



State of Ohio Environmental Protection Agency

Northeast District Office

2110 East Aurora Rd.
Twinsburg, Ohio 44087

TELE: (330) 963-1200 FAX: (330) 487-0769
www.epa.state.oh.us

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

December 17, 2009

**RE: LAKESIDE INDUSTRIAL PARK
& RAIL YARD, INC.
NOTICE OF VIOLATION**

CERTIFIED MAIL

Lakeside Industrial Park & Rail Yard, Inc.
c/o Carey S. Sheldon
2425 Middle Road
Ashtabula, OH 44004

Darsko Land, LLC
c/o Martha Demshar
843 Eagleville Road
Jefferson, OH 44047

Furgo, LLC
c/o Martha Demshar
843 Eagleville Road
Jefferson, OH 44047

SunCoast Properties of Ashtabula, Inc.
P.O. Box 331
2110 State Road
Ashtabula, OH 44005-0331

Hubet Properties, LLC
c/o Carey S. Sheldon
355 Prospect Road #112
Ashtabula, OH 44005

Gentlemen:

On August 6, 2009, the Ohio Environmental Protection Agency (Ohio EPA) conducted comprehensive inspections of land that is owned by Lakeside Industrial Park & Rail Yard, Inc. ("Lakeside Industrial Park"), Darsko Land, LLC ("Darsko"), and Furgo, LLC ("Furgo") located at State Road and Middle Road, in Ashtabula, Ohio ("Property"). I, representing Ohio EPA Division of Solid and Infectious Waste Management (DSIWM), conducted the inspection, and Phil Carron, of SunCoast Properties of Ashtabula, Inc. ("SunCoast"), was present at the time of the inspection. The purpose of the inspection was to determine compliance with Ohio's solid waste, construction and demolition debris, and scrap tire laws and regulations, and Ohio EPA's Unilateral Director's Final Findings and Orders, dated May 9, 2008.

Lakeside Industrial Park & Rail Yard, Inc., c/o Carey S. Sheldon
Darsko Land, LLC, c/o Martha Demshar
Furgo, LLC, c/o Martha Demshar
SunCoast Properties of Ashtabula, Inc.
Hubet Properties, LLC, c/o Carey S. Sheldon
December 17, 2009
Page 2

The following violations were observed at the property:

1. **Ohio Revised Code Section 3734.02(C)** states, in part, that “. . . no person shall establish a new solid waste facility or infectious waste treatment facility, or modify an existing solid waste facility or infectious waste treatment facility without submitting an application for a permit with accompanying detail plans, specifications, and information regarding the facility and method of operation and receiving a permit issued by the director. . . .”

ORC Section 3734.03 states, in part, “No person shall dispose of solid wastes by open burning or open dumping. . . .”

Ohio Administrative Code (OAC) Rule 3745-27-05(C) states, in part, “No person shall conduct, permit, or allow open dumping. In the event that open dumping is occurring or has occurred at a property, the person(s) responsible for the open dumping, the owner of the property, or the person(s) who allow or allowed open dumping to occur, shall promptly remove and dispose or otherwise manage the solid waste in accordance with Chapter 3734. of the Revised Code, and shall submit verification that the solid waste has been properly managed.”

ORC Section 3734.05(A)(1) states, in part, “. . . no person shall operate or maintain a solid waste facility without a license issued under this division by the board of health of the health district in which the facility is located. . . .”

OAC Rule 3745-37-01(A) states that “No person shall conduct municipal solid waste landfill, industrial solid waste landfill, residual solid waste landfill, compost facility, transfer facility, infectious waste treatment facility, or solid waste incineration facility operation without possessing a separate valid license for each such operation, as required by Chapter 3734. of the Revised Code and the Administrative Code rules adopted thereunder. Each license shall be obtained from the board of health in the health district in which the facility is located, or by the director, if the director has assumed the licensing function for that health district.”

The owners, operators and tenants at the Property - Lakeside Industrial Park, Darsko, Furgo, SunCoast, and Hubet Properties, LLC (“Hubet”) (collectively “Owners/Operators”) - are in violation of Ohio's statutes and rules due to establishing, maintaining and/or operating a solid waste facility without obtaining a license from the Ashtabula County Health Department and a permit from Ohio EPA. Ohio EPA observed a large amount of scrap metal and miscellaneous waste that was previously buried southeast of the warehouse that was being excavated below the surface of the Property.

