

STATE OF VERMONT

SUPERIOR COURT

ENVIRONMENTAL DIVISION
Docket No. 144-11-12 Vtec

FILED

JUL 30 2013

Natural Resources Board,
Petitioner

v.

Sterling Meadows Farm, LLC, and
Ralph Larson,
Respondents

VERMONT
SUPERIOR COURT
ENVIRONMENTAL DIVISION

Stipulation and Settlement Agreement / ORDER

Now comes the Natural Resources Board, by and through Associate General Counsel, Peter J. Gill, and the Respondents, by and through their attorney, Thomas M. Higgins, Esq, and stipulate and agree that they desire to settle their differences in accordance with the terms and conditions of this Agreement in exchange for the consideration described herein:

1. On April 7, 2003, Respondent Sterling Meadows Farm, LLC ("SMF") was organized as a Vermont Limited Liability Company for the stated purpose of "real estate development and construction activities for projects and enterprises of all types."
2. On or about August 3, 2003, SMF purchased a 174± acre parcel of real estate in Hyde Park, VT more particularly described in a Warranty Deed from Surviva, Ltd. to Sterling Meadows Farm, LLC dated August 6, 2003 and recorded in book 108, pages 438-442 of the Town of Hyde Park, VT land records (the "Property"). Before and after their purchase of the Property, Respondents repaired and restored a severely neglected barn and farm house located on the Property.

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3. Petitioners contend that the Respondent's 2002 and 2003 repairs and renovations of a barn and farm house on the Respondent's property and their commercial use constituted construction of improvements for a commercial purpose which required an Act 250 permit in accordance with 10 V.S.A. §6081(a). The Respondents contend a permit was not required and do not admit any liability and enter into this agreement solely as a compromise as further described in paragraph 8 below.
4. Regardless of each party's contentions, above, on or about September 2012, the Respondents ceased operation of the barn and farmhouse as an event facility, and 4.7 acres of the Property including the barn and farmhouse were sold.
5. The Parties agree that the Respondents should not now be required to apply for an Act 250 permit for the ceased activities on the above-described parcel. The Parties agree that no Act 250 permits were or are required for the Respondents' conveyance of portions of the Property to various grantees as a result of the commercial activities on the barn and farmhouse portion of the Property. This does not preclude Act 250 jurisdiction over portions of the Property based on other requirements of Act 250.
6. The parties agree that the following may be entered as a judgment order:
 - a. Judgment is entered in favor of Petitioner, Natural Resources Board.
 - b. Respondents shall pay to the State of Vermont the sum of Twenty-Seven Thousand Dollars and Zero Cents (U.S.) (\$27,000.00) as follows:
 - i. **Four Thousand Four Hundred Dollars and Zero Cents (U.S.) (\$4,400.00)** by good check payable to the "Treasurer, State of Vermont" due on or before **July 31, 2013**;

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- ii. **Three Thousand Six Hundred Dollars and Zero Cents (U.S.) (\$3,600.00)** by good check payable to the "State of Vermont Natural Resources Board" due on or before **July 31, 2013**;
 - iii. **Nineteen Thousand Dollars and Zero Cents (U.S.) (\$19,000.00)** by good check payable to the "Treasurer, State of Vermont" due on or before **January 3, 2014**.
- c. All payments shall be mailed to Denise Wheeler at the following address:
- Natural Resources Board
 - Dewey Building
 - 1 National Life Drive
 - Montpelier, VT 05620-3201
- d. If the Respondents fail to comply with any payment provisions of this Order by the dates indicated above, any remaining amount shall accrue interest at 12% per annum in accordance with 12 V.S.A. §2903(c) and the Natural Resources Board may record a judgment lien.
- e. This Order shall release Ten Thousand Dollars and Zero Cents (\$10,000.00) held in escrow by Thomas J. Amidon, Esq. pursuant to the Consent Order issued August 24, 2012 with docket number 111-8-12. Eight Thousand Dollars and Zero Cents (\$8,000.00) of the moneys held in escrow shall be used to fulfill the Respondent's obligation under section 6(b)(i) and 6(b)(ii) of this Order.
- f. Within 14 days of the issuance of this Stipulation and Settlement Agreement as an Order, Respondents shall execute and return to the

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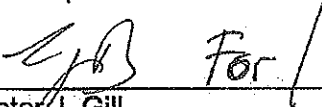
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Natural Resources Board an Acceptance of Service on a form approved
by the Board, and not otherwise inconsistent with this Stipulation and
Settlement Agreement.

7. The Parties acknowledge that this is a compromise of a disputed claim, and that
there is no prevailing party. Neither this Stipulation and Settlement Agreement,
nor the payments made in accordance herewith are, or shall be deemed to be an
admission of liability.
8. This stipulation may be entered as a final judgment in this matter.
9. This stipulation constitutes the entire agreement between the parties.

Signatures

Dated at Montpelier, Vermont, this 26th day of July 2013.



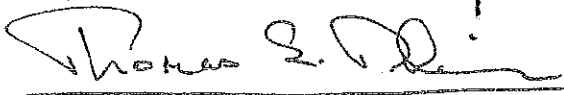
Peter J. Gill
Associate General Counsel
Natural Resources Board

Dated at Burlington, Vermont, this 26th day of July, 2013.



Thomas M. Higgins, Esq.
Attorney for the Respondents

SO ORDERED:



Thomas S. Duckin, Judge. 7/30/2013