



North Carolina Department of Environment and Natural Resources

Division of Waste Management

Beverly Eaves Perdue
Governor

Dexter R. Matthews
Director

Dee Freeman
Secretary

August 3, 2010

Mr. Pat Kresnak
IAC Group North America
2998 Waterview Drive
Rochester Hills, Michigan 48309

Subject: Financial Assurance Request
Collins and Aikman Industrial Landfill
McDowell County, Permit #56-03, Document ID No. 11245

Mr. Kresnak:

The Division of Waste Management, Solid Waste Section (Section) received a payment of a Permit Amendment activity fee on March 12, 2010 regarding the transfer of ownership of the Collins and Aikman Industrial Landfill to International Automotive Components (IAC) North America. In association with the permitting process North Carolina General Statute NCGS 130A-295.2 requires a permit holder to establish and maintain financial assurance with sufficient funds to provide for both closure costs and post-closure maintenance. Additionally, NCGS 130A-295.2 requires the permit holder to establish financial assurance sufficient to cover a minimum of three million dollars (\$3,000,000) for potential assessment and corrective action at the facility.

In order to establish financial assurance the Section requires the following submissions within thirty (30) days of receipt of this letter:

1. Updates be made and submitted for both the closure and post-closure plans, including cost estimates, for this facility. The cost estimates must be based on hiring a third party to conduct the closure and post-closure activities.
2. Submission of potential assessment and corrective action costs. The Section requires cost estimates for any ongoing corrective action plan as well as cost estimates for landfill gas and groundwater monitoring and maintenance. If these cost estimates are below \$3,000,000 we are requiring the facility to post the minimum amount of \$3,000,000. On the one year anniversary of this financial assurance mechanism, cost estimates will be reviewed by the Section to determine if this facility needs to provide more financial assurance than the minimum \$3,000,000.

The submission will be reviewed by the permitting engineer for accuracy and acceptability of the cost estimates. Once the cost estimate is approved by the Section, the Facility shall provide the appropriate financial assurance mechanism (15A NCAC 13B .1628(e) describes the allowable mechanisms which may be used to establish financial assurance) equal to the approved cost estimate. The Section's compliance staff will ensure that the mechanism is received, appropriate and is regularly updated.

Mr. Pat Kresnak
Financial Assurance Request
August 3, 2010
Page 2 of 2

In addition to the Financial Assurance, I would like to remind you of the submissions necessary to transfer the Permit from Collins and Aikman to International Automotive Components. Currently, the Section requires submission of the following items within thirty (30) days of receipt of this letter in order to remain in compliance:

3. Local government approval in accordance with 15A NCAC 13B.0504(1)(e);
4. Updated landfill Operations Plan to include contact information for IAC personnel responsible for operation of the facility;
5. Copies of the transferred deeds inclusive of all parcels occupied by the landfill facility.

If you should have any questions regarding this matter please contact me at (828) 296-4703, or by email at allen.gaither@ncdenr.gov .

Sincerely,



Allen Gaither
Environmental Engineer

Cc: Donald Herndon – SWS/RCO
Bill Wagner – SWS/ARO