COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY
TIDEWATER REGIONAL OFFICE
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Doug Domenech
Secretary of Natural Resources

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Director

Maria R. Nold
Regional Director

VIRGINIA WASTE MANAGEMENT BOARD ENFORCEMENT ACTION - ORDER BY CONSENT ISSUED TO

HOLLAND ENTERPRISES, INC., JOHN C.

FOR

HOLLAND INDUSTRIAL LANDFILL

Solid Waste Permit No. 280

SECTION A: Purpose

This is a Consent Order issued under the authority of Va. Code § 10.1-1455, between the Virginia Waste Management Board and Holland Enterprises, Inc., John C. for the purpose of resolving certain violations of the Virginia Waste Management Act and the Virginia Solid Waste Management Regulations.

SECTION B: Definitions

Unless the context clearly indicates otherwise, the following words and terms have the meaning assigned to them below:

1. "Board" means the Virginia Waste Management Board, a permanent citizens' board of the Commonwealth of Virginia as described in Va. Code §§ 10.1-1184 and -1401.

2. "Department" or "DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Va. Code § 10.1-1183.

3. "Director" means the Director of the Department of Environmental Quality, as described in Va. Code § 10.1-1185.

4. "Facility" or "Landfill" means the Industrial Landfill owned and operated by John C. Holland Enterprises, Inc., located at 4801 Nansemond Parkway in Suffolk, Virginia.

5. "JCHEI" or "John C. Holland Enterprises, Inc." means Holland Enterprises, Inc., John C., a corporation authorized to do business in Virginia and its affiliates, partners, subsidiaries, and parents, operating as John C. Holland Enterprises, Inc. and Holland Industrial Landfill,. Holland is a 'person' within the meaning of Va. Code § 10.1-1400.

6. "Notice of Violation" or "NOV" means a type of Notice of Alleged Violation under Va. Code § 10.1-1309.

7. "Order" means this document, also known as a Consent Order.

8. "Permit" means Solid Waste Permit No. 280, which was issued by the Virginia Department of Health to John C. Holland on September 7, 1979.

9. "Regulations" or "VSWMR" means the Virginia Solid Waste Management Regulations, 9 VAC20-80-10 *et seq.*

10. "Solid Waste" means any of those materials defined as 'solid waste' in 9 VAC20-80-140 *et seq.*

11. "TRO" means the Tidewater Regional Office of DEQ, located in Virginia Beach, Virginia.

12. "Va. Code" means the Code of Virginia (1950), as amended.

13. "VAC" means the Virginia Administrative Code.

14. "Virginia Waste Management Act" means Chapter 14 (§ 10.1-1400 *et seq.*) of Title 10.1 of the Va. Code. Article 2 (Va. Code §§ 10.1-1408.1 through -1413.1) of the Virginia Waste Management Act addresses Solid Waste Management.

15. "Warning Letter" or "WL" means a type of Notice of Alleged Violation under Va. Code § 10.1-1455.

SECTION C: Findings of Fact and Conclusions of Law

1. JCHEI owns and operates the Facility, a 70-acre inert solid waste landfill located at 4801 Nansemond Parkway in Suffolk, Virginia.

2. On September 7, 1979, John C. Holland was granted a permit to operate an inert solid waste landfill by the Commissioner of the Virginia Department of Health, predecessor-in-interest to the Director of DEQ.

3. New solid waste Regulations came into effect December 21, 1988, which applied to new and the expansion of old landfills that were not closed prior to that date. The Permit allows for the disposal of nonputrescent wastes including incinerator ash, sandblast grit, construction and demolition debris and non-friable asbestos at the Facility.

4. On January 11, 1999, DEQ Waste Permitting staff approved a name change of the Permit to John C. Holland Enterprises, Inc.

5. The Facility is inspected by DEQ as an industrial solid waste landfill. As such, operations at the Facility are subject to the Virginia Waste Management Act, the Regulations, and the Permit.

