ALTAMONT ENVIRONMENTAL, INC.
ENGINEERING & HYDROGEOLOGY
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January 15, 2013

NC Division of Waste Management
Brownfields Program
Mail Service Center 1646
Raleigh, NC 27699-1646

Subject: Land Use Restriction Update
Elk Mountain Landfill (Brownfields Project Number: 07007-03-11)

Dear NC Division of Waste Management:

This letter is being sent to update the Land Use Restrictions pursuant to the Brownfields Property agreement (Brownfields Project Number: 07007-03-01) recorded on March 28, 2007 with Buncombe County. Please note the following items:

1. The Notice of Brownfields Property containing the land use restrictions remains recorded at the Buncombe County Register of Deeds office;
2. The Land Use Restrictions are being complied with; protocols in the soil gas monitoring plan are being followed, and the groundwater, and pond water monitoring activities required by Paragraphs 23 and 25 of the Brownfields Property Agreement are being conducted
3. All caps installed at the Property pursuant to Paragraphs 19 and 20 are in place and in good repair.

The certification statement and groundwater monitoring report dated March 19, 2012, are attached to this letter.

Sincerely,

ALTAMONT ENVIRONMENTAL, INC.

Evan Yurkovich

Enclosures: Land Use Restriction Update
Certification Statement
March 19, 2012 Groundwater Monitoring Report

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LAND USE RESTRICTION UPDATE

Brownfields Project #: 07007-03-11
Brownfields Property: Elk Mountain Landfill, 70 Old Beaverdam Creek Road
Property Owner (In whole or part): Reynolds Mountain Development Group

LAND USE RESTRICTIONS ("LUR") UPDATE

LUR 1: No residential or retail structure may be constructed at the Brownfields Property until the Plan has been approved in writing by the Department of Environment and Natural Resources ("DENR") and recorded at the Buncombe County Register of Deeds' office in accordance with paragraph 15 of the Brownfields Agreement ("Agreement"), and until DENR has approved in writing the Implementation Report pertaining to the affected portion of the Brownfields Property in accordance with paragraph 16 of the Agreement.

In compliance __X__ Out of compliance ____

Remarks: _____

LUR 2: Only the following uses may be made of the Brownfields Property, and then only if they comply with the Plan: (i) on non-landfill portions of the Brownfields Property, a mixed-use residential and commercial community; and (ii) on the portion of the Brownfields property formerly used as a municipal landfill, recreational open space, parking areas, roadways, utility corridors, ball fields, lights, walking paths and a possible golf course with associated amenities such as tennis courts and a clubhouse, or other features or structures which meet all performance standards of the Agreement and receive prior written approval from DENR. No residential use is permitted on any portion of the Brownfields Property whose boundary lies within 50 feet of the area denominated "Waste-Containing Portion" on the plat component of the Notice of Brownfields Property referenced below in paragraph 33, unless such use is incorporated into the Plan, is engineer-certified, and is approved by DENR. All residences constructed on the Brownfields Property are subject to the Plan's engineering controls and monitoring requirements, and require the engineering certifications set forth in the Plan.

In compliance __X__ Out of compliance ____

Remarks: _____

LUR 3: Except as provided in LUR 9 below, surface water and groundwater at the Brownfields Property may not be used for any purpose without the prior written approval of DENR.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 4: No mining may be conducted on or under the Brownfields Property, including, without limitation, extraction of coal, oil, gas or any other minerals or non-mineral substances.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 5: No disturbance, displacement, relocation or removal of waste material in areas of the Property denominated "Waste-Containing Portion" on the plat component of the Notice of Brownfields Property filed in connection with this Agreement is permitted without (i) prior notification to and written approval by DENR, (ii) sampling of such waste material as required by DENR, (iii) submittal to DENR of analyses of such sampling along with plans and procedures to protect human health and the environment during the proposed activities, and (iv) preparation, by a land surveyor licensed in North Carolina, and recordation of a revised and DENR-approved plat component of the Notice of Brownfields Property filed in connection with this Agreement depicting any changes to the "Waste-Containing Portion" of the Property.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 6: Disturbance, displacement, relocation or removal of waste material on the Brownfields Property shall require DENR's advance written approval and shall be conducted in accordance with the following:

a. No such activities may occur unless and until DENR has approved a plan for their conduct in writing. Said plan must include information pertaining to any work in the area of the plat component of the Notice of Brownfields Property filed in connection with this Agreement denominated "Waste-Containing Portion," such as construction of roads and utilities that is anticipated to occur in phases. The plan must address the contingency of encountering waste material not suitable for disposal in a municipal or construction/demolition landfill, such as hazardous materials. The activities in question shall be conducted in strict accordance with all applicable local, state and federal legal provisions concerning sampling, characterization, handling and transportation of waste material for off-site disposal. Relocation of waste material on the Brownfields Property may not occur unless such activities are approved in the plan and conducted in accordance with the plan as approved.
b. Any relocation of waste material from the outermost portions of any on-site landfill area or consolidation/relocation of waste material from one portion of a landfill area to another portion within that same landfill area, or from one on-site landfill area to another on-site landfill area, all as denominated on the plat component of the Notice of Brownfields Property filed in connection with the Agreement, may only occur prior to completion of initial redevelopment activities (defined as having occurred upon issuance of the certificate of occupancy for the phase of construction that DENR determines is applicable).
c. The plan referenced in LUR 6.a. above may propose the uncovering of waste material, with associated deadlines for relocation, other than in connection with development activities involving engineering controls (e.g., the landfill gas cut-off trench) described in the Plan.
d. Anyone conducting activities involving the disturbance, displacement, relocation or removal of waste material at the Brownfields Property shall provide to DENR a written report regarding the procedures and results of such activities within 30 days after the completion of the activities, using reporting criteria designated in the plan referenced in LUR 6.a. above. Neither the activities nor the report shall be deemed satisfactory until DENR states in writing that they are.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 7: If any existing waste material at the Property is disturbed other than pursuant to LUR 6 or 7, the owner of any affected portion of the Brownfields Property shall effect sampling, characterization, handling, transportation and disposal of such waste material in strict accordance with applicable local, State, and federal legal provisions. Such waste material may not be relocated on the Brownfields Property other than in areas denominated "Waste-Containing Portion" on the plat component of the Notice of Brownfields Property filed in connection with the Agreement. The owner of any affected portion of the Property shall also, no later than seven (7) days following discovery of the disturbance, report the disturbance to DENR in writing. Thereafter, the owner of any `affected portion of the Brownfields Property shall report when and as required by DENR regarding the disturbance, which reporting shall include, at a minimum, a written report that describes the nature and extent of the disturbance, the sampling, characterization and handling of the waste material, and its transportation and disposal.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 8: Activities that are deemed necessary by DENR to comply with the Plan, but that would otherwise conflict with the provisions of LURs 5, 6, 7, 9 or 10, shall be allowed at the Property, subject to DENR's prior written approval.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 9: No activities which result in direct exposure to or removal of groundwater (for example, construction or excavation activities which encounter or expose groundwater) may be conducted on the Brownfields Property without prior sampling and analysis of groundwater in the area where such activities are to be conducted, submittal of the analytical results to DENR along with plans and procedures to protect human health and the environment during those activities, and approval of those activities by DENR.

In compliance __X__ Out of compliance ____

Remarks: _____

LUR 10: No basements may be constructed on the Property without DENR's prior written approval and inclusion of the design in the Plan or elsewhere. Additionally, no fountains, ponds, lakes, swimming pools or other items which are supplied, in whole or in part, by groundwater under the Brownfields Property may be constructed on the Brownfields Property. Reservoirs and ponds used exclusively for irrigation purposes and supplied by groundwater originating other than on the Brownfields Property (e.g., from adjoining properties) or by municipally supplied water may be constructed in areas of the Brownfields Property that are not within areas denominated "Waste-Containing Portion" on the plat component of the Notice of Brownfields Property filed in connection with the Agreement if the base of any such reservoir or pond is at least two (2) feet above the shallowest groundwater at the location of such reservoir or pond, as determined by sampling satisfactory to DENR by the reservoir or pond's proponent. Regardless of whether any reservoir or pond constructed pursuant to this subparagraph is used as a source of irrigation water for the Brownfields Property, the monitoring and use requirements set forth in paragraph 25 of the Agreement apply to such reservoir or pond.

