

STATE OF VERMONT

ENVIRONMENTAL COURT
Docket No. _____

**LAND USE PANEL of the
NATURAL RESOURCES BOARD,**
Petitioner,

Assurance of Discontinuance

v.

DADJ, LLC & Cedarwood Holdings, LLC
Respondents,

VIOLATION

I. Commencing construction for a commercial purpose prior to the issuance of a permit. 10 V.S.A. § 6081(a).

ASSURANCE OF DISCONTINUANCE

Pursuant to the provisions of 10 V.S.A. § 8007, the Land Use Panel of the Natural Resources Board (Panel) and DADJ, LLC & Cedarwood Holdings, LLC, Vermont limited liability companies (Respondents) hereby enter into this Assurance of Discontinuance (Assurance) and stipulate and agree as follows:

STATEMENT OF FACTS AND DESCRIPTION OF VIOLATION

1. Respondent Cedarwood Holdings LLC owns a 14.9 acre parcel in the town of Jay, Vermont which is subject to a partnership agreement with respondent DADJ, LLC. This parcel is under Act 250 jurisdiction for a previously permitted (#7R0188 as amended) motel complex known as the Lodge at Jay.
2. On June 6, 2009, the Respondents jointly filed a land use permit amendment application for #7R0188. (Permit 4) The project was described as the construction and operation of a 28 unit campground and included full service sites for tenting or RV use with associated potable water, municipal sewer, electric and cable hookups. Permit 4 was issued on July 14, 2009 and contained on page 1 the following statement: "The project is a *material change* to a previously permitted project and is subject to Act 250 jurisdiction pursuant to Act 250 Rule 2 C (6)."

3. Prior to the issuance of Permit 4, the Respondents commenced construction of the project's waste water and water lines by digging several hundred feet of trenches and installing associated piping within the ditches.
4. This pre-permit construction was a violation of Act 250 Rule 34 (A) (material change to an existing project).

AGREEMENT

Based on the aforementioned Statement of Facts and Description of Violation, the parties hereby agree as follows:

A. Respondents shall pay to the State of Vermont, pursuant to 10 V.S.A. Ch. 201, a civil penalty in the amount of Thirty Six Hundred Dollars (\$3,600.00) for the violation noted herein pursuant to the payment schedule set forth below:

\$1,200.00 on or before October 1, 2009.

\$1,200.00 on or before November 1, 2009.

\$1,200.00 on or before December 1, 2009.

Respondents shall make said payments by check made payable to the "Treasurer, State of Vermont" and forwarded to:

Denise Wheeler, Business Administrator
Land Use Panel of the Natural Resources Board
National Life Records Center Building
National Life Drive
Montpelier, Vermont 05620-3201

Late payments shall bear interest at the rate of twelve percent (12%) per annum. In the event that Respondents fail to make any payment by the date due, the Land Use Panel, at its option, may declare the whole amount then owing under this Assurance due and payable, any terms herein to the contrary notwithstanding.

B. Any payment by the Respondents pursuant to this Assurance is made to resolve the violation set forth herein and shall not be considered to be a charitable contribution, business expense, or other deductible expense under the federal or state tax codes. Respondents shall not deduct, nor attempt to deduct, any payments, penalties, contributions or other expenditures required by this Assurance from Respondents' state or federal taxes.

C. The State of Vermont and the Land Use Panel reserve continuing jurisdiction to ensure future compliance with all statutes, rules, and regulations applicable to the facts and violations set forth herein above.

D. Nothing in this Assurance shall be construed as having relieved, modified, waived or otherwise affected the Respondents' continuing obligation to comply with all other applicable state or local statutes, regulations or directives applicable to the Respondents.

E. This Assurance shall become effective only after it is signed by all parties and entered as an order of the Environmental Court. When so entered by the Environmental Court, this Assurance shall become a judicial order pursuant to 10 V.S.A. § 8007(c). In the event that such order is vacated, the Assurance shall be null and void.

F. Pursuant to 10 V.S.A. § 8007(d), the Respondents shall not be liable for any additional civil or criminal penalties with respect to the specific facts described herein and about which the Land Use Panel has notice on the date the Court signs this Assurance, provided that the Respondents fully comply with the agreements set forth above.

G. This Assurance sets forth the complete agreement of the parties, and it may be altered, amended, or otherwise modified only by subsequent written agreements signed by the parties hereto or their legal representatives and incorporated in an order issued by the Environmental Court. Alleged representations not set forth in this Assurance, whether written or oral, shall not be binding upon any party hereto, and such alleged representations shall have no legal force or effect.

H. Any violation of any agreement set forth herein will be deemed to be a violation of a judicial order and may result in the imposition of injunctive relief and/or penalties, including penalties set forth in 10 V.S.A. chapters 201 and/or 211.

I. This Assurance is subject to the provisions of 10 V.S.A. § 8007.

J. This Assurance or a notice thereof may be filed within the land records of the town(s) in which the property is located.

SIGNATURES

The provisions set forth in this Assurance of Discontinuance are hereby agreed to and accepted.

Dated at Troy, Vermont, this 17th day of September, 2009

DADJ, LLC & Cedarwood Holdings, LLC

By: 
John Bevins, Duly Authorized Agent

STATE OF VERMONT
COUNTY OF Orleans, ss.

BE IT REMEMBERED that on the 17th day of ~~August~~ September, 2009, personally appeared John Bevins as the duly authorized agent of DADJ, LLC & Cedarwood Holdings, LLC signer and sealer of the forgoing instrument who is known to me or who satisfactorily established his identity to me and acknowledged the same to be his free act and deed and the free act and deed of DADJ, LLC & Cedarwood Holdings, LLC and that he has the authority to contract on behalf of. DADJ, LLC & Cedarwood Holdings, LLC

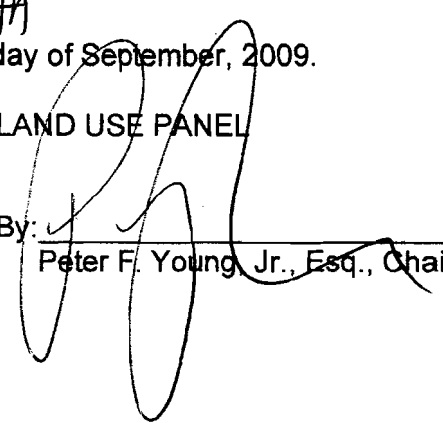
Before me,

Notary Public
My Commission Expires: 2/10/2011

The provisions set forth in this Assurance of Discontinuance are hereby agreed to and accepted.

Dated in Montpelier, Vermont, this 29th day of September, 2009.

LAND USE PANEL

By: 
Peter F. Young, Jr., Esq., Chair