6. On November 20, 2009, Department staff inspected the Facility for compliance with the requirements of the Virginia Waste Management Act, the Regulations and the Permit. Based on the inspection and follow-up information, Department staff made the following observations:

    a. Eight (8) slope failures resulting from Erosion & Sedimentation control deficiencies, with reported contributing effects from significant rainfall events during Fall 2009, were observed : four on the eastern slope, three on the southern slope and one on the upper western slope above the haul road. The slope failures appeared to be 20 to 40 feet wide, 60 feet long, and displaced 6 to 10 feet (depth) of cover material. The cover material from the eastern and southern slopes appeared to have left the solid waste disposal unit and impacted adjacent property.

    b. Drainage structures were installed but not adequately maintained to prevent the infiltration of water into the solid waste cells. The down chute pipes were broken and deep erosion rills, slope failures, and sedimentation fans that extend off-site were observed.

    c. Intermediate cover has not been placed on the west slope; exposed solid waste was observed. Final cover has not been placed on the west slope yet no additional waste has been placed on the west slope for over 2 years.

    d. Leachate was observed overflowing from sump A, a broken pump was observed in sump D, and leachate at the toe of the eastern slope was discharging into the perimeter storm water ditch, which is surface water.

e. The 1992 Closure Plans does not include changes made to the Facility since December 1, 1992 including expansions listed in JCHEI records undertaken in December 27, 2001, December 15, 2004, September 23, 2008, and August 23, 2009 as well as information regarding closure of the expanded lined portions of the landfill including the cover design, construction plan drawing and details.

f. Holland did not notify DEQ of the slope failures or the leachate overflow and drainage to the storm water ditch, orally within 24 hours or in writing within five (5) days. Holland did not provide a plan or other details regarding these items.

7. 9 VAC 20-80-270(B)(6)and (17) state: "All facilities shall be designed to divert surface water runoff from a 25-year, 24-hour storm away from disposal areas. The design shall provide that any surface water runoff is managed so that erosion is well controlled and environmental damage is prevented." and "Finished side slopes shall be stable and be configured to adequately control erosion and runoff. Slopes of 33% will be allowed provided that adequate runoff controls are established. Steeper slopes may be considered if supported by necessary stability calculations and appropriate erosion and runoff control features. All finished slopes and runoff management facilities shall be supported by necessary calculations and included in the design manual. The top slope shall be at least 2.0% to prevent ponding of water."

8. 9 VAC 20-80-270(B)(13) states: "Drainage structures shall be installed and continuously maintained to prevent ponding and erosion, and to minimize infiltration of water into solid waste cells."

9. 9 VAC 20-80-270(C)(12)(d) states: "Intermediate cover of at least one foot of completed soil shall be applied whenever an additional lift of refuse is not to be applied within 30 days unless the owner or operator demonstrates to the satisfaction of the director that an alternate cover material or an alternate schedule will be protective of public health and the environment. In the case of facilities where coal combustion by-products are removed fro beneficial use, intermediate cover must be applied in any area where ash has not been placed or removed form 30 days or more. Further, all areas with intermediate cover exposed shall be inspected as needed but not less than weekly and additional cover material shall be placed on all cracked, eroded, and uneven areas as required to maintain the integrity of the intermediate cover system."

10. 9 VAC 20-80-270(C)(4)and (6) state: "Adequate numbers and types of properly maintained equipment shall be available to a facility for the performance of operation. Provision shall be made for substitute equipment to be available within 24 hours should the former become inoperable or unavailable." And "Solid waste

shall not be deposited in, nor shall it be permitted to enter any surface waters or ground waters."

