

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 1
BEFORE THE ADMINISTRATOR

RECEIVED

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In the Matter of:)
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)
SIMONIZ USA, INC.)
201 Boston Turnpike)
Bolton, CT 06043)
)
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)
)
Respondent.)
)

Docket Nos. EPCRA-01-2008-0110
CAA-01-2008-0111

EPA ORG
CLERK
RECORDING CLERK

CONSENT AGREEMENT AND FINAL ORDER

The United States Environmental Protection Agency (“EPA”) filed an Administrative Complaint and Notice of Opportunity for Hearing against Simoniz USA, Inc. (“Respondent”) on September 30, 2008.

Complainant and Respondent have agreed that settlement of this matter is in the public interest and that entry of this Consent Agreement and Final Order (“CAFO”) without further litigation is the most appropriate means of resolving the enforcement action commenced by the filing of the Complaint.

Therefore, before the taking of any testimony, upon the pleadings, without adjudication of any issue of fact or law, and upon consent and agreement of the parties, it is hereby ordered and adjudged as follows:

I. PRELIMINARY STATEMENT

1. EPA initiated this proceeding for the assessment of a civil penalty pursuant to Section 325(c) of Title III of the Superfund Amendments and Reauthorization Act, 42 U.S.C. § 11045(c) (also known as the Emergency Planning and Community Right-to-Know Act of 1986, hereinafter “EPCRA”), Sections 113(a)(3) and 113(d)(1)(B) of the Clean Air Act (“CAA”), 42 U.S.C. §§ 7413(a)(3) & 7413(d)(1)(B), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits, 40 C.F.R. Part 22.
2. The Complaint alleges violations of Section 313 of EPCRA, 42 U.S.C. § 11023, and Section 112(r) of the CAA, 42 U.S.C. § 7412(r), with respect to Respondent’s facility located at 201 Boston Turnpike, Bolton, Connecticut (“the facility”).
3. The provisions of this CAFO shall apply to and be binding on EPA and on Respondent, its officers, directors, successors, and assigns.
4. Without admitting or denying the factual allegations contained in the Complaint, Respondent consents to the terms of this CAFO and to the issuance of the Consent Order hereinafter recited and consents for the purposes of settlement to the payment of the civil penalty cited in paragraph 21 and to the performance of the supplemental environmental projects (“SEPs”) hereinafter described.
5. Respondent stipulates that EPA has jurisdiction over the subject matter alleged in the Complaint. Respondent hereby waives any defenses it might have as to jurisdiction and venue and waives its right to request a judicial or administrative hearing on any issue of law or fact set forth in the Complaint. Respondent also waives its right to appeal the Final Order.

II. TERMS OF SETTLEMENT

6. Respondent hereby certifies that it is currently operating and will operate the facility in compliance with the requirements of Section 313 of EPCRA and the federal regulations promulgated thereunder and Section 112(r) of the CAA and the federal regulations promulgated thereunder. Respondent further certifies that it no longer stores or uses any hydrogen fluoride at its facility at concentrations of 50% or greater, and that it will submit a risk management plan in the event that it comes to have more than a threshold quantity of hydrogen fluoride at concentrations of 50% or greater, to the extent required by Section 112(r) of the CAA and the federal regulations promulgated thereunder.

7. Respondent shall complete the following SEPs, which the parties agree are intended to secure significant environmental or public health protection and improvements. The SEPs shall consist of (a) the donation of an operations vehicle to the Bolton Fire Department, Bolton, Connecticut ("Fire Department SEP"), (b) the commission of research into possible replacements for hydrogen fluoride as a constituent in car wash products ("HF SEP"), and (c) the installation of a wastewater treatment and reuse system at the facility ("Wastewater SEP"). These projects are more specifically described in the Scopes of Work ("the Scopes of Work") attached as Attachments A, B and C, respectively, and incorporated herein by reference.

8. Respondent shall complete the SEPs according to the schedule described herein and in the Scopes of Work.

9. In accordance with the specifications set forth in the Scopes of Work, the total expenditure for the SEPs shall be not less than: (a) \$50,000 for the Fire Department SEP; (b)

\$125,000 for the HF SEP; and (c) \$100,000 for the Wastewater SEP. Respondent shall include documentation of the expenditures made in connection with the SEPs as part of the SEP Completion Reports described below.

10. Respondent hereby certifies that, as of the date of this CAFO, Respondent is not required to perform or develop any of the SEPs by any federal, state or local law or regulation and that Respondent is not required to perform or develop any of the SEPs by agreement, grant or as injunctive relief in any other case. Respondent further certifies that it has not received, and is not presently negotiating to receive, credit in any other enforcement action for the SEPs.

11. Respondent shall submit to EPA a Fire Department SEP Completion Report to EPA within six months of the effective date of this CAFO (“the Fire Department SEP Completion Date”). This SEP Completion Report shall contain the following information:

- a. A detailed description of the SEP as implemented;
- b. Itemized costs, documented by copies of purchase orders and receipts or canceled checks;
- c. Confirmation by the Bolton Fire Department that the vehicle has been received in good and functional condition; and
- d. Certification by Respondent that the SEP has been fully implemented pursuant to the provisions of this CAFO.

12. Respondent shall use best efforts to ensure that all manufacturer and dealer warranties for the equipment donated as part of the Fire Department SEP run to the benefit of the recipient of the equipment.

13. a. In the event that Respondent fails to comply with any of the terms or provisions of this Agreement relating to the performance of the Fire Department SEP described above and/or to the extent that the actual expenditures for the Fire Department SEP do not equal or exceed the cost of the Fire Department SEP set forth in paragraph 9, Respondent shall be liable for stipulated penalties according to the provisions set forth below:

(i) If the Fire Department SEP has not been completed satisfactorily pursuant to this CAFO, Respondent shall pay a stipulated penalty to the United States in the amount of \$30,000, plus interest from the effective date of this CAFO.

(ii) If the Fire Department SEP is satisfactorily completed, but the Respondent spent less than the amount of money required to be spent for the project, Respondent shall pay a stipulated penalty to the United States in an amount equal to 65% of the amount by which Respondent's expenditure fell short of the amount required to be spent hereunder, plus interest from the effective date of this CAFO.

(iii) For every day that performance of the Fire Department SEP does not meet the schedule for performance set forth in this CAFO, Respondent shall pay a stipulated penalty in the amount of \$150 for each day that the deadline for performance is not met.

(iv) For failure to submit the Fire Department SEP Completion Report required by paragraph 11 above, Respondent shall pay a stipulated penalty in the amount of \$100 for each day after the Fire Department SEP Completion Date until the report is submitted.

b. Stipulated penalties due pursuant to subparagraphs (a)(iii) through (iv) above shall begin to accrue on the day after performance is due and shall continue to accrue through the final day of the completion of the required activity.

c. Respondent shall pay stipulated penalties within thirty (30) days of receipt of written demand by EPA for such penalties. Method of payment shall be in accordance with the provisions of paragraph 24, and interest and late charges shall be paid as stated in paragraph 27.

14. Respondent shall submit an HF Phase I Completion Report to EPA. This Report shall be submitted prior to the payment by Respondent of any moneys associated with Phase II of the HF

SEP, as further described in the Scope of Work, and shall be submitted no later than four months from the effective date of this CAFO. This Report shall contain the information described in paragraph 3(b) of the Scope of Work.

15. Within three months of the date EPA notifies Respondent that it may proceed with Phase II, Respondent shall submit to EPA an HF Phase II Interim Report. This Report shall contain the information described in paragraph 4(b) of the Scope of Work. Within 14 months of the date EPA notifies Respondent that it may continue with Phase II, Respondent shall submit to EPA an HF Phase II Completion Report. The HF Phase II Completion Report shall contain the information described in paragraph 4(f) of the Scope of Work.

