



State of Ohio Environmental Protection Agency

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August 15, 2007

Mr. Matt McGill, Project Manager
McGill Property Group
Garfield Land Development LLC
30575 Bainbridge Road, Suite 100
Solon, Ohio 44139

Mr. Thomas Klein
City View Center, LLC
c/o City View Center Holding Company, LLC
27 Orchard Street
Monsey, NY 10952

**RE: Notice of Violation
Financial Assurance
McGill Property Group, LLC, Garfield Land Development LLC, GHLFP, LLC,
and City View Center, LLC
Cuyahoga County**

Dear Mr. McGill and Mr. Klein:

A notice of violation dated January 4, 2007, was sent from Ohio EPA to John McGill for failure to submit updated cost estimates and updated financial assurance. In addition, numerous letters from Jarnal Singh of Ohio EPA's Northeast District Office have been sent citing other violations at the City View Center property. The amount assured by the financial assurance instruments for closure and post-construction care of the City View Center property is inadequate. Our records indicate that, to date, the amounts of the letters of credit have not been increased or alternate financial assurance been established. Therefore, McGill Property Group, LLC, Garfield Land Development LLC, GHLFP, LLC, and City View Center, LLC continue to be in violation of Ohio Administrative Code ("OAC") Rules 3745-27-15(D) and 3745-27-16(D).

On March 18, 2005, Director's Final Findings and Orders ("Orders") were issued to McGill Property Group, LLC, Garfield Land Development LLC, and GHLFP, LLC. Order No. 5.C.3. and 5.C.6. state that the financial assurance instrument shall be updated annually in accordance with the rules. Specifically, the Orders require McGill Property Group, LLC, Garfield Land Development LLC, and GHLFP, LLC to accomplish the following:

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

5.C.3. The established closure financial assurance shall be updated annually in accordance with Ohio Administrative Code ("OAC") Rule 3745-27-15(D). Respondents shall comply with the requirements of OAC Rules 3745-27-15 and 3745-27-17 notwithstanding any argument that such rules are not legally applicable to Respondents' activities at the Facilities.

5.C.6. The established post-construction care financial assurance shall be maintained for thirty years from the date of the completion of all construction activities undertaken by or on behalf of Respondents at the Facilities and updated annually in accordance with OAC Rule 3745-27-16(D). Respondents shall comply with the requirements of OAC Rules 3745-27-16 and 3745-27-17 notwithstanding any argument that such rules are not legally applicable to Respondents' activities at the Facilities.

OAC Rules 3745-27-15(D) and 3745-27-16(D) require that the closure and post-construction care cost estimates be reviewed and analyzed annually and any appropriate revisions to these estimates and to the financial assurance instrument be made whenever a change in the cost estimates increase the cost of closure and post-construction care. In addition, the cost estimates must be updated for inflation.

The financial assurance mechanisms were required to be executed and funded by May 17, 2005; therefore, the anniversary date for updating the financial assurance mechanisms is May 17 of each year. Our records indicate that, to date, Respondents have failed to submit updated cost estimates and updated financial assurance by May 17, 2006 and by May 17, 2007, in accordance with the Orders and OAC Rules 3745-27-15(D) and 3745-27-16(D).

The itemized costs for closure and post-construction care must be annually reviewed and analyzed, then increased for inflation. The inflation factor to use for 2006 was 2.7% and the inflation factor for 2007 is 2.9%. When updating these itemized costs, please pay special attention to the cost of leachate disposal and repairs to engineered components due to settlement as these costs were extremely underestimated in the original cost estimate submission. In addition, Stage 4 of the Leachate Management Contingency Plan requires the installation of horizontal or vertical extraction wells. Therefore, the cost of installing and maintaining these systems must be included in your cost estimates and funded accordingly.

McGill Property Group, LLC, Garfield Land Development LLC, GHLFP, LLC, and City View Center, LLC remain in violation of the Orders and OAC Rules 3745-27-15(D) and 3745-27-16(D) until revised cost estimates acceptable to Ohio EPA are submitted; funding the financial assurance mechanisms in the appropriate amounts have been accomplished; and the documents submitted to Ohio EPA. These cost estimates must be in amounts that

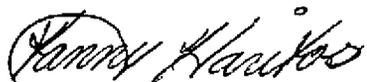
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truly reflect the actual costs of conducting closure and thirty years of post-construction care. Please respond to this letter within fifteen days after receipt and indicate how you will resolve these ongoing violations of Ohio law.

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 the Respondents, owner/operator or others, 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 remedying conditions resulting from any release of contaminants to the environment.

If you have any questions, please call me at (614) 728-5343.

Sincerely,



Fanny Haritos
Compliance Monitoring and Enforcement Unit
Division of Solid and Infectious Waste Management

FH/sw

cc: Robert Eubanks, Assistant Attorney General
Melinda Berry, DSIWM, CMEU
Jarnal Singh, DSIWM, NEDO
Karen Naples, DSIWM, NEDO
Denise Romano, Cuyahoga County Board of Health
John McGill, President, McGill Property Group
Mayor Longo, City of Garfield Heights