11. 9 VAC 20-80-270(E)(2) states: "Closure plan and amendment of plan. The owner or operator of a solid waste disposal facility shall have a written closure plan. This plan shall identify the steps necessary to completely close the facility at the time when the operation will be the most extensive and at the end of its intended life. The closure plan shall include, at least: (1) A description of those measures and procedures to be employed to comply with this subsection; (2) An estimate of the largest area ever requiring a final cover as required at any time during the active life; (3) An estimate of the maximum inventory of wastes ever on-site over the active life of the landfill facility; and (4) A schedule for final closure shall also be provided which shall include, as a minimum, the anticipated date when wastes will no longer be received, the date when completion of final closure is anticipated, and intervening milestone dates which will allow tracking of the progress of closure. b. The owner or operator may amend his closure plan at any time during the active life of the facility. The owner or operator shall so amend his plan any time changes in operating plans or facility design affect the closure plan. The amended closure plan shall be placed in the operating record. c. The owner or operator shall notify the department whenever an amended closure plan has been prepared and placed in the operating record. d. Prior to beginning closure of each solid waste disposal unit, the owner or operator shall notify the department of the intent to close. e. If the owner or operator intends to use an alternate final cover design, he shall submit a proposed design meeting the requirements of subdivision 1 b (3) of this subsection to the department at least 180 days before the date he expects to begin closure. The director will approve or disapprove the plan within 90 days of receipt. f. Closure plans, and amended closure plans not previously approved by the director shall be submitted to the department at least 180 days before the date the owner or operator expects to begin closure. The director will approve or disapprove the plan within 90 days of receipt."

12. 9 VAC 20-80-270(C)(3) states: "A permittee shall be subject to the following reporting requirements: 1. Written notice of any planned physical alterations to the permitted facility, unless such items were included in the plans and specifications or operating plan approved by the department, shall be given to the director and approved before such alterations are to occur. 2. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of the permit, shall be submitted no later than 14 days following each schedule date. 3. The permittee shall report to the department any noncompliance or unusual condition which may endanger health or environment. Any information shall be provided orally within 24 hours from the time the permittee becomes aware of the circumstances. A written submission shall also be provided within five days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of

noncompliance, including exact dates and times, and, if the noncompliance has not been corrected, the anticipated time it is expected to continue. It shall also contain steps taken or planned to reduce, eliminate and prevent reoccurrence of the noncompliance."

13. On December 8, 2009 based on the inspection and follow-up information, the Department issued a NOV to JCHEI for the violations described in paragraphs C(6) through C(12), above.

14. On December 10, 2009 DEQ staff met with personnel and consultants from JCHEI to discuss the violations. DEQ staff recommended that JCHEI prepare and submit a corrective action plan to address the violations in paragraphs C(6) through C(12) above.

15. JCHEI provided a response to the December 8, 2009 NOV on January 11, 2010. In this response, JCHEI concurred with observations described in paragraphs C(7)(a), C(7)(b), C(7)(c) and C(7)(e); however, did not agree with the observations described in paragraph C(7)(d) and C(7)(f). However, JCHEI maintains that the slope failures described in paragraph C(7)(a) were caused by excessive rainfall in the Fall of 2009, that the drainage structures described in paragraph C(7)(b) had been properly maintained and there were alternate drainage structures installed, and that the leachate described in paragraph C(7)(d) was not leachate, it was rain water that was draining from soil that had been cast onto the eastern slope for drying purposes.

16. On February 17, 2010, JCHEI submitted a proposed Corrective Action Plan ("CAP") to address the violations in the December 8, 2009 NOV. The CAP included a proposed schedule of compliance.

17. On March 2, 2010, DEQ staff met with personnel and consultants from JCHEI to discuss the proposed CAP.

18. On March 16, 2010, JCHEI submitted a revised CAP.

19. On June 24, 2010, Department staff inspected the Facility for compliance with the requirements of the Virginia Waste Management Act, the Regulations and the Permit. Based on the inspection and follow-up information, Department staff made the following observations:

    a. The slope failures noted in the December 8, 2010 NOV had not been fully repaired. Cover materials from the slope failures on the eastern and southern slopes appeared to have extended from the solid was disposal unit boundary and impacted adjacent property.

b. Drainage structures that were not maintained as noted in the December 8, 2010 NOV were removed and erosion of slopes and sedimentation fans at the toe of the slops were observed.

c. Intermediate cover has not been placed on the west slope; exposed solid waste was observed. Final cover has not been placed on the west slope yet no additional waste has been placed on the west slope for over 2 years.

d. The 1992 Closure Plans does not include changes made to the Facility since December 1, 1992 including expansions listed in JCHEI records undertaken in December 27, 2001, December 15, 2004, September 23, 2008, and August 23, 2009 as well as information regarding closure of the expanded lined portions of the landfill including the cover design, construction plan drawing and details.

