deed, all terms, conditions, and restrictions set forth in the First Deed Amendment, and the following text of the Original Deed, (together, the "Deed Restrictions"), are hereby released and deleted entirely:

Further, with respect to the Restricted Parcels, subject to the following use restriction, which shall run with the land and be binding upon, inure to the benefit of, and be enforceable by Grantor and Grantee and their respective successors, assigns, and legal representatives:

The Restricted Parcels may be used only for industrial purposes. For purposes of this Quit Claim Deed with Environmental Covenants, Release and Indemnity, the term "industrial purposes" shall mean those uses of the Real Property in which exposure to hazardous substances, pollutants and contaminants is largely limited to adult workers, access by the general public is restricted or infrequent, and activities are otherwise consistent with health risk-based cleanup criteria for industrial uses as established by State and Federal regulatory agencies with jurisdiction over environmental conditions at the Real Property. Without limiting the foregoing, prohibited uses of the Real Property shall include residential uses, offices, hotels, educational facilities, child care facilities, hospitals, health care and elder care facilities, parks and other outdoor recreational facilities, agricultural and aqua-culture uses and mining.

There shall be no extraction of ground water from beneath the Restricted Parcels for any purpose and no construction of wells or other devices to extract groundwater for consumption, irrigation, or any other use, except for wells and devices that are part of an agency-approved response activity. Short term dewatering for construction purposes is permitted provided the dewatering, including management and disposal of the groundwater, is conducted in accordance with all applicable local, state, and federal laws and regulations and does not cause or result in a new release, exacerbation of existing contamination, or any other violation of local, state, and federal environmental laws and regulations including, but not limited to, Part 201 of the NREPA.

3. The Exhibits attached to the Deed are hereby amended as follows:

a) Exhibits attached to Original Deed:

Exhibit 1 to Quit Claim Deed, Legal Description, shall remain unchanged, provided the parties acknowledge that, before the Effective Date Grantee conveyed to a third party the real property commonly known as 2333 Lakeshore Drive, which is legally described as follows:

The west half Lot 8, all of Lots 9 and 10, and the north 10 feet of the abutting vacated alley, Block 664, Revised Plat of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records.

Exhibit 2 to Quit Claim Deed, Environmental Covenants, Release and Indemnity, is deleted by this Second Amendment in its entirety as of the Effective Date.

Exhibit 3 to Quit Claim Deed, Binding Acknowledgment, is deleted by this Second Amendment in its entirety as of the Effective Date.



Exhibit 4 to Quit Claim Deed, Disclosure of Facility Status, is amended to read, in its entirety, as follows:

Pursuant to the requirements of Part 201 of the Michigan Natural Resources and Environmental Protection act ("Part 201") at MCL 324.20116, Seller hereby disclosed that the Restricted Parcels constitute a "facility" as defined in MCL 324.20101 because hazardous substances are present in soils and/or groundwater at concentrations in excess of the unrestricted residential use criteria established by the Michigan Department of Environmental Quality ("MDEQ"). The hazardous substances known to be present at the facility include: (1) gasoline, diesel, fuel oil and other petroleum constituents released as a result of spills or leaks from and/or failure of underground storage tanks ("USTs"), above-ground storage tanks ("ASTs"), and associated pumps and piping systems; (2) Polychlorinated Biphenyls ("PCBs") released from transformers and electrical equipment; (3) acids, sodium hydroxide, sodium, sulfates, lead and arsenic released as a result of spills or leaks from ASTs, processing equipment and associated piping and drain systems.

- b) Exhibits attached to First Deed Amendment: All exhibits attached to the First Deed Amendment are hereby deleted in their entirety.

4. Intent and Effect of this Agreement. This Second Amendment deletes the Deed Restrictions and the Binding Acknowledgement entirely as of the Effective Date. This Second Amendment shall not be deemed to forgive, release or discharge any violation occurring before the Effective Date of the Deed Restrictions as they existed before the Effective Date.

5. Ratification; Reaffirmation; References; Entire Agreement; Recording. All of the covenants, conditions, and restrictions affecting the Real Property as contained in the Deed shall remain in full force and effect, except as specifically modified hereby. The Deed as amended hereby, constitutes the entire agreement with respect to the matters addressed herein. This Second Amendment shall be recorded in the appropriate real property records of Muskegon County and may be recorded with any other Governmental Entity, if so required.

Signature Pages Follow



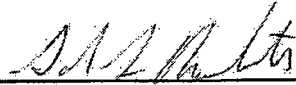
SECOND AMENDMENT OF QUIT CLAIM DEED

Signature Page

GRANTOR:

S.D. WARREN COMPANY

By



Sarah Manchester, Vice President
and General Counsel

STATE OF MASSACHUSETTS)

ss.:

COUNTY OF SUFFOLK)

The foregoing instrument was acknowledged before me this 26 day of July, 2016,
by Sarah Manchester, as Vice President and General Counsel of S.D. Warren Company, a
Pennsylvania corporation, on behalf of the corporation.



Notary Public

Suffolk County,

My commission expires: 9-30-16

MARK F. FAIRCHILD Liber: 4095 Page: 637
REGISTER OF DEEDS PAGE: 4 of 5
Muskegon County Michigan 08/08/2016 09:26 AM
049 5581459



SECOND AMENDMENT OF QUIT CLAIM DEED

Signature Page

GRANTEE:

MELCHING, INC.

By Douglas Melching
Its: PRESIDENT

Douglas Melching

STATE OF MI

SS.:

COUNTY OF Ottawa

The foregoing instrument was acknowledged before me this 26th day of July, 2016, by Douglas Melching as President of Melching Inc, a Michigan corporation, on behalf of the corporation.

Jessica Melching
Notary Public

Ottawa County, MI
My commission expires: 5-6-20



DRAFTED BY AND RETURN TO:
Stinson Leonard Street (SMO)
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402
612-335-1500

MARK F. FAIRCHILD Liber: 4095 Page: 637
REGISTER OF DEEDS PAGE: 5 of 5
Muskegon County Michigan 08/08/2016 09:26 AM
049 5561459





Received & Sealed for Record
 MARK F. FAIRCHILD REGISTER OF DEEDS
 Muskegon County Michigan
 08/08/2016 09:26 AM Liber: 4095 Page: 638

MARK F. FAIRCHILD Liber: 4095 Page: 638
 REGISTER OF DEEDS PAGE: 1 of 1
 Muskegon County Michigan 08/08/2016 09:26 AM
 048 8881488



**RELEASE OF DECLARATION OF
 COVENANTS, CONDITIONS AND RESTRICTIONS**

For good and valuable consideration, receipt of which is acknowledged by the undersigned, the undersigned hereby releases and discharges that certain Declaration of Covenants, Conditions and Restrictions, dated August 25, 2011 and recorded August 29, 2011 in Liber 3888 of Muskegon County Records at Page 748, as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release, and Indemnity, dated October 23, 2012, and recorded December 13, 2012 in Liber 3933 Page 397 as of this 26 day of July, 2016.

S.D. WARREN COMPANY

By Sarah Manchester
 Sarah Manchester, Vice President and
 General Counsel

STATE OF MASSACHUSETTS)
) ss.:
 COUNTY OF SUFFOLK)

The foregoing instrument was acknowledged before me this 26 day of July, 2016, by Sarah Manchester, as Vice President and General Counsel of S.D. Warren Company, a Pennsylvania corporation, on behalf of the corporation

Max Palmer
 Notary Public
Suffolk County,
 My commission expires: 9-30-16

DRAFTED BY AND RETURN TO:
 Miller Johnson, PLLC
 250 Monroe Ave., NW, Suite 800
 Grand Rapids, MI 49503
 (616) 831-1700

**RELEASE OF DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

For good and valuable consideration, receipt of which is acknowledged by the undersigned, the undersigned hereby releases and discharges that certain Declaration of Covenants, Conditions and Restrictions, dated August 25, 2011 and recorded August 29, 2011 in Liber 3888 of Muskegon County Records at Page 748, as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions and Quit Claim Deed with Environmental Covenants, Release, and Indemnity, dated October 23, 2012, and recorded December 13, 2012 in Liber 3933 Page 397 as of this 26th day of July, 2016.

S.D. WARREN COMPANY

By

Sarah Manchester
Sarah Manchester, Vice President and
General Counsel

STATE OF MASSACHUSETTS)

ss.:

COUNTY OF SUFFOLK)

The foregoing instrument was acknowledged before me this 26 day of July, 2016, by Sarah Manchester, as Vice President and General Counsel of S.D. Warren Company, a Pennsylvania corporation, on behalf of the corporation.

Ma Rabme
Notary Public

Suffolk County,

My commission expires: 9-30-16

DRAFTED BY AND RETURN TO:
Miller Johnson, PLLC
250 Monroe Ave., NW, Suite 800
Grand Rapids, MI 49503
(616) 831-1700

WARRANTY DEED

Melching, Inc., a Michigan corporation located at 16942 Woodlane Drive, Nunica, MI 49448 ("Grantor") conveys and warrants to Pure Muskegon, LLC, a Michigan limited liability company located at 1218 E Pontaluna Road B, Norton Shores, MI 49456 ("Grantee") the premises situated in the City of Muskegon, Muskegon County, Michigan, described in Exhibit A attached hereto for the sum of \$10.00 and other good and valuable consideration, subject to easements and building and use restrictions of record as listed on Exhibit B attached hereto. See Real Estate Transfer Tax Value Affidavit.

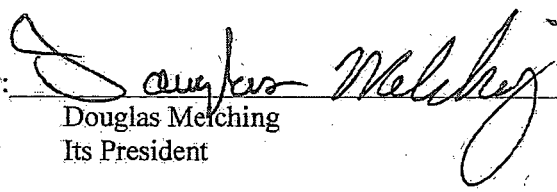
Grantor grants to Grantee the right to make ALL divisions under section 108 of the Land Division Act, MCL 560.108.

This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices that may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

Melching, Inc.

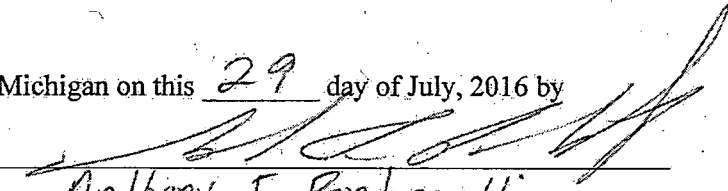
Dated: July 29, 2016

By:


Douglas Melching
Its President

STATE OF MICHIGAN)
COUNTY OF MUSKEGON)

Acknowledged before me in Muskegon County, Michigan on this 29 day of July, 2016 by
Douglas Melching, President of Melching, Inc.