Lakeside Industrial Park & Rail Yard, Inc., c/o Carey S. Sheldon
Darsko Land, LLC, c/o Martha Demshar
Furgo, LLC, c/o Martha Demshar
SunCoast Properties of Ashtabula, Inc.
Hubet Properties, LLC, c/o Carey S. Sheldon
December 17, 2009
Page 3

The Owners/Operators are prohibited from accepting and disposing of solid waste at the Property. Furthermore, the Owners/Operators are responsible for cleanup and appropriate disposal of approximately 5,000 scrap tires, 20,000 yds³ of solid waste, and 4,000 yds³ of industrial waste. The Owners/Operators must remove all solid waste open dumped at the Property and properly dispose of the solid waste at a licensed solid waste disposal facility.

2. **ORC 3714.051** states, in part, "*... no person shall establish a new construction and demolition debris facility without first obtaining a permit to install issued by the board of health of the health district in which the facility is or is to be located ...*"

OAC Rule 3745-400-04(B) states that "*No person shall conduct or allow illegal disposal of construction and demolition debris, as defined in rule 3745-400-01 of the Administrative Code.*"

The Owners/Operators are in violation of Ohio's statute and rule, due to illegal disposal of construction and demolition debris (C&DD) at the Property. Ohio EPA, however, observed that the partially burned trailer (formerly located on the Furgo parcel) was removed.

The Owners/Operators are prohibited from accepting and disposing of C&DD at the Property. Furthermore, the Owners/Operators are responsible for cleanup and appropriate disposal of corrugated pipes, railroad ties, corrugated siding, wires, roofing material, wood and aluminum trim, carpeting, light ballasts, wall board, etc. intermixed with the solid waste and illegally disposed at this Property. If the C&DD can be segregated, the Owners/Operators must remove all C&DD and properly dispose of all C&DD material at an appropriate licensed C&DD facility or if unable to segregate the C&DD, the Owners/Operators must dispose of the commingled solid waste and C&DD at a licensed solid waste disposal facility.

3. **OAC 3745-27-60(B)(7)** states that "*[t]he following requirements apply to storage of scrap tires outside of portable containers, trucks, semi-trailers, a building or covered structure: (a) Individual scrap tire storage piles shall be no greater than two thousand five hundred square feet in basal area and ... [t]he two thousand five hundred square feet basal area shall apply to multiple racks and small scrap tire piles not separated from other racks, piles, or structures by a fire break at least fifty-six feet wide. The basal area of the scrap tire storage pile shall include the area of the tire piles, racks, and the area of any walkway or other open areas that do not meet the definition of a fire break as defined in rule 3745-27-01 of the Administrative Code; (b) Scrap tire storage piles shall not exceed eight feet in height; (c) Scrap tire storage piles of five hundred scrap tires or less shall be at least twenty-five feet away from all buildings and*

Lakeside Industrial Park & Rail Yard, Inc., c/o Carey S. Sheldon
Darsko Land, LLC, c/o Martha Demshar
Furgo, LLC, c/o Martha Demshar
SunCoast Properties of Ashtabula, Inc.
Hubet Properties, LLC, c/o Carey S. Sheldon
December 17, 2009
Page 4

other scrap tire storage piles; (d) Scrap tire storage piles of more than five hundred scrap tires ... shall be separated from other scrap tire storage piles and from buildings and structures by a fire break with a width equal to or greater than fifty-six feet in accordance with the fire break chart in appendix I to rule 3745-27-65 of the Administrative Code; (e) Sufficient fire breaks shall be maintained to allow access of emergency vehicles at all times to, around, and between the scrap tire storage piles and areas."

OAC 3745-27-60(B)(8) states, in part, that "[t]he following requirements apply to the storage of scrap tires in a building or covered structure: (a) Individual scrap tire storage piles shall not exceed two thousand five hundred feet in basal area ... [t]he two thousand five hundred square feet basal area shall apply to multiple racks not separated from other racks, piles, or structures by at least eight feet; (b) The width of aisles between scrap tire storage piles shall be at least eight feet; (c) The clearance from the top of scrap tire storage piles to sprinkler deflectors shall be at least three feet; (d) Clearances in all directions from the top of scrap tire storage piles to roof structures shall be at least three feet; (e) Clearances from the top of scrap tire storage piles to unit heaters, radiant space heaters, duct furnaces, and flues shall be at least three feet in all directions, and shall be in accordance with the clearance distances recommended by the equipment manufacturer."

