

STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION



JANET T. MILLS
GOVERNOR



MELANIE LOYZIM
COMMISSIONER

IN THE MATTER OF:

WORCESTER HOLDINGS, LLC)	
FLAGPOLE VIEW CABINS)	ADMINISTRATIVE CONSENT
SITE LOCATION OF DEVELOPMENT ACT)	AGREEMENT
EROSION & SEDIMENTATION CONTROL LAW)	(38 M.R.S. § 347-A(4))
2022-L-176)	

This Agreement, by and among Worcester Holdings, LLC, and the State of Maine, Department of Environmental Protection (“Department”), as approved by the Maine Board of Environmental Protection (“Board”) and the Maine Office of the Attorney General (“OAG”), is entered into pursuant to the laws concerning the Department’s *Organization and Powers*, 38 M.R.S. §§ 347-A(1) and 341-D(6).

THE PARTIES AGREE AS FOLLOWS:

1. Worcester Holdings, LLC (“Worcester Holdings”) is a Maine Limited Liability Company that is duly organized and exists under the laws of the State of Maine. Morrill Worcester is Managing Member of the company and its duly authorized agent authorized to enter into this Agreement and to act on behalf of Worcester Holdings.
2. The violations described herein occurred at the “Flagpole View Cabins Development,” which comprises at least 52 rental cabins, a restaurant, parking areas, access roads, a well head, and a water storage tank building, all constructed on wooded upland owned by Worcester Holdings and located at 466 Centerville Road in Columbia Falls, Maine. The property is more fully described within two quitclaim deeds transferring the title of the property to Worcester Holdings and recorded in Book 2514, Pages 59 and 69 of the Washington County Registry of Deeds.
3. At all times relevant to this Agreement, Flagpole View Cabins Development has been owned and operated by Worcester Holdings.
4. Throughout the period addressed by this Agreement, Worcester Holdings was subject to the provisions of the Site Location of Development Act (“Site Law”), 38 M.R.S. § 483-A(1), and the Erosion and Sedimentation Control Law, 38 M.R.S. § 420-C, described below:
 - a. The Site Law provides that “[a] person may not construct or cause to be constructed or operate or cause to be operated . . . any development of state or regional

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PRESQUE ISLE
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significance that may substantially affect the environment without first having obtained approval for this construction, operation, lease or sale from the [D]epartment.” 38 M.R.S. § 483-A(1).

- b. A “development of state or regional significance that may substantially affect the environment” includes any commercial or industrial development that “[i]s a structure as defined in this section.” 38 M.R.S. § 482(2)(C).
- c. “Structure” includes “[b]uildings, parking lots, roads, paved areas, wharves, or areas to be stripped or graded and not to be revegetated that cause a total project to occupy a ground area in excess of 3 acres. Stripped or graded areas that are not revegetated within a calendar year are included in calculating the 3-acre threshold.” 38 M.R.S. § 482(6)(B).
- d. The Erosion and Sedimentation Control Law, 38 M.R.S. § 420-C, provides,

A person who conducts, or causes to be conducted, an activity that involves filling, displacing or exposing soil or other earthen materials shall take measures to prevent unreasonable erosion of soil or sediment beyond the project site or into a protected natural resource Erosion control measures must be in place before the activity begins. Measures must remain in plan and functional until the site is permanently stabilized. Adequate and timely temporary and permanent stabilization measures must be taken and the site must be maintained to prevent unreasonable erosion and sedimentation.

- e. Under the relevant statutes, “person” includes a legal entity, such as an LLC. See 38 M.R.S. §§ 361-A(4), 482(4).

- 5. Beginning as early as 2019, Worcester Holdings stripped, graded, and did not revegetate at least seven acres of land within the Flagpole View Cabins Development.
- 6. In 2019, Worcester Holdings constructed the first 20 cabins in the Flagpole View Cabins Development. Worcester Holdings constructed the remaining 32 cabins and restaurant over the next three years. At various times, Worcester Holdings has used the cabins to provide worker housing. Since 2022, Worcester Holdings has also seasonally rented the cabins through its website, flagpoleviewcabins.com, at rates of \$169 to \$229, depending on cabin type. Worcester Holdings used the restaurant building as a worker cafeteria in 2021 and opened it to the public as a takeout restaurant in 2022. At some point during the construction period, Worcester Holdings also built new roads on the site and expanded existing access roads.
- 7. On July 13, 2022, Department staff conducted an inspection of the Flagpole View Cabins Development based on a complaint about an unpermitted development. Based on that inspection, the Department determined that the Flagpole View Cabins Development encompassed more than three acres that had been stripped, graded, and not revegetated.

The Department also determined that there were no erosion and sedimentation controls in place at the site.