Anthony J. Pontarelli
Notary Public

State of Michigan, County of Muskegon

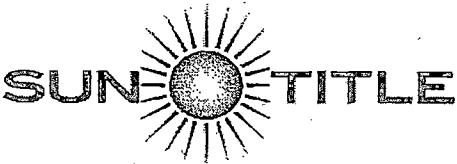
My commission expires: 02-21-2020

Acting in Ottawa County

Send Subsequent Tax Bills To: Grantee

Drafted by and when recorded return to:
J. Scott Timmer (P31855)
GIELOW GROOM TERPSTRA & MCEVOY
281 Seminole Rd. Second Floor
Norton Shores, MI 49444
231.747.7160

Exhibit A

	ISSUING AGENT: Sun Title Agency of Michigan, LLC UNDERWRITTEN BY: Old Republic Title Insurance Company
ALTA COMMITMENT SCHEDULE C (Property Legal Description)	Commitment No.: PC96839 Rev. No. 9 Loan No. (if known): Property Address: 2400 Lakeshore Dr. & V/L Muskegon, MI 49441

LEGAL DESCRIPTION

The Land referred to in this commitment is described as follows:

Land situated in the City of Muskegon, Muskegon County, Michigan:

Parcel A:

That part of Blocks 598, 599, 601 and 602 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and that part of the Southwest 1/4, Section 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section; thence South 89 degrees 11 minutes 37 seconds East 488.51 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way) to the Place of Beginning; thence North 00 degrees 48 minutes 23 seconds East 310.18 feet perpendicular to said right-of-way; thence South 88 degrees 56 minutes 12 seconds East 686.80 feet; thence South 05 degrees 19 minutes 28 seconds East 50.00 feet; thence South 10 degrees 02 minutes 06 seconds East 238.18 feet; thence Westerly 253.57 feet along aforesaid North right-of-way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 85 degrees 29 minutes 33 seconds West 253.20 feet; thence North 89 degrees 11 minutes 37 seconds West 484.81 feet along said right-of-way line to the Place of Beginning. Also subject to railroad right-of-way across subject property.

Parcel B:

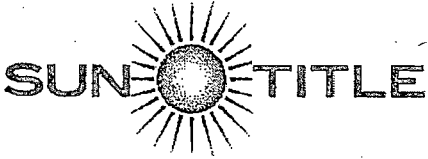
That part of Blocks 598, 599, 600, 601 and 602 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and part of the Southwest 1/4, Section 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section; thence South 89 degrees 11 minutes 37 seconds East 973.32 feet along the North right of way line of Lake Shore Drive (a 66.00 foot wide public right of way); thence Easterly 253.57 feet along said right of way line on a 1367.00 foot radius curve to the left, the chord of which bears North 85 degrees 29 minutes 33 seconds East 253.20 feet to the Place of Beginning; thence North 10 degrees 02 minutes 06 seconds West 238.18 feet; thence North 05 degrees 19 minutes 26 seconds West 50.00 feet; thence North 88 degrees 56 minutes 12 seconds West 591.89 feet; thence North 01 degrees 03 minutes 48 seconds East 1302.28 feet; thence South 85 degrees 18 minutes 57 seconds East 175.31 feet along an intermediate traverse line to the shore of Muskegon Lake; thence South 87 degrees 13 minutes 08 seconds East 497.19 feet along said traverse line; thence South 82 degrees 07 minutes 10 seconds East 151.35 feet along said traverse line to the East line of Block 598; thence South 01 degrees 03 minutes 48 seconds West 1282.87 feet (previously described as 1307.84 feet) along said East block line; thence South 31 degrees 14 minutes 58 seconds West 74.61 feet; thence South 26 degrees 33 minutes 42 seconds West 44.65 feet; thence South 21 degrees 45 minutes 52 seconds East 119.75 feet; thence Westerly 174.32 feet along aforesaid North right of way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 76 degrees 31 minutes 31 seconds West 174.20 feet to the Place of Beginning. All lands herein described extend to the waters edge of Muskegon Lake. Also subject to railroad right of way across subject property.

Parcel C:

That part of Blocks 601, 602, 603 and 604, of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and part of Sections 34 and 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section to the Northerly right of way line of Lake Shore Drive (a 66.00 foot wide public right of way) to the Place of Beginning; thence North 89 degrees 11 minutes 37

ALTA Commitment for Title Insurance (6-17-06)

Form 5011626-A (7-1-14)

	ISSUING AGENT: Sun Title Agency of Michigan, LLC UNDERWRITTEN BY: Old Republic Title Insurance Company
ALTA COMMITMENT SCHEDULE C (continued) (Property Legal Description)	Commitment No.: PC96839 Rev. No. 9 Loan No. (if known): Property Address: 2400 Lakeshore Dr. & V/L Muskegon, MI 49441

seconds West 19.36 feet along said North right of way line; thence North 89 degrees 00 minutes 09 seconds West 536.05 feet; thence North 89 degrees 13 minutes 46 seconds West 768.17 feet along said North right of way line; thence North 85 degrees 25 minutes 57 seconds West 388.49 feet along said North right of way line; thence North 82 degrees 34 minutes 08 seconds West 448.42 feet along said North right of way line; thence North 85 degrees 52 minutes 47 seconds West 149.07 feet along said North right of way line; thence South 89 degrees 31 minutes 08 seconds West 87.96 feet along said North right of way line; thence North 01 degrees 00 minutes 26 seconds East 53.65 feet to an intermediate traverse line of Muskegon Lake; thence North 02 degrees 04 minutes 37 seconds East 809.35 feet along said traverse line; thence North 72 degrees 15 minutes 37 seconds East 315.95 feet along said traverse line; thence North 69 degrees 10 minutes 35 seconds East 559.46 feet along said traverse line; thence South 06 degrees 30 minutes 50 seconds East 477.00 feet along said traverse line; thence North 77 degrees 43 minutes 53 seconds East 242.00 feet along said traverse line; thence North 07 degrees 47 minutes 31 seconds West 513.00 feet along said traverse line; thence North 72 degrees 30 minutes 24 seconds East 571.33 feet along said traverse line; thence South 71 degrees 00 minutes 41 seconds East 343.90 feet along said traverse line; thence North 80 degrees 16 minutes 18 seconds East 1074.06 feet along said traverse line; thence South 01 degrees 03 minutes 48 seconds West 1302.28 feet; thence North 88 degrees 56 minutes 12 seconds West 94.91 feet; thence South 00 degrees 48 minutes 23 seconds West 310.18 feet; thence North 89 degrees 11 minutes 37 seconds West 488.51 feet along the aforesaid North right of way line to the Place of Beginning. All lands herein described extend to the waters edge of Muskegon Lake. Also subject to railroad right of way across subject property.

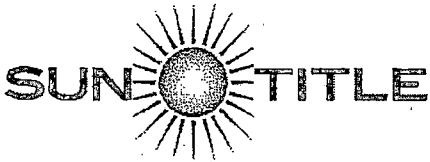
61-24-205-598-0001-00 (Parcels A, B and C)

Parcel D, Easement Parcel:

A non-exclusive easement to lay, construct, install, operate, inspect, maintain, repair, renew, change the size of, and remove a pipeline or lines or subsurface cables, wires, or conduits and all appurtenances thereto, for the transportation of liquids or gases or mixtures thereof and/or all waste and sewage or electrical, gas, or other transmissions of energy or other substances, as contained in the Easement Agreement recorded in Liber 1359, Page 909 over the following described land: That part of Lot 20 of Block 597 of the Revised Plat (1903) of the City of Muskegon as recorded in Liber 3 of Plats, Page 71, Muskegon County, Michigan, described as follows: A strip of land 20.00 feet in width lying 10.00 feet either side, measured at right angles, from the following described center line: Commencing at the Southwesterly corner of said Lot 20, thence North 1 degree 05 minutes 30 seconds West along the Westerly line of said Lot 31.00 feet, for point of beginning of said centerline, thence North 74 degrees 11 minutes East 609.90 feet to a point on the extended Easterly line of Lot 8 of said Block 597, thence North 67 degrees 33 minutes East 502.40 feet to a point on the Easterly line of said Lot 20 which is North 24 degrees 06 minutes 20 seconds West 41.00 feet from the Southeasterly corner of said Lot 20 for point of ending of said centerline.

Parcel E, Easement Parcel:

A non-exclusive easement for the purpose of maintaining and using a certain pipeline, as contained in the Easement that is referred to in the Memorandum of Easement, recorded in Liber 3563, Page 950, over the following described land: Part of Section 26 and 35, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, being Block 595 and part of Block 594 of the Revised Plat (1903) of the City of Muskegon; as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commence at the North quarter corner of Section 36, Town 10 North, Range 17 West, City of Muskegon; thence South 89 degrees 39 minutes 00 seconds West along the North line of said Section 36, a distance of 2659.65 feet to the Northwest corner of said Section 36; thence South 52 degrees 09 minutes 40 seconds West (Deed recorded in Liber 51, Page 610, Muskegon County Records, recites

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South 52 degrees 11 minutes 00 seconds West) a distance of 788 feet to a point on the North right-of-way line of the Chesapeake and Ohio Railway Company (30 feet wide); thence North 26 degrees 43 minutes 00 seconds West along the line as described in said Liber 51, Page 610, a distance of 5.10 feet to the point of beginning, being 20.00 feet, at right angles to the centerline of said railroad; thence South 51 degrees 44 minutes 22 seconds West along said right-of-way line, a distance of 264.38 feet to a point of curvature; thence Southwesterly along the arc of a curve to the right and said right-of-way line, an arc distance of 585.67 feet, said curve data being radius of 2795.00 feet, delta angle of 12 degrees 00 minutes 23 seconds, chord length of 584.63 feet, chord bearing of South 57 degrees 44 minutes 34 seconds West, chord definition to the West line of Block 595, City of Muskegon; thence North 00 degrees 30 minutes 50 seconds West by lot line agreement, as recorded in Liber 40, Page 430, Muskegon County Records, a distance of 98.19 feet; thence North 06 degrees 30 minutes 50 seconds West along said line, a distance of 966.90 feet; thence North 12 degrees 50 minutes 50 seconds West along said line, a distance of 249.94 feet to a point on the shore of Muskegon Lake; thence South 16 degrees 27 minutes 16 seconds East a distance of 204.68 feet along an intermediate traverse line on the shore of Muskegon Lake; thence continuing along said traverse line, South 42 degrees 59 minutes 01 second East, a distance of 111.66 feet; thence continuing along said traverse line, South 24 degrees 09 minutes 27 seconds East, a distance of 138.22 feet; thence continuing along said traverse line, South 13 degrees 37 minutes 34 seconds East, a distance of 226.09 feet; thence continuing along said traverse line, South 78 degrees 13 minutes 37 seconds East, a distance of 234.94 feet; thence continuing along said traverse line, North 64 degrees 46 minutes 34 seconds East, a distance of 282.51 feet to the lot line agreement, as recorded in Liber 51, Page 610, Muskegon County Records; thence South 26 degrees 43 minutes 00 seconds East along said line, a distance of 308.34 feet to the point of beginning.