The Owners/Operators are in violation of Ohio's scrap tire rules. During the inspection, Ohio EPA observed that approximately 5,000 scrap tires remain dumped on the Property. The bulk of the scrap tires were collected and stored in a large area inside the northwest warehouse and, on the outside, piled up against the west warehouse. There were neither fire lanes nor fire breaks around the scrap tire piles. Although Ohio EPA appreciates the prior efforts to contain the scrap tires in a single area, the Owners/Operators need to comply with the general scrap tire storage requirements by limiting the size of the scrap tire piles and by creating adequate fire lanes and reducing the potential for a tire fire prior to removal.

4. **OAC 3745-27-60(C)(1)** states, in part, that "[a]nyone storing scrap tires shall maintain mosquito control as follows: (a) Remove liquids from scrap tires within twenty-four hours of accepting the scrap tires; (b) Store scrap tires such that water does not accumulate in scrap tires or containers. Tires shall be kept free of water at all times; (c) Within twenty-four hours of accepting scrap tires containing liquid, arrange for the application of a pesticide or larvicide, which is registered for use as mosquito control by the Ohio Department of Agriculture.

The Owners/Operators are in violation of Ohio's scrap tire rules. During the inspection, Ohio EPA observed that approximately 5,000 scrap tires remain dumped

Lakeside Industrial Park & Rail Yard, Inc., c/o Carey S. Sheldon
Darsko Land, LLC, c/o Martha Demshar
Furgo, LLC, c/o Martha Demshar
SunCoast Properties of Ashtabula, Inc.
Hubet Properties, LLC, c/o Carey S. Sheldon
December 17, 2009
Page 5

on the Property. Scrap tires can hold water that could potentially breed mosquitoes, whereas the presence of mosquitoes constitutes a nuisance and a hazard to public health and safety. Therefore, the Owners/Operators must keep the tires dry and maintain mosquito control until the scrap tires have been removed and properly disposed at an appropriate licensed scrap tire facility.

5. **ORC Section 3734.11(A)** states that *"No person shall violate any section of this chapter, any rule adopted under it, or any order issued under section 3734.13 of the Revised Code."*

The Owners/Operators continue to violate this statute. As described above, the Owners/Operators have violated ORC Section 3734.02(C), ORC Section 3734.03, OAC Rule 3745-27-05(C), ORC Section 3734.05(A)(1), OAC Rule 3745-37-01(A), OAC 3745-27-60(B)(7), OAC 3745-27-60(B)(8), and OAC 3745-27-60(C)(1).

6. Lakeside Industrial Park is in violation of the following orders of the May 9, 2008 Unilateral Director's Final Findings and Orders:

- 1) Order number 1 states, in part, that *". . . Respondent shall begin the removal of all solid waste including, but not limited to, solid waste dumped onto the ground, in the adjacent wetland and/or buried at the property, and dispose of all solid waste, at a licensed solid waste disposal facility. At a minimum, Respondent shall remove one hundred fifty cubic yards (150 yd³) of solid waste within 60 days after the effective date of the orders and shall continue to remove one hundred fifty cubic yards (150 yd³) of solid waste every 30 days, thereafter, until all solid waste is removed from the Property."*

As of December 1, 2009, Lakeside Industrial Park failed to remove 2,700 yd³ of solid waste that was disposed on the property. Lakeside Industrial Park only provided documentation that one load of solid waste was disposed at the USA Waste Geneva Landfill, on September 9, 2008, and SunCoast Properties of Ashtabula, Inc. provided figures, in a letter dated January 14, 2009, of 407,900 lbs of scrap metal that was recycled from the property. The Property Owners are responsible for continual removal of 150 yd³ of solid waste every 30 days until all solid waste is removed from the Property.