16. If pursuant to paragraph 4(a) or (c) of the HF SEP Scope of Work, EPA determines that Respondent should not continue work on the HF SEP, then Respondent may propose an alternate SEP ("Alternate SEP") to EPA within 30 days of the date of such determination (not including any period devoted to dispute resolution under paragraph 6 of the HF SEP Scope of Work). Any such Alternate SEP shall consist of one or more emergency planning and preparedness projects to provide assistance to a responsible state or local emergency response or planning entity. The Alternate SEP shall satisfy all the legal guidelines and other conditions for SEPs required by the EPA Supplemental Environmental Projects Policy dated May 1, 1998. EPA and Respondent shall agree upon the project(s) to be performed as the Alternate SEP and the time schedule needed for performance, in accordance with which Respondent shall perform the Alternate SEP. The terms of performance of the Alternate SEP, if any, shall be set forth in a writing executed by the parties. Respondent shall submit a completion report for the Alternate SEP and shall be subject to stipulated penalties for failure to submit such report and for failure to

perform the Alternate SEP, consistent with such writing and with the provisions of this CAFO.

In the event and to the extent that EPA and Respondent cannot agree on an Alternate SEP within 60 days from the date Respondent proposes the Alternate SEP, Respondent shall pay any stipulated penalty required by Paragraph 17.

17. a. In the event that Respondent fails to comply with any of the terms or provisions of this Agreement relating to the performance of the HF SEP described above and/or to the extent that the actual expenditures for the HF SEP do not equal or exceed the cost of the HF SEP set forth in paragraph 9 above, Respondent shall be liable for stipulated penalties according to the provisions set forth below, unless and to the extent an Alternate SEP is agreed upon by EPA and

Respondent pursuant to Paragraph 16:

(i) If the HF SEP has not been completed satisfactorily pursuant to this CAFO, and EPA determines in its sole discretion that Respondent has not made timely efforts in good faith to complete the HF SEP satisfactorily, Respondent shall pay a stipulated penalty to the United States in the amount of \$125,000, plus interest from the effective date of this CAFO.

(ii) If the HF SEP is not completed satisfactorily, but EPA determines in its sole discretion that Respondent has made timely efforts in good faith to complete the HF SEP satisfactorily, Respondent shall pay a stipulated penalty to the United States in an amount equal to 105% of the amount by which Respondent's expenditure fell short of the amount required to be spent under Paragraph 9, plus interest from the effective date of this CAFO, unless EPA agrees otherwise in writing.

(iii) If the HF SEP is completed satisfactorily, but the Respondent spent less than 90% of the amount of money required by paragraph 9 to be spent for the project, Respondent shall pay a stipulated penalty to the United States in an amount equal to 105% of the amount by which Respondent's expenditure fell short of the amount required to be spent, plus interest from the effective date of this CAFO, unless EPA agrees otherwise in writing.

(iv) For every day that performance of the HF SEP does not meet the schedule for performance set forth in this CAFO, Respondent shall pay a stipulated penalty in the amount of \$150 for each day that the deadline for performance is not met.

(v) For failure to submit the HF Phase I Completion Report, Phase II Completion Report or Phase II Interim Report required by paragraphs 14 and 15, Respondent shall pay a stipulated penalty in the amount of \$100 for each day after the due date, until the report is submitted, unless EPA determines that Respondent should not be required to submit such report(s).

b. Stipulated penalties due pursuant to subparagraphs (a)(iv) through (v) above shall begin to accrue on the day after performance is due and shall continue to accrue through the final day of the completion of the required activity, except to the extent paragraph 6(c) of the SOW for the HF SEP provides otherwise.

c. Respondent shall pay stipulated penalties within thirty (30) days of receipt of written demand by EPA for such penalties. Method of payment shall be in accordance with the provisions of paragraph 24, and interest and late charges shall be paid as stated in paragraph 27.

18. Respondent shall submit to EPA a Wastewater SEP Completion Report to EPA within 18 months of the effective date of this CAFO (“the Wastewater SEP Completion Date”). This SEP Completion Report shall contain the following information:

- a. A detailed description of the Wastewater SEP as implemented;
- b. Itemized costs, documented by copies of purchase orders and receipts or canceled checks;
- c. Confirmation by Respondent that the wastewater treatment system is installed and operational, as contemplated by this CAFO;
- d. An estimate of the environmental benefits of this SEP as implemented, including the degree to which the system has resulted in a decrease in the volume of water used and the quantity and type of chemicals discharged;

- e. Certification by Respondent that the SEP has been fully implemented pursuant to the provisions of this CAFO; and
 - f. A description of problems encountered in implementing the SEP, and the solutions devised to meet these problems.
19. a. In the event that Respondent fails to comply with any of the terms or provisions of this Agreement relating to the performance of the Wastewater SEP described above and/or to the extent that the actual expenditures for the Wastewater SEP do not equal or exceed the cost of the Wastewater SEP set forth in paragraph 9 above, Respondent shall be liable for stipulated penalties according to the provisions set forth below:
- (i) If the Wastewater SEP has not been completed satisfactorily pursuant to this CAFO, Respondent shall pay a stipulated penalty to the United States in the amount of \$40,000, plus interest from the effective date of this CAFO.
 - (ii) If the Wastewater SEP is satisfactorily completed, but the Respondent spent less than 90% of the amount of money required to be spent for the project, Respondent shall pay a stipulated penalty to the United States in an amount equal to 45% of the amount by which Respondent's expenditure fell short of the amount required to be spent hereunder, plus interest from the effective date of this CAFO.
 - (iii) For every day that performance of the Wastewater SEP does not meet the schedule for performance set forth in this CAFO, Respondent shall pay a stipulated penalty in the amount of \$150 for each day that the deadline for performance is not met.
 - (iv) For failure to submit the Wastewater SEP Completion Report required by paragraph 18, Respondent shall pay a stipulated penalty in the amount of \$100 for each day after the Wastewater SEP Completion Date until the report is submitted.
- b. Stipulated penalties due pursuant to subparagraphs (a)(iii) through (iv) above shall begin to accrue on the day after performance is due and shall continue to accrue through the final day of the completion of the required activity.

c. Respondent shall pay stipulated penalties within thirty (30) days of receipt of written demand by EPA for such penalties. Method of payment shall be in accordance with the provisions of paragraph 24, and interest and late charges shall be paid as stated in paragraph 27.

20. Respondent hereby agrees that the expenditures made to implement the SEPs shall not be deducted for purposes of federal taxes, nor shall they be capitalized into inventory or basis.

Respondent further agrees that any public announcement, presentation, speech, press release, publication or similar public statement, oral or written, referring to said expenditures shall include the following language, "The expenditure for this project was made in connection with the settlement of an enforcement action commenced by the U.S. Environmental Protection Agency for alleged violations of the Emergency Planning and Community Right-to-Know Act and the Risk Management Plan provisions of the Clean Air Act."

21. In light of the above and taking into account the statutory factors and such other circumstances as justice may require, EPA and Respondent have agreed that a civil penalty in the amount of \$62,300 will be paid to resolve the violations alleged in the Complaint. Of this amount, EPA has determined that \$36,757 (59%) is payable in settlement of EPA's claims under EPCRA, and \$25,543 (41%) is payable in settlement of EPA's claim under the CAA.

22. Respondent shall pay the penalty of \$62,300 within thirty (30) days of the effective date of this CAFO.

23. In accordance with 40 C.F.R § 22.31(b), the effective date of this CAFO shall be the date on which the CAFO is filed with the Regional Hearing Clerk.

