



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENT
LANSING



REBECCA A. HUMPHRIES
DIRECTOR

July 30, 2010

Mr. Doug Wagner
GMC Saginaw Metal Casting
Mail Code 482-C37-A99
300 Renaissance Court
Detroit, Michigan 48265

Dear Mr. Wagner:

SUBJECT: Perpetual Care Fund (PCF); Solid Waste Surcharge; And Annual Solid Waste Receipt Report; GMC Saginaw Metal Casting (GMC); Waste Data System Number 395505; Fiscal Year 2009

The Department of Natural Resources and Environment (DNRE), formerly the Department of Environmental Quality, Environmental Resource Management Division (ERMD), formerly the Waste and Hazardous Materials Division, has evaluated the following information for the subject facility:

1. The PCF account balance at the close of fiscal year 2009, as required by Section 11525 of Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. The PCF account balance should be reflective of the amount of solid waste disposed of in the landfill after June 17, 1990.
2. Solid waste surcharge payments as required by Section 11525a of Part 115. The solid waste surcharge payment is related to the amount of solid waste disposed of in the landfill and the first payments into the solid waste surcharge program began in January 2004.
3. The Annual Report information from 1996 to the present. The Annual Report, which is required under Section 11507a of Part 115, documents the amounts, types, and origins of solid waste disposed during the fiscal year, and are reviewed by the ERMD to ensure that the landfill is complying with the applicable county solid waste management plans (county plans). Also, note that throughout the remainder of this letter the Annual Report is now part of and referred to as the Combined Solid Waste Landfill Waste Receipt Report (Combined Report).

The purpose of this evaluation is to ensure that all of the above information as supplied by the landfill in the Combined Report is consistent and that the respective statutory requirements are being met.

The results of this evaluation are described further in this letter. Please respond in writing to this evaluation by August 30, 2010, indicating GMC's agreement or reasons for disagreement with the evaluation results, and, where there is agreement on identified problem areas, explain what GMC will do to address them. GMC may submit documentation in support of its position regarding the evaluation. All available information will be used by the DNRE to reevaluate the compliance status of GMC with the requirements addressed in this letter.

PCF Account Balance

GMC is required to make payments into its PCF, Account Number 304816345, at \$0.25 per cubic yard of solid waste disposed, until the PCF maximum amount, as adjusted for inflation July 1 of each year, is reached. The enclosed worksheet was developed to evaluate the required and actual PCF fund balances based on the waste volumes from the Annual Reports. Based on this evaluation, the PCF appears adequately funded at this time.

Please note that the worksheet may be missing data for the period 1990 through 1995 because the Combined Reporting of waste volumes was not required to be submitted until 1996. By providing the missing data, GMC can help ensure a more accurate evaluation of the PCF. Also, this evaluation does not address the adequacy of the PCF agreements or account statements. The DNRE is currently auditing all PCF files and is notifying landfills of any incomplete or inaccurate information under separate letter.

Additionally, this evaluation does not consider whether sufficient and timely semi-annual deposits were made into the PCF throughout the entire period, or interest and other earnings on the account, which cannot be used to offset the required deposits.

Solid Waste Surcharge Payments

GMC is required to make annual solid waste surcharge payments based on a flat rate in accordance to the amount of waste reasonably anticipated for disposal during the period of October 1, 2009, through September 30, 2009. Per the fiscal year 2008 audit letter, GMC had a credit of \$2,000. GMC used the credit to pay the fiscal year 2009's surcharge payment of \$500; therefore, the remaining credit to date is \$1,500.

County Plans

Sections 11513 and 11538(6) of Part 115 prohibit a disposal area in Michigan from accepting solid waste generated in a Michigan county other than the county where the disposal area is located, unless acceptance of that waste is explicitly authorized in the approved county plan of both the county where the waste is generated and the county where the disposal occurs. In addition, many county plans impose additional conditions or limitations on the acceptance of solid waste from other Michigan counties.

The Combined Reports for the reporting period of October 1, 2008, through September 30, 2009, indicates that GMC did not accept any unauthorized solid waste during this reporting period.

