



**OFFICE OF ADJUDICATIONS**

*IN THE MATTER OF* : *SPILL CASE NO. 2007-05721*  
*69 PADANARAM ROAD, LLC* : *JUNE 30, 2014*  
**FINAL DECISION**

On May 9, 2014, representatives of 69 Padanaram Road, LLC and the Department of Energy and Environmental Protection submitted a “Joint Agreement For Disposition of Lien Proceeding” (Agreement), signed by both parties, pursuant to Regs., Conn. State Agencies § 22a-3a-6(l) (attached as [appendix 1](#)). The Commissioner has delegated final decision making authority to the Department’s Office of Adjudications and its hearing officers in limited circumstances. Included in this delegation is the authority to issue final decisions in “liens, pursuant to [General Statutes] § 22a-452a.” Delegation of Authority, July 12, 2011, § VIII, F. 4. c. ii.

I have reviewed the Agreement and the statutes and regulations relevant to this matter. I hereby adopt the Agreement reached by the parties as my final decision in this matter. Pursuant to the agreement of the parties and the authority delegated to me, I direct the parties to comply with the order set forth in section C.1. of the Agreement, which shall have the full force of a final decision of this Department.

A handwritten signature in blue ink, appearing to read "B. Schain".

Brendan Schain, Hearing Officer

*IN THE MATTER OF* : *SPILL CASE NO. 2007-05721*

*69 PADANARAM ROAD, LLC* : *JUNE 18, 2014*

**JOINT AGREEMENT FOR DISPOSITION OF LIEN PROCEEDING**

The undersigned parties to this contested case submit for consideration the following agreement to dispose of this matter without further proceedings pursuant to Regs., Conn. State Agencies § 22a-3a-6(l). The parties recommend that the following joint stipulations and orders be incorporated into the final decision of the Commissioner of the Department of Energy and Environmental Protection in this matter.

**A. Joint Stipulation of Facts**

1. On or about September 5, 2007, the Department of Energy and Environmental Protection (“DEEP”), Emergency Response and Spill Prevention Division responded to a report of an anthrax release at 69 Padanaram Road in Danbury (hereinafter referred to as “Property”). The Property was leased to and occupied by Aseamenra Kariamu, along with his family. The Property is owned by 69 Padanaram Road, LLC, of 70 Old Ridgebury Road, Danbury, Connecticut (hereinafter referred to as the “Property Owner”). Donald J. Lombardo is a Principal/Member of 69 Padanaram Road, LLC.
2. The tenant, Mr. Kariamu, was found to have imported animal hides from Africa in order to make authentic African drums. The hides were found to be contaminated with anthrax, which caused the tenant and his son to fall ill. The Property Owner, through its Principal/Member, denies having knowledge of the tenant’s animal skin drum-making activities, and there is nothing in the record to impart such knowledge upon the Property Owner.
3. The anthrax response was coordinated by federal, state and local authorities, with the United States Environmental Protection Agency (EPA) taking the lead. EPA has indicated in writing that it has not and will not seek recovery of its costs. See Exhibit A, attached hereto.
4. Until DEEP notified the Property Owner, through its Principal/Member, of costs incurred by DEEP in response to the anthrax release, the Property Owner alleges that it was unaware that the DEEP had, in fact, incurred such costs. Following a federal investigation, DEEP attempted to recover its costs from the Property Owner by letter dated April 3, 2012. Thereafter, however, the Property Owner, through its Principal/Member, notified its insurer, Safeco Insurance, of DEEP’s cost recovery claim. Safeco Insurance denied the Principal/Member’s claim on or about May 23, 2012. See Exhibit B, attached hereto.

5. As a result of the anthrax release, DEEP incurred costs in the amount of Forty One Thousand One Hundred Thirty Three Dollars and 28/100 (\$41,133.28). See Exhibit C, attached hereto.
6. DEEP has not been reimbursed for these costs, and in accordance with CGS § 22a-451(a), is entitled to administrative costs of Six Thousand One Hundred Sixty Nine Dollars and 99/100 (\$ 6,169.99) and interest of Eight Thousand Six Hundred Forty Three Dollars and 62/100 (\$ 8,643.62) as of June 9, 2014. See Exhibit C.
7. As a result of the unreimbursed anthrax release costs incurred by DEEP and the associated administrative costs, the Property Owner owes DEEP the sum of Fifty Five Thousand Nine Hundred Forty Six Dollars and 89/100 (\$ 55,946.89) (the "DEBT") and DEEP may secure payment of this DEBT by filing a certificate of lien in accordance with CGS § 22a-452a.
8. On or about January 27, 2014, DEEP provided a Notice of Intent to File a Certificate of Lien on the property to the Property Owner under the authority of and in full compliance with CGS § 22a-452a(c).
9. On or about February 19, 2014, the Property Owner, through its Principal/Member, filed a timely request for a hearing, thereby commencing the present contested case.
10. The parties received proper notice and appeared in this matter.