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24. Respondent shall pay the penalty, and any interest thereon, by submitting a bank, cashier's, or certified check, payable to the order of the "Treasurer, United States of America," in the amount of \$62,300 to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

Respondent shall note the case name and docket numbers ("In re Simoniz USA, Inc., Docket Nos. EPCRA-01-2008-0110 and CAA-01-2008-0111") on the check and in an accompanying cover letter and shall provide copies of the check and letter to:

Wanda Santiago
Regional Hearing Clerk (RAA)
U.S. Environmental Protection Agency - Region I
One Congress Street
Boston, MA 02114-2023

and

Wesley Kelman
Enforcement Counsel (SES)
U.S. Environmental Protection Agency - Region I
One Congress Street
Boston, MA 02114-2023

25. EPA is entitled to assess interest and penalties on amounts that are not paid in conformity with this CAFO. Forty-one percent of any and all amounts not paid in conformity with paragraph 21 of this CAFO shall be subject to the interest and penalty provisions of Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5), as further described in paragraph 26. Fifty-nine percent of any and all amounts not paid in conformity with paragraph 21 of this CAFO, and

100% of any and all stipulated penalties required to be paid under this CAFO, shall be subject to the interest and penalty provisions of 31 U.S.C. § 3717, as further described in paragraph 27.

26. Pursuant to Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5), if Respondent fails to pay any amounts required to be paid under paragraph 21 of this CAFO, it will be subject to an action to compel payment, plus interest, enforcement expenses, and a nonpayment penalty with respect to the portion of such amounts attributable to the CAA claims. Interest will be assessed on the portion of any and all unpaid amounts attributable to the CAA claims if such amounts are not paid by the date required under this CAFO. In that event, interest will accrue from the effective date, at the “underpayment rate” established pursuant to 26 U.S.C § 6621(a)(2). In the event that amounts required to be paid under paragraph 21 of this CAFO are not paid when due, an additional charge will be assessed to cover the United States’ enforcement expenses, including attorneys’ fees and collection costs. Moreover, a quarterly nonpayment penalty will be assessed for each quarter during which the failure to pay such amounts persists. Such nonpayment penalty shall be 10 percent of the aggregate amount of the overdue payment attributable to the CAA claims and nonpayment penalties hereunder accrued as of the beginning of such quarter.

27. With respect to any amounts required to be paid under this CAFO attributable to the EPCRA claims, and with respect to any and all stipulated penalties required to be paid under this CAFO, pursuant to 31 U.S.C. § 3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. If Respondent fails to pay any amounts required to be paid under this CAFO, regardless of whether any further demand is made, that portion of such amounts attributable to the EPCRA

claims and any and all stipulated penalties plus accrued interest shall be payable with additional interest from the original due date to the date of payment, at the rate of the United States Treasury tax and loan rate in accordance with 31 C.F.R. § 901.9(b)(2). In addition, a penalty charge of six percent per year will be assessed on any portion of that debt which remains delinquent more than 90 days after payment is due. However, should assessment of the penalty charge on the debt be required, it will be assessed as of the first day payment is due under 31 C.F.R. § 901.9(d).

28. All penalties, interest, and other charges shall represent penalties assessed by EPA, and shall not be deductible for purposes of federal taxes.

29. Payment of the penalties, interest, or other charges does not waive, suspend, or modify the responsibility of Respondent to comply with the requirements of all of the federal laws and regulations administered by EPA and, except as provided in paragraph 30 herein, shall not be a defense to any actions subsequently commenced pursuant to said laws and regulations.

30. This CAFO constitutes a settlement by EPA of all claims for civil penalties for the specific violations alleged in the Complaint. Compliance with this CAFO shall not be a defense to any other actions subsequently commenced pursuant to Federal laws and regulations administered by EPA, and it is the responsibility of Respondent to comply with said laws and regulations. EPA reserves all its other criminal and civil enforcement authorities, including the authority to seek injunctive relief and the authority to address imminent hazards.

31. Each party shall bear its own costs and attorneys' fees in this proceeding.

32. Respondent shall notify EPA (a) within one hundred twenty (120) days of the completion of the three SEPs described herein, or (b) by the date which is twenty-eight (28) months from the

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effective date of this CAFO, whichever is earlier. This notice shall state whether the three SEPs have been completed in accordance with this CAFO.

33. In any case where this CAFO or the attached Scopes of Work require notice or a report to be sent to EPA, the notice or report shall be provided to Chris Rascher, EPA Region 1, 1 Congress Street, Boston, MA 02114-2023, unless EPA identifies a different recipient or unless this CAFO or the Scopes of Work provide otherwise.

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34. The undersigned representative of Respondent certifies that he is fully authorized by Simoniz USA, Inc. to enter into the terms and conditions of this CAFO and to execute and legally bind Simoniz USA, Inc. to it.

For Respondent:



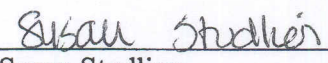
Mark Kershaw Chief Financial Officer

Simoniz USA, Inc.

3/31/09

Date

For Complainant:

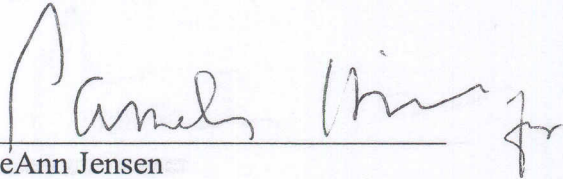


Susan Studlien
Director
Office of Environmental Stewardship
U.S. EPA, Region 1

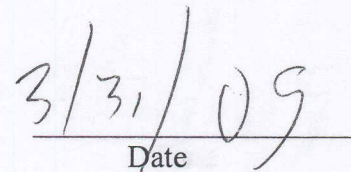
03/31/09
Date

III. FINAL ORDER

The foregoing Consent Agreement is hereby approved and incorporated by reference into this Final Order. The Respondent is ordered to comply with the terms of the above Consent Agreement.



LeAnn Jensen
Acting Regional Judicial Officer
U.S. EPA, Region I



Date

ATTACHMENT A

SCOPE OF WORK – FIRE DEPARTMENT SEP

In accordance with the foregoing Consent Agreement and Final Order, Respondent shall complete the Fire Department SEP as follows: Respondent shall purchase one new Chevy Suburban or substantially equivalent vehicle, described on the attached 5 pages, for delivery to the Bolton Fire Department. The vehicle shall include a radio console and computer for communications, an area to carry a small command table or backboard, and an area to carry jump bags of appropriate equipment and a defibrillator.

The vehicle shall be delivered to the Bolton Fire Department in operable condition as soon as possible after the purchase is made, but not less than six months from the effective date of this Consent Agreement and Final Order. Any additional costs incurred to ensure that all equipment included with the vehicle is functioning properly at the time of delivery, if not covered by warranty, shall be Respondent's responsibility.

Within six months from the effective date of this Consent Agreement and Final Order, Respondent shall have completed the Fire Department SEP through having purchased and delivered this vehicle to the Bolton Fire Department.

ATTACHMENT B

SCOPE OF WORK – HF SEP

In accordance with the foregoing Consent Agreement and Final Order (“CAFO”), Respondent shall complete this HF SEP as follows:

1. Purpose.

The purpose of this SEP is to identify a less toxic substance that can be used as an effective alternative to hydrogen fluoride (“HF Alternative”) in the following Simoniz products: Anti Static A, Alum Brite, Progressive ABX, Colorado Chem Step One, Kold Kleen, Magna Brite, Rage, Jack Wheel Cleaner, Replate, Restore, Auto B Clean Step 1, Super Alum-Brite, Super Spoke Clean, Super Restore, Star Wash Low PH Presoak, and Rage Plus.

2. Two phases.

This SEP shall be completed in two phases. In Phase I, Respondent shall conduct a review of the publicly available patent, technical and scientific literature to define the scope of further research on HF Alternatives to be potentially commissioned in Phase II. In Phase II, Respondent shall commission and oversee research into the viability of HF Alternatives. Both phases are described fully below.

3. Phase I.

(a) Respondent shall search the patent, technical and scientific literature related to the identification of chemical structures that have the potential to serve as an HF Alternative in car wash products.

