

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Air Quality Division (DEQ/AQD), Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82002, and Valley Construction of Cheyenne, LLC, 205 County Road 128, Suite A, Cheyenne, WY 82007, enter into this Settlement Agreement (Agreement) to fully and finally resolve without litigation the alleged violations cited in DEQ Notice of Violation Docket No. 5139-13 (Notice of Violation). The Notice of Violation alleged that Valley Construction failed to: adequately wet regulated asbestos-containing material in preparation for disposal; seal all the asbestos-containing waste material in leak-tight containers while wet; or properly dispose of the asbestos-containing waste material during the renovation of the WCDA controlled residential facility (Facility) located at 317 East 26th Street, Cheyenne, Laramie County, Wyoming, thereby violating the Wyoming Environmental Quality Act (Act) and applicable Wyoming Air Quality Standards and Regulations (Air Quality Rules).

Wyo. Stat. Ann. § 35-11-901(a)(ii) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules, or other settlement conditions in lieu of litigation. To that end, Valley Construction and DEQ/AQD hereby stipulate and agree as follows:

1. Valley Construction of Cheyenne, LLC is a Wyoming limited liability company.
2. DEQ/AQD is the executive branch agency of Wyoming government responsible for enforcing the Act and the Air Quality Rules.
3. Wyo. Stat. Ann. § 35-11-201 states, “[n]o person shall cause, threaten or allow the discharge or emission of any air contaminant in any form so as to cause pollution which violates rules, regulations and standards adopted by the council.”
4. Chapter 3, Section 8 of the Air Quality Rules establishes, in part, asbestos emission standards for demolition and renovation that apply to owners and operators of facilities where renovation or demolition activities are taking place.
5. Chapter 3, Section 8(i)(iii)(F)(I) of the Air Quality Rules requires that operators adequately wet all RACM and ensure that it remains wet until collected and contained or treated in preparation for disposal.
6. Chapter 3, Section 8(m)(i)(A)(III) of the Air Quality Rules requires that after wetting, all the asbestos-containing waste material be sealed “in leak-tight containers while wet[.]”

7. Chapter 3, Section 8(m)(ii) of the Air Quality Rules requires owners or operators to deposit all asbestos-containing waste material at an approved waste disposal site as soon as is practicable.

8. On February 7, 2013, in response to a complaint, the DEQ/AQD Asbestos Inspector made a site visit of the Facility. The Inspector observed many small broken pieces of dry cement asbestos siding lying on the ground around the house. Samples of that material were found to contain 12% chrysotile asbestos. The Inspector learned that Valley Construction had taken the asbestos-containing waste material to the Happy Jack Landfill for disposal.

9. On March 12, 2013, DEQ/AQD issued the Notice of Violation to Valley Construction alleging that Valley Construction failed to comply with certain provisions of Chapter 3, Section 8 of the Air Quality Rules during the renovation of the Facility.

10. Without admitting liability and in lieu of litigation under Wyo. Stat. Ann. § 35-11-901(a)(ii), DEQ/AQD and Valley Construction agree to resolve the alleged violations described above and set forth in the Notice of Violation for the total amount of three thousand dollars and no cents (\$3,000.00), payable as follows:

A. Valley Construction shall pay the DEQ/AQD two thousand one hundred dollars and no cents (\$2,100.00) as a stipulated cash penalty within thirty (30) days after Valley Construction has been notified that the final signature has been affixed to this Agreement. Valley Construction shall make full payment by check made payable to the Wyoming Department of Environmental Quality, Air Quality Division and mailed to Nancy Vehr, Sr. Asst. Attorney General, 123 Capitol Building, Cheyenne, Wyoming 82002.