## **B. Agreement**

1. The parties agree that there was probable cause for filing this lien and waive any right to a hearing on this issue they may have under CGS § 22a-452a(c)(2) and any right to further hearing on a reduction or discharge of the lien under CGS § 22a-452a(e).
2. The parties agree that based on the unique circumstances that necessitated this emergency response action and the fact that the Property Owner reasonably believed from September 5, 2007 to April 3, 2012, that DEEP had no role in the emergency response action, the parties agree that this agreement is fair, reasonable and in the interest of the parties to resolve this contested case without further delay and expense.
3. In consideration of the receipt by the Commissioner of the sum of One Dollar (\$1.00) from the Property Owner, the DEBT will be deemed to be satisfied in full and no lien need be filed.
4. Upon execution of this Agreement, the Owner shall pay to the DEEP prior to the submission of this Agreement to the Hearing Officer for approval the sum of One Dollar (\$1.00). Said sum shall be held in escrow by the Commissioner pending entry of the order in paragraph C.1 of this Agreement as a final decision in this matter, at

which time said sum may be immediately deposited by DEEP to satisfy the financial obligation of this order.

5. The Owner represents and agrees that it fully understands its right to discuss any and all aspects of this Agreement with an attorney or other representative.

### **C. Order**

In accordance with Regs. Conn. State Agencies § 22a-3-6(1) the parties stipulate and agree that the Commissioner shall issue the following order as part of his final decision and agree to abide by these orders and its adoption as a final decision in this matter:

1. Full and timely payment from the Property Owner submitted in full and in accordance with paragraph B.3. above shall constitute full and final payment of the DEBT and the DEEP shall accept such payment as a full discharge of the lien on the Property and shall not file any lien on the Property to secure the DEBT which it has a right to file under CGS § 22a-452a in order to secure payment of the DEBT.



ACCEPTED and AGREED to on the 18<sup>th</sup> day of June, 2014.

**69 PADANARAM, LLC**

Donald J. Lombardo  
BY: Donald J. Lombardo, Principal/Member

State of Connecticut :  
County of ~~Hartford~~ : ss. Hartford Danbury  
Fairfield

On this the 18<sup>th</sup> day of June, 2014, before the undersigned officer, personally appeared Donald J. Lombardo, who acknowledged himself to be a Principal/Member of 69 Padanaram, LLC, a Connecticut limited liability company, and that he, as such Principal/Member, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as the founding member..

Rebecca H. Corna  
Notary Public  
My Commission Expires  
Commissioner of the Superior Court



**DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION**

Melinda M. Decker  
BY: Melinda M. Decker  
Agency Legal Director

State of Connecticut :  
County of Hartford : ss. Hartford

On this the 25<sup>th</sup> day of June, 2014, before, the undersigned officer, personally appeared Melinda M. Decker, known to me to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

Mary Kramer  
Notary Public  
My Commission Expires: 2/28/2018

**Decker, Melinda**

*Ech. A*

**From:** Zavagnin, Amanda [Amanda.Zavagnin@cga.ct.gov]  
**Sent:** Thursday, May 01, 2014 10:46 AM  
**To:** Decker, Melinda  
**Subject:** Lombardo Case

Hi Melinda,

Below is the EPA response.

Thanks!  
-Amanda

**From:** Jim Murphy [mailto:Murphy.Jim@epamail.epa.gov]  
**Sent:** Thursday, May 17, 2012 12:57 PM  
**To:** Fournier, Kelley  
**Subject:** Re: Lombardo Case

Ms. Fournier.

Thank you for your inquiry on behalf of State Senator McLachlan about EPA's Emergency Response action in Danbury in 2007 and the matter of the bill that Mr. Lombardo received from the CT Department of Energy and Environmental Protection. As I told you in our telephone conversation yesterday, and as the EPA On-Scene Coordinator has already told Mr. Lombardo, EPA does not intend to pursue any cost recovery for the federal response action.