(b) Within four months of the effective date of the CAFO, Respondent shall complete Phase I and submit a Phase I Completion Report to EPA. In this report, Respondent shall:

- (i) Explain the mechanism for the superior cleaning ability of HF, specifically focusing on its removal of contaminants from the surface of automobiles;
- (ii) Identify any potential HF Alternatives that have been or are being investigated or are currently on the market anywhere in the world;
- (iii) Evaluate the pros and cons of each potential HF Alternative, including the environmental pros and cons;
- (iv) Propose one or more potential HF Alternatives to be the subject of third-party research to be commissioned in Phase II, identifying the key questions to be answered by such research and the methods likely to be employed (e.g., bench-scale tests to determine whether the potential HF Alternative is an adequate cleaning agent; tests to determine whether the potential HF Alternative has other properties that would make it ineffective or unsafe in the car wash industry); and
- (v) List itemized costs associated with Phase I, documented by copies of purchase orders and receipts or canceled checks.

4. Phase II.

(a) Respondent shall commence Phase II only if it receives written notice of EPA's authorization to initiate Phase II, after submission of the Phase I Completion Report. If EPA notifies Respondent that EPA has determined that Respondent should not initiate Phase II, this SEP shall be terminated and Respondent shall be subject to stipulated penalties under paragraph 17(i) or (ii) of the CAFO, for failing to have completed the SEP satisfactorily, unless EPA and Respondent agree on an Alternate SEP pursuant to paragraph 16 of the CAFO. In the event EPA notifies Respondent that EPA has determined that Respondent should not initiate Phase II, EPA shall provide Respondent with a brief summary of the basis of its decision. Prior to issuing an authorization to initiate Phase II, or a notice that Phase II should not be initiated, EPA may request that Respondent modify the Phase I Completion Report, provided however that such request shall not diminish EPA's authority under this CAFO to issue at any time a notice that Phase II should not be initiated. Based on its current understanding of the project, EPA anticipates that its review of the Phase I Completion Report will not take longer than three weeks. Any notice that Respondent should not initiate Phase II shall be subject to Respondent's right to invoke the dispute resolution procedures described in paragraph 6 of this SOW.

(b) Within three months of the date Respondent receives notice of EPA's authorization to initiate Phase II, it shall submit to EPA a Phase II Interim Report. In this report, Respondent shall:

- (i) Establish specific objectives, schedule and budget for the research proposed in the Phase I Completion Report;
- (ii) Identify a researcher, facility, and/or institution ("Researcher") capable of carrying out such research and willing to carry out such research;
- (iii) Draft an agreement ("Research Agreement") in executable form between Respondent and the Researcher, commissioning the research on Respondent's behalf. The Research Agreement shall require the Researcher to complete its research within one year of the date the Research Agreement is executed, and shall require the Researcher to produce a report in publishable form and to attempt to publish such report; and
- (iv) List itemized costs expended so far on Phase II, documented by copies of purchase orders and receipts or canceled checks.

(c) After submission of the Phase II Interim Report, Respondent shall do no further work on Phase II unless and until it receives written notice of EPA's authorization to continue Phase II. If EPA notifies Respondent that EPA has determined that Respondent should not continue working on Phase II, this SEP shall be terminated and Respondent shall be subject to stipulated penalties under paragraph 17(i) or (ii) of the CAFO, for failing to have completed the SEP satisfactorily, unless EPA and Respondent agree on an Alternate SEP pursuant to paragraph 16 of the CAFO. In the event EPA notifies Respondent that EPA has determined that Respondent should not continue working on Phase II, EPA shall provide

Respondent with a brief summary of the basis of its decision. Prior to issuing an authorization to continue working on Phase II, or a notice that work on Phase II should not be continued, EPA may request that Respondent modify the Phase II Interim Report, provided however that such request shall not diminish EPA's authority under this CAFO to issue at any time a notice that work on Phase II should not be continued. Based on its current understanding of the project, EPA anticipates that its review of the Phase II Interim Report will not take longer than three weeks. Any notice that Respondent should not continue Phase II shall be subject to Respondent's right to invoke the dispute resolution procedures described in paragraph 6 of this SOW.

(d) Upon receiving EPA's notice of authorization to continue Phase II, Respondent shall promptly execute the Research Agreement (paying the Researcher according to the terms of the Research Agreement) and shall direct the Researcher to commence the research described in the Phase II Interim Report. Thereafter, Respondent shall monitor such research to ensure that it is completed according to the terms of the Research Agreement and the Phase II Interim Report. To the extent the results of such research are not accepted for publication as of the date the Phase II Completion Report is submitted, or to the extent EPA so directs, Respondent shall publish the full results on its own website, unless EPA approves publication in another form.

(e) Respondent shall use best efforts to promptly replace HF with any HF Alternative identified as a result of this SEP where it is commercially reasonable to do so.

(f) Within 14 months of the date EPA notifies Respondent that it should continue with the work described in the Phase II Interim Report, Respondent shall complete Phase II and shall submit to EPA a Phase II Completion Report. The Phase II Completion Report shall contain the following:

- (i) Itemized costs associated with Phase II, documented by copies of purchase orders and receipts or canceled checks;
- (ii) A summary of the results of Phase II, including (A) a copy of any papers published or proposed to be published in connection with Phase II, and (B) a short summary of the results of any research, including a discussion of whether the objectives, budget and schedule of the Phase II Interim Report have been met;
- (iii) A discussion of Respondent's plans for using any HF Alternative in its products and the environmental benefits resulting therefrom, including quantities of HF no longer used as a result of the project;
- (iv) A discussion of Respondent's reasons for any continued use of HF; and
- (v) A certification by Respondent that the SEP has been fully implemented pursuant to the provisions of this CAFO.

5. NERAC.

EPA understands that Respondent intends to implement this SEP through its contractor NERAC. The terms of Respondent's relationship with NERAC are described in the attached

NERAC proposal. In the event Respondent pays NERAC more than \$10,500 for Phase I of this SEP, or more than \$14,500 for Phase II of this SEP, the costs in excess of these amounts shall not be counted toward its obligation to fund the SEP under paragraph 9 of the CAFO, unless EPA agrees otherwise in writing.

6. Dispute resolution.

(a) If Respondent objects to any EPA notice not to initiate or continue Phase II issued under paragraph 4(a) or 4(c) of this SOW, Respondent shall notify EPA in writing of its objection within ten (10) days of receipt of such notification. EPA and Respondent shall have an additional thirty (30) days from the receipt by EPA of the notification of objection to reach agreement. If agreement cannot be reached on any such issue within this thirty (30) day period, EPA shall provide a written statement of its decision to Respondent, which decision shall be final and binding upon Respondent, unless Respondent invokes the formal dispute resolution procedures of this paragraph.

(b) Respondent may invoke formal dispute resolution by sending written notice to EPA on or before five (5) days following the receipt of EPA's written decision referred to in subparagraph a, above. Respondent will then file with the EPA's Director of the Office of Environmental Stewardship, with a copy to Wesley Kelman, 1 Congress Street, Boston, MA 02114-2023, within twenty (20) days of the receipt of EPA's written decision referred to in subparagraph a above, a written statement of position together with factual data, analysis, supporting documentation and argument supporting its position. Within thirty (30) days after receiving Respondent's statement of position, EPA will file with the Director of the Office of Environmental Stewardship, and serve on Respondent, EPA's statement of position, including any factual data, analysis, supporting documentation and argument relied upon by EPA. Respondent may then file, within ten (10) days of receipt of EPA's statement of position, a rebuttal limited to issues raised by EPA's statement of position and not addressed in Respondent's statement of position. The Director of the Office of Environmental Stewardship will issue the final written decision of EPA, which shall be binding on the parties.

(c) If any notice issued under paragraph 4(a) or 4(c) of this SOW is formally disputed by Respondent, Respondent agrees to comply with any requirement imposed by the final written decision of EPA. If any notice issued under paragraph 4(a) or 4(c) of this SOW is formally or informally disputed by Respondent, stipulated penalties related to such notice shall not accrue during the period between Respondent's notice of objection and EPA's final written decision, and no stipulated penalties related to such notice shall be payable in the event EPA's final written decision authorizes Respondent to initiate or continue Phase II, unless the written decision provides otherwise.