20. On July 30, 2010 based on the inspection, the Department issued a NOV to JCHEI for the violations described in paragraph C(19) and the Regulations listed in paragraphs C(7), C(8), C(9), and C(11), above.

21. JCHEI provided a response to the July 30, 2010 NOV on August 9, 2010. In this response, JCHEI concurred with observations described in paragraphs C(19)(a), C(19)(b) and C(19)(c); however, JCHEI did not agree with the violations described in paragraph C(19)(d). However, JCHEI maintains that the slope failures described in paragraph C(19)(a) were caused by excessive rainfall in the Fall of 2009 and that the drainage structures described in paragraph C(19)(b) had been properly maintained and there were alternate drainage structures installed.

22. On September 27, 2010, Department staff inspected the Facility for compliance with the requirements of the Virginia Waste Management Act, the Regulations and the Permit. Based on the inspection and follow-up information, Department staff made the following observations:

a. The slope failures noted in the December 8 and July 30, 2010 NOV had not been fully repaired. Cover materials from the slope failures on the eastern and southern slopes appeared to have extended from the solid was disposal unit boundary and impacted adjacent property.

b. Drainage structures that were not maintained as noted in the December 8 and July 30, 2010 NOV were removed and erosion of slopes and sedimentation fans at the toe of the slops were observed.

c. Intermediate cover has not been placed on the east, south and west slopes; exposed solid waste was observed. Final cover has not been placed on the south slope yet no additional waste has been placed on the south slope for over 2 years.

d. The 1992 Closure Plans does not include changes made to the Facility since December 1, 1992 including expansions listed in JCHEI records undertaken in December 27, 2001, December 15, 2004, September 23, 2008, and August 23, 2009 as well as information regarding closure of the expanded lined portions of the landfill including the cover design, construction plan drawing and details.

e. Exposed solid waste was observed on the north slope of the landfill. The working face of the landfill exceeded a 10 to 12 foot lift height.

f. The perimeter ditch on the southeast side of the landfill had been filled in. The perimeter ditch appeared to be a key component of surface water run-off management at the Facility.

23. 9 VAC 20-80-270(C)(12)(b) states: "Lift heights shall be sized according to the volume of waste received daily and the nature of the industrial waste."

24. Section V.D.3 of the JCHEI Operation Manual dated April 4, 1997 states: "Progressive cover of soil or approved cover material shall be maintained such that the exposed waste surface is kept to minimum practical size considering the volume and nature of the disposed material."

25. Section V.D.2 of the JCHEI Operation Manual dated April 4, 1997 states: "The height of the lifts shall generally be limited to 10-12 feet."

26. On January 27, 2011, based on the inspection, the Department issued a NOV to JCHEI for the violations described in paragraph C(22), the Regulations listed in paragraphs C(7), C(8), C(9), C(11), and C(23) and the JCHEI Operation Manual dated April 7, 1997 listed in paragraphs C(24) and C(25), above.

27. JCHEI provided a response to the January 27, 2011 NOV on February 3, 2011. In this response, JCHEI maintains that the slope failures described in paragraph C(22)(a) were caused by excessive rainfall in the Fall of 2009 and that the drainage structures described in paragraph C(22)(b) had been properly maintained and there were alternate drainage structures installed. JCHEI did not agree with the observations described in paragraphs C(22)(c), C(22)(d), C(22)(e), and C(22)(f).

28. Based on the results of the November 20, 2009, June 24, 2010 and September 27, 2010 inspections, the December 10, 2009 meeting, the documentation submitted on January 11, 2010, February 17, 2010, March 16, 2010, August 9, 2010 and February 3, 2011, the Board concludes that JCHEI has violated the Regulations as described in paragraphs C(6) through C(12), C(19) and C(22) through C(25), above.