Parcel 1:

Lots 1, 2, and the North 80 feet of Lots 3, 4, and 5, Block 1, LeBoeuf Avenue Subdivision to the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 6 of Plats, Page 27.

61-24-540-001-0001-00

Parcel 2:

Lots 1, 2, 3, 4, 5, 6, and 7, East 1/2 of Lot 8 and the North 10 feet of vacated alley, Block 664, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71.

61-24-205-664-0001-00

Parcel 3:

Lots 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27, Block 664, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and the North 10 feet of vacated alley on the South.

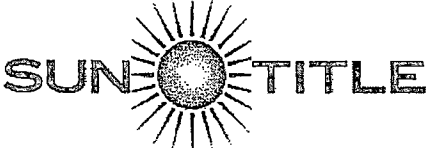
61-24-205-664-0018-00 (Lots 18 and 19)

61-24-205-664-0020-00 (Lots 20 through 27)

Parcel 4:

Lots 1, 2, and 3, Block 677, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71.

61-24-205-677-0001-00

	ISSUING AGENT: Sun Title Agency of Michigan, LLC UNDERWRITTEN BY: Old Republic Title Insurance Company
ALTA COMMITMENT SCHEDULE C (continued) (Property Legal Description)	Commitment No.: PC96839 Rev. No. 9 Loan No. (if known): Property Address: 2400 Lakeshore Dr. & V/L Muskegon, MI 49441

Parcel 5:

The North 132 feet of Lot 4, Block 677, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71.

61-24-205-677-0004-00

Parcel 6:

That part of Block 693, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commence at a point 100 feet South of the South line of Lake Street (now Lake Shore Drive) and 135 feet West of the East line of said Block 693; thence West parallel with Lake Street 50 feet; thence North parallel with the East line of said Block 100 feet; thence East parallel with Lake Street 50 feet; thence South parallel with the East line of said Block 100 feet to the Point of Beginning. Also known as Lot 5 and the West 20 feet of Lot 4, of an unrecorded resubdivision of Block 693.

61-24-205-693-0001-14

Parcel 7:

Part of Block 693 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commence on the South line of Lake Street 185 feet West of the East line of said Block 693, thence West along the South line of Lake Street 60 feet, thence South 100 feet, thence East 60 feet, thence North 100 feet to the place of beginning.

61-24-205-693-0001-13

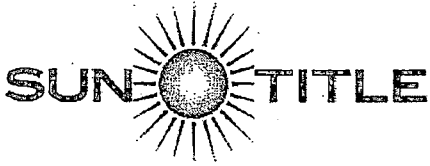
Parcel 8:

That part of Block 693, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commence at a point on the South line of Lake Street (now Lake Shore Drive) 285 feet West of the East line of said Block 693; thence West 60 feet; thence South 100 feet; thence East 60 feet; thence North 100 feet to the Point of Beginning. Also known as Lots 8 and 9, of an unrecorded resubdivision of Block 693.

61-24-205-693-0001-05

Parcel 9:

That part of Block 693, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commencing 100 feet South of the South line of Lake Street and 345 feet West of the East line of said Block, thence West parallel with Lake Street 30 feet, thence North parallel with East line of said Block a distance of 100 feet, thence East along the South line of Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning, and part of Block 693 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Beginning at a point 100 feet South of the South line of Lake Street and 375 feet West of the East line of said block and going West parallel with Lake Street 30 feet, thence North parallel with the East line of said Block a distance of 100 feet, thence East parallel with Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning.

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Together with that part of vacated alley adjacent to the above described property. Said alley is described as: Part of a 14 foot unplatted alley in Block 693 of the Revised Plat of 1903 of the City of Muskegon located 100 feet South of and parallel to Lakeshore Drive, extending East 100 feet from the East line of Sherin Street.

61-24-205-693-0001-04

If provided above, any address and tax parcel number are solely for informational purposes, without warranty as to accuracy or completeness. If inconsistent in any way with the legal description above, the legal description shall control.

Exhibit B

Rights of tenants under unrecorded leases and any and all parties claiming by, through and thereunder.

Easement to Grand Rapids-Muskegon Power Company, as recorded in Liber 12 of Miscellaneous Records, Page 405. (Parcel A, B and C)

Easement to Grand Rapids-Muskegon Power Company, as recorded in Liber 12 of Miscellaneous Records, Page 407. (Parcel A, B and C)

Easement to City of Muskegon, as recorded in Liber 749, Page 875. (Parcel A, B and C)

Easement(s), rights or other matters, if any, reserved over a portion of vacated public street or alley as shown in vacation resolution recorded in Liber 766, Page 895. (Parcel A, B and C)

Terms, covenants, and conditions of instrument, as recorded in Liber 936, Page 527. (Parcel A, B and C)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1446, Page 289. (Parcel A, B and C)

Easement for public utilities lying within the vacated alley adjoining the land as recorded in Liber 147 of Miscellaneous Records, Page 80. (Parcel 1)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1198, Page 537. (Parcel 1)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1446, Page 290. (Parcel 4)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1446, Page 286. (Parcel 5)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1446, Page 291. (Parcel 6)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1446, Page 297. (Parcel 7)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1446, Page 298. (Parcel 8)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1446, Page 299. (Parcel 9)

Easement(s), rights or other matters, if any, reserved over a portion of vacated public street or alley as shown in vacation resolution recorded in Liber 1449, Page 29 and Liber 1449, Page 427. (Parcel 9)

Terms, covenants, and conditions of Easement Agreement, as recorded in Liber 1359, Page 909. (Parcel A, B and C)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 1198, Page 253. (Parcel A, B and C)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 2251, Page 225. (Parcel A, B and C)

Easement in favor of Consumers Power Company (now known as Consumers Energy), as recorded in Liber 2251, Page 228. (Parcel A, B and C)

Terms, covenants, and conditions of Easement Agreement, as recorded in Liber 1676, Page 895.

Terms, covenants, and conditions of instrument, as recorded in Liber 1379, Page 419. (Parcel A, B and C)

Terms, covenants, and conditions of Memorandum of Easement, as recorded in Liber 3563, Page 950. (Parcel A, B and C)

Terms, covenants, and conditions of Assignment and Assumption of Easement Agreement, as recorded in Liber 3938, Page 435. (Parcel A, B and C)

The following matters shown on the survey by Moore & Bruggink, Inc., dated March 6, 2013, last revised September 22, 2014, Project No. 110168.1:

- (a) Encroachment of building onto the railroad right of way at various locations
- (b) Encroachment of driveways, utility lines and related improvements onto and across the railroad right of way that crosses the land
- (c) Overhead electric lines over Parcel C
- (d) Sewer line crossing over Parcel C.

Terms, covenants, and conditions of Declaration of Covenants, Conditions and Restrictions, as recorded in Liber 3888, Page 748.

Terms, covenants, and conditions of Quit Claim Deed with Environmental Covenants, Release and Indemnity, as recorded in Liber 3888, Page 749.

Terms, covenants, and conditions of Amendment, as recorded in Liber 3933, Page 397.

The interest of NPI Wireless-Traverse City, LLC, a Michigan limited liability company, Lessee, as evidenced by Short Form of Lease, dated December 26, 2003, recorded January 26, 2004, in Liber 3586, Page 813, and the terms, covenants, conditions and provisions as contained in said lease.

Railroad line, switches and spur tracks, if any, and all rights therein.

The nature, extent or lack of riparian rights or the riparian rights of riparian owners and the public in and to the use of waters of Muskegon Lake.

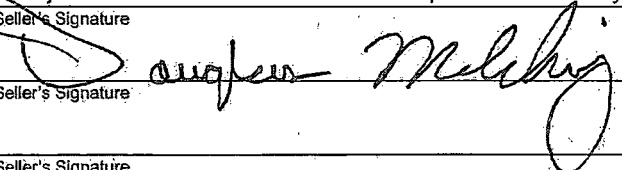
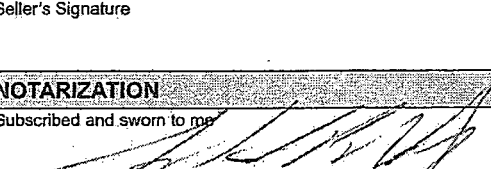
Rights, if any, of riparian owners and the public to use the surface, sub-surface and bed of the adjoining lake/river/creek for purposes of navigation and recreation.

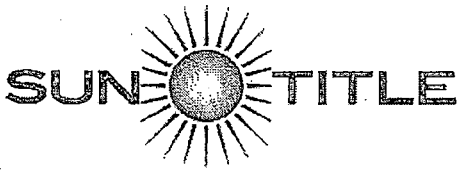
Any adverse claim based upon the assertion that some portion of said land is bottom land or has been created by artificial means or has accreted to such portion so created.

Real Estate Transfer Tax Valuation Affidavit

Issued under authority of Public Act 134 of 1966 and 330 of 1993 as amended.

This form must be filed with the Register of Deeds for the county where the property is located when you choose not to enter the amount paid for real estate on the deed. This form must be completed and signed by either the seller or his/her authorized agent.