ATTACHMENT C

SCOPE OF WORK – WASTEWATER SEP

In accordance with the foregoing Consent Agreement and Final Order (“CAFO”), Respondent shall complete the Wastewater SEP as follows:

Within 18 months of the effective date of the CAFO, Respondent shall install and commence operating a wastewater treatment and reuse system at its facility at 201 Boston Turnpike, Bolton, CT (“Facility”). This system shall be constructed and operated consistent with the conceptual design attached hereto, including components substantially equivalent to the following:

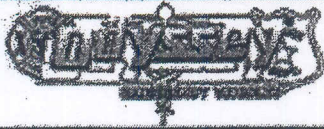
- A 2,500-gallon equalization tank to collect/equalize pretreated wastewaters
- A 2,500-gallon cylindrical cone bottom tank to treat wastewater, equipped with valves to remove clarified liquids and configured to treat wastewater as a batch.
- A 2,500-gallon treated wastewater holding tank to be used (i) to monitor the wastewater prior to discharge and (ii) as a reservoir for wastewater reuse.
- A sludge press to dewater the sludge and sludge collection hopper.
- Transfer pumps, chemical feed systems, tank mixers, secondary containment systems for the wastewater tanks, and monitoring systems for flow, pH, and tank levels.

This system shall be capable of reducing suspended solids, neutralizing wastewater and removing color.

Upon completion of the system, Respondent shall use best efforts to re-use at least 50% of the wastewater generated at this Facility.

Upon completion of the system, Respondent shall use best efforts to use the system to treat all Facility process wastewater to a degree consistent with lawful discharges to the municipal sanitary sewer, regardless of whether the Facility has been connected to a municipal sewer system, unless EPA approves otherwise in writing. Nothing in this CAFO or this Scope of Work requires Respondent to connect to a municipal sewer system.

Nothing in this Scope of Work or in the CAFO or in any statement by EPA pursuant to this Scope of Work or the CAFO eliminates or modifies Respondent’s obligation to comply with all applicable environmental laws and permitting requirements.



March 23, 2009

Greg Minichiello
Lieutenant
168 Bolton Center Rd
Bolton, CT 06043

Dear Lt,

The following is the proposal for the conversion of an **Odyssey supplied** Suburban into your new Response Unit.

ENGINE AND ELECTRICAL

1. **EMERGENCY VEHICLE ELECTRICAL SYSTEM:** Leave the factory alternator and battery in place to retain the full factory warranty and wire the emergency lighting and accessories through a solenoid operating with the ignition switch. The main power line is protected with a heavy duty 100 amp circuit breaker
2. **POWER POINTS:** One 12 volt power point, cigarette lighter style outlet mounted in each rear corner of the interior wired to **constant power** for command lights, portable lighting and other optional equipment.

120 VOLT AC POWER

1. **SHORE LINE:** 15 amp, standard straight blade weatherproof inlet mounted on the exterior of the vehicle and wired to a junction box with circuit breaker protection and one multi outlet strip located in the rear for equipment.

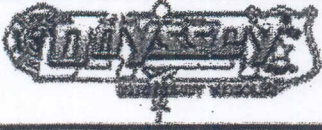
Battery charger/monitor: 30 amp taper charger/monitor wired into shore line to maintain all batteries while on shore line without over charging.

EXTERIOR

1. **LETTERING & GRAPHICS:** All reflective material is 3M Scotchlite 680 and high quality custom vinyl material. Included is a Scotchlite stripe and up to 60 **single color** Scotchlite letters. *A detailed color drawing will be submitted for approval after the order is placed.*

INTERIOR AND CABINetry

1. **CONSOLE:** *Odyssey vehicle specific custom console* manufactured with MDO grade plywood covered with a color coordinating counter grade laminate. Included are a cooling fan, vents, two 12 volt power outlets and a map light. The remaining area is available for the optional installation of radio control heads and other equipment which shall be priced in the communications section. All Odyssey wiring systems include function coded GXL wiring



Switching: Controlled through a Whelen CenCOM siren and light controller with three position selector switch and independent switches for other lighting functions. If part of the package the CenCom can control the rear arrow functions also saving space on the console for radios and computer equipment.

- INTERIOR LIGHTING:** Two halogen lights mounted under the lift up hatch to illuminate the rear cabinetry without interference by anyone standing at the rear. These lights are wired to the existing courtesy circuit that can be cancelled by the over ride switch on the dash usually included with the vehicle.
- CABINERY:** Odyssey cabinet systems and command units are fabricated from special MDO plywood and covered with high pressure counter grade laminate or marine grade carpet materials. For added durability edges are trimmed with PVC bumper strip installed into a machine slotted edge, drawer faces and doors are built with unbreakable black HDP composite and Odyssey uses the highest quality hardware in the industry making Odyssey systems transferable from vehicle to vehicle for many years to come. *Dividers* are removable and mounted in an aluminum channel for flexibility, drawers and doors include adjustable compression style latches, swing open and sliding doors are available and all drawers utilize full extension drawer slides. *A full set of plans will be submitted for approval after a contract is issued and prior to construction*

LAYOUT: The interior layout and configuration will be as follows:

EMS-60BB1 EMS CABINET <http://www.odysseyauto.com/cabinets/ems-60bb1.html>
EMS cabinet 29" high and 54" to 60" deep with three open compartments, two with adjustable shelves for total flexibility of current and future equipment for EMS equipment and a supply drawer with 2 removable dividers for restocking med bags. A folding backboard can be secured to the top or rear of this cabinet or in the slot in the lower left. You can carry a full size back board by leaving the rear seat folded depending on the vehicle. There is additional storage behind the rear seats with a custom quick release drop down nets.

EMERGENCY LIGHTING AND EQUIPMENT

ROOF LIGHTING

- FRONT LIGHT BAR:** Whelen Liberty 8 LED low profile light bar, with 4 corner red, 2 front red, 2 rear amber LED lights and halogen alley lights mounted on the front roof and wired to the front control console. *A light bar plan will be submitted for approval.*

FRONT LIGHTING

- HEADLIGHT FLASHERS:** Alternating headlights wired to a switch on the console. These flashers must automatically disable when the headlights or Daytime Running Lights are activated. **Flashers will not operate when headlights are on.**



2. **GRILL LIGHTS:** Two single LED flashers mounted on the grille, red.
3. **HEAD LIGHT LED FLASHERS:** LED inserts in the front head lights, *two strobes total, color - white*

SIDE AND REAR LIGHTING

1. **INTERSECTION LIGHTS, Double LED** with chrome flanges mounted on the front fenders wired to a switch on the control console, *two lights total, color red/white.*
2. **BEHIND GLASS LIGHTING, rear window:** One Whelen SlimLighter dual LED light behind rear window on the hatch, *total of 2 LED lights, red/amber*
3. **TAIL LIGHT LED FLASHERS:** LED inserts in the tail lights, red section, *two LED total, color - red*
4. **REAR HATCH FLASHERS:** Two custom red LED light strips mounted on the under side of the rear hatch and wired to a flasher activated by opening the hatch when flasher circuit is active. These lights are very compact and will not be effected by shifting equipment.

SIREN AND WARNING SYSTEMS

1. **SIREN:** Whelen CenCOM siren and light controller with three position selector switch and independent switches for other lighting functions. If part of the package the CenCom can control the rear arrow functions also saving space on the console for radios and computer equipment.

COMMUNICATION EQUIPMENT

1. **RADIOS:** None included in this proposal. Radio installation can be included at extra cost. A complete list of equipment must be provided before a quote can be issued.
2. **ANTENNAS:** Odyssey supplied, *Three* antenna bases installed on the roof with the leads terminating in the front control console. Antennas are not included.