As we also discussed yesterday, the question concerning Connecticut's recovery of their response costs is a matter of state law and an issue for Mr. Lombardo and the CT DEEP to resolve. The EPA has no role in Connecticut's recovery of their response costs from individual property owners.

Please feel free to contact me if you have further questions.

Jim Murphy  
Team Leader, Government Relations and Community Involvement  
United States Environmental Protection Agency  
New England - Region 1  
Office of the Regional Administrator  
5 Post Office Square, Suite 100  
Mail Code ORA 01-1  
Boston, MA 02109-3912  
617-918-1028 (phone)  
617-721-2868 (cell phone)  
617-918-0028 (fax)

**From:** "Fournier, Kelley" <Kelley.Fournier@cga.ct.gov>  
**To:** Jim Murphy/R1/USEPA/US@EPA  
**Date:** 05/16/2012 12:08 PM  
**Subject:** Lombardo Case

Mr. Murphy,

Thank you again for taking the time to speak with me over the phone this morning.

As discussed, Senator McLachlan is looking for a written response to what was discussed between his office and the EPA regarding the Lombardo Case in Danbury.

Please let me know if there is any additional information that you need from me.

Best,

Kelley A. Fournier

Legislative Aide to Senator Michael A. McLachlan  
24th District  
(860) 240-0068  
[Kelley.Fournier@cga.ct.gov](mailto:Kelley.Fournier@cga.ct.gov)



A Liberty Mutual Company

*Ech. B*

May 23, 2012

The Law Offices of Michel Todd Taylor  
161 Main Street  
West Haven, CT 06516

Insured Name: Donald Lombardo  
Policy Number: OK618952  
Loss Date: September 5, 2007  
Claim Number: 981050594041  
Donald Lombardo :

Safeco Insurance Company of America would like to thank you for the opportunity to service you.

Your client submitted this claim to Safeco Insurance Company of America for potential payment under policy OK618952 for damages to property located at 69 Padanaram Rd., Danbury, CT, 06811-3730. After a review of the policy and the facts that have come to our attention, Safeco Insurance Company of America regrets that it is unable to provide payment for the damages claimed because the policy does not provide payment for the damages claimed because the policy does not provide coverage for this loss.

Our reasons for this denial are as follows:

As you are aware, this claim arises from a bacterial contamination. Our investigation revealed that the cost of remediation is not a covered loss under this policy for the following reasons:

1. The claim was not reported to us in a timely manner. Your client was aware of this loss in 2007, but failed to report the claim to us until April 10, 2012, which compromised our ability to investigate this loss properly.
2. In your letter dated, April 24, 2012, you argued that "the claim arises out of the potential presence of the naturally occurring bacterium, which causes the infectious disease, anthrax," and that "bacterium is not a "pollutant". Under this policy, coverage for bacteria only applies to "bacteria that ensues from a covered cause of loss other than fire, or lightning," There is not a covered cause of loss that applies to naturally occurring bacteria on this policy.
3. The policy excludes coverage for "pollution or contamination." The policy defines "pollutants or contaminants" to include "pathogenic or poisonous biological materials."

The Landlord Protection Policy Basic Form ,which is a named peril policy, includes the following:

## COVERAGES



**THIS INSURANCE APPLIES TO THE DESCRIBED LOCATION, COVERAGES FOR WHICH A LIMIT OF LIABILITY IS SHOWN AND PERILS INSURED AGAINST FOR WHICH A PREMIUM IS STATED.**

**COVERAGE A — DWELLING**

We cover:

1. the dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes;
2. structures attached to the dwelling other than fences, patios, decks, driveways or walkways;
3. materials and supplies on or adjacent to the Described Location for use in the construction, alteration or repair of the dwelling or other structures on this Described Location; and
4. if not otherwise covered in this policy, building equipment used for the service of and located on the Described Location.

This coverage does not apply to land, including land on which the dwelling is located or retaining walls separated by a clear space from the dwelling.

**THIS INSURANCE APPLIES TO THE DESCRIBED LOCATION, COVERAGES FOR WHICH A LIMIT OF LIABILITY IS SHOWN AND PERILS INSURED AGAINST FOR WHICH A PREMIUM IS STATED.**

**COVERAGE A — DWELLING**

We cover:

1. the dwelling on the Described Location shown in the Declarations, used principally for dwelling purposes;
2. structures attached to the dwelling other than fences, patios, decks, driveways or walkways;
3. materials and supplies on or adjacent to the Described Location for use in the construction, alteration or repair of the dwelling or other structures on this Described Location; and
4. if not otherwise covered in this policy, building equipment used for the service of and located on the Described Location.