- 2) Order number 2 states, in part, *"Respondent shall obtain receipts from the licensed solid waste disposal facility indicating weight and/or volume of solid waste disposed and shall forward such documentation to Ohio EPA Northeast District Office as an attachment to Respondent's monthly progress report..."*

Lakeside Industrial Park & Rail Yard, Inc., c/o Carey S. Sheldon
Darsko Land, LLC, c/o Martha Demshar
Furgo, LLC, c/o Martha Demshar
SunCoast Properties of Ashtabula, Inc.
Hubet Properties, LLC, c/o Carey S. Sheldon
December 17, 2009
Page 6

Although Ohio EPA was provided documentation that one load of solid waste was disposed at the USA Waste Geneva Landfill on September 9, 2008, the manifest did not indicate the weight and/or volume of solid waste that was disposed. SunCoast Properties of Ashtabula, Inc. also did not provide any receipts of the 407,900 lbs of scrap metal that was recycled from the property. To comply with the Director's Orders, Lakeside Industrial Park must provide receipts that indicate the weight and/or volume of solid waste that has been removed and disposed or recycled at the appropriate facility.

- 3) Order number 3 states, in part, *"Respondent shall submit monthly progress reports beginning 60 days after the effective date of these Orders ... reports shall be submitted every month ... until all solid waste, C&DD, industrial waste, and scrap tires are removed. Respondent's monthly progress reports, due to Ohio EPA by the 10th of each month, shall summarize Respondent's efforts to comply with each of the requirements of Section V of these Orders."*

Lakeside Industrial Park failed to submit a monthly report since the January 14, 2009 response letter. To comply with the Director's Orders, Lakeside Industrial Park must submit monthly reports that summarize Respondent's efforts to comply with each requirement of the May 9, 2008 Directors' Final Findings and Orders until each of the requirements in Section V is completed.

- 4) Order number 4 states, in part, that *". . . Respondent shall begin the removal of all C&DD including, but not limited to C&DD dumped onto the ground, in the adjacent wetland and/or buried at the Property, dispose of all C&DD, at a licensed C&DD disposal facility or a licensed solid waste disposal facility. At a minimum, Respondent shall remove one hundred fifty cubic yards (150 yd³) of solid waste within 60 days after the effective date of the orders and shall continue to remove one hundred fifty cubic yards (150 yd³) of solid waste every 30 days, thereafter, until all solid waste is removed from the Property."*

As of December 1, 2009, the Lakeside Industrial Park failed to remove 2,700 yd³ of C&DD that was disposed on the property. Lakeside Industrial Park is required to remove this immediately and an additional 150 yd³ of C&DD every 30 days until all C&DD is removed from the Property.

- 5) Order number 6 states, in part, that *". . . Respondent shall begin the removal of all industrial waste from the Property and dispose of all industrial waste at a licensed municipal solid waste disposal facility or a licensed industrial waste disposal facility. At a minimum, Respondent shall remove one hundred fifty cubic yards (100 yd³) of industrial waste within 60 days after the effective date*

Lakeside Industrial Park & Rail Yard, Inc., c/o Carey S. Sheldon
Darsko Land, LLC, c/o Martha Demshar
Furgo, LLC, c/o Martha Demshar
SunCoast Properties of Ashtabula, Inc.
Hubet Properties, LLC, c/o Carey S. Sheldon
December 17, 2009
Page 7

of the orders and shall continue to remove one hundred fifty cubic yards (100 yd³) of industrial waste every 30 days, thereafter, until all solid waste is removed from the Property."

As of December 1, 2009, the Property Owners failed to remove 1,700 yd³ of industrial waste that was disposed on the property. Lakeside Industrial Park is required to remove this immediately and is responsible for removal of 100 yd³ of industrial waste every 30 days until all industrial waste is removed from the Property.

- 6) Order number 8 states, in part, that "... Respondent shall implement mosquito control measures at the Property in accordance with the provisions of the OAC Rule 3745-27-60(C)(1). Respondent shall provide copies of the mosquito control records required by OAC Rule 3745-27-60(C)(3), to Ohio EPA within ten (10) after each application of the registered pesticide, larvicide, or adulticide."

Lakeside Industrial Park failed to provide copies of the mosquito control records. To comply with the Director's Orders, Lakeside Industrial Park must apply mosquito control and provide documentation of the application.