1. County of Property Muskegon		2. City or Township of Property City of Muskegon	
3. Names of ALL Sellers Melching, Inc.			
Seller's Mailing Address(es) 16942 Woodlane Drive		City Nunica	State MI
		ZIP Code 49448	
4. Names of ALL Purchasers Pure Muskegon, LLC			
Purchaser's Mailing Address(es) 1218 E. Pontaluna Road B		City Norton Shores	State MI
		ZIP Code 49546	
5. Type and Date of Document <input type="checkbox"/> Land Contract Date of Contract: _____ <input checked="" type="checkbox"/> Deed Date: _____			
6. Cash Payment and/or Debt Relieved \$5,540,000.00	7. Amount of Mortgage/Land Contract \$0.00	8. Total Consideration (Add lines 6 & 7) \$5,540,000.00	
9. Amount of County Tax \$6,094.00	10. Amount of State Tax \$41,550.00	11. Total Revenue Stamps (Add lines 9 & 10) \$47,644.00	
12. If consideration is less than market value, state market value.			
13. Legal Description of Real Estate Transferred See Exhibit A attached			
CERTIFICATION			
I certify that the information above is true and complete to the best of my knowledge.			
Seller's Signature 		If signer is other than the seller, print name and title President	
Seller's Signature		If signer is other than the seller, print name and title	
Seller's Signature		If signer is other than the seller, print name and title	
Seller's Signature		If signer is other than the seller, print name and title	
NOTARIZATION			
Subscribed and sworn to me  Anthony J. Pontarelli		Notary Public State of Michigan; County of Ottawa	on this date 07-29-2016
		My commission expires on 02-21-2020	

	ISSUING AGENT: Sun Title Agency of Michigan, LLC UNDERWRITTEN BY: Old Republic Title Insurance Company
ALTA COMMITMENT SCHEDULE C (Property Legal Description)	Commitment No.: PC96839 Rev. No. 9 Loan No. (if known): Property Address: 2400 Lakeshore Dr. & V/L Muskegon, MI 49441

LEGAL DESCRIPTION

The Land referred to in this commitment is described as follows:

Land situated in the City of Muskegon, Muskegon County, Michigan:

Parcel A:

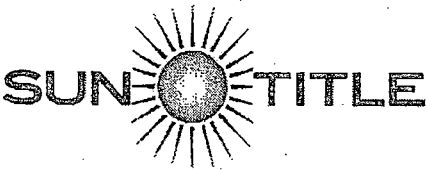
That part of Blocks 598, 599, 601 and 602 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and that part of the Southwest 1/4, Section 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section; thence South 89 degrees 11 minutes 37 seconds East 488.51 feet along the North right-of-way line of Lake Shore Drive (a 66.00 foot wide public right-of-way) to the Place of Beginning; thence North 00 degrees 48 minutes 23 seconds East 310.18 feet perpendicular to said right-of-way; thence South 88 degrees 56 minutes 12 seconds East 686.80 feet; thence South 05 degrees 19 minutes 28 seconds East 50.00 feet; thence South 10 degrees 02 minutes 06 seconds East 238.18 feet; thence Westerly 253.57 feet along aforesaid North right-of-way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 85 degrees 29 minutes 33 seconds West 253.20 feet; thence North 89 degrees 11 minutes 37 seconds West 484.81 feet along said right-of-way line to the Place of Beginning. Also subject to railroad right-of-way across subject property.

Parcel B:

That part of Blocks 598, 599, 600, 601 and 602 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and part of the Southwest 1/4, Section 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section; thence South 89 degrees 11 minutes 37 seconds East 973.32 feet along the North right of way line of Lake Shore Drive (a 66.00 foot wide public right of way); thence Easterly 253.57 feet along said right of way line on a 1367.00 foot radius curve to the left, the chord of which bears North 85 degrees 29 minutes 33 seconds East 253.20 feet to the Place of Beginning; thence North 10 degrees 02 minutes 06 seconds West 238.18 feet; thence North 05 degrees 19 minutes 26 seconds West 50.00 feet; thence North 88 degrees 56 minutes 12 seconds West 591.89 feet; thence North 01 degrees 03 minutes 48 seconds East 1302.28 feet; thence South 85 degrees 18 minutes 57 seconds East 175.31 feet along an intermediate traverse line to the shore of Muskegon Lake; thence South 87 degrees 13 minutes 08 seconds East 497.19 feet along said traverse line; thence South 82 degrees 07 minutes 10 seconds East 151.35 feet along said traverse line to the East line of Block 598; thence South 01 degrees 03 minutes 48 seconds West 1282.87 feet (previously described as 1307.84 feet) along said East block line; thence South 31 degrees 14 minutes 58 seconds West 74.61 feet; thence South 26 degrees 33 minutes 42 seconds West 44.65 feet; thence South 21 degrees 45 minutes 52 seconds East 119.75 feet; thence Westerly 174.32 feet along aforesaid North right of way line of Lake Shore Drive on a 1367.00 foot radius curve to the right, the chord of which bears South 76 degrees 31 minutes 31 seconds West 174.20 feet to the Place of Beginning. All lands herein described extend to the waters edge of Muskegon Lake. Also subject to railroad right of way across subject property.

Parcel C:

That part of Blocks 601, 602, 603 and 604, of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and part of Sections 34 and 35, Town 10 North, Range 17 West, being described as: Commencing at the West 1/4 corner of said Section 35; thence North 00 degrees 49 minutes 57 seconds East 347.09 feet along the West line of said Section to the Northerly right of way line of Lake Shore Drive (a 66.00 foot wide public right of way) to the Place of Beginning; thence North 89 degrees 11 minutes 37

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seconds West 19.36 feet along said North right of way line; thence North 89 degrees 00 minutes 09 seconds West 536.05 feet; thence North 89 degrees 13 minutes 46 seconds West 768.17 feet along said North right of way line; thence North 85 degrees 25 minutes 57 seconds West 388.49 feet along said North right of way line; thence North 82 degrees 34 minutes 08 seconds West 448.42 feet along said North right of way line; thence North 85 degrees 52 minutes 47 seconds West 149.07 feet along said North right of way line; thence South 89 degrees 31 minutes 08 seconds West 87.96 feet along said North right of way line; thence North 01 degrees 00 minutes 26 seconds East 53.65 feet to an intermediate traverse line of Muskegon Lake; thence North 02 degrees 04 minutes 37 seconds East 809.35 feet along said traverse line; thence North 72 degrees 15 minutes 37 seconds East 315.95 feet along said traverse line; thence North 69 degrees 10 minutes 35 seconds East 559.46 feet along said traverse line; thence South 06 degrees 30 minutes 50 seconds East 477.00 feet along said traverse line; thence North 77 degrees 43 minutes 53 seconds East 242.00 feet along said traverse line; thence North 07 degrees 47 minutes 31 seconds West 513.00 feet along said traverse line; thence North 72 degrees 30 minutes 24 seconds East 571.33 feet along said traverse line; thence South 71 degrees 00 minutes 41 seconds East 343.90 feet along said traverse line; thence North 80 degrees 16 minutes 18 seconds East 1074.06 feet along said traverse line; thence South 01 degrees 03 minutes 48 seconds West 1302.28 feet; thence North 88 degrees 56 minutes 12 seconds West 94.91 feet; thence South 00 degrees 48 minutes 23 seconds West 310.18 feet; thence North 89 degrees 11 minutes 37 seconds West 488.51 feet along the aforesaid North right of way line to the Place of Beginning. All lands herein described extend to the waters edge of Muskegon Lake. Also subject to railroad right of way across subject property.

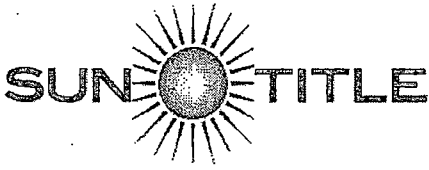
61-24-205-598-0001-00 (Parcels A, B and C)

Parcel D, Easement Parcel:

A non-exclusive easement to lay, construct, install, operate, inspect, maintain, repair, renew, change the size of, and remove a pipeline or lines or subsurface cables, wires, or conduits and all appurtenances thereto, for the transportation of liquids or gases or mixtures thereof and/or all waste and sewage or electrical, gas, or other transmissions of energy or other substances, as contained in the Easement Agreement recorded in Liber 1359, Page 909 over the following described land: That part of Lot 20 of Block 597 of the Revised Plat (1903) of the City of Muskegon as recorded in Liber 3 of Plats, Page 71, Muskegon County, Michigan, described as follows: A strip of land 20.00 feet in width lying 10.00 feet either side, measured at right angles, from the following described center line: Commencing at the Southwesterly corner of said Lot 20, thence North 1 degree 05 minutes 30 seconds West along the Westerly line of said Lot 31.00 feet, for point of beginning of said centerline, thence North 74 degrees 11 minutes East 609.90 feet to a point on the extended Easterly line of Lot 8 of said Block 597, thence North 67 degrees 33 minutes East 502.40 feet to a point on the Easterly line of said Lot 20 which is North 24 degrees 06 minutes 20 seconds West 41.00 feet from the Southeasterly corner of said Lot 20 for point of ending of said centerline.

Parcel E, Easement Parcel:

A non-exclusive easement for the purpose of maintaining and using a certain pipeline, as contained in the Easement that is referred to in the Memorandum of Easement, recorded in Liber 3563, Page 950, over the following described land: Part of Section 26 and 35, Town 10 North, Range 17 West, City of Muskegon, Muskegon County, Michigan, being Block 595 and part of Block 594 of the Revised Plat (1903) of the City of Muskegon, as recorded in Liber 3 of Plats, Page 71, Muskegon County Records, described as follows: Commence at the North quarter corner of Section 36, Town 10 North, Range 17 West, City of Muskegon; thence South 89 degrees 39 minutes 00 seconds West along the North line of said Section 36, a distance of 2659.65 feet to the Northwest corner of said Section 36; thence South 52 degrees 09 minutes 40 seconds West (Deed recorded in Liber 51, Page 610, Muskegon County Records, recites

	ISSUING AGENT: Sun Title Agency of Michigan, LLC UNDERWRITTEN BY: Old Republic Title Insurance Company
ALTA COMMITMENT SCHEDULE C (continued) (Property Legal Description)	Commitment No.: PC96839 Rev. No. 9 Loan No. (if known): Property Address: 2400 Lakeshore Dr. & V/L Muskegon, MI 49441

South 52 degrees 11 minutes 00 seconds West) a distance of 788 feet to a point on the North right-of-way line of the Chesapeake and Ohio Railway Company (30 feet wide); thence North 26 degrees 43 minutes 00 seconds West along the line as described in said Liber 51, Page 610, a distance of 5.10 feet to the point of beginning, being 20.00 feet, at right angles to the centerline of said railroad; thence South 51 degrees 44 minutes 22 seconds West along said right-of-way line, a distance of 264.38 feet to a point of curvature; thence Southwesterly along the arc of a curve to the right and said right-of-way line, an arc distance of 585.67 feet, said curve data being radius of 2795.00 feet, delta angle of 12 degrees 00 minutes 23 seconds, chord length of 584.63 feet, chord bearing of South 57 degrees 44 minutes 34 seconds West, chord definition to the West line of Block 595, City of Muskegon; thence North 00 degrees 30 minutes 50 seconds West by lot line agreement, as recorded in Liber 40, Page 430, Muskegon County Records, a distance of 98.19 feet; thence North 06 degrees 30 minutes 50 seconds West along said line, a distance of 966.90 feet; thence North 12 degrees 50 minutes 50 seconds West along said line, a distance of 249.94 feet to a point on the shore of Muskegon Lake; thence South 16 degrees 27 minutes 16 seconds East a distance of 204.68 feet along an intermediate traverse line on the shore of Muskegon Lake; thence continuing along said traverse line, South 42 degrees 59 minutes 01 second East, a distance of 111.66 feet; thence continuing along said traverse line, South 24 degrees 09 minutes 27 seconds East, a distance of 138.22 feet; thence continuing along said traverse line, South 13 degrees 37 minutes 34 seconds East, a distance of 226.09 feet; thence continuing along said traverse line, South 78 degrees 13 minutes 37 seconds East, a distance of 234.94 feet; thence continuing along said traverse line, North 64 degrees 46 minutes 34 seconds East, a distance of 282.51 feet to the lot line agreement, as recorded in Liber 51, Page 610, Muskegon County Records; thence South 26 degrees 43 minutes 00 seconds East along said line, a distance of 308.34 feet to the point of beginning.

