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**SETTLEMENT AGREEMENT**

**WATER PROTECTION PROGRAM**

This Settlement Agreement is made by and among the Missouri Attorney General's Office ("Attorney General"), the Missouri Department of Natural Resources ("Department," together, "the State"), and Donald McLeod ("McLeod"). This agreement is deemed to be executed on the date this document is signed and dated by the Department.

WHEREAS, since April 6, 2010 to some date in January 2013, the McLeod assisted Mary Lou Callicott in the operation of Callicott Mobile Home Park, including the operation of a wastewater treatment lagoon ("Facility"), located in SW ¼, NE ¼, Section 21, Township 56 North, Range 5 West, in Ralls County, at the address of 13300 Callicott Place, New London, Ralls County, Missouri.

WHEREAS, the State alleges that the existence and operation of the Facility is a violation of Missouri Clean Water Law and regulation Sections 644.051.2, and 644.051.1(1), "*Operating a Water Contaminant Source without a Permit*" and, "*Causing Pollution to the Waters of the State*", respectively.

WHEREAS, in the operation of the Facility, McLeod and the owner of the Facility and real property where the Facility is located Mary Lou Callicott ("Callicott") made a contractual purchase agreement, involving McLeod's operation and maintenance of Callicott Mobile Home Park and the

Facility for a period of months until becoming title holder to the Callicott Mobile Home Park.

WHEREAS, during January 2013, the contractual relationship was irrevocably severed.

WHEREAS, on August 6, 2013, McLeod filed suit against Callicott for Breach of Contract, Quantum Meruit, and Fraudulent Misrepresentation.

WHEREAS, McLeod's suit against Callicott seeks damages, but does not pursue specific performance of the contract.

WHEREAS, on November 5, 2013, the State filed a Consent Judgment in matter no. 13RL-CV00098, and resolved separate, related allegations against Callicott concerning violations at the Facility.

WHEREAS, the Department, the Attorney General and McLeod desire to amicably resolve all disputes or claims, which could be made against McLeod related to the State's allegations concerning the Facility.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the Department, the Attorney General, and McLeod agree as follows:

1. The provisions of this Agreement shall apply to and be binding upon the parties executing this Agreement, their agents, subsidiaries, affiliates, and lessees, including the officers, agents, servants, corporations and any persons acting under, through, or for the parties agreeing hereto.

2. McLeod, in compromise and satisfaction of the allegations or claims relating to the above-referenced claimed violations, agrees, without admitting liability or fault, to pay the sum of \$3,000.00 as a civil penalty. The parties further agree that \$3,000.00 of this civil penalty will remain suspended on the condition that McLeod does not cause or assist in causing any violations of Missouri Clean Water Law or regulations during a two-year period following execution of this Settlement Agreement.

3. If a violation of the Missouri Clean Water Law is documented by the Missouri Department of Natural Resources, McLeod shall have fifteen (15) days from its receipt of a written demand for the suspended penalty to submit the suspended penalty by certified check made payable to the "*State of Missouri (Ralls County)*" and by mailing the same to: Collections Specialist, Missouri Attorney General's Office, P.O. Box 899, Jefferson City, MO 65102-0899.

4. The Department and the Attorney General agree not to bring or cause to be brought any civil action against McLeod for penalties arising out of the above-referenced claimed violations of the Missouri Clean Water Law and/or regulations referred to above, provided that McLeod comply with the terms herein.

5. McLeod agrees to comply with the Missouri Clean Water Law and regulations, and in particular, if McLeod becomes an owner of any

wastewater treatment facility, to refrain from further violations of Sections 644.051.2, and 644.051.1(1), for all future operations of that facility.

6. The terms stated herein constitute the entire and exclusive agreement of the parties hereto. There are no other obligations of the parties, be they express or implied, oral or written, except those which are expressly set out in this Settlement Agreement. The terms of this Settlement Agreement supersede all previous memoranda of understanding, notes, conversations, and agreements whether express or implied. This agreement may not be modified orally.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as follows:

**MISSOURI DEPARTMENT OF  
NATURAL RESOURCES**

**BY:** John Madras  
JOHN MADRAS, DIRECTOR  
WATER PROTECTION PROGRAM  
DIVISION OF ENVIRONMENTAL QUALITY

**DATE:** 10/14/14

**DONALD MCLEOD**

**By:** Donald McLeod

**DATE:** September 22, 2014

**CHRIS KOSTER  
Attorney General**

**BY:** Jacob T Westen  
Jacob T Westen  
Assistant Attorney General

**DATE:** 10/02/14