- 7) Order number 9 states "Not later than one hundred twenty (120) days after the effective date of these Orders, Respondent shall remove or cause the removal of all scrap tires from the Property including, but not limited to, scrap tires dumped onto the ground and/or buried scrap tires, and shall arrange for their transportation, by a registered scrap tire transporter:
- a) to a scrap tire storage, monofill, monocell, or recovery facility which is operating in accordance with ORC Chapter 3734. and the rules adopted there under; or
 - b) to a scrap tire storage, monofill, monocell, or recovery facility in another state operating in compliance with laws of that state; or
 - c) to any other solid waste disposal facility in another state that is operating in accordance with the laws of that state and that is authorized to accept scrap tires for disposal."

Lakeside Industrial Park failed to document removal of any scrap tires. To comply with the Director's Orders, Lakeside Industrial Park is responsible for removal of all scrap tires from the Property.

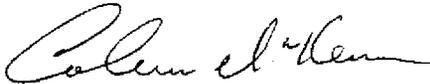
Lakeside Industrial Park & Rail Yard, Inc., c/o Carey S. Sheldon
Darsko Land, LLC, c/o Martha Demshar
Furgo, LLC, c/o Martha Demshar
SunCoast Properties of Ashtabula, Inc.
Hubet Properties, LLC, c/o Carey S. Sheldon
December 17, 2009
Page 8

Ohio EPA requests that you respond in writing to this notice of violation within thirty (30) days of receipt, outlining the actions to be taken by the Owners/Operators to bring the Property into compliance.

Nothing in this letter shall be construed to authorize any waiver from the requirements of any applicable state or federal laws or regulations. This letter shall not be interpreted to release Lakeside Industrial Park and any other owners, operators and/or tenants of the Property from responsibility under Chapters 3704, 3714, 3734, or 6111 of the Ohio Revised Code or under the Federal Clean Water or Comprehensive Environmental Response, Compensation, and Liability Acts for remedying conditions resulting from any release of contaminants to the environment.

If you have any questions, please contact me at (330) 963-1268.

Sincerely,



Colum McKenna
Environmental Specialist
Division of Solid and Infectious Waste Management

CM:cl

cc: Randy Barnes, Ashtabula County Health Department
Kelly Jeter, DSIWM-CO
Marty Cooper, Legal
John Cayton, AGO
Ted Esborn, McDonald Hopkins
Michael Meaney, Meaney Law Office
File: [KURKO/COUN/Lakeside Industrial Park/COR/04]

2123

7009 1680 0000 6381 2838

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here
CM
12-17-09

Sent To Danish Land
Street, Apt. No., or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

7009 1680 0000 6381 2838

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here
CM
12-17-09

Sent To Furgo LLC
Street, Apt. No., or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

7009 1680 0000 6381 2838

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here
CM
12-17-09

Sent To Sun Coast Properties of Astabula
Street, Apt. No., or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

7009 1680 0000 6381 2784

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark Here
12-17-09
CM

Sent To Hulet Properties
Street, Apt. No., or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
Furgo, LLC
c/o Martha Demshar
843 Eagleville Road
Jefferson, OH 44047

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Martha Demshar Agent Addressee

B. Received by (Printed Name) Martha Demshar C. Date of Delivery 12/18/09

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

2. Article Number (Transfer from service label) 7009 1680 0000 6381 2838 CMKenna

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 SunCoast Properties of Ashtabula, Inc
 P.O. Box 331
 2110 State Road
 Ashtabula, OH 44005-0331

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 Agent
 Addressee

B. Received by (Printed Name)
 C. Date of Delivery
 12-30-09

D. Is delivery address different from item 1? Yes
 No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
 (Transfer from service label) 700 91680 0000 63812814 C McKenna 12-17-09

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Darsko Land, LLC
 c/o Martha Demshar
 843 Eagleville Road
 Jefferson, OH 44047

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 Agent
 Addressee

B. Received by (Printed Name)
 C. Date of Delivery
 Martha Demshar 12/18/09

D. Is delivery address different from item 1? Yes
 No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
 (Transfer from service label) 700 91680 0000 63812821 C McKenna 12-17-09

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Hubet Properties, LLC
 c/o Carey S. Sheldon
 355 Prospect Road #112
 Ashtabula, OH 44005

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 Agent
 Addressee

B. Received by (Printed Name)
 C. Date of Delivery
 Carey Sheldon 12/19/09

D. Is delivery address different from item 1? Yes
 No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
 4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
 (Transfer from service label) 70091680000063812784 C McKenna 12-17-09