

## MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

In the Matter of:

EGLE Reference No. AOC-RRD-20-001

GH Investments, Inc.  
dba Neighborhood Dry Cleaners  
3220 Wildwood Avenue, Jackson,  
Jackson County, Michigan

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### ADMINISTRATIVE ORDER BY CONSENT

A. This Administrative Order by Consent (Order) is entered into voluntarily by and between the Michigan Department of Environment, Great Lakes, and Energy (EGLE), and the Michigan Department of Attorney General (MDAG) (collectively, the “State”), and GH Investments, Inc. doing business as Neighborhood Dry Cleaners, 3220 Wildwood Avenue, Jackson, Michigan 49202, (the “Respondent”), pursuant to the authority vested in the Attorney General and EGLE by Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.20101, *et seq.* All terms used in this Order, which are defined in Part 201 of the NREPA shall have the same meaning in this Order as in Part 201 of the NREPA.

B. This Order concerns the settlement between the State and the Respondent for the State’s claims under Part 201 of the NREPA relating to the release or threat of release of hazardous substances at and emanating from the Neighborhood Dry Cleaners property, located at 3220 Wildwood Avenue, Jackson, Michigan 49202, Jackson County, Michigan and is a portion of the parcel legally identified in Attachment A (Property). The Property is a “facility” under Part 201, meaning it is an area, place, parcel or parcels of property, or portion of a parcel of 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 comes to be located.

C. The Property continues to be used as a dry cleaner. Investigations conducted at the Property identified contamination of both the soil and groundwater at concentrations above Part 201 cleanup criteria for unrestricted residential use. Hazardous substances identified at the Property include trichloroethylene, tetrachloroethylene (PCE), chromium, and 1,1-dichloroethylene.

D. GH Investments, Inc. doing business as Neighborhood Dry Cleaners is liable for contamination at 3220 Wildwood Avenue pursuant to NREPA. EGLE has asked the Respondent to conduct response activities necessary to protect public health, safety, and welfare.

E. EGLE has determined the Respondent does not currently have sufficient resources to fund all of the response activities required under Part 201 of the NREPA at the Property.

F. The execution of this Order by the Respondent is neither an admission of liability with respect to any issue covered under this Order nor an admission or denial of any findings of fact or legal determinations stated or implied herein.

G. Pursuant to Part 201 of the NREPA, the State has incurred past costs and will continue to incur future costs in responding to the release of hazardous substances at the Property. Respondent desires to resolve the State's claims under Part 201 related to the existing contamination and enter into a binding agreement that will permit EGLE to implement future response activities. Settlement of these claims is in the public interest, will expedite response activity, and will minimize litigation.

H. For purposes of this Order, “Effective Date” means the date that the Order has been signed by all parties. All dates for performance of obligations under this Order shall be calculated from the Effective Date.

I. For purposes of this Order, “Existing Contamination” means any hazardous substance released at the Property as of the Effective Date of this Order.

BASED UPON THE FOREGOING FACTS AND DETERMINATIONS, EGLE AND THE ATTORNEY GENERAL HEREBY ORDER AND THE RESPONDENT HEREBY AGREE TO THE FOLLOWING:

1. The Respondent claimed an inability to pay the full cost of the response activities. Therefore, EGLE staff conducted an ability to pay analysis and determined that the Respondent could contribute \$70,000 towards response activities (“Respondent’s Contribution”). The Respondent shall pay to EGLE the sum of Seventy Thousand Dollars (\$70,000) within 30 days from execution of this Order.

2. When the payment is made it will resolve all of the obligations to reimburse the State for past and future costs of response activity lawfully incurred by the State relating to the selection and implementation of response activities under Part 201 of the NREPA related to the Existing Contamination as provided in this Order. The Respondent is jointly and severally liable for this payment.

3. Payment is to be made by check payable to the “State of Michigan - Environmental Response Fund” and shall be sent to:

By first class mail:

Michigan Department of Environment, Great Lakes, and Energy  
Cashier’s Office  
P.O. Box 30657  
Lansing, Michigan 48909-8157

Via courier:

Michigan Department of Environment, Great Lakes, and Energy  
Casher's Office  
P.O. Box 30657  
Lansing, Michigan 48909-8157

To ensure proper credit, the payment made pursuant to this Order must be made by check referencing Neighborhood Dry Cleaners, EGLE Reference No. AOC-RRD-20-001, and the RRD Account Number (RRD50122). A copy of the transmittal letter and the check shall be provided simultaneously to:

As to EGLE:

District Supervisor  
Jackson District Office  
Remediation and Redevelopment Division  
Michigan Department of Environment, Great Lakes, and Energy  
301 E. Louis Glick Highway  
Jackson, Michigan 49201  
Phone: 517-780-7690  
Fax: 517-780-7855

and to the MDAG at:

Laura R. LaMore  
Assistant Attorney General  
Environment, Natural Resources, and Agriculture Division  
Michigan Department of Attorney General  
G. Mennen Williams Building, 6th Floor  
P.O. Box 30755  
Lansing, Michigan 48909  
Phone: 517-335-7664  
Fax: 517-335-7636

Costs recovered pursuant to this Order shall be deposited in the Environmental Response Fund (ERF) in accordance with the provisions of MCL 324.20108(3). To ensure that this settlement is implemented in accordance with the intent of the State and Respondent and in the public interest, the State and the Respondent agree that the costs recovered pursuant to Paragraph 1 of the Order (1) shall be designated by EGLE

as authorized in Section 20108(3) of the NREPA for use specifically at the Property and (2) shall only be used to perform response activities at the Property unless EGLE determines funds are not necessary after 10 years, then the funds can be released to the ERF unrestricted.

4. The Respondent consents to EGLE and its officers, employees, agents, contractors, and/or authorized representatives entering and having continued access to the Property for the purpose of performing response activities as may be determined necessary by EGLE.

5. EGLE will use reasonable efforts to minimize any interference with the use of the Property. For the purposes of this paragraph, “reasonable efforts” does not mean taking actions that will result in material cost increases in the response activities being conducted by EGLE.

6. The Respondent shall not remove, damage, or interfere with equipment and supplies being used for the purpose of performing response activities by EGLE.

7. Upon completion of response activities, EGLE will remove all equipment installed for the response activities and undertake reasonable efforts to restore any property and vegetation damaged by EGLE to a condition reasonably similar to the condition that existed immediately prior to EGLE’s initiation of response activity.

8. This Order does not constitute a warranty of any kind by EGLE that the response activities performed will achieve remedial criteria established by law; assure protection of public health, safety or welfare, or the environment; or result in closure or cleanup of the Property.

9. In consideration for the obligations to which the Respondent has agreed under this Order, and except as specifically reserved by the State below, the State

hereby covenants not to sue or take administrative action against the Respondent under Part 201 of the NREPA for:

- (a) Performance of response activities related to the Existing Contamination;
- (b) Recovery of past and future response activity costs incurred by the State related to the Existing Contamination; and
- (c) Payment of civil fines and any applicable interest for violations of Part 201 of the NREPA related to the Existing Contamination.

10. The covenants not to sue shall take effect upon EGLE's receipt of full payment by the Respondent in accordance with Paragraph 1 of this Order. The covenant not to sue extends only to the Respondent and not to any other person or entity.

11. The covenants not to sue apply only to those matters specified in Paragraph 9. EGLE and the MDAG reserve the right to bring an action against the Respondent under federal and state laws for any matters for which the Respondent have not received a covenant not to sue. The State expressly reserves, and this Order is without prejudice to, all rights to take administrative action or to file a civil or criminal action pursuant to any applicable authority against Respondent with respect to the following:

- (a) The past, present, or future treatment, handling, disposal, release or threat of release of hazardous substances taken from the Property;
- (b) Liability arising out of the Respondent's failure to comply with Section 20107a due care requirements;
- (c) The past, present, or future treatment, handling, disposal, release, or threat of release of hazardous substances that occur outside of the Property;
- (d) The release or threatened release of hazardous substances at the Property that occurs after the Effective Date of this Order;
- (e) Liability that arises out of conditions at the Property that were unknown as of the Effective Date of this Order;

- (f) Damages for injury to, destruction of, or loss of natural resources, and the costs for any natural resources assessment;
- (g) Criminal acts;
- (h) Any other violations of state or federal law for which the Respondent have not received a covenant not to sue; and
- (i) Enforcement of this Order.

In the event the State takes any administrative action or files any judicial action for matters as reserved in this paragraph, and except as otherwise provided in this Order, the Respondent reserves all of their rights and defenses against liability in any such administrative action or judicial action. The Respondent agrees, however, not to assert and shall not maintain any defenses or claims that are based on the principles of waiver, *res judicata*, collateral estoppel, issue preclusion or claim splitting; provided, however, that nothing from the foregoing statements affects the enforceability of the covenants not to sue in Paragraph 9.