The total package with chassis is: \$ 56,000.00

**** Chassis price may vary depending on rebates and incentives at the time the order is placed. Located vehicles may only be able for 24 to 48 hours with no guarantee so a commitment is imperative)**

TERMS

Conversions: 35% down at the time of the order with the balance with all additions to be paid in full upon completion and acceptance of the unit.



Chassis: The chassis must be paid in full when it arrives at Odyssey or prior to arrival. Delay in chassis payment will accrue a charge of \$ 10.00 per day floor plan interest until the chassis is paid in full. MSO and title are not available until the chassis is paid.

Pricing: is subject to change but all quotations will be valid for 60 days. Chassis, quotations are subject to availability and is only valid at the date of the proposal. All quotations exclude any applicable sales or use taxes unless specified and included with the price FOB-NJ

Applicable Law: The terms and provisions of this Contract and any dispute arising hereunder shall be governed and principles of law applied by the laws of the State of New Jersey. The courts of New Jersey shall have the sole and exclusive jurisdiction in any case or controversy arising under this Contract. Each party to this Contract, inclusive of its successors or assigns hereby submits and consents to the jurisdiction of the courts of the State of New Jersey and within which all such actions, unless otherwise provided for the arbitration of said disputes, shall be the proper venue for any such action.

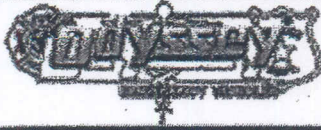
Chassis warranty: The chassis is warranted by the manufacturer of the chassis.. Extended warranties are available for an additional fee.

Conversion warranty: Odyssey warranties its workmanship and materials for a period of 24 months or 50,000 miles, whichever occurs first and shall begin on the date the vehicle is delivered to the original purchaser.

Component warranty: The Manufacturers of the specific components offer the warranty for their respective components. In all cases the component manufacturer's warranties are separate from the Odyssey Warranty. The Component Manufacturer's Warranties may exceed or be less than the 24 month/25,000 miles warranty extended to the original purchaser by Odyssey.

Communications equipment: All customer supplied communications equipment must be complete, fully operational and programmed upon arrival at Odyssey. Equipment not complete will be installed in the designated locations with all wiring in place but not attached to the equipment. Odyssey's responsibility will end at that point and it will be necessary for your communications vendor to complete the installation. Odyssey shall not be responsible for any customer supplied equipment not 100% functional upon arrival. If you request the supplied equipment be serviced Odyssey will make the arrangements at a qualified local vendor. The department shall be responsible for any and all charges incurred. This service will postpone the start of production time quotations until the equipment is returned in working order. There are no warranties implied by offering this service.

Customer supplied equipment: Any customer supplied equipment must arrive complete, correct for the installation and in good working condition. Any pricing quoted does not include any parts, components, repair or modifications to existing equipment. Production can not commence until all parts are here and complete. Used equipment may be subject to additional charges and will carry no warranty except for workmanship. If there are any product failures during or after the installation the repair and all related expenses are to be the responsibility of the customer.



Production time: is (4-6 weeks) after arrival of the chassis at Odyssey and all plans are approved. If a contract and all approvals are submitted prior to the arrival of the chassis the production time may be considerably less. Special parts and equipment plus the change of a vehicle in a new model year may cause a delay to the quoted production time. At any time during construction, consider yourselves our guests to stop by and view or discuss your conversion.

Detail: Upon completion all conversions go through our Quality Assurance Process including a road test, are professionally detailed and have a full tank of fuel.

I look forward to hearing from you soon and hope that you will choose Odyssey to build your New Response Unit.

Sincerely yours,

Mike Denney

VP of Sales, NE



Proposal:

Hydrofluoric Acid (HF) Replacement

Date:

February 12, 2009

Developed for:

Simoniz USA

Primary contact:

William Gorra

CEO

Presented by:

Wil Jacques

Business Development Analyst
wjacques@nerac.com

Dr. Skye McClain

Senior Analyst
smcclain@nerac.com
Office (860) 872-7000

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I. Executive Summary

Simoniz USA, Inc., located in Bolton, Connecticut, manufactures and markets a diverse product line of professional hard surface cleaning and protection products serving the commercial vehicle washing, professional detailing, retail vehicle appearance, and janitorial/ institutional cleaning markets. Through Mr. Gorra, CEO of Simoniz USA, we learn that the company wants to take the lead among cleaning products companies in the development of a hydrofluoric acid (HF)-free alternative cleaning agent. To that end, Simoniz would like Nerac analysts to identify and analyze the feasibility of such alternatives.

For the last two decades, the Environmental Protection Agency (EPA) and industrial producers of HF have sought a safer alternative cleaning agent. If a replacement for HF with similar cleaning properties can be found, it would greatly benefit the industry in producing a safer work environment. In addition, Simoniz would benefit from increased sales of such a safe alternative.

In connection with identifying a suitable and effective replacement for its HF-based products, Simoniz USA has a further interest in investigating intellectual property for any patentable discoveries resulting from Nerac's investigation.

*A drive with beauty...
that never ends...*



Currently the Environmental Protection Agency (EPA) is pushing to find alternatives to HF. Therefore, such a discovery would be of great value to Simoniz and other industrial groups.

Nerac proposes to segment the project in two phases:

- Phase I: A search of patent, technical, and scientific literature related to the mechanism of action of HF including the identification of other chemical structure(s) that may potentially serve as a replacement for HF. From this search, Nerac will identify researchers and facilities/institutions involved in HF replacement to establish points of contact in the event Phase II of this proposal is pursued.
- Phase II: Assist Simoniz in the vetting of research facilities/institutions identified in Phase I capable of conducting research related to HF and/or the identification of suitable alternative replacements for HF. Nerac will recommend one or more such facilities/institutions to be pursued for the purpose of conducting said research. Further, through Nerac as project manager, Simoniz agrees to fund the research up to \$100,000.

Phase I will be completed **6-8 weeks** from project initiation for an investment of **\$10,500**. Phase II will commence proximal to the completion of Phase I provided that no chemical structure(s) that may potentially serve as a replacement for HF is

identified in Phase I. At this time, Simoniz will pay a **\$5,000 Retainer** to Nerac for Phase II of this proposal. Nerac will charge a fee against the Retainer at a rate of **\$1050 per day** (charged in half-day increments; the "Fee"). After depletion of Retainer, Simoniz will be charged the Fee (**up to a maximum of \$14,500**) to cover additional work performed by Nerac in connection with this project. Simoniz may, at its option, agree to pay the Fee for continued work proposed by Nerac, and deemed reasonable and necessary, and agreed to by the parties, once the maximum amount of \$14,500 has been reached and paid by Simoniz.

II. Project Description

Hydrofluoric acid (HF) is a widely used industrial chemical, with current U.S. annual demand of approximately 400,000 metric tons (*Chemical Market Reporter*, 2005). The majority of HF is used in the production of hydrofluorocarbon (HFC) replacements. Other applications include:

- Aluminum production
- Pharmaceutical precursor
- Metal and glass etching
- Alkylation catalyst
- Uranium fuel processing
- Surface cleaner formulations

While technically a "weak" acid, concentrated HF is an extremely hazardous substance and needs to be handled with extreme care. Minor contact with the skin can be fatal.

HF has long been used in the car wash industry due to its superior ability to remove road grime, biological debris, oils, and brake dust for example. While relatively safe in dilute concentrations, producers and end users of HF-containing products with higher concentrations need to be extremely diligent about its safe handling and storage.

An initial brief look through Nerac's technical and patent resources did not reveal any specific replacements for HF in cleaning applications. As such, a more thorough investigation will be required to discover any such references.

III. Approach

Phase I - Nerac will research patent, technical, and business literature to obtain publicly available information on HF in order to:

- i. Explain the mechanism for the superior cleaning ability of HF, specifically focusing on its removal of contaminants from the surface of automobiles;
- ii. Identify any existing HF alternatives or replacements, anywhere in the world, which have been (or are being) investigated or are currently on the market;
- iii. List the pros and cons of each identified alternative, if any along with our opinion as to its feasibility as an HF replacement; and
- iv. Provide a summary of our findings including an assessment of possible research priorities for Simoniz.

