



North Carolina Department of Environment and Natural Resources
Division of Waste Management

Beverly Eaves Perdue
Governor

Dexter R. Matthews
Director

Dee Freeman
Secretary

CERTIFIED MAIL

July 27, 2012

Mr. Peter J. McGrath, Jr.
Moore & Van Allen PLLC
Suite 4700
100 North Tryon Street
Charlotte, NC 28202-4003

Re: **NOTICE OF REC PROGRAM ELIGIBILITY**
Engineered Controls International, LLC
100 Rego Drive
Elon, Alamance County, NC
NONCD 0002904

Dear Mr. McGrath:

Thank you for submitting the Site Cleanup Checklist/Questionnaire (Questionnaire) for the above subject site (Site). The Inactive Hazardous Sites Branch (Branch) has completed review of the Questionnaire and determined that the Site can be cleaned up through the Registered Environmental Consultant (REC) Program without direct oversight by Branch Staff.

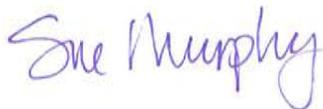
Note that, if you have not already done so, you must take the initial abatement actions required under 15A NCAC 2L. Pursuant to 15A NCAC 2L .0106(b), any person conducting or controlling an activity which results in the discharge of a waste or hazardous substance to the groundwaters of the State, or in proximity thereto, shall take immediate action to terminate and control the discharge, and mitigate any hazards resulting from exposure to the pollutants. Pursuant to 15A NCAC 2L .0106(c), if groundwater standards have been exceeded, you must take immediate action to eliminate the source or sources of contamination. Beyond initial abatement actions, all assessment and remediation will be done through the Inactive Hazardous Sites Response Act (IHSRA).

Under the IHSRA, to receive approval of the assessment and clean up at the Site, you must enter into an administrative agreement with the Branch. Since the Branch has determined that the Site can be cleaned up through the REC Program, execution of an REC-Administrative Agreement (REC-AA) is required. The procedures for entering into an REC-AA are attached. If you have any questions regarding these procedures or the REC Program, please contact the REC Program Manager, Kim Caulk, at (919 707-8350 or visit the REC Program website at <http://portal.ncdenr.org/web/wm/sf/ih/recprogram>.

If we do not receive a response from you within the next 60 days indicating your willingness to enter an REC-AA, the Branch will take further action to prioritize the Site. Failure to take the initial abatement steps required in 15A NCAC 2L may result in the assessment of a civil penalty against Engineered Controls International, LLC. In addition, the Branch may seek an injunction compelling compliance with the initial abatement steps required in 15A NCAC 2L. For future work beyond the initial abatement steps required pursuant to 15A NCAC 2L, a unilateral Order may be issued pursuant to N.C.G.S. 130A-310.3 to compel assessment and cleanup. In addition, if your client chooses not to conduct a cleanup voluntarily, the site may be referred to the United States Environmental Protection Agency (EPA). If so referred, EPA will screen the site for Federal enforcement action under the Federal Superfund Program, established under the Comprehensive Environmental Responsibility, Compensation, and Liability Act.

If you have additional questions about the requirements that apply to your site, please contact me at (919) 707-8354.

Sincerely,



Sue Murphy, Engineer
Inactive Hazardous Sites Branch
Superfund Section

Enclosure: REC-AA Procedures

cc: File

Procedures for Obtaining a REC Administrative Agreement

To obtain a Registered Environmental Consultant (REC)-Administrative Agreement (AA), remediating parties (RPs) and RECs should use the following procedures:

1. Contact Kim Caulk, preferably by e-mail at Kim.Caulk@NCDENR.gov, and provide the following information for the site:
 - Site name, street address/location, city, and county;
 - Exact name of remediator;
 - Name, title, telephone number, e-mail address, & mailing address of the highest ranking official of the remediating party having day-to-day responsibility for the performance of the remedial response action;
 - Name, title, telephone number, e-mail address, & mailing address of any other contact person(s) and the proposed REC (if known) for the remedial response action;
 - Current property owner of the site.
2. Using the information above, a draft REC-AA will be prepared by the Branch and forwarded, preferably by e-mail, to the RP and any other specified representatives for review. The draft electronic version of the AA will be maintained by the Branch.
3. After the RP and/or REC confirms the information is satisfactory, the AA will be finalized by the Branch and an original, hardcopy of the final document will be mailed to the RP for signature. The RP should then mail the signed **original**, final AA to the REC for signature. The document should then be returned by mail to the Branch for execution. The Branch will forward a photocopy of the AA to the RP and REC following execution.
4. Before the AA can be executed, the following requirements must be completed:
 - A 30-day public notice for the proposed AA must be performed by the Branch in accordance with 130A-310.9(b). Note that this includes sites already undergoing groundwater remediation and previously under the oversight of the Division of Water Quality. To complete the required 30-day public notice, the proposed REC and/or the Remediating Party will need to submit, preferably by e-mail, a site location map (typically a tax map or parcel map) and the mailing addresses for each of the adjacent surrounding property owners. The reference/source of the submitted information should be included;
 - Pursuant to 15A NCAC 13C .0307(c), to participate in the REC Program, payment of a financial assurance fee must be received by the Branch. The fee for entry of the site into the REC Program is \$2500. Checks should be made payable to NC Division of Waste Management and referenced to the REC Trust Fund. There will be a similar fee each year until remediation at the site is complete. The annual administration fee, which is to help offset the costs of the Division's audits of remedial actions, is based on the number of sites in the REC Program and in recent years has varied from approx. \$1800 to \$2500.

The required public notice can begin while the AA is reviewed/finalized and the fees are processed.

Questions regarding these procedures and the REC Program should be directed to Kim Caulk at (919) 707-8350 or Kim.Caulk@NCDENR.gov.