12. The State reserves the right to take action against the Respondent under Part 201 of the NREPA if it is discovered at any time that any material information provided prior to or after entry of this Order was false or misleading. The covenant not to sue shall be considered void under those circumstances.

13. Nothing in this Order shall otherwise limit the power and authority of EGLE pursuant to Section 20132(8) of Part 201 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 contamination on, at, or from the Property. The State retains its information-gathering, inspection, access, and enforcement authorities and rights under Part 201 of the NREPA and any other applicable statute or regulation. And the State retains all of its authority and reserves all of its rights to perform, or contract to have performed, any response activities that EGLE determines are necessary.

14. Except as provided otherwise in this Order, the State expressly reserves all rights and defenses pursuant to any legal authority that it may have to enforce this Order or to compel the Respondent to comply with the NREPA and any other applicable statute or regulation.

15. This Order in no way affects the Respondent's responsibility to comply with any other applicable state, federal, or local laws and regulations.

16. The Respondent covenants 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, except for such action for the enforcement of this Order.

17. This Order may only be modified by written agreement of the parties and may be enforced by filing an action in a court of competent jurisdiction.

18. Respondent agrees that all applicable statutes of limitation are tolled until the Respondent has complied with Paragraph 1.

19. If the Respondent fails to pay the amount indicated in Paragraph 1, the Respondent also shall pay EGLE interest on that amount at the rate specified in MCL 324.20126a(3).

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The signature of the Respondent indicates the Respondent's agreement with this Order. By signing the Order, signatories certify that they are authorized to execute the Order on behalf of their respective entity.

IT IS SO AGREED AND ORDERED BY:

FOR THE STATE OF MICHIGAN



10/28/2020

\_\_\_\_\_  
Mike Neller, Director  
Remediation and Redevelopment Division  
Michigan Department of Environment, Great Lakes, and Energy

\_\_\_\_\_  
Date



10/28/2020

\_\_\_\_\_  
Laura R. LaMore (P79943)  
Assistant Attorney General  
Environment, Natural Resources, and Agriculture Division  
Michigan Department of Attorney General

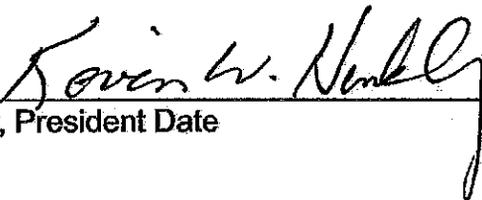
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Date

IT IS SO AGREED BY:

GH Investments, Inc.  
dba NEIGHBORHOOD DRY CLEANERS

Kevin W. Hinkley, October 7, 2020

10/07/2020 Kevin Hinkley, President Date

A handwritten signature in black ink, appearing to read "Kevin W. Hinkley". The signature is written over a horizontal line and is enclosed within a large, hand-drawn oval shape.

IT IS SO AGREED BY:

GH Investments, Inc.  
dba NEIGHBORHOOD DRY CLEANERS

\_\_\_\_\_  
Kevin Hinkley, President

\_\_\_\_\_  
Date

## **ATTACHMENT A**

### **LEGAL DESCRIPTION**

City of Jackson, County of Jackson, State of Michigan:

**Lots 15 and 16, Wildwood Farms, according to the recorded plat thereof, as recorded in Liber 9 of Plats, Page 40, Jackson County Records, lying East of Airport Road.**

**Subject to an easement over and across the Southwest Corner of Lot 16 described as follows: Beginning at the Southeast corner of Lot 16, Wildwood Farms Subdivision in Section 32, Town 2 South, Range 1 West, Blackman Township, Jackson County, Michigan, according to the plat thereof recorded in Liber 9, Page 40, Jackson County Records, thence Northwesterly in a straight line to a point on the West line of said Lot 16 which is 40.0 feet North of the Southwest corner of said Lot, thence Southerly 40.0 feet to the Southwest corner of said Lot 16, and thence East 66.0 feet to the place of beginning of this easement description.**

**Together with that part of Lot 17 of said Wildwood Farms, lying Easterly of the Easterly right of way line of Airport Road, except commencing at the Southeast corner of said Lot 17, thence North 36.54 feet along the East line of Lot 17, thence North 50° 11' 21" West 14.76 feet, thence South 4° 18' East to the South line of Lot 17 and thence East to the place of beginning of this exception description. ✓**

**Commonly known as: 3200 Wildwood Avenue, Jackson, Michigan 49202**  
**Tax Identification Number: 00-08-32-201-039-00**