This coverage does not apply to land, including land on which the dwelling is located or retaining walls separated by a clear space from the dwelling.

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**OTHER COVERAGES**

*The following Other Coverages are subject to all the terms, provisions, exclusions and conditions of this policy.*

8. *Fungi, wet or dry rot, or bacteria.* We will pay up to \$5,000 for:
  - a. the direct physical loss to covered property caused by *fungi*, wet or dry rot, or bacteria;
  - b. the cost to remove *fungi*, wet or dry rot, or bacteria from covered property;
  - c. the cost to tear out and replace any part of the building or other covered property as needed to gain access to the *fungi*, wet or dry rot, or bacteria;
  - d. the cost of any testing of air or property to confirm the absence, presence or level of *fungi*, wet or dry rot, or bacteria, whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided to the extent that there is a reason to believe there is the presence of *fungi*, wet or dry rot, or bacteria; and

*I refer you to the Special Provisions-Connecticut endorsement to this policy, which makes the following change the Landlord Policy*

Item 11. *Fungi, Wet or Dry Rot, or Bacteria* is deleted and replaced by the following (this is item 6. in P-4101/EP, Landlord Protection Policy — Basic Form and P-4104/EP, Landlord Protection Policy — Condominium Broad Form):

**11. *Fungi, Wet or Dry Rot, or Bacteria.***

- a. Exclusion 13, *Fungi, Wet or Dry Rot, or Bacteria*, does not apply to *fungi*, wet or dry rot, or bacteria that ensues from a covered loss caused by fire, or lightning.
- b. We will pay up to \$5,000 for *fungi*, wet or dry rot, or bacteria that ensues from a covered cause of loss other than fire, or lightning. We will pay for:
  - (1) the direct physical loss to covered property caused by *fungi*, wet or dry rot, or bacteria;
  - (2) the cost to remove *fungi*, wet or dry rot, or bacteria from covered property;
  - (3) the cost to tear out and replace any part of the building or other covered property as needed to gain access to the *fungi*, wet or dry rot, or bacteria;
  - (4) the cost of any testing of air or property to confirm the absence, presence or level of *fungi*, wet or dry rot, or bacteria, whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe there is the presence of *fungi*, wet or dry rot, or bacteria; and

**PERILS INSURED AGAINST**

We insure for accidental direct physical loss to the property covered caused by a peril listed below unless the loss is otherwise excluded in the policy:

1. *Fire or lightning.*
2. *Windstorm or hail.*
- ...
3. *Explosion.*
- ...
4. *Riot or civil commotion.*
5. *Aircraft, including self-propelled missiles and spacecraft.*
6. *Vehicles.*
7. *Smoke, meaning sudden and accidental damage from smoke.*

**GENERAL EXCLUSIONS**

We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

- ...
8. *Pollution or Contamination, meaning loss resulting from the production, use, storage, discharge, dispersal, seepage, migration, release, escape, emission, transmission or absorption, or contamination, of or by pollutants and contaminants whether actual, alleged or threatened at any time and however caused and whether or not within the knowledge or control of an insured. This exclusion does not apply to the extent coverage is provided for in Other Coverages, 9. Household Products Coverage under Dwelling Coverages. Direct loss by fire resulting from pollution or contamination is covered.*



...  
**13. Fungi, Wet or Dry Rot, or Bacteria** meaning the presence, growth, proliferation or spread of fungi, wet or dry rot, or bacteria. This exclusion does not apply to the extent coverage is provided

*for in Other Coverages, 8. Fungi, Wet or Dry Rot, or Bacteria under Dwelling Coverages.*

#### **GENERAL CONDITIONS**

*4. Your Duties After Loss. In case of a loss to which this insurance may apply, you must perform the following duties:*