Parcel 1:

Lots 1, 2, and the North 80 feet of Lots 3, 4, and 5, Block 1, LeBoeuf Avenue Subdivision to the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 6 of Plats, Page 27.

61-24-540-001-0001-00

Parcel 2:

Lots 1, 2, 3, 4, 5, 6, and 7, East 1/2 of Lot 8 and the North 10 feet of vacated alley, Block 664, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71.

61-24-205-664-0001-00

Parcel 3:

Lots 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27, Block 664, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71 and the North 10 feet of vacated alley on the South.

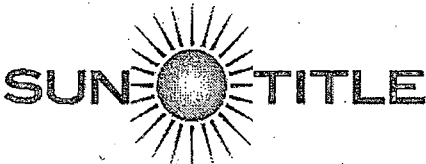
61-24-205-664-0018-00 (Lots 18 and 19)

61-24-205-664-0020-00 (Lots 20 through 27)

Parcel 4:

Lots 1, 2, and 3, Block 677, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71.

61-24-205-677-0001-00

	ISSUING AGENT: Sun Title Agency of Michigan, LLC UNDERWRITTEN BY: Old Republic Title Insurance Company
ALTA COMMITMENT SCHEDULE C (continued) (Property Legal Description)	Commitment No.: PC96839 Rev. No. 9 Loan No. (if known): Property Address: 2400 Lakeshore Dr. & V/L Muskegon, MI 49441

Parcel 5:

The North 132 feet of Lot 4, Block 677, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71.

61-24-205-677-0004-00

Parcel 6:

That part of Block 693, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commence at a point 100 feet South of the South line of Lake Street (now Lake Shore Drive) and 135 feet West of the East line of said Block 693; thence West parallel with Lake Street 50 feet; thence North parallel with the East line of said Block 100 feet; thence East parallel with Lake Street 50 feet; thence South parallel with the East line of said Block 100 feet to the Point of Beginning. Also known as Lot 5 and the West 20 feet of Lot 4, of an unrecorded resubdivision of Block 693.

61-24-205-693-0001-14

Parcel 7:

Part of Block 693 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commence on the South line of Lake Street 185 feet West of the East line of said Block 693, thence West along the South line of Lake Street 60 feet, thence South 100 feet, thence East 60 feet, thence North 100 feet to the place of beginning.

61-24-205-693-0001-13

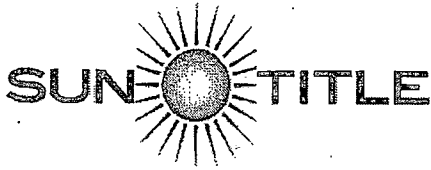
Parcel 8:

That part of Block 693, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commence at a point on the South line of Lake Street (now Lake Shore Drive) 285 feet West of the East line of said Block 693; thence West 60 feet; thence South 100 feet; thence East 60 feet; thence North 100 feet to the Point of Beginning. Also known as Lots 8 and 9, of an unrecorded resubdivision of Block 693.

61-24-205-693-0001-05

Parcel 9:

That part of Block 693, Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Commencing 100 feet South of the South line of Lake Street and 345 feet West of the East line of said Block, thence West parallel with Lake Street 30 feet, thence North parallel with East line of said Block a distance of 100 feet, thence East along the South line of Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning, and part of Block 693 of the Revised Plat (of 1903) of the City of Muskegon, according to the recorded plat thereof, as recorded in Liber 3 of Plats, Page 71, described as follows: Beginning at a point 100 feet South of the South line of Lake Street and 375 feet West of the East line of said block and going West parallel with Lake Street 30 feet, thence North parallel with the East line of said Block a distance of 100 feet, thence East parallel with Lake Street 30 feet, thence South parallel with the East line of said Block a distance of 100 feet to the point of beginning.

	ISSUING AGENT: Sun Title Agency of Michigan, LLC UNDERWRITTEN BY: Old Republic Title Insurance Company
ALTA COMMITMENT SCHEDULE C (continued) (Property Legal Description)	Commitment No.: PC96839 Rev. No. 9 Loan No. (if known): Property Address: 2400 Lakeshore Dr. & V/L Muskegon, MI 49441

Together with that part of vacated alley adjacent to the above described property. Said alley is described as: Part of a 14 foot unplatted alley in Block 693 of the Revised Plat of 1903 of the City of Muskegon located 100 feet South of and parallel to Lakeshore Drive, extending East 100 feet from the East line of Sherin Street.

61-24-205-693-0001-04

If provided above, any address and tax parcel number are solely for informational purposes, without warranty as to accuracy or completeness. If inconsistent in any way with the legal description above, the legal description shall control.

ESCROW AGREEMENT

This Escrow Closing Agreement (this "Agreement") is made and entered into this ____ day of July 2nd, 2016, by and among S.D. Warren Company d/b/a Sappi North America, a Pennsylvania corporation ("S.D. Warren"), Melching Inc., a Michigan corporation ("Melching"), Pure Muskegon, LLC, a Michigan limited liability company ("Pure Muskegon"), Kimberly-Clark Corporation, a Delaware corporation ("Kimberly-Clark"), Michigan Department of Environmental Quality ("MDEQ"); and Sun Title Agency of Michigan, LLC, a Michigan limited liability company (the "Escrow Agent"). (All of the parties to this Agreement other than the Escrow Agent are referred to collectively as the "Transaction Parties").

Capitalized Terms used but not defined herein shall have the respective meanings given in that certain Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15--009 by and among MDEQ, the Michigan Department of Attorney General ("MDAG"), S.D. Warren, Melching and Pure Muskegon (the "Multi-Party Order").

RECITALS:

A. MDEQ, MDAG, S.D. Warren, Melching, and Pure Muskegon propose to enter into the Multi-Party Order, upon satisfaction of certain conditions precedent, in order to address certain rights, obligations and liability related to certain environmental conditions and performance of certain response activities at the former Sappi Paper Mill Facility located at 2400 Lakeshore Drive in Muskegon, Muskegon County, Michigan (described in the Order as the "Property").

B. In consideration for entering into the Order, among other things, S.D. Warren and Melching intend to execute and deliver for recording (1) "Release Documents" amending and releasing certain restrictive covenants that currently allow only industrial development on the Property and (2) the less restrictive "Replacement Declaration" attached to the Order.

C. Melching and Pure Muskegon have entered into that certain Agreement for Sale and Purchase of Real Estate dated June 27, 2013 (as amended, the "Purchase Agreement"), under which Melching has agreed to sell the Property to Pure Muskegon.

D. MDEQ, MDAG, and Kimberly-Clark propose to enter Michigan Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15-010 (the "Kimberly-Clark Order"), related to the Property.

E. The effectiveness of the Multi-Party Order and the agreement to deliver and record the Release Documents and Replacement Declaration, are conditioned upon the acquisition of the Property by Pure Muskegon, and the Purchase Agreement is conditioned upon delivery and recording of the Release Documents and Declaration.

F. In order to accommodate the contemporaneous satisfaction of the conditions for the effectiveness of the Multi-Party Order, delivery and recording of the Release Documents and

Declaration, the effectiveness of the Kimberly-Clark Order, and acquisition of the Property by Pure Muskegon, the Transaction Parties other than Kimberly Clark, desire to deliver the documents and funds each is required to deliver to satisfy their obligations under each Order or Purchase Agreement to the Escrow Agent. To accommodate the other Transaction Parties, Kimberly-Clark is willing to deliver its counterpart of the Kimberly-Clark Order and the funds payable by Kimberly-Clark under the Kimberly-Clark Order to the Escrow Agent, to be held in trust by the Escrow Agent and distributed in accordance with this Agreement. The Escrow Agent shall hold, assemble, record and distribute the documents and funds all as set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and in the Multi-Party Order, the Kimberly-Clark Order, the Purchase Agreement and the foregoing premises, the parties hereby agree as follows:

1. Appointment; Compensation and Recitals. By this Agreement, the Transaction Parties appoint the Escrow Agent to act as an escrow agent, and the Escrow Agent accepts the appointment, for purposes of receiving, holding, assembling, recording and distributing the documents described in this Agreement (the "Transaction Documents") and for receiving, holding and distributing funds in accordance with this Agreement. For its services under this Agreement, the Escrow Agent shall receive \$500.00, payable upon execution of this Agreement in equal parts by Melching and Pure Muskegon. The foregoing Recitals are incorporated in this Agreement by this reference as if fully set forth in this Section; provided, however, that the parties acknowledge and agree that nothing in the Recitals shall be deemed to modify any of their respective agreements or obligations as set forth in the individual Transaction Documents to which each is a party.

2. Open and Close of Escrow. Escrow Agent shall accept delivery from Transaction Parties of their respective Transaction Documents and funds commencing on July 26, 2016 and continuing for a period ending at 5:00 p.m. Central Time on August 31, 2016 (the "Escrow Delivery Date").

3. Document Delivery Obligations. Each Transaction Party shall submit its respective Transaction Documents in compliance with this Agreement on or before the Escrow Delivery Date. At such time as Escrow Agent has received all Transaction Documents, Escrow Agent shall so notify the Transaction Parties. Escrow Agent shall hold and handle all Transaction Documents as set forth in this Agreement. In connection with said deliveries into escrow, the parties acknowledge and agree as follows:

- a. The specific Transaction Documents required to be delivered to Escrow Agent by each Transaction Party are indicated on the chart attached hereto as Exhibit A.
- b. Unless noted otherwise on Exhibit A, parties shall deliver or authorize delivery to Escrow Agent, on or before the Escrow Delivery Date, four signed original counterparts of all indicated documents, notarized if applicable, complete with all appropriate exhibits and in all other respects, provided that (a) only one original signed copy shall be required with respect to documents that are to be recorded, which documents shall be dated effective as of the Closing Date and (b) undated

documents shall be deemed complete if the party delivering the undated document provides the Escrow Agent authority to fill in the date .