B. Valley Construction agrees that it will provide asbestos training to be completed as follows:

i. By October 31, 2013, several employees will complete asbestos training.

a. 24-hour Building Inspector Initial Course. This training provides information on the types of suspect materials and appropriate sampling protocol needed to prove asbestos content.

b. 40-hour Contractor/Supervisor Initial Course. This training provides information on regulatory requirements for performance of abatement projects.

ii. By November 30, 2013, Valley Construction shall provide DEQ/AQD with notification of completion and the employee(s) certificate of completion. Valley Construction shall send this information to DEQ/AQD, Attention: Karen Godman, 122 West 25th Street, Herschler Building 2-E, Cheyenne, WY 82002.

iii. By November 30, 2013, Valley Construction shall provide DEQ/AQD with actual cost information. If Valley Construction's total actual cost of providing the asbestos training listed above is less than nine hundred dollars and no cents (\$900.00), Valley Construction agrees to pay the difference to DEQ/AQD by December 15, 2013, as an additional stipulated penalty. Valley Construction shall send the cost information to DEQ/AQD, Attention: Karen Godman, 122 West 25th Street, Herschler Building 2-E, Cheyenne, WY 82002.

11. Valley Construction, by entering into this Agreement, does not concede or admit to any liability or fault, and this Agreement constitutes no admission of liability or fault.

12. Full compliance with this signed Agreement shall constitute full satisfaction for all claims by DEQ/AQD against Valley Construction based on the Notice of Violation and, solely in reliance on this Agreement, DEQ/AQD will refrain from taking further enforcement action against Valley Construction for these particular alleged violations.

13. In the event that Valley Construction fails to fulfill its obligations under this Agreement, Valley Construction waives any statute of limitations claims which may apply in an enforcement action by DEQ/AQD involving the specific matters described in the Notice of Violation.

14. This Agreement shall be admissible by either Valley Construction or DEQ/AQD (hereinafter Valley Construction and DEQ/AQD may be referred to individually as Party and collectively as Parties) without objection of the other Party to this Agreement only in an action between these Parties relating to the violations alleged herein; provided, however, that nothing herein constitutes an admission by Valley Construction of liability or fault.

15. Neither Party to this Agreement shall have any claim against the other for attorney fees or other costs incurred with the allegations resolved hereby, including costs incurred in the preparation of this Agreement. Each Party shall bear its own attorney fees and costs, if any, incurred through the date this Agreement is signed by the Parties. Each Party assumes the risk of any liability arising from its own conduct. Neither Party agrees to insure, defend, or indemnify the other.

16. Any changes, modifications, revisions, or amendments to this Agreement that are mutually agreed upon by the Parties shall be incorporated by written instrument, executed and signed by all Parties to this Agreement.

17. The construction, interpretation and enforcement of this Agreement shall be governed by the laws of the State of Wyoming. The courts of the State of Wyoming shall have jurisdiction over this Agreement and the parties, and venue shall be the First Judicial District, Laramie County, Wyoming.

18. This Agreement, consisting of five (5) pages, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.

19. The State of Wyoming and DEQ/AQD do not waive sovereign immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyo. Stat. Ann. § 1-39-104(a) and all other state law.

20. The Parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties, and obligations contained in this Agreement shall operate only between the Parties to this Agreement, and shall inure solely to the benefit of the Parties to this Agreement. The Parties to this Agreement intend and expressly agree that only Parties signatory to this Agreement shall have any legal or equitable right to seek to enforce this Agreement, to seek any remedy arising out of a Party's performance or failure to perform any term or condition of this Agreement, or to bring an action for the breach of this Agreement.

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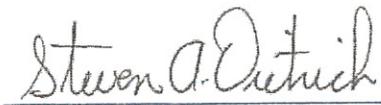
21. Each Party represents that they are authorized to enter into this Agreement and agree to be bound hereby. This Agreement shall become binding upon the Parties once executed by all Parties.

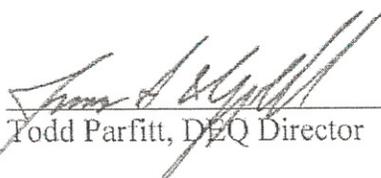
IN WITNESS THEREOF, the Parties, by their duly authorized representatives, have executed this Agreement on the dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Agreement:

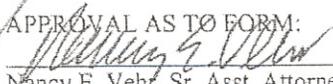
VALLEY CONSTRUCTION OF CHEYENNE, LLC:

By:  6/12/13
Gerald D. Hammond Date

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY:

By:  6-19-13
Steven A. Dietrich, AQD Administrator Date

By:  6/19/13
Todd Parfitt, DEQ Director Date

APPROVAL AS TO FORM:

Nancy E. Vehr, Sr. Asst. Attorney General
Attorney for DEQ/AQD

6/11/13
Date