29. In order for JCHEI to return to compliance, DEQ staff and JCHEI have agreed to the Corrective Action Schedule, which is incorporated as Appendix A of this Order.

SECTION D: Agreement and Order

Accordingly, by virtue of the authority granted it in Va. Code § 10.1-1455, the Board orders JCHEI and JCHEI agrees to:

1. Perform the actions described in Appendices A and B of this Order; and

2. Pay a civil charge of $50,000 within 30 days of the effective date of the Order in settlement of the violations cited in this Order, to be paid as follows:

   a. JCHEI shall pay $15,000 of the civil charge in accordance with the following schedule:

Due Date	Amount
December 15, 2011	$5,000
January 15, 2012	$5,000
February 15, 2012	$5,000

   b. If the Department fails to receive a civil charge payment pursuant to the schedule described above, the payment shall be deemed late. If any payment is late by 30 days or more, the entire remaining balance of the civil charge shall become immediately due and owing under this Order, and the Department may demand in writing full payment by JCHEI. Within 15 days of receipt of such letter, JCHEI shall pay the remaining balance of the civil charge. Any acceptance by the Department of a late payment or of any payment of less than the remaining balance shall not act as a waiver of the acceleration of the remaining balance under this Order.

   c. All payments shall be made by check, certified check, money order or cashier's check payable to the "Treasurer of Virginia," and delivered to:

      Receipts Control
      Department of Environmental Quality
      Post Office Box 1104
      Richmond, Virginia 23218

d. JCHEI shall include its Federal Employer Identification Number (FEIN) [_____] with the civil charge payment and shall indicate that the payment is being made in accordance with the requirements of this Order for deposit into the Virginia Environmental Emergency Response Fund (VEERF).

e. JCHEI shall satisfy $35,000 of the civil charge by satisfactorily completing the Supplemental Environmental Project (SEP) described in Appendix B of this Order.

f. The net project costs of the SEP to JCHEI shall not be less than the amount set forth in Paragraph D.2.b. If it is, JCHEI shall pay the remaining amount in accordance with Paragraph D.2.a of this Order, unless otherwise agreed to by the Department. "Net project cost" means the net present after-tax cost of the SEP, including tax savings, grants, and first-year cost reductions and other efficiencies realized by virtue of project implementation. If the proposed SEP is for a project for which the party will receive an identifiable tax savings (e.g., tax credits for pollution control or recycling equipment), grants, or first-year operation cost reductions or other efficiencies, the net project cost shall be reduced by those amounts. The costs of those portions of SEPs that are funded by state or federal low-interest loans, contracts, or grants shall be deducted.

g. By signing this Order JCHEI certifies that it has not commenced performance of the SEP.

h. JCHEI acknowledges that it is solely responsible for completing the SEP project. Any transfer of funds, tasks, or otherwise by JCHEI to a third party, shall not relieve JCHEI of its responsibility to complete the SEP as described in this Order.

i. In the event it publicizes the SEP or the SEP results, JCHEI shall state in a prominent manner that the project is part of a settlement of an enforcement action.

j. The Department has the sole discretion to:

   i. Authorize any alternate, equivalent SEP proposed by the Facility; and

   ii. Determine whether the SEP, or alternate SEP, has been completed in a satisfactory manner.

k. Should the Department determine that JCHEI has not completed the SEP, or alternate SEP, in a satisfactory manner, the Department shall so notify JCHEI in writing. Within 30 days of being notified, JCHEI shall pay the amount specified in Paragraph D.2.f, above, as provided in Paragraph D.2.c.-d, above.

SECTION E: Administrative Provisions

1. The Board may modify, rewrite, or amend the Order with the consent of Holland good cause shown by JCHEI, or on its own motion pursuant to the Administrative Process Act, Va. Code § 2.2-4000 *et seq.*, after notice and opportunity to be heard.