In compliance __X__ Out of compliance ____

Remarks: _____

LUR 11: No groundwater derived from adjoining properties may be used at the Brownfields Property unless, prior to its initial use and no less frequently than once every six months thereafter, the owner of any portion of the Brownfields Property where such groundwater is proposed to be used provides analytical data to DENR that demonstrates, and obtains written concurrence from DENR, that such groundwater complies with the groundwater standards contained in the North Carolina Administrative Code, Title 15A, Subchapter 2L, Rule .0202.

In compliance __X__ Out of compliance ____

Remarks: _____

LUR 12: A sign, satisfactory to DENR and indicating that portions of the Brownfields Property have previously been used as a landfill, shall be maintained at the Brownfields Property in a manner satisfactory to DENR.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 13: No party conducting environmental assessment or remediation at the Brownfields Property at the direction of, or pursuant to a permit or order issued by, DENR may be denied access to the Brownfields Property for purposes of conducting such assessment or remediation at reasonable times, following reasonable efforts to provide notice to the owner(s) of the affected portion(s) of the Brownfields Property, and given reasonable efforts to minimize interference with operations on the affected portion(s) of the Brownfields Property.

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 14: During January of each year after the Agreement becomes effective, the then current owner of any portion of the Brownfields Property shall submit a notarized Land Use Restrictions Update ("LURU") to DENR or its successor in function certifying that (i) the Notice of Brownfields Property containing these land use restrictions remains recorded at the Buncombe County Register of Deeds office; (ii) the Land Use Restrictions are being complied with; (iii) soil gas monitoring is being conducted in accordance with the Plan, and the groundwater, and pond water monitoring activities required by paragraphs 23 and 25 below are being conducted; and (iv) all caps installed at the Brownfields Property pursuant to paragraphs 19 and 20 of the Agreement are in place and in good repair. Each LURU shall also include a complete record of any erosion, erosion repairs or other activities affecting the Land Use Restrictions or the integrity and function of the cap, and, in required years, reports prepared in conjunction with the groundwater and pond water monitoring activities required by paragraphs 23 and 25 of the Agreement. Alternatively, the obligations of this subparagraph may be discharged on behalf of any owner(s) by a party that satisfies DENR it is validly acting as agent for said owners, and that accepts responsibility for compliance with this subparagraph pursuant to a notarized instrument satisfactory to DENR.

In compliance __X__ Out of compliance ____

Remarks: _____

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Notarized signing and submittal of this Land Use Restrictions Update constitutes certification that the Notice remains recorded at the Buncombe County Register of Deeds office and that the Land Use Restrictions are being complied with.

This Land Use Restrictions Update is certified by _____, owner of at least part of the Brownfields Property.

Name typed or printed of party making certification: _____

<u>In the case of owners that are entities:</u>

Signature of individual signing: James Anderson
Name typed or printed: JAMES Anderson
Title: Authorized Representative

<u>In the case of all owners:</u>

Date: 1-12-13

LandTech Receiver Services, LLC as Court Appointed
Receiver for Reynolds Mountain Partners, LLC
2000 Center Point Road; Suite 2100
Columbia, SC 29210

CERTIFICATION STATEMENT

By: _____
James Anderson
Member/Manager

ATTEST:
_____
Secretary

Landtech Receiver Services as Court Appointed Receiver for Reynolds Mountain Partners, LLC

SOUTH CAROLINA
RICHLAND COUNTY

I, Jerrie Gross, a Notary Public of the county and state aforesaid, certify that R. Matt Cauthen personally came before me this day and acknowledged that he/she is the Secretary of Landtech Receiver Services as Court Appointed Receiver for Reynolds Mountain Partners, LLC, a North Carolina limited liability company and that by authority duly given and as the act of the company, the foregoing Land Use Restriction Update was signed in its name by its member/manager and attested by him/her as its Secretary.

WITNESS my hand and official stamp or seal, this 11th day of January, 2013

_____
Notary Public
Jerrie Gross
Printed Name

My Commission expires: 6-1-14

JERRIE A. GROSS
NOTARY
PUBLIC
SOUTH CAROLINA