4. Effect of Delivery to Escrow Agent. The parties acknowledge and agree that notwithstanding the execution of the Transaction Documents and any other documents relating to the Multi-Party Order and the Kimberly-Clark Order, the Release Documents and Declaration, or the Purchase Agreement, or delivery of such documents or funds relating to each Order or the Purchase Agreement to the Escrow Agent, (a) that none of such documents shall be deemed to be in force and effect as between the Transaction Parties, the Purchase Price shall not be released by the Escrow Agent to Melching as Seller under the Purchase Agreement, no other funds shall be disbursed by the Escrow Agent, and the Transaction Documents shall not be released, recorded or distributed by the Escrow Agent on behalf of any of the Transaction Parties, unless and until the Escrow Agent confirms to every Transaction Party that all Closing Conditions (defined in Section 6) are satisfied and (b) the Effective Date of the Multi-Party-Order and the Kimberly – Clark Order shall be the date the Escrow Agent records the Recordation Documents. The Escrow Agent shall deliver the funds and Transaction Documents other than the Recordation Documents on or before the date of recording of the Recordation Documents, and shall confirm having completed all deliveries and recording using the Close of Escrow Confirmation Form attached at Exhibit E to this Agreement.

5. Effective Date and Deadline. The Effective Date of the Multi-Party Order and the Kimberly-Clark Order shall be the date on or before the Acquisition Deadline of August 31, 2016, that the Escrow Agent has determined that all of the Closing Conditions are satisfied, and the Escrow Agent has delivered and, where appropriate, recorded, the Transaction Documents and delivered all amounts payable pursuant to the terms of this Agreement. The Effective Date shall be the same for each Order, and shall be memorialized by the Escrow Agent on the executed Close of Escrow Confirmation Form (Exhibit E). If the Effective Date has not occurred on or before 5:00 p.m. Central Time on the Acquisition Deadline, (a) the Transaction Parties acknowledge and agree any Transaction Documents executed and delivered to the Escrow Agent under this Agreement shall be null and void and the Escrow Agent shall cooperate in such nullification by return or destruction of each Transaction Document as directed by the Transaction Party that delivered the Transaction Document to the Escrow Agent, (b) the Escrow Agent shall return any funds it received to the Transaction Party that delivered the funds, and (c) if necessary, the parties shall use their best efforts to cause the Transaction Documents to be removed from record or otherwise made inoperable as to any Transaction Party or any other person. In furtherance of the foregoing, the Escrow Agent shall not record the Release Documents and Declaration until each Transaction Party has delivered all funds and Transaction Documents it is required to deliver, and the Escrow Agent is irrevocably authorized and committed to deliver the Transaction Documents and funds as instructed by this Agreement. In the event the Escrow Agent fails for any reason to deliver the executed Close of Escrow Confirmation Form to the MDEQ, or delivers the executed Close of Escrow Confirmation Form to the MDEQ after the date of such recording, the Multi-Party-Order and the Kimberly-Clark Order shall nevertheless be effective as of the date of recording of the Release Documents and Declaration. If for any reason the Escrow Agent fails to deliver funds to the Muskegon River Watershed Assembly on or before the date the Escrow Agent records the Recordation Documents, the sole remedy of the MDEQ shall be to pursue recovery of such funds from the Escrow Agent or the party that failed to deliver the funds to the Escrow Agent.

6. Escrow Agent's Authorizations and Obligations: Closing Conditions. Escrow Agent shall, to the extent not already completed, date all Transaction Documents effective as of the date the Closing Conditions (defined below) are met and shall complete any blanks intended for recording references of other documents upon recordation of said other documents. Upon receipt of the Transaction Documents and the Funds as defined below, Escrow Agent shall confirm that all of the following conditions (collectively, the "Closing Conditions") have been satisfied:

- a. Escrow Agent has in hand the Transaction Documents, fully executed, dated, and otherwise in the state of readiness for closing as is required under this Agreement, including, without limitation, all of documents that are to be recorded (the "Recordation Documents") in originals and in form acceptable for filing or recording in Muskegon County, Michigan;
- b. Escrow Agent is unconditionally prepared to record the Recordation Documents;
- c. Escrow Agent has received all funds required to be delivered under the Purchase Agreement, the Orders or any other Transaction Document (the "Funds");
- d. Escrow Agent, in its capacity as a duly authorized officer of First American Title Insurance Company (the "Title Company") is, immediately upon its disbursement of funds required to be paid pursuant to closing statements prepared and approved by Melching and Pure Muskegon for their closing (the "Closing Statements"), unconditionally and irrevocably committed to issue to Pure Muskegon an Owner's Policy of title satisfying the conditions of the Purchase Agreement;
- e. Escrow Agent has complied with, or is prepared to comply with, instructions delivered to the Escrow Agent in this Agreement and under any separate instructions from the Transaction Parties (to the extent the same are consistent with this Agreement);
- f. Escrow Agent has signed this Agreement where indicated and returned a PDF of Escrow Agent's signature page to each of the Transaction Parties; and
- g. Escrow Agent has received and executed final Closing Statements signed by Melching and Pure Muskegon and compliant with the terms of this Agreement and the Purchase Agreement;
- h. Escrow Agent has sent a written notice to each Transaction Party, certifying that all Closing Conditions have been satisfied, with scanned copies of assembled Transaction Documents as noted on Exhibit D.

7. Close of Escrow. Upon receipt of executed counterparts of the Certification Re Closing in the form attached to this Agreement as Exhibit C from Melching and Pure Muskegon, Escrow Agent shall, immediately without further notice or direction, take the following actions, all of which shall be deemed to occur simultaneously:

- a. Execute a counterpart of the Certification Re Closing on its own behalf and distribute a PDF of a fully executed Certification Re Closing to each Transaction Party.
- b. Disburse all Funds pursuant to the Closing Statements and send the cashier's checks from Melching and Kimberly-Clark as listed at par. 4 and par. 5 of Exhibit A (Transaction Documents) to the Muskegon River Watershed Assembly at the address listed on Exhibit D.
- c. Date all undated documents as of the Closing Date;
- d. Cause all Recordation Documents to be recorded on the Closing Date in the appropriate county offices in Muskegon County, Michigan in the order of recordation that said documents appear on attached Exhibit B.
- e. Send all other Transaction Documents to the parties noted on attached Exhibit D and send all Recordation Documents to the parties noted on such Recordation Documents;
- f. Insert the date of recording of the Recordation Documents and execute with a dated signature the Close of Escrow Confirmation Form (Exhibit E) and send a copy to each Transaction Party; and
- g. Issue the policy of title insurance ordered and paid for by Pure Muskegon, if any, which title insurance policy and associated gap insurance coverage Escrow Agent/Title Company hereby acknowledges and agrees, shall be deemed to be issued and effective as of the date of disbursement of the Funds pursuant to Section 7(b) above, including payment in full of all title insurance premiums and charges. As soon as is reasonably practicable, but in any event, no later than ten (10) business days after recording, Escrow Agent shall send to Pure Muskegon its original title insurance policy.

8. Notices. All notices and communications required or permitted under this Agreement shall be in writing and shall be served: (i) by depositing the same in the United States mail, postage prepaid and certified, with return receipt requested; (ii) by delivering the same in person; (iii) by delivering the same by email (with the original sent within 24 hours by one of the other methods permitted herein); or (iv) by a nationally-recognized overnight parcel delivery service, postage prepaid (producing a delivery receipt). Notice given in accordance herewith shall be effective upon the earlier of: actual receipt of the notice, including as such receipt may be evidenced by electronic delivery receipt; on the third (3rd) day following deposit of same in the United States mail as provided for herein; or on the next day following delivery of the same to an overnight carrier as provided above, regardless of whether same is actually received. Each of the parties hereby authorizes their respective contact/representative, as set forth on Exhibit D, to authorize any action and to make or receive any notice, communication, and delivery of documents relative to the Transactions and this Agreement and the other parties are authorized to accept the same. Said contacts/representatives addresses are as set forth on Exhibit D, attached hereto.

9. Escrow Agent Actions in Event of Dispute. Notwithstanding anything in this Agreement to the contrary, if Escrow Agent reasonably determines that the parties are in disagreement about the interpretation of this Agreement or about the rights and obligations of any of the parties hereto, or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent shall so notify the Transaction Parties, with a description of the disagreement, and if the same is not resolved within three (3) business days after such notice, Escrow Agent shall have the right to take either or both of the following actions in the sole discretion of the Escrow Agent:

- a. suspend all or any part of its activities under this Agreement until Escrow Agent receives either: (i) joint written instructions from all affected Transaction Parties; or (ii) notice that the disagreement has been resolved between the parties, in arbitration, or by final judgment of a court of competent jurisdiction, or
- b. petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction, in any venue convenient to Escrow Agent, for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, deliver and pay into such court, for holding and disposition in accordance with the instructions of such court, all Transaction Documents and Funds.

Escrow Agent shall have no liability to the Transaction Parties or any other person with respect to any such suspension of performance or delivery and disbursement into court.

10. Reliance; Standard of Care. Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, reasonably believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice, or instructions in connection with the provisions hereof has been duly authorized to do so. In performing any of its duties hereunder, Escrow Agent shall not incur any liability to anyone for any damages, losses, or expenses, except for Escrow Agent's willful or negligent default under this Agreement.

11. Indemnity. The Transaction Parties, other than Kimberly-Clark and MDEQ, hereby jointly and severally agree to indemnify Escrow Agent, its officers and directors, and hold them harmless from and against any and all damages, costs, claims, liabilities, losses, expenses, fees, or charges of any character or nature which Escrow Agent may incur or with which it may be threatened by reason of its performance of its obligations under this Agreement, in each case except to the extent attributable to the willful default or negligence of the Escrow Agent.

12. Revocation. This Agreement and the agency created in Escrow Agent hereby are coupled with an interest of each of the respective Transaction Parties hereto and shall be binding upon and enforceable against the respective successors, legal representatives and assigns of the parties. This Agreement and Escrow Agent's agency authority granted herein are irrevocable.