2. This Order addresses and resolves only those violations specifically identified in Section C of this Order. This Order shall not preclude the Board or the Director from taking any action authorized by law, including but not limited to: (1) taking any action authorized by law regarding any additional, subsequent, or subsequently discovered violations; (2) seeking subsequent remediation of the facility; or (3) taking subsequent action to enforce the Order.

3. For the purposes of this Order and subsequent actions with respect to this Order, JCHEI admits to the jurisdictional allegations, and agrees not to contest, but neither admits nor denies, the findings of fact and conclusions of law in this Order.

4. JCHEI consents to venue in the Circuit Court of the City of Richmond for any civil action taken to enforce the terms of this Order.

5. JCHEI declares it has received fair and due process under the Administrative Process Act, Va. Code and the Virginia Waste Management Act and it waives the right to any hearing or other administrative proceeding authorized or required by law or regulation, and to any judicial review of any issue of fact or law contained herein. Nothing herein shall be construed as a waiver of the right to any administrative proceeding for, or to judicial review of, any action taken by the Board to modify, rewrite, amend, or enforce this Order.

6. Failure by JCHEI to comply with any of the terms of this Order shall constitute a violation of an order of the Board. Nothing herein shall waive the initiation of appropriate enforcement actions or the issuance of additional orders as appropriate by the Board or the Director as a result of such violations. Nothing herein shall affect appropriate enforcement actions by any other federal, state, or local regulatory authority.

7. If any provision of this Order is found to be unenforceable for any reason, the remainder of the Order shall remain in full force and effect.

8. JCHEI shall be responsible for failure to comply with any of the terms and conditions of this Order unless compliance is made impossible by earthquake, flood, other acts of God, war, strike, or such other occurrence. Holland shall show that such circumstances were beyond its control and not due to a lack of good faith or diligence on its part. JCHEI shall notify the TRO DEQ Regional Director verbally within 24 hours and in writing within three business days when circumstances are anticipated to occur, are occurring, or have occurred that may

delay compliance or cause noncompliance with any requirement of the Order. Such notice shall set forth:

a. the reasons for the delay or noncompliance;

b. the projected duration of any such delay or noncompliance;

c. the measures taken and to be taken to prevent or minimize such delay or noncompliance; and

d. the timetable by which such measures will be implemented and the date full compliance will be achieved.

Failure to so notify the TRO Regional Director within 24 hours and in writing within three business days, of learning of any condition above, which JCHEI intends to assert will result in the impossibility of compliance, shall constitute a waiver of any claim of inability to comply with a requirement of this Order.

9. This Order is binding on the parties hereto, their successors in interest, designees and assigns, jointly and severally.

10. This Order shall become effective upon execution by both the Director or his designee and JCHEI. Nevertheless, JCHEI agrees to be bound by any compliance date which precedes the effective date of this Order.

11. This Order shall continue in effect until:

(a) JCHEI petitions the Director or his designee to terminate the Order after it has completed all of the requirements of the Order and the Director or his designee approves the termination of the Order; or

(b) the Director or Board terminates the Order in his or its sole discretion upon 30 days' written notice to JCHEI.

Termination of this Order, or any obligation imposed in this Order, shall not operate to relieve JCHEI from its obligation to comply with any statute, regulation, permit condition, other order, certificate, certification, standard, or requirement otherwise applicable.

12. Any plans, reports, schedules or specifications attached hereto or submitted by JCHEI and approved by the Department pursuant to this Order are incorporated into this Order. Any non-compliance with such approved documents shall be considered a violation of this Order.

13. The undersigned representative of JCHEI certifies that he or she is a responsible official authorized to enter into the terms and conditions of this Order and to

execute and legally bind JCHEI to this document. Any documents to be submitted pursuant to this Order shall also be submitted by a responsible official of JCHEI.

14. This Order constitutes the entire agreement and understanding of the parties concerning settlement of the violations identified in Section C of this Order, and there are no representations, warranties, covenants, terms or conditions agreed upon between the parties other than those expressed in this Order.

15. By its signature below, JCHEI voluntarily agrees to the issuance of this Order.

And it is so ORDERED this 15 day of December, 2011.