Our primary patent resource will be Questel's QPAT which provides comprehensive coverage of worldwide patent publications issued by more than 80 patent authorities. These include U.S. and European patent office filings, as well as PCT world patent applications. Bibliographic coverage for the US and most of Europe starts in the early 1920's.

Phase II - Nerac will vet research facilities/institutions identified in Phase I in order to recommend to Simoniz candidates from this list to conduct research. Upon Simoniz's acceptance of one or more research candidates to perform HF replacement research, Nerac will:

- i. Provide professional opinion regarding a contractual agreement between Simoniz and research facilities/institutions specifically as it relates to maintaining certain rights to intellectual property stemming from the research, *i.e.*, "Work for Hire" arrangements.
- ii. Plan, in conjunction with Simoniz and a selected facility/institution, the nature of the research to be conducted including schedule, deliverables, and cost associated with the research.
- iii. Monitor the research being conducted by selected facilities/institutions and report to Simoniz on the progress and results of the research (including disclosures of potential inventions) at times to be determined together by Simoniz and Nerac.
- iv. Advise Simoniz, as appropriate, and related to the results and/or progress of HF replacement research, on requesting funding for follow-on research through programs such as Small Business Innovative Research (SBIR).

IV. Deliverables and Timeframes

Deliverables: The deliverable will be a written report, delivered electronically (PDF format), containing appropriate citations to the work referenced, with appendices of additional data or calculations as needed. Full text citations will be available at an additional copyright fee charge, if desired. A hard copy of the written report will be delivered at the end of the project. In addition, an appendix in Excel or PDF format will be provided containing the patent citations.

Client understands that there is no guarantee that a suitable replacement will be found either in Phase I or Phase II of this project. Further, Nerac shall not be i) responsible for conducting research related to HF and/or the identification of suitable alternative replacements for HF in Phase II of the proposed effort, or ii) liable for the ultimate performance of research by a selected facility or institution.

After receipt of a signed purchase order, and Statement of Work (signature for Statement of Work is located on the last page of this document), Nerac will conduct a Nerac-Client kick-off meeting marking the start of the project.

Time Frame: The estimated timeframe for completion of Phase I is **6-8 weeks** after the client kick-off meeting.

Deliverables and timeframe for Phase II, if desired by the parties, shall be determined at a time mutually agreeable to the parties.

V. Pricing and Terms

Price:

- Phase I: Literature Review and Analysis: **\$10,500**
- Phase II: Institutional Research Management: **\$1050 per day**

Terms: Project initiation occurs upon Nerac's receipt of a signed Statement of Work and Purchase Order to follow within a week. This proposal is valid for 30 days.

Note: If the research conducted for this project exceeds the time estimated due to scope changes and/or complications arising due to the nature of the research, then the price quoted above will require joint reconsideration to assure that the mutually agreed-upon project goals are met.

VI. Nerac Project Team

The Nerac associate(s) noted below are contacts for any person at Simoniz USA requiring information on the status of this project. Brief biographies are provided for analyst staff. They can be reached at Nerac headquarters in Tolland, Connecticut at (860) 872-7000. Note: Additional or alternate Nerac staff members may participate in this project, at Nerac's discretion.

**Skye McClain, Ph.D.**

Analyst Skye McClain, Ph.D., specializes in helping clients assess the business and production impacts of implementing a new material or processing method. Companies from a wide range of industries work with Dr. McClain to analyze the feasibility of new materials, evaluate processing methods, and assess acquisition opportunities. As one of Nerac's lead analysts, Dr. McClain also coordinates various technical, business and patent experts for high profile advisory and research teams. Dr. McClain, who earned his Ph.D. in chemistry from the University of Connecticut, collaborates with research companies and organizations that range from small biomedical startups to large adhesive companies and U.S. Army research labs. He has particular expertise in the characterization of various surfaces to better understand the underlying chemistry associated with adhesion and catalytic activity. Dr. McClain holds a bachelor's degree in physical science from the U.S. Coast Guard Academy and spent six years as a Coast Guard officer. Dr. McClain's areas of expertise include surface analysis and characterization, polymer chemistry, inorganic chemistry, adhesive systems, and plasma physics. He has authored or co-authored papers on subjects that include photochemistry, polymer adhesives, metals, and activated carbons. He is a member of the Connecticut Valley Section of the American Chemical Society, the International Dark-Sky Association, and the Planetary Society. Dr. McClain has written or co-written papers that were published in such journals as *Chemistry of Materials*, *Inorganic Chemistry*, and the *Journal of Adhesion*. He also has presented at the Proceedings of the ERDEC Scientific Conference on Chemical Defense Research, Aberdeen Proving Ground in Maryland.

Credentials

Ph.D., Chemistry, University of Connecticut

B.S., Physical Science, U.S. Coast Guard Academy

Member, Connecticut Valley Section of the American Chemical Society

Member, International Dark-Sky Association Member

VII. Statement of Work

Nerac Research Project: Hydrofluoric Acid (HF) Replacement

This Statement of Work is made by and between Nerac Inc., ("Nerac") and

Company: Simoniz USA, Inc.
Office Address: 201 Boston Turnpike, Bolton, CT 06043
Phone: (860) 646-0172
Fax: (860) 645-3444

as of the date of execution and integrally attached to the Master Service Agreement between the Parties, which is executed concurrently or previously.

SERVICES PROVIDED: Nerac shall complete the proposed project under terms and conditions more fully explained in the Project Proposal section of this document, which has been accepted by both parties.

Company Administrative Representative: Mr. William Gorra
Company Group or Department: Executive

Payment Instructions

- Invoice To:
- Purchase Order #:

IN WITNESS WHEREOF, the Parties have executed this Statement of Work.

X _____ Date: _____
Simoniz USA Representative

X _____ Date: _____
Received and Approved by Nerac, Inc, Tolland CT

Company # (assigned by Nerac):

Advisory Services Manager: Wil Jacques

Hydrofluoric Acid (HF) Replacement

For expedited service, please fax this entire agreement to (860) 871-6933. Please mail TWO signed originals to Nerac, Inc., One Technology Drive, Tolland, CT 06084. An executed original will be returned for your files.



FUSS & O'NEILL

Disciplines to Deliver

December 10, 2008

Mr. Mark Kershaw
Chief Financial Officer
Simoniz USA, Inc.
201 Boston Turnpike
Bolton, CT 06043

RE: Wastewater Treatment System Opinion of Cost
Simoniz USA, Inc.
Bolton, CT

Dear Mr. Kershaw:

As requested, Fuss & O'Neill has prepared this engineering opinion of cost to install a wastewater treatment system at the Simoniz USA, Inc. facility in Bolton, Connecticut. The following is a summary of the wastewaters to be treated, a description of a conceptual treatment system, and our opinion of cost to install this system.

Wastewater Generated By Simoniz

Simoniz manufactures various cleaning and polishing products for commercial distribution. As part of their operations, Simoniz generates various wastewaters which include: rinsing process tanks and equipment used for manufacturing the various wax, soap and detergent products; maintenance of manufacturing and raw material storage areas, i.e., floor and equipment wash waters; compressor condensate; and potentially contaminated stormwater from the bulk storage tank containment area. The maximum amount of wastewater generated per day is estimated to be 1,000 gallons.

The Bolton facility is not currently served by a public sewerage system. As such, Simoniz is currently collects these wastewaters for subsequent transport to and discharge at the Town of Vernon Water Pollution Control Facility (WPCF) of the Hartford Metropolitan District Commission (MDC) WPCF. The discharges to Vernon and MDC are permitted by the Connecticut Department of Environmental Protection (DEP) under the General Permit for the Discharge of Minor (Misc.) Sewer Compatible Wastewater (General Permit).

