

ILLINOIS POLLUTION CONTROL BOARD  
September 26, 1972

ENVIRONMENTAL PROTECTION AGENCY )		
	)	
	)	
v.	)	#72-50
	)	
	)	
GAF CORPORATION	)	

ORDER

For reasons to be given in a subsequent opinion, the Board hereby approves and adopts as its order the following settlement agreement submitted by both parties.

Mr. Dumelle dissents.

TERMS OF SETTLEMENT

The parties hereby stipulate and agree that the settlement of the above entitled enforcement action shall be as set forth below. This proposed settlement is expressly conditioned upon, and effective only with approval thereof in all respects by the Illinois Pollution Control Board, of both this Stipulation and Proposal for Settlement, the Stipulation and Settlement dated September 26, 1972 filed in PCB 71-11<sup>1</sup> (Hereinafter "Stipulation in Water Case") and dismissal with prejudice of Case Number 71-65 now pending in the Illinois Appellate Court, Third Judicial District. If, for any reason, the Pollution Control Board fails in any respect to approve the aforesaid Stipulation in Water Case, then the Stipulation and Proposal for Settlement in the instant cause is null, void and of no effect. The parties further stipulate that any admissions and all statements contained herein shall be null, void and of no effect in the event that the Board fails to approve the following terms of settlement in all respects or the terms of settlement contained in the Stipulation in Water Case in all respects:

NOW, THEREFORE, in consideration of the promises and the following covenants and agreements the parties hereto do each compromise and settle all disputes and matters and do further remise, release and forever discharge the other from any and all claims, demands, actions and causes of action of

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1. See the Board's order in #71-11, entered today.

whatever kind and character, known or unknown, which either party may now have or hereafter have growing out of or connected in any way with the matters and things set forth in the Complaint of the Environmental Protection Agency filed in the above entitled cause on the following basis:

- a. GAF denies that it violated any statutory or regulatory prohibitions as complained of in the Complaint filed in the instance cause;
- b. GAF has undertaken to install and will complete installation of the pollution abatement equipment, described in Exhibits A and B attached hereto, by January 31, 1973;
- c. GAF estimates that it will expend \$1,555,802 in air pollution abatement equipment at the Joliet facility;
- d. GAF will post a performance bond with the Illinois Environmental Protection Agency in the amount of \$1,555,802 within one week of the decision of the Pollution Control Board in this matter, if this settlement is adopted. This bond will be in the same form and substance as the bond form attached and made a part hereof as Exhibit E;
- e. GAF will file with the Environmental Protection Agency and with the Board, monthly progress reports regarding GAF's performance in installing the air pollution abatement equipment;
- f. GAF agrees it shall be in compliance with any and all applicable statutes or regulations relating to the Environmental Protection Act, or regulations presently promulgated thereunder, by January 31, 1973;
- g. GAF will continue and be permitted to operate its plant located at Joliet, Illinois at present emission levels until January 31, 1973;
- h. GAF agrees to pay \$15,000 to the State of Illinois.

I, Christan Moffett, Clerk of the Pollution Control Board, certify that the above Order was adopted this 26th day of September, 1972, by a vote of 4-1.

Christan Moffett

**GAF Corporation**

140 West 51 Street  
New York, New York 10020  
Telephone (212) 582-7600



May 18, 1972

James Rubin, Esq.  
Illinois Attorney General's Office  
Environmental Control Division  
188 W. Randolph  
Chicago, Illinois 60601

Re: Joliet Air Pollution Control Facility

Dear Mr. Rubin:

In accordance with our telephone conversation of yesterday, this is to advise you that the total cost of construction of the air pollution control facility to be located at Joliet, Illinois is expected to be \$1,613,000. This is allocated as follows:

List of Capital Expenditures

Materials and equipment	\$ 429,790
Costs payable to subcontractors for mechanical and electrical installa- tion of equipment	479,660
Field costs of prime contractor	258,550
Fee payable to prime contractor	41,160
Design and engineering costs of prime contractor	150,000
Costs of GAF Corporation engineering department	40,000
Premium pay (salaries and wages)	36,000
Fund for contingencies	<u>137,840</u>
Total Capital Expenditures	\$1,573,000

List of Non-Capital Expenditures

(including charges and modifications  
of existing equipment, taxes and  
insurance)

	<u>\$ 40,000</u>
Total Project Cost	\$1,613,000

*Erubett A*  
(2 pgs)

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James Rubin, Esq.  
Illinois Attorney General's Office  
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May 18, 1972

The proposed schedule from the date hereof to completion of the project is as follows:

1. Start of foundation in May
2. Delivery of all control units in June
3. Piping work starting in June
4. Electrical work starting in July
5. Sheet metal work starting in July
6. Inside hooding for the saturators during November and December
7. Project completion December 31, 1972

At our conference held on May 15, 1972 in Ottawa, Mr. Liebling indicated that the Illinois Environmental Protection Agency would be agreeable to a variance to February 1, 1973. This would certainly be desirable from the Corporation's point of view since it would provide an allowance for contingencies and a reasonable shakedown period.