Maria R. Dobel
Regional Director
Department of Environmental Quality

Holland Enterprises, Inc., John C. voluntarily agrees to the issuance of this Order.

Date: 11/9/2011 By: John C. Holland Jr. President
(Person) (Title)

of Holland Enterprises, Inc., John C.

Commonwealth of Virginia
City/~~County~~ of Suffolk

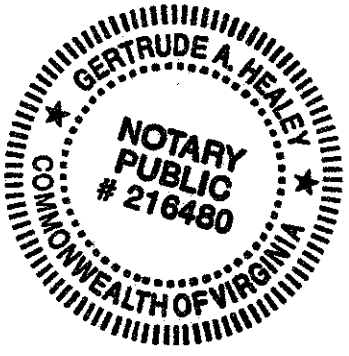
The foregoing document was signed and acknowledged before me this 9th day of November, 2011, by John C. Holland, Jr., who is PRESIDENT of Holland Enterprises, Inc., John C. on behalf of Holland Enterprises, Inc., John C.

Gertrude A. Healey
Notary Public

216480
Registration No.

My commission expires: January 31, 2011

Notary Seal:



APPENDIX A

JCHEI shall:

1. Implement the revised Corrective Action Plan submitted to DEQ March 16, 2010 for the facility. Any changes, amendments, alterations, or deviations from the CAP must receive approval from DEQ prior to such action. Upon notification by DEQ, Holland shall revise and/or amend the CAP to incorporate such changes or amendments as DEQ notifies Holland need to be made. Such CAP shall include that Holland shall submit monthly progress reports until all the items in the CAP have been completed. If approved by DEQ, Holland may amend the CAP to submit quarterly progress reports after at least three months of consecutive monthly progress reports have been submitted. If approved to submit quarterly progress reports, upon notification by DEQ, Holland shall submit revert to submitting monthly progress reports.

2. In accordance with the approved CAP schedule, complete all corrective action items described in the approved CAP and submit a report documenting the completion of all corrective actions.

3. Submit all requirements of Appendix A of this Order to:

   Regional Director
   VA DEQ – Tidewater Regional Office
   5636 Southern Blvd
   Virginia Beach, Virginia 23462

APPENDIX B
JCHEI
SUPPLEMENTAL ENVIRONMENTAL PROJECT (SEP)

In accordance with Va. Code § 10.1-1186.2, JCHEI shall perform the Supplemental Environmental Project (SEP) identified below in the manner specified in this Appendix. As used in this Order and Appendix, SEP means an environmentally beneficial project undertaken as partial settlement of a civil enforcement action and not otherwise required by law.

1. The SEP to be performed by JCHEI is to provide funds to the City of Suffolk to purchase environmental prevention and response equipment and supplies as identified in the City of Suffolk's letter to the JCHEI of October 7, 2011 in the amount of $35,000.

2. The $35,000 payment shall be completed by December 15, 2011. JCHEI shall submit documentation or verification that the payment was made to the City of Suffolk and that City of Suffolk has accepted the payment and appropriated the funding by March 15, 2011.

3. If the SEP has not or cannot be completed as described in the Order, JCHEI shall notify DEQ in writing no later than March 15, 2012. Such notification shall include:
   a. an alternate SEP proposal, or
   b. payment of the amount specified in Paragraph D.2.b as described in Paragraph D.2.a.

4. JCHEI shall submit to the Department written verification of the final overall and net project cost of the SEP in the form of a certified statement itemizing costs, invoices and proof of payment, or similar documentation within 15 days of the project completion date. For the purposes of this submittal, net project costs can be either the actual, final net project costs or the projected net project costs if such projected net project costs statement is accompanied by a CPA certification or certification from JCHEI's Chief Financial Officer concerning the projected tax savings, grants or first-year operation cost reductions or other efficiencies.

5. Documents to be submitted to the Department, other than the civil charge payment described in Section D of the Order, shall be sent to:

   Regional Director
   VA DEQ – Tidewater Regional Office
   5636 Southern Blvd
   Virginia Beach, Virginia 23462