



August 22, 2012

Ms. Kimberly Mason  
Director of Water and Sewer Services  
City of Saginaw  
2406 Veterans Memorial Parkway  
Saginaw, Michigan 48601

Dear Ms. Mason:

Re: Compliance Plan in Response to Notice of Significant Non-Compliance  
RACER Trust Saginaw Malleable Industrial Land, Saginaw, Michigan

As discussed, this letter presents RACER Trust's Compliance Plan prepared in response to the August 7, 2012 letter regarding Notice of Significant Non-Compliance (SNC) under permit number 09-517 (Permit) for the Saginaw Malleable Industrial Land.

RACER Trust submitted a letter to the City of Saginaw dated November 18, 2011 requesting termination of the Permit as all industrial discharges had ceased. In good faith, believing that the conditions for termination of the Permit had been met, RACER Trust did not conduct the quarterly sampling in the belief that it was not necessary.

However, last week you requested that RACER Trust prepare a response to the SNC and perform the quarterly sampling under the Permit. In the spirit of cooperation and in the interest of resolving the outstanding issues, we are submitting this Compliance Plan and will perform the associated sampling as per the schedule described below. In the meantime, RACER Trust will complete its research on sewer ownership issues and alternative permit termination options, and it is our understanding that the City will be doing the same.

The proposed monitoring includes the collection of three 24-hour time based composite samples from both CFD-01 and CFD-02. The samples will be analyzed for the semiannual parameter list as identified in the Permit. The samples will be collected to represent dry weather flow

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conditions and flow monitoring will be attempted. RACER will complete the sampling/monitoring within two (2) weeks of submittal of this letter.

Should you have any questions, please do not hesitate to call me at (313) 670-6226.

Thank you for your consideration in this matter.

Sincerely,



Grant Trigger

Michigan Cleanup Manager - RACER Trust

cc: Phil Karwat - City of Saginaw  
Jason Casteel - City of Saginaw  
Dave Favero - RACER Trust  
Michael Tomka - CRA  
Glenn Fitkin, Esq.  
Carl Garvey, Esq.