13. Counterparts. This Agreement may be executed in counterparts and shall be binding upon the parties notwithstanding that all parties have not signed the same counterpart.

14. State Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan without regard to conflicts of laws statutes.

15. Business Days. Notwithstanding anything herein to the contrary, in the event the final date of performance by any party to this Agreement of any condition or obligation hereunder falls upon a non-business day (i.e., Saturday, Sunday, national holiday or local holiday recognized by major Michigan banks), the final date for performance of such condition or obligation shall be extended automatically and without notice until the next succeeding business day.

16. Termination of Escrow Agreement. Upon Escrow Agent's administration and delivery of the Transaction Documents, Funds, and Policies in full compliance with the terms and conditions of this Agreement, this Agreement shall terminate and be of no further force and effect.

17. Amendments to Agreement. This Agreement supersedes all prior instructions to Escrow Agent, written and oral, and may only be amended after the Effective Date by a writing signed by all Transaction Parties and accepted by Escrow Agent, provided that Escrow Agent shall be permitted to accept minor and nonmaterial variations in escrow instructions if, in Escrow Agent's reasonable discretion the same are compatible with this Agreement. All escrow Transaction Documents and Funds shall be deemed submitted irrevocably by parties once delivered to Escrow Agent and shall only be released from escrow pursuant to the terms of this Agreement.

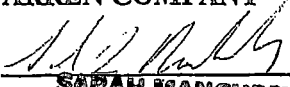
18. Entire Agreement. This Agreement and the exhibits hereto set forth the entire agreement and understanding among all of the Transaction Parties and the Escrow Agent related to the delivery and distribution of the Transaction Documents. This Agreement shall not amend, nullify or otherwise alter the obligations between or among any subset of Transaction Parties under the Multi-Party Order, the Kimberly Clark Order, the Purchase Agreement or any other agreement. This Agreement shall not cause any Transaction Party or the Escrow Agent to assume obligations or liability under the Multi-Party Order, the Kimberly Clark Order, the Purchase Agreement or any other agreement to which the Transaction Party or the Escrow Agent is not otherwise a party.

[Signature Page Follows]

[Signature Page to Escrow Closing Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above by their duly authorized officers.

S.D. WARREN COMPANY

By: 
Name: SARAH MANCHESTER
Its: VP Human Resources
& General Counsel

KIMBERLY CLARK CORPORATION

By: _____
Name: _____
Its: _____

SUN TITLE AGENCY OF MICHIGAN,
LLC

By: _____
Name: _____
Its: _____

MELCHING INC.

By: _____
Name: _____
Its: _____

PURE MUSKEGON, LLC

By: _____
Name: _____
Its: _____

MICHIGAN DEPARTMENT OF
ENVIRONMENTAL QUALITY

By: _____
Name: _____
Its: _____

[Signature Page to Escrow Closing Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above by their duly authorized officers.

S.D. WARREN COMPANY

By: _____
Name: _____
Its: _____

KIMBERLY CLARK CORPORATION

By: _____
Name: _____
Its: _____

SUN TITLE AGENCY OF MICHIGAN, LLC

By: _____
Name: _____
Its: _____

MELCHING INC.

By: Douglas Melching
Name: Douglas Melching
Its: PRESIDENT

PURE MUSKEGON, LLC

By: _____
Name: _____
Its: _____

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

By: _____
Name: _____
Its: _____

[Signature Page to Escrow Closing Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above by their duly authorized officers.

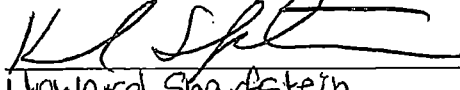
S.D. WARREN COMPANY

By: _____
Name: _____
Its: _____

MELCHING INC.

By: _____
Name: _____
Its: _____

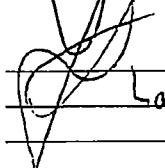
KIMBERLY CLARK CORPORATION

By: 
Name: Howard Shusterman
Its: Associate General Counsel

PURE MUSKEGON, LLC

By: _____
Name: _____
Its: _____

SUN TITLE AGENCY OF MICHIGAN, LLC

By: 
Name: Lawrence Butcher
Its: President

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

By: _____
Name: _____
Its: _____

[Signature Page to Escrow Closing Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above by their duly authorized officers.

S.D. WARREN COMPANY

By: _____
Name: _____
Its: _____

MELCHING INC.

By: _____
Name: _____
Its: _____

KIMBERLY CLARK CORPORATION

By: _____
Name: _____
Its: _____

PURE MUSKEGON, LLC

By: Ch. Wick
Name: CHRIS WITHAM
Its: MANAGER

SUN TITLE AGENCY OF MICHIGAN,
LLC

By: _____
Name: _____
Its: _____

**MICHIGAN DEPARTMENT OF
ENVIRONMENTAL QUALITY**

By: _____
Name: _____
Its: _____

[Signature Page to Escrow Closing Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above by their duly authorized officers.

S.D. WARREN COMPANY

By: _____
Name: _____
Its: _____

MELCHING INC.

By: _____
Name: _____
Its: _____

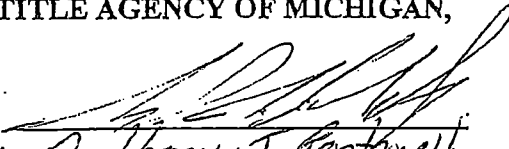
KIMBERLY CLARK CORPORATION

By: _____
Name: _____
Its: _____

PURE MUSKEGON, LLC

By: _____
Name: _____
Its: _____

SUN TITLE AGENCY OF MICHIGAN,
LLC

By: 
Name: Anthony J. Bartorelli
Its: Escrow Officer

MICHIGAN DEPARTMENT OF
ENVIRONMENTAL QUALITY

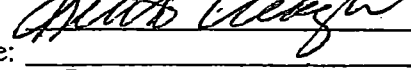
By: 
Name: _____
Its: DIRECTOR

Exhibit A

Transaction Documents

1. Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15--009, fully executed by MDEQ, MDAG, S.D. Warren, Melching and Pure Muskegon ("Multi-Party Order")
2. Administrative Order by Consent, MDEQ Reference No. AOC-RRD-15-010, fully executed by MDEQ, MDAG, and Kimberly-Clark Corporation, a Delaware corporation ("Kimberly-Clark Order")
3. Declaration and Release Documents; fully-executed by S.D. Warren and Melching, and notarized:
 - a. Second Amendment of Quit Claim Deed and Release of Environmental Covenants, Release and Indemnity ("Second Amendment of Quit Claim Deed")
 - b. Release of Declaration of Covenants, Conditions and Restrictions ("Release of Declaration")
 - c. Replacement Declaration of Environmental Covenants, Release and Indemnity ("Replacement Declaration")
4. Cashier's check in the amount of \$15,000 from the Melching Respondents made payable to "Muskegon River Watershed Assembly"
5. Cashier's check in the amount of \$15,000 from or on behalf of Kimberly Clark made payable to "Muskegon River Watershed Assembly"
6. Certification Re Closing, in the form attached to this Agreement as Exhibit C, executed by Escrow Agent, Melching and Pure Muskegon, certifying that all documents and funds required to close the sale of the Property by Melching to Pure Muskegon pursuant to the Purchase Agreement have been delivered to the Escrow Agent, and no further action is required to be taken by Melching or Pure Muskegon under the Purchase Agreement, all conditions of closing other than disbursement of funds and distribution and recording of documents by the Escrow Agent have been irrevocably satisfied or waived.
7. Irrevocable Instructions to Pay executed by Pure Muskegon and Melching, Inc.

Exhibit B

Order of Recordation

1. Second Amendment of Quit Claim Deed and Release of Environmental Covenants, Release and Indemnity
2. Release of Declaration of Covenants, Conditions and Restrictions
3. Replacement Declaration of Environmental Covenants, Release and Indemnity
4. Deed from Melching to Pure Muskegon

CERTIFICATION RE CLOSING

The undersigned jointly and severally hereby certify to S.D. Warren Company d/b/a Sappi North America, a Delaware corporation, the Michigan Department of Environmental Quality and the Michigan Department of Attorney General (together with the undersigned, the "Transaction Parties") as of this 29 day of July, 2016, as follows:

1. All conditions to closing set forth in that Agreement for Sale and Purchase of Real Estate dated as of June 27, 2013, as amended, by and between Melching, Inc., as seller, and Pure Muskegon, LLC, as purchaser (the "Purchase Agreement") have been satisfied or waived.

2. All closing documents and other documents and certificates required to be executed and delivered at closing by the parties to the Purchase Agreement have been executed and delivered by the parties to Sun Title Agency, LLC, as escrow agent, to be held in escrow pursuant to that Escrow Agreement dated July, 2016 by and between the Transaction Parties (the "Escrow Agreement").

3. The purchase price required to be paid by Pure Muskegon, LLC under the Purchase Agreement, net of all offsets and credits permitted by the Purchase Agreement, has been paid to Sun Title Agency, LLC, as escrow agent, to be held in escrow pursuant to the Escrow Agreement.

4. Apart from disbursement of the documents and funds held in escrow by Sun Title Agency, LLC, no further act by any party to the Purchase Agreement is necessary to transfer title to the Property (as defined in the Purchase Agreement) in accordance with the terms and conditions of the Purchase Agreement.

PURE MUSKEGON, LLC

By: [Signature]

Its: Manager

MELCHING, INC.