- a. cooperate with us in the investigation, settlement or defense of any claim or suit;*
- b. give immediate notice to us or our agent;*
- c. protect the property from further damage, make reasonable and necessary repairs required to protect the property and keep an accurate record of repair expenses;*
- d. prepare an inventory of the loss to the building and damaged personal property showing in detail the quantity, description, actual cash value and age. Attach all bills, receipts and related documents that justify the figures in the inventory;*
- e. as often as we reasonably require:
  - (1) exhibit the damaged and undamaged property;*
  - (2) provide us with records and documents we request and permit us to make copies; and*
  - (3) submit to examinations under oath and subscribe the same. We may examine you separately and apart from your spouse or any other insured. You shall not interfere with us examining any other insured;**
- f. submit to us, within 60 days after we request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
  - (1) the time and cause of loss;*
  - (2) interest of the insured and all others in the property involved and all encumbrances on the property;*
  - (3) other insurance which may cover the loss;*
  - (4) changes in title or occupancy of the property during the term of the policy;*
  - (5) specifications of any damaged building and detailed repair estimates;*
  - (6) an inventory of damaged personal property described in 4.e.; and*
  - (7) records supporting the Loss of Rent or Rental Value.**

**10. Suit Against Us.** No action shall be brought unless there has been full compliance with all of the policy provisions and the action is started within one year after inception of the loss or damage.

...

#### DEFINITIONS

5. "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produces, released by or arising out of **fungi**, including growth proliferation or spread of **fungi** or the current or past presence of **fungi**.

...

8. "**Pollutants or Contaminants**" means any of the following:

...

h. pathogenic or poisonous biological materials ... .

As you can see in the above-referenced policy language, naturally occurring bacteria is not a peril insured against, and therefore there is no coverage for this loss. In addition, loss caused by disease-causing bacteria is excluded under the "pollution or contamination" exclusion. Bacteria are also excluded, except to the extent there is coverage under the Other Coverage for "fungi," wet or dry rot, or bacteria; that Other Coverage does not apply because there is no covered cause of loss. Finally, the insured's breach of the notice condition forfeited coverage. Therefore, according to the terms and conditions of the policy, we are unable to provide any coverage for this loss.

At all times, we strive to fully assess our coverage potential. We are always open to reevaluating our position, should new facts come to light. If you have any additional information that you believe will have a material effect on our determination of coverage, please provide that information to us in writing at your earliest opportunity. You should, however, regard this as a denial of the claim.

Safeco Insurance Company of America may continue to investigate this claim. However, Safeco Insurance Company of America reserves any and all rights and defenses allowed under the policy of insurance and the law. No action taken by Safeco Insurance Company of America, its employees and/or agents, is intended to be or should be considered to be a waiver of any of these rights or defenses under the policy of insurance or the law.

**If you do not agree with this decision, you may contact the Division of Consumer Affairs within the Insurance Department. The address is: Connecticut Insurance Department, Consumer Affairs Division, P.O. Box**



**816, Hartford, CT, 06142-0816. You may also call: 800-203-3447 (Connecticut only) or 860-297-3900 (Hartford area or outside of Connecticut) or contact them via the internet at <http://www.ct.gov/cid/site/default.asp>.**

Sincerely,

Michele Robinson  
Claims Specialist I  
Northeast Region Claims  
Phone : 856-435-2944  
Fax : 888-268-8840  
Mailing Address : Processing Center, PO Box, Los Angeles, CA 90051-5097  
Claim documents should be directly e-mailed to : [Clmatt@safeco.com](mailto:Clmatt@safeco.com)

Safeco Insurance Company of America

Cc: Charles G. Marcus Agency Inc.  
Po Box 290756  
Wethersfield, CT 06129



# D.E.E.P. Cost Recovery SpillCase Detail Report

Connecticut Department of Energy and Environmental Protection  
Environmental Cleanup Cost Recovery Program  
Bureau of Financial & Support Services

Monday, June 09, 2014

Accrued To: 06-09-2014

Accrual Stopped On: N/A

Transactions Frozen On: N/A

## Costs and Expenses for Environmental Services

SpillCase #: 2007-05721

Site: 69 Padanaram Road

Town: Danbury

Date: 9/5/2007 ( 0% before 7/1/1991 )

Resp Party(s): 1). Aseamenra Karlamu

2). Donald J. Lombardo, 69 Padanaram Road LI

Interest Rate: 10.000%

SpillFund / Non SpillAccount Funding Ratio 100% / 0%

Status: Collection

First Notice: 04-03-2012

Int. Accrd from: 05-03-2012

Note Exemptions: E1=Interest, E2=Admin E3=Recovery

Rec. Type	Contractor	Work Effort	E1	E2	E3	Date	Days	Invoice No.	Running Balance - Principal \$	No Int. Bal \$	Principal \$	No Int. Bal \$
Advance	Connecticut Tank Rem	Emergency response to anthrax case				11/10/07	0	111262	41,133.28	41,133.28	41,133.28	41,133.28
40198	No											
Accrual						05/03/12		1636				6,169.99
Start Date												
40198	No											
AccruedTo						06/09/14		767	41,133.28	8,643.62	41,133.28	8,643.62
No												6,169.99