We appreciate your efforts to provide consistent information and to meet the requirements evaluated herein. Should you have any questions regarding the PCF, please contact Ms. Becky Kocsis, Solid Waste and Land Application Section (SWLAS), ERMD, at 517-335-4728 or kocsisb@michigan.gov; or if you have any questions regarding the Combined Report, Solid Waste Surcharge, and County Plan information, please contact Ms. Christina Miller, Solid Waste Management Unit, SWLAS, ERMD, at 517-373-4741 or millerc1@michigan.gov; or you may contact them at DNRE, P.O. Box 30241, Lansing, Michigan 48909-7741.

Sincerely,



Steven R. Sliver, Chief
Solid Waste and Land Application Section
Environmental Resource Management Division
517-373-1976

Enclosure

cc: Mr. Jon Bloemker, DNRE-Saginaw Bay
Ms. Becky Kocsis/PCF File, DNRE
Ms. Christina Miller/Facility File, DNRE

PCF Fund Balance Worksheet

General Motors Corporation - GMC Saginaw Metal Casting WDS Number 395505

| Fiscal Year | Waste Volume, cubic yards | Calculated Maximum Payment (cubic yards x \$0.25)* | Calculated Maximum Balance** | Statutory Maximum Balance @ June of Fiscal Year | Actual Balance @ End of Fiscal Year | Underfunded Amount*** |
|-------------|---------------------------|----------------------------------------------------|------------------------------|-------------------------------------------------|-------------------------------------|-----------------------|
| 1990 | | | | | | |
| 1991 | | | | | | |
| 1992 | | | | | | |
| 1993 | | | | | | |
| 1994 | | | | | | |
| 1995 | | | | | | |
| 1996 | 158,015 | \$39,504 | | \$1,156,000 | \$195,323 | |
| 1997 | 126,923 | \$31,731 | \$227,054 | \$1,189,524 | \$225,924 | \$1,130 |
| 1998 | 160,994 | \$40,249 | \$267,302 | \$1,222,830 | \$267,404 | -\$102 |
| 1999 | 128,919 | \$32,230 | \$299,532 | \$1,239,950 | \$288,870 | \$10,662 |
| 2000 | 118,124 | \$29,531 | \$329,063 | \$1,291,000 | \$325,813 | \$3,250 |
| 2001 | 106,405 | \$26,601 | \$355,664 | \$1,308,000 | \$345,376 | \$10,288 |
| 2002 | 77,693 | \$19,423 | \$375,088 | \$1,325,000 | \$368,972 | \$6,116 |
| 2003 | 74,783 | \$18,696 | \$393,783 | \$1,380,650 | \$399,060 | -\$5,277 |
| 2004 | 114,751 | \$28,688 | \$422,471 | \$1,409,000 | \$444,058 | -\$21,587 |
| 2005 | 26,433 | \$6,608 | \$429,079 | \$1,566,000 | \$455,800 | -\$26,721 |
| 2006 | 36,131 | \$9,033 | \$438,112 | \$1,639,000 | \$485,020 | -\$46,908 |
| 2007 | 35,423 | \$8,856 | \$446,968 | \$1,700,000 | \$514,898 | -\$67,930 |
| 2008 | 53,835 | \$13,459 | \$460,427 | \$1,789,000 | \$537,555 | -\$77,129 |
| 2009 | 5,553 | \$1,388 | \$461,815 | \$1,805,000 | \$540,510 | -\$78,696 |

* Before consideration of the statutory maximum required balance.

** Before consideration of the statutory maximum required balance. The first amount in this column is calculated by adding the Calculated Maximum Payment to the Actual Balance @ End of Fiscal Year for the previous fiscal year. Subsequent amounts are calculated by adding the Calculated Maximum Payment to the Calculated Maximum Balance for the previous fiscal year.

*** Underfunded amount is the Calculated Maximum Balance minus the Actual Balance @ End of Fiscal Year, unless the Calculated Maximum Balance is greater than the Statutory Maximum Balance @ June of Fiscal Year, then the Underfunded Amount is the Statutory Maximum Balance @ June of Fiscal Year minus the Actual Balance @ End of Fiscal Year. This annual amount is a minimum underfunded amount, because it may not include interest and other earnings, which cannot be used to offset the statutory deposit obligations.

This worksheet is intended to evaluate perpetual care funds required under MCL 324.11525 using data submitted by the landfill and the financial institution for the perpetual care fund. While perpetual care fund requirements became effective in 1990, waste volume data was not required to be submitted until 1996. Therefore, calculations in the worksheet begin with the first available data on waste volumes, and may not reflect required payments and balances for prior periods.