If I can be of any further assistance to you in this matter, please do not hesitate to telephone me.

Very truly yours,



Kenneth D. Archer  
Associate Counsel

KDA:ma

**GAF Corporation**

140 West 51 Street  
New York, New York 10020  
Telephone (212) 582-7600



May 31, 1972

James Rubin, Esq.  
Illinois Attorney General's Office  
Environmental Control Division  
188 W. Randolph  
Chicago, Illinois 60601

Re: Joliet Air Pollution Control Facility

Dear Mr. Rubin:

In accordance with our telephone conversation of last week, here is the estimated construction schedule setting forth interim completion dates:

1. All thermal oxidizers to be shipped June 23, 1972.
2. Site preparation to be completed June 30, 1972.
3. Piping to be completed November 30, 1972.
4. Electrical work to be completed December 17, 1972.
5. Sheet metal work to be completed December 17, 1972.
6. Hoods to be completed December 17, 1972.

Further in accordance with your request, here is a breakdown of estimated equipment and material costs for the subject project:

5 Thermal oxidizers	\$174,934
4 Knockout pots	6,160
Pumps and motors	1,998
Piping, valves and fittings	10,800
Instruments	4,840
Motors, controls and wiring	128,320
Concrete	4,550
Structural steel	29,290
Buildings	2,100
Painting	940
Hoods, ducts and dampers	8,720

*Exhibit B*  
(2 pgs)

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James Rubin, Esq.  
Illinois Attorney General's Office  
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May 31, 1972

Please note that the dollar amounts vary somewhat from the total previously supplied you since some of the amounts set forth have been revised as a result of our current audit of costs. Needless to say, the remaining estimated costs may, likewise, vary.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ken Archer", written in dark ink.

Kenneth D. Archer  
Associate Counsel

KDA:ma

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF WILL )

BEFORE THE POLLUTION CONTROL BOARD  
OF THE STATE OF ILLINOIS

ENVIRONMENTAL PROTECTION AGENCY )  
OF THE STATE OF ILLINOIS, )  
 )  
Complainant, )  
 ) PCB 72-50  
v. )  
 ) PCB 71-11  
GAF CORPORATION, formerly )  
General Aniline & Film Corporation, )  
a Delaware Corporation, )  
 )  
Respondent. )

B O N D

KNOW ALL MEN BY THESE PRESENTS:

That GAF CORPORATION ("GAF"), a Delaware corporation having a plant for the manufacture of felt and certain felt products in Joliet, Illinois (the "Plant") is held and firmly bound unto the Environmental Protection Agency of the State of Illinois (the "EPA") in the sum of up to ONE MILLION FIVE HUNDRED FIFTY FIVE THOUSAND EIGHT HUNDRED TWO (\$1,555,802.00) DOLLARS, lawful money of the United States of America, to which payment well and truly to be made, it does bind and

EXHIBIT E

oblige itself and its successors and assigns, firmly by these presents.

WHEREAS, GAF has undertaken to construct and install a certain air pollution abatement system at its Joliet, Illinois plant in conformity with the provisions of the Illinois Environmental Protection Act and the regulations in force thereunder;

WHEREAS, GAF has submitted plans and specifications to the EPA setting forth the manner, method, type and completion date of said air pollution abatement system, said plans and specifications being incorporated by reference as though fully set forth herein, and made a part hereof;

WHEREAS, the EPA has approved these plans of GAF for the construction and installation of the aforesaid air pollution abatement system in all respects and the EPA issued permits authorizing the construction and installation of the aforesaid air pollution abatement system, said approval and permits being incorporated by reference as though fully set forth herein, and made a part hereof;



WHEREAS, the parties hereto have entered into a Settlement Agreement in the above-entitled cause which is incorporated by reference as though fully set forth herein and made a part hereof;

WHEREAS, the amount of the obligation under this Bond shall decrease by those amounts expended by GAF in constructing and installing the said air pollution abatement system so that, in the event of default hereunder, GAF's obligation shall be the difference between the amount so expended and the amount of this Bond;

WHEREAS, in the event of default under this Bond, the amount payable hereunder shall be paid to assure the correction within the time prescribed;

NOW, THEREFORE, GAF agrees that if the Illinois Pollution Control Board approves and enters an order consistent with the terms of the Settlement Agreement in the above-entitled cause and, if GAF constructs and installs the aforesaid air pollution abatement system in substantial

conformity with the plans and specifications referred to herein or as may be modified, amended or changed by request of GAF and by order of the Illinois Pollution Control Board, on or by January 31, 1973, or to such other time as the parties may in writing mutually agree, then this undertaking is to be null and void, otherwise to remain in full force and effect. In the event GAF fails to install the afore-said air pollution abatement system as set forth herein, the amount then due shall be payable five days after receipt of written notice of demand for payment from the EPA.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_,  
1972.

ATTEST:

GAF CORPORATION

\_\_\_\_\_ By \_\_\_\_\_