By: [Signature]

Douglas Melching

Its: President

SUN TITLE AGENCY, LLC

By: [Signature]

Its: Anthony G. Pontarelli

Escrow Office

Exhibit D
Distribution of Final Documents

Transaction Party	Document	Original or Copy
S.D. Warren Company c/o Stinson Leonard Street 150 South Fifth Street Suite 2300 Minneapolis, MN 55402 Attention: Eric Galatz Eric.galatz@stinson.com	Multi-Party Order	Original
	Kimberly-Clark Order	Copy
	Second Amendment of Quit Claim Deed	Copy
	Release of Declaration	Copy
	Replacement Declaration	Copy
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
Melching Inc. c/o Scholten Fant 100 North Third Street P.O. Box 454 Grand Haven, MI 49417-0454 Attention: Matthew C. VanHoef mvanhoef@scholtenfant.com	Multi-Party Order	Original
	Kimberly-Clark Order	Copy
	Second Amendment of Quit Claim Deed	Copy
	Release of Declaration	Copy
	Replacement Declaration	Copy
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
Pure Muskegon, LLC c/o Miller Johnson 45 Ottawa Ave. SW, Suite 1100 P.O. Box 306 Grand Rapids, MI 49501-0306 Attention: Alan C. Schwartz SchwartzA@millerjohnson.com	Multi-Party Order	Copy
	Kimberly-Clark Order	Copy
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
MDEQ c/o Michigan Department of Attorney General ENRA Division 525 West Ottawa Street Lansing, MI 48933 Attention: Polly A. Synk Assistant Attorney General	Multi-Party Order	Original
	Kimberly-Clark Order	Original
	Certification Re Closing	Copy
	Close of Escrow Form	Copy
Kimberly Clark c/o Eimer Stahl LLP 224 South Michigan Avenue Suite 1100 Chicago, IL 60604 Attention David Stahl dstahl@eimerstahl.com	Kimberly-Clark Order	Original
	Certification Re Closing	Copy
	Close of Escrow Form	Copy

Muskegon River Watershed Assembly Kathy Evans, Staff Support Muskegon Lake Watershed Partnership 316 Morris Avenue, Suite 340 Muskegon, MI 49440 kevans@wmsrdc.org	Kimberly-Clark Cashier's Check	Original
	Melching Cashier's Check	Original

Exhibit E
Close of Escrow Form

In my capacity as the Escrow Agent under the Escrow Agreement dated July 21, 2016, I certify by my signature that the following conditions have been satisfied:

1. All of the conditions set forth in the Certification Re Closing pertaining to the sale of the Property identified in the Agreement for Sale and Purchase of Real Estate dated June 27, 2013, as amended, (Purchase Agreement) by and between Melching Inc., as seller, and Pure Muskegon, LLC, as buyer, have been satisfied.
2. The Certification Re Closing has been executed by Melching, Pure Muskegon, and the Escrow Agent.
3. The purchase price required to be paid by Pure Muskegon, LLC under the Purchase Agreement, net of all offsets and credits permitted by the Purchase Agreement, has been distributed to Melching.
4. The following documents have been recorded in the appropriate county offices in Muskegon County, Michigan and in the order set forth in Exhibit B:
 - a. Second Amendment of Quit Claim Deed and Release of Environmental Covenants, Release and Indemnity;
 - b. Release of Declaration of Covenants, Conditions and Restrictions;
 - c. Declaration Replacement Declaration of Environmental Covenants, Release and Indemnity; and
 - d. Deed from Melching to Pure Muskegon.
5. The Funds required to be paid by Melching under its Administrative Order by Consent entered with the Michigan Department of Environmental Quality, AOC RRD-15-009, have been distributed to the Muskegon River Watershed Assembly.
6. The Funds required to be paid by Kimberly-Clark under its Administrative Order by Consent entered with the Michigan Department of Environmental Quality, AOC RRD-15-010, have been distributed to the Muskegon River Watershed Assembly.
7. All other Transaction Documents have been sent to the Transaction Parties as specified on Exhibit D to the Escrow Agreement.

SUN TITLE AGENCY OF MICHIGAN, LLC

By: [Signature]

Its: President

DATE: 8-8-16

Attachment G

MINIMUM DEVELOPMENT PLAN

**2400 Lakeshore Drive
Muskegon, Michigan**

Prepared by:
Pure Muskegon, LLC
1218 E. Pontaluna Road
Spring Lake, MI 49456

June 28, 2016

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Figure

Figure 1 Site Plan of the Property

1.0 INTRODUCTION

This Minimum Development Plan (MDP) has been prepared to summarize the minimum proposed development activities that will be conducted by Pure Muskegon, LLC, a Michigan limited liability company (Pure Muskegon) at the former Sappi paper mill property following the anticipated transfer of ownership from Melching, Inc. (Melching) to Pure Muskegon. The MDP is not the final development plan, but serves as Pure Muskegon's plan for satisfying its initial due care obligations in connection with the redevelopment of this property.

The property consists of 120 acres of industrial land situated along the south shoreline of Muskegon Lake between Lake Michigan and downtown Muskegon formerly operated by Sappi Fine Paper Products (the Property). With more than one mile of Muskegon Lake frontage and nearby access to Lake Michigan, Muskegon Country Club, and downtown Muskegon, this Property represents a unique and exciting mixed-use redevelopment opportunity with the potential to impact the entire Midwest.

Pure Muskegon has been actively pursuing the acquisition of the Property over the past three years. During this time, Melching has demolished nearly 1,000,000 square feet of functionally obsolete building space, resolved certain known contamination issues with the Michigan Department of Environmental Quality (MDEQ), and prepared a Lime Management Plan to eliminate identified pH concerns. These actions have positioned the Property for transfer to Pure Muskegon who is poised to conduct an environmental assessment of the Property, complete a Baseline Environmental Assessment and Due Care Plan and implement this MDP, which will help facilitate the subsequent mixed-use redevelopment.

2.0 ACTIVITY DESCRIPTION AND IMPLEMENTATION SCHEDULE

The following subsections summarize the minimum redevelopment activities that will be conducted and the anticipated implementation schedule once Pure Muskegon becomes the new owner of the Property. A Site Plan depicting the Property is attached.

2.1 Securing and Improving Site Fence line

Upon site acquisition, Pure Muskegon will commence with taking the necessary steps to verify that the entire Property is adequately secured with fencing, limiting site access to only two gated locations along Lakeshore Drive (the south border of the site). Access to the Property will be monitored.

Along the fencerow, scrub vegetation will be cleared and routinely maintained. The existing fence line bordering the waterfront will be screened with a durable and aesthetically pleasing green cover that permits air flow, but minimizes visibility.

2.2 Demolition of Existing Stacks

Two large stacks are located on the Property. The two stacks are coated with an asbestos-containing paint. Pure Muskegon will demolish and remove the stacks (including asbestos paint abatement) by December 31, 2017 provided that (i) all permits and approvals for demolition of the two stacks are issued by the City of Muskegon and the State of Michigan, (ii) a \$1,000,000 Brownfield Redevelopment Grant is awarded by the State of Michigan to fund the cost of removing the two stacks, and (iii) Melching escrows not less than \$250,000 of the purchase price paid by Pure Muskegon at closing to fund Melching's initial share of the cost of removing the two stacks in excess of \$1,000,000.

2.3 Site Grading, Capping/Covering, and Seeding

Melching is obligated to complete demolition activities within 12 months of closing. Demolition activities conducted by Melching will include the following (the Demolition Activities):

- Removal of all remaining above-grade structures, with the exception of the former piano factory building (vintage brick structure to be repurposed); a slab-on-grade, metal sided building (to be used as a contractor office and storage structure during potential future redevelopment activities); and the two large stacks that are coated with asbestos paint.
- Removal of underground piping.
- Removal of below-grade building footings/foundations and pilings to depths consistent with City of Muskegon requirements and the purchase agreement conditions between Melching and Pure Muskegon.

Provided that Melching posts a \$1,000,000 performance bond in favor of Pure Muskegon to insure performance of the Demolition Activities, and if Melching fails to complete those Demolition Activities within one year after Pure Muskegon acquires ownership of the Property, Pure Muskegon will diligently pursue a claim under the performance bond to facilitate completion of the Demolition Activities.

Within forty-five (45) days after acquiring the Property, Pure Muskegon will conduct a Baseline Environmental Assessment for the Property in compliance with Part 201 of NREPA. Pure Muskegon will also perform a Phase II Environmental Site Assessment of the Property for the purpose of evaluating Part 201 Due Care Obligations (Phase II ESA). The Phase II ESA will include an evaluation of surface soils to determine if unacceptable direct contact exposures are present on the Property. If the Phase II ESA identifies soil contamination that presents a direct contact risk to human health (Contaminated Areas), Pure Muskegon will take steps to cover those Contaminated Areas as necessary to eliminate that risk prior to the first use of those areas. The cover may consist of clean soil, crushed concrete, dredged fill, or other suitable material, or it may consist of improvements (such as roads, parking lots, etc.) constructed in the course of the redevelopment of the Property.

Contaminated Areas of the Property where construction of improvements is not scheduled to commence until after December 31 of 2017 will be temporarily covered and stabilized by Pure Muskegon no later than eighteen (18) months after completion of demolition activities with grass seed or other native vegetation to (i) prevent erosion of contaminated soil into Muskegon Lake to the extent required by applicable law, and (ii) prevent runoff of contaminated storm water into Muskegon Lake to the extent required by applicable law.

Pure Muskegon shall be liable for stipulated penalties to the MDEQ for failure to meet the deadline for placing cover on those Contaminated Areas that are not scheduled to be improved prior to December 31, 2017, as set forth in this paragraph: a penalty of \$500.00 will apply to each Contaminated Area not scheduled to be improved prior to December 31, 2017 where cover is not in place eighteen (18) months after the completion of demolition; the \$500.00 penalty shall apply to each Contaminated Area where cover is not timely placed, but the penalty shall only apply once (not on a daily or recurring basis); Pure Muskegon shall pay stipulated penalties to the MDEQ within thirty (30) days after receipt of a written demand from MDEQ; interest at the rate provided in Section 20126a(3) of the NREPA shall begin to accrue on the unpaid balance at the end of the 30-day period after the payment was due until the date upon which Pure Muskegon makes full payment of the stipulated penalties and the accrued interest to MDEQ. If Pure Muskegon fails to pay stipulated penalties when due, MDEQ may institute proceedings to collect the penalties, as well as any accrued interest. However, the assessment of stipulated penalties is not the State's exclusive remedy with regard to the Minimum Development Plan. Notwithstanding any other provision of this Minimum Development Plan, MDE may waive, in its unreviewable discretion, any portion of stipulated penalties and interest that has accrued.

3.0 CONCLUSIONS

This document represents the MDP for the site once Pure Muskegon becomes the new owner. Executing the MDP will ensure an environmentally safe and secure site, provide a significantly improved viewshed for the neighboring communities, and establish a sound foundation for future redevelopment initiatives.

Although this MDP is a good starting point, Pure Muskegon truly desires to help facilitate a much greater redevelopment plan for the site - repurposing and revitalizing the former Sappi industrial property into a vibrant and sustainable waterfront mixed-use development. With the anticipated support of local and state partners, this vision will become a reality and create new energy for the entire Muskegon community.

Pure Muskegon projects initial private investment of nearly \$7. million, including pre-site acquisition costs, site acquisition costs, and completion of the MDP. To advance the project beyond the MDP, Pure Muskegon will work with the City of Muskegon and other key stakeholders to develop a place-based redevelopment plan that will significantly improve the

aesthetic character of the area, draw in new people and businesses to the community, significantly increase the City of Muskegon's tax base, create jobs, provide new linkages between downtown Muskegon and Lake Michigan, and serve as a catalyst for additional nearby private investment.