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DEPARTMENT OF ECOLOGY

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July 20, 2021

Union Ridge Investment Co. c/o Chris Hermann Stoel Rives LLP 760 SW Ninth Ave, Suite 3000 Portland, OR 97205 chris.hermann@stoel.com

Re: Final Cleanup at Park Laundry Site, URIC Request for a De Minimis Consent Decree

• Site Name: Park Laundry Site

• Site Address: 122 N Main Ave, Ridgefield, Clark County, WA 98642

Facility/Site ID: 8100630Cleanup Site ID: 4099

Dear Chris Hermann:

Thank you for your June 8, 2021, letter requesting a De Minimis Consent Decree on behalf of Union Ridge Investment Company (URIC) at the Park Laundry Site. Your proposal offers several compelling factors in favor of a De Minimis Decree. In accordance with WAC 173-340-520(1)(f), the Department of Ecology (Ecology) and the Attorney General's Office (AGO) request further information to support URIC's request.

Under RCW 70A.305.040(4)(a) and Policy 520C, a De Minimis settlement may be entered into only if all of the following conditions are met:

- 1. The proposed settlement would lead to a more expeditious cleanup of hazardous substances.
- 2. The proposed cleanup complies with cleanup standards and the requirements in any remedial orders previously issued by Ecology for the Site.
- 3. The settling potentially liable person's (PLP's) contribution is insignificant in amount and toxicity.
- 4. The settlement is practicable and in the public interest.

Chris Hermann July 20, 2021 Page 2

As you note in your letter, URIC's proposal would contribute funds to a Cleanup Settlement Account that could be used to supplement funding for the cleanup action to be implemented by a performing party. At this time, the City of Ridgefield is under negotiations to acquire the source property from URIC and take on the role of performing party. As your letter indicates, URIC is inactive. The proposed settlement would lead to a faster cleanup because URIC's contribution of funds would support the transition of the work to a party who can oversee the cleanup.

Re: Park Laundry Site

CSID: 4099

The proposed cleanup complies with cleanup standards and remedial orders. Under Agreed Order 6829, URIC submitted a Remedial Investigation and Feasibility study, as well as a draft CAP. Ecology is revising the CAP, which will govern the cleanup phase at the Site.

As for URIC's contribution to the hazardous substances, the Site history indicates that URIC was not involved with the dry cleaning operations, and that the dry cleaning equipment was removed by the time URIC purchased the property. Typically, Ecology does not offer De Minimis settlements to the owner of the property that is the source of the contamination. *Compare* 42 U.S.C. § 9622(g)(1) (explicitly providing for De Minimis settlements with owners of contaminated real property) *with* RCW 70A.305.040(4)(a) (authorizing De Minimis decrees with those whose contribution is insignificant in amount and toxicity). However, here, there has been no progress on the cleanup at this Site in the last two years, and a settlement could provide funds toward the work of a party better suited to carry out the cleanup than the inactive partnership.

The final element is the public interest. URIC's proposal offers \$150,000, contingent upon a separate settlement with URIC's insurer. URIC's offer is substantial, especially in light of URIC's funding of the investigation of the Site. However, URIC has identified no other viable private PLP to perform the work.

Under URIC's proposal, the success of the cleanup would rely on public funds and State grants to pay for the remaining costs. Ecology understands URIC may have limited evidence of its insurance policy, which is why URIC is proposing a limited sum. It is in the public interest that Ecology verify the facts underlying URIC's limited ability to fund the work.

Please provide the following information:

- 1. Has URIC submitted to its insurer a notice of lost policy?
- 2. Did the insurer comply with WAC 284-30-920, by investigating whether it issued the lost policy?
- 3. Was the insurer able to determine the terms of the policy, if any?
- 4. If not, has the insurer provided copies of the potentially applicable policies?

Chris Hermann July 20, 2021 Page 3

If you prefer to discuss these questions by phone or remote meeting, please let me know and we will arrange a time. Thank you again for your submission. I look forward to discussing URIC's proposal further, in support of the cleanup of this Site.

Re: Park Laundry Site

CSID: 4099

Sincerely,

Rebecca S. Lawson, P.E., LHG

Section Manager

Toxics Cleanup Program

Rebecca S. Lawson

Southwest Regional Office

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Ecology Site File