8. On July 15, 2022, the Department issued and served on Worcester Holdings a Notice of Violation (“NOV”) alerting Worcester Holdings that it was responsible for violations of the Site Law and the Erosion and Sedimentation Control Law based on its construction and operation of the Flagpole View Cabins Development without a permit and without implementing erosion and sedimentation control measures, in accordance with 38 M.R.S. § 347-A(1)(B). Worcester Holdings does not contest its liability for the violations noticed in the NOV. The parties agree that this Agreement constitutes a NOV pursuant to 38 M.R.S. § 347-A(1)(B) for any violations specifically cited in this Agreement but not previously noticed, and the parties agree that they have been adequately noticed for—and do not contest—all respective violations herein.
9. On September 14, 2022, Department staff held a pre-application meeting with WBRC—the consulting firm representing Worcester Holdings—to discuss permitting requirements associated with the Flagpole View Cabins Development, including studies of possible wetlands, vernal pools, and upland sand piper habitat at the site. However, Worcester Holdings failed to subsequently submit a permit application while continuing to advertise the cabins and take-out restaurant on its website.
10. On August 17, 2023, Department staff observed a sign on U.S. Route 1 advertising the continued operation of the Flagpole View Cabins.
11. This Agreement shall not become effective until it is approved by the Board and the OAG.
12. To resolve the violations described in paragraphs 2 through 10 of this Agreement, Worcester Holdings agrees to do each of the following:
 - a. Submit to the Department a complete after-the-fact Site Law permit application for the Flagpole View Cabins Development by March 1, 2024. This permit application must include any additional structures that Worcester Holdings plans to construct at the Flagpole View Cabins Development.
 - i. If the after-the-fact application is approved by the Department, Worcester Holdings shall immediately comply with all terms and conditions of the after-the-fact permit;
 - ii. If the after-the-fact permit is denied in whole or in part, returned, withdrawn, or if Worcester Holdings does not submit an after-the-fact application within the time prescribed, Worcester Holdings shall, within sixty (60) days of the denial, return, withdrawal, or the submission deadline, submit a restoration plan to the Department to completely remove all unapproved development. Any restoration plan is subject to review and approval by Department staff and must include a specific time schedule for the completion of all phases of the restoration.

Worcester Holdings shall implement the approved plan in accordance with the schedule contained therein.

- b. Pay to the Treasurer of the State of Maine a civil monetary penalty in the total amount of two hundred and fifty thousand dollars (\$250,000). Payment shall be made as follows:
 - i. Twenty-three (23) payments in the amount of ten thousand five hundred dollars (\$10,500) each, followed by one (1) payment in the amount of eight thousand five hundred dollars (\$8,500), with the first payment due within thirty (30) days from the effective date of this Agreement, and each subsequent payment due on the first day of each month thereafter.
 - ii. If any payment is more than five (5) days late, the full outstanding balance of the unpaid penalty, including applicable statutory interest, is immediately due and payable upon demand by the Department.
 - c. In accordance with 26 C.F.R. § 1.6050x-1, immediately submit to the Department with this signed Agreement a separate, fully executed Internal Revenue Service Form (1098-F) for Worcester Associates, LLC, with the Payer's name, tax identification number, and address included.
 - d. Pay to the Treasurer of the State of Maine, upon demand by the Department, the amount of one hundred dollars (\$100) per day per violation for non-compliance with any provision of this Agreement.
13. The Department and the Attorney General grant a release of their causes of action against Worcester Holdings for the specific violations described in paragraphs 2 through 10 of this Agreement on the express condition that all actions listed in paragraph 12 of this Agreement are completed in accordance with the express terms and conditions of this Agreement to the satisfaction of the Department and the AG. The release shall not become effective until all requirements of this Agreement are satisfied, as determined by the Department and the OAG in their sole discretion.
14. Any non-compliance with this Agreement, as determined by the Department and the Attorney General in their sole discretion, voids the release set forth in paragraph 13 of this Agreement and may lead to an enforcement action pursuant to 38 M.R.S. §§ 347-A(1)(A), 347-A(5), or 348, as well as the pursuit of other remedies, including those pursuant to 14 M.R.S. § 3138.
15. By signing and executing this Agreement, Worcester Holdings knowingly, intentionally, permanently, and irrevocably waives any and all defenses it has or may have with respect to the enforcement of this Agreement, including the enforcement of this Agreement as a final administrative order and a money judgment pursuant to 14 M.R.S. § 3138.

- 16. All actions taken by Worcester Holdings pursuant to this Agreement shall be in accordance with the requirements of all applicable local, state, and federal laws, rules, and orders, including but not limited to licensing requirements.
- 17. The provisions of this Agreement shall apply to, and be binding on, the parties and their officers, agents, servants, employees, successors, and assigns, and upon those persons in active concert or participation with them who receive actual notice of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement consisting of five (5) pages:

WORCESTER HOLDINGS, LLC

BY: Morrill Worcester DATE: 1/26/24
 MORRILL WORCESTER, MANAGING MEMBER

MAINE BOARD OF ENVIRONMENTAL PROTECTION

BY: _____ DATE: _____
 SUSAN M. LESSARD, CHAIR

MAINE OFFICE OF THE ATTORNEY GENERAL, REPRESENTING THE DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: _____ DATE: _____
 JACK DAFOE, ASSISTANT ATTORNEY GENERAL

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