Currently, Simoniz performs minimal treatment of the collected water. Hydrogen peroxide may be added to the wastewater to remove color prior to being hauled to the MDC WPCF. The Vernon WPCF incorporates a Zimpro Powdered Activated Carbon (PAC) system that has been designed to remove color from wastewaters received at the facility. Citric acid or sodium hydroxide may also be added to the wastewater for pH adjustment, as

146 Hartford Road
Manchester, CT
06040-5921

t (860) 646-2469
(800) 286-2469
f (860) 533-5143

www.FandO.com

Connecticut
Massachusetts
New York
Rhode Island
North Carolina
South Carolina

**FUSS & O'NEILL**

Mr. Mark Kershaw
December 10, 2008
Page 2 of 3

necessary. Process tank and equipment rinsewaters are minimized and reused when feasible. Additionally, water usage is monitored to prevent excessive use.

Conceptual Treatment System

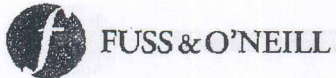
It is our understanding that within the next year, the Town of Bolton will be installing a sewerage system along Boston Turnpike. Wastewater from this new collection system will be discharged to the Manchester WPCF. At that time, Simoniz will connect to the sewer line. Further, Simoniz would like to reuse treated wastewater, to the extent feasible, in their processes. While these measures will reduce the need to haul, Simoniz will likely need to modify their means of collecting and treating wastewater prior to reuse or discharge to the future sewerage system.

The goal of treating water at Simoniz will be to reduce suspended solids, neutralize the wastewater, and remove color, as necessary, using hydrogen peroxide. The following is a description and summary of a conceptual treatment system:

- 2,500-gallon equalization tank to collect/equalize pretreated wastewaters.
- 2,500-gallon cylindrical cone bottom tank used to treat wastewater. This tank would be configured to treat wastewater as a batch and would be used for the addition of treatment chemicals, neutralization, and precipitation. The tank would be equipped with valves to remove clarified liquids. The cone bottom would be used to remove solids.
- 2,500-gallon treated wastewater holding tank to be used to monitor the wastewater prior to discharge as well as a reservoir for wastewater reuse.
- A sludge press to dewater the sludge.
- A sludge collection hopper.
- Transfer pumps to transfer wastewater from tank to tank as well as sludge to the sludge process.
- Miscellaneous pipes, valves, fittings and appurtenances.
- Chemical feed systems including chemical feed pumps.
- Tank mixers.
- A secondary containment system for the wastewater tanks.
- Monitoring systems for flow, pH, and tank levels.

Opinion of Cost

Our opinion of cost for the above-referenced treatment system is \$104,500. Please note that this opinion of cost is based on the conceptual treatment system and is intended to be



Mr. Mark Kershaw
December 10, 2008
Page 3 of 3

within 70 to 150 percent of the final installation costs. Table 1 provides a basis for this opinion of cost. Please note that this opinion includes costs to purchase and install the treatment system as well as design costs and a bench top treatability study determine the most efficient chemicals and dosages to treat Simoniz's wastewater.

If you have any questions regarding this opinion of cost or need additional information, please call one of us at (860) 646-2469.

Sincerely,

Handwritten signature of Adam M. Barbash in black ink.

Adam M. Barbash, P.E.
Senior Engineer II

Handwritten signature of Christopher J. Ecsedy in black ink.

Christopher J. Ecsedy, P.E., LEP
Vice President

Attachment

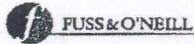


TABLE 1

ENGINEERING OPINION OF COST - WASTEWATER TREATMENT SYSTEM

SIMONIZ USA, INC.
201 BOSTON TURNPIKE
BOLTON, CONNECTICUT

NOVEMBER 2008

ORDER OF MAGNITUDE OPINION OF COST		DATE :	11/10/2008	SHEET	1	OF	1
PROJECT :		201 BOSTON TURNPIKE					
LOCATION :		BOLTON, CT					
DESCRIPTION :		WASTEWATER TREATMENT SYSTEM					
DRAWING NO. :		ESTIMATOR :		RTW		CHECKED BY :	
ITEM NO.	ITEM DESCRIPTION	UNIT MEAS.	NO. UNITS	PER UNIT	TOTAL COST		
Major Components & Contractor Costs							
1	Freight Costs	LS	1	\$4,000.00	\$4,000.00		
2	2,500-gallon Cylindrical Tank	EA	1	\$3,000.00	\$3,000.00		
3	2,500-gallon Cylindrical Tank, Conical Bottom w/ Outlet & Stand	EA	1	\$4,000.00	\$4,000.00		
4	2,500-gallon Final Effluent Tank	EA	1	\$2,500.00	\$2,500.00		
5	Small Filter-press	EA	1	\$16,000.00	\$16,000.00		
6	Sludge Hopper/Dumpster	EA	1	\$2,300.00	\$2,300.00		
7	Transfer Diaphragm Pump	EA	2	\$1,000.00	\$2,000.00		
8	Sludge Diaphragm Pump (to filter press)	EA	1	\$2,500.00	\$2,500.00		
9	Secondary Containment Area	EA	1	\$10,000.00	\$10,000.00		
10	Piping, Valve, Appurtenances	LS	1	\$8,800.00	\$8,800.00		
Monitoring Instruments, Minor Components							
11	Level Alarms	EA	3	\$300.00	\$900.00		
12	pH Control Package (meter, panel, alarms, metering pump, etc)	LS	1	\$3,500.00	\$3,500.00		
13	Chemical Feed Pumps (Coagulant, flocculent, H ₂ O ₂)	EA	6	\$650.00	\$3,900.00		
14	Mixers	EA	2	\$1,500.00	\$3,000.00		
15	Piping & Fittings	10 FT	20	\$60.00	\$1,200.00		
16	Flow Meter	EA	2	\$1,200.00	\$2,400.00		
Contractor/Engineering Costs							
17	Treatability Study	LS	1	\$6,500.00	\$6,500.00		
18	Design & Permitting	LS	1	\$10,000.00	\$10,000.00		
19	Contractor Installation	LS	1	\$15,000.00	\$15,000.00		
20	Installation Oversight	LS	1	\$3,000.00	\$3,000.00		
TOTAL (excludes contingency)					\$104,500.00		

This is an order of magnitude cost estimate that is expected to be within -50 to +50 percent of the actual project cost. Fuss & O'Neill has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions. Fuss & O'Neill's opinion of probable Total Project Costs and Construction Cost are made on the basis of Fuss & O'Neill's experience and qualifications and represent Fuss & O'Neill's best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but Fuss & O'Neill cannot and does not guarantee that proposals, bids or actual Total Project or Construction Costs will not vary from opinions of probable cost prepared by Fuss & O'Neill. If prior to the bidding or negotiating Phase the Owner wishes greater assurance as to Total Project or Construction Costs, the Owner shall employ an independent cost estimator.

CERTIFICATE OF SERVICE

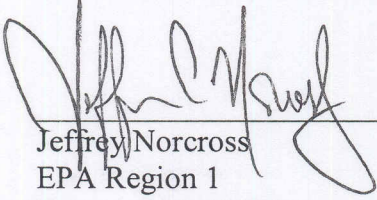
I hereby certify that the foregoing Consent Agreement and Final Order was delivered or placed in the mail for delivery to the addresses below on April 1, 2009:

Original and copy by hand to: Wanda Rivera
Regional Hearing Clerk
Environmental Protection Agency
One Congress Street, Suite 1100 (RAA)
Boston, MA 02114-2023

Copy by hand to: LeAnn Jensen
Regional Judicial Officer, EPA Region 1
Environmental Protection Agency
One Congress Street, Suite 1100 (RAA)
Boston, MA 02114-2023

Copy by first-class mail and email to: Mark Kershaw
Chief Financial Officer
Simoniz USA, Inc.
201 Boston Turnpike
Bolton, CT 06043

Signed: _____


Jeffrey Norcross
EPA Region 1
Boston, MA 02114
617 918-1540