SpillFund Totals \$	Advance \$	Principal \$	No Int. Bal \$	Accrual Bal \$	Int. Owed \$	Admin Bal \$	Payment \$	Int. Paid \$	Admin Paid \$	Prin Paid \$
41,133.28	41,133.28	41,133.28	0.00	41,133.28	8,643.62	6,169.99	0.00	0.00	0.00	0.00
Non SpillFund Totals \$	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total \$	41,133.28	41,133.28	0.00	41,133.28	8,643.62	6,169.99	0.00	0.00	0.00	0.00

SpillFund Payoff:	Non SpillFund Payoff:	Total Payoff:
\$55,946.89	\$0.00	\$55,946.89

This document summarizes the D.E.P.'s costs and expenses for environmental services. Costs are recoverable pursuant to state law and Federal law, reference Connecticut General Statutes: 22a-60, 22a-133g, 22a-448, 22a-449, 22a-450, 22a-451, 22a-462, 22a-471 and the Federal Oil Pollution Act of 1990.

Case identity is D.E.E.P. SpillCase 2007-05721  
Direct financial inquiries to: D.E.E.P. Bureau of Financial & Support Services  
Environmental Cleanup Cost Recovery  
79 Elm Street  
Hartford, CT 06105-8177

Exp. C



69 PADANARAM ROAD, LLC

RESOLUTION BY UNANIMOUS CONSENT IN LIEU OF MEETING OF THE MEMBER MANAGER  
AND ALL OF THE MEMBERS OF 69 PADANARAM LLC.

69 Padanaram Road, LLC, a domestic limited liability company registered and doing business in the State of Connecticut, hereby resolves, as follows:

RESOLVED-that 69 Padanaram Road, LLC is the owner of residential property located at 69 Padanaram Road in Danbury, Connecticut;

RESOLVED-that the Department of Energy and Environmental Protection of the State of Connecticut filed a NOTICE OF INTENT TO FILE A CERTIFICATE OF LIEN, SPILL CASE NO. 2007-05721, against the property of 69 Padanaram Road, LLC at 69 Padanaram Road, Danbury, CT, claiming expenses and administrative costs incurred and unreimbursed as a result of a spill emanating from the property on or about September 5, 2007;

RESOLVED-that a Status Conference was Scheduled for March 25, 2014 before Hearing Officer Brendan Schain at the Department of Energy and Environmental Protection, Hartford, CT. An extension of time was granted in order to pursue settlement of the claim of Spill Case No, 2007-05721;

RESOLVED-that settlement conferences were held by the parties by telephone conferences and electronic mail and, a settlement of Spill Case No. 2007-05721 was reached;

RESOLVED-that the Department of Energy and Environmental Protection and 69 Padanaram Road, LLC have reached the following terms of settlement of all Issues between the DEEP and 69 Padanaram Road, LLC:

1. Payment by 69 Padanaram Road, LLC of the sum of One Dollar (\$1.00) to the DEEP in full settlement of all claims in Spill Case No. 2007-05721 concerning 69 Padanaram Road, Danbury, CT;
2. Execution of a Joint Agreement For Disposition of Lien Proceeding between DEEP and 69 Padanaram Road, LLC of Spill Case No. 2007-05721 concerning 69 Padanaram Road, Danbury, CT as of the date of the execution of the settlement agreement;

RESOLVED-that Donald J. Lombardo, Member Manager of 69 Padanaram Road LLC be authorized to take any and all actions, Including but not limited to payment to DEEP and execution of a Joint Agreement For Disposition of Lien Proceeding effectuate settlement of Spill Case No. 2007-05721 as described in this Resolution by Unanimous Consent;

NOW, THEREFORE BE IT RESOLVED BY UNANIMOUS CONSENT OF THE MEMBER MANAGER AND ALL OF THE MEMBERS IN LIEU OF A MEETING that Donald J. Lombardo is authorized to make payment to the DEEP of ONE DOLLAR (\$1.00) and execute a Joint Agreement For Disposition of Lien Proceeding for Spill Case No. 2007-05721 and, to take any other actions in furtherance of this document;

69 PADANARAM ROAD, LLC

*Donald J. Lombardo*

*6/18/14*

DONALD J. LOMBARDO, MEMBER MANAGER