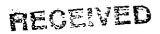
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JUL 29 1997

DEPARTMENT OF JUDICIAL ADMINISTRATION

KING COUNTY SUPERIOR COURT

IN AND FOR THE STATE OF WASHINGTON

STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

Plaintiff,

vs. .

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PROSPECTIVE PURCHASER CONSENT DECREE UNION STATION

UNION STATION ASSOCIATES, a limited liability corporation, et al.

AUG 07

ATTORNEY GENERAL'S OFFICE

Ecology Div. - Lace;

1997

Defendants.

No. 97-2-18936-5SEA

ATTORNEY GENERAL OF WASHINGTON

Ecology Division P.O. Box 40117 Olympia, WA 98504-0117 FAX (360) 438-7743

PROSPECTIVE PURCHASER CONSENT DECREE

RE: UNION STATION

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PROSPECTIVE PURCHASER CONSENT DECREE UNION STATION

#### INTRODUCTION

This prospective purchaser consent decree ("Decree") is made and entered into by and between the Washington State Department of Ecology ("Ecology") and Union Station Associates, L.L.C. ("Union Station Associates") and certain of its Associated Entities.

Additional Associated Entities and Qualified Successors in Interest and Assigns may become parties to this Decree as provided herein, in Sections X and XI.

- 1. WHEREAS, the purpose of this Decree is to 1) resolve the potential liability of Defendants for the contamination identified in Attachment G associated with the Facility, including the contamination associated with the "Property" described in Section III and Attachment A herein, as well as any such contamination from the Property that has migrated from the Property and has thereafter been deposited, stored, disposed of, or placed, or otherwise come to be located within the Facility; 2) to promote the public interest by expediting cleanup activities at the Facility; and 3) to facilitate the reuse of a currently vacant parcel of land.
- 2. WHEREAS, the Property currently is owned by Union Pacific Railroad Company ("Union Pacific").
- 3. WHEREAS, the Facility is listed on the Washington Hazardous Sites List with a site hazard ranking of 3.

- 4. WHEREAS, Union Station Associates has entered into an Option Agreement with Union Pacific to purchase the Property, which totals 7.5 acres
- 5. WHEREAS, final entry of this Consent Decree is a condition of the Option Agreement necessary in order for the purchase to close.
- 6. WHEREAS, Defendants propose to develop in phases, a mixed commercial and retail development on the Property.
- 7. WHEREAS, in the absence of this Decree, at the time it acquires the Property, Union Station Associates would incur potential liability at the Facility to the State of Washington and/or third parties under the Model Toxics Control Act ("MTCA"), Chapter 70.105D, RCW as an owner/operator due to releases or threatened releases of Hazardous Substances, Pollutants or Contaminants at the Facility.
- 8. WHEREAS, in the absence of this Decree, at the time Union Station Associates acquires the Property, certain of its members, managers, directors and officers who have the actual or potential ability to control the decisions of Union Station Associates (hereinafter referred to as "Associated Entities") could otherwise incur potential liability at the Facility to the State of Washington and/or third parties based on statutory language under MTCA and case law interpreting owner/operator liability under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") to extend to persons

- 9. WHEREAS, the Parties agree that by including Associated Entities of Union Station Associates in the protections of this Decree, the Parties intend to resolve the potential liability that could result from their actual or potential ability to control the decisions of Union Station Associates.
- 10. WHEREAS, Ecology does not intend to provide a defense to Defendants to any liability for releases or threatened releases of Hazardous Substances, Pollutants or Contaminants caused or contributed to by Defendants.
- 11. WHEREAS, this Decree promotes the public interest by facilitating use of the Property for an important public purpose.
- 12. WHEREAS, Defendants have offered to further certain Ecology goals as provided in this Decree, in exchange for a covenant not to sue and protection from contribution for contamination at the Facility.
- 13. WHEREAS, Defendants have certified that their plans for the Property are not likely to aggravate or contribute to contamination at the Facility, interfere with remedial actions that may be needed at the Facility, or increase human health risks to persons at or in the vicinity of the Facility.
- 14. WHEREAS, this Decree will provide a substantial public benefit by promoting reuse of a currently vacant parcel of land, providing substantial economic, community, and transportation

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28 PROSPECTIVE PURCHASER CONSENT DECREE

UNION STATION

benefits to the area and yielding substantial resources for environmental remediation.

- WHEREAS, Defendants' development of the Property is 15. designed to lead to more expeditious and effective remediation of Hazardous Substances released at the Facility and to promote protection of public health and the environment.
- WHEREAS, the Court is fully advised of the reasons for 16. entry of this Decree, and good cause having been shown: IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

#### AUTHORITY, JURISDICTION AND VENUE I.

- This Court has authority to resolve the liability of the 17. parties to this Decree.
- This Court has jurisdiction over the subject matter and 18. over the parties pursuant to the MTCA. Venue is proper in King County pursuant to RCW 70.105D.050(5)(b).
- Authority for entry of this Decree is conferred by RCW 19. 70.105D.040(4) and 70.105D.040(5), which authorize the Washington State Attorney General to agree to a settlement with a prospective purchaser of a facility if, after public notice and hearing, Ecology finds the proposed settlement would lead to a more expeditious cleanup of hazardous substances in compliance with cleanup standards adopted under RCW 70.105D.030(2)(d). 70.105D.040(4) and 70.105D.040(5) require that such a settlement be entered as a consent decree issued by a court of competent jurisdiction.

- 20. Ecology finds the proposed settlement would lead to a more expeditious cleanup of hazardous substances in compliance with cleanup standards adopted under RCW 70.105D.030(2)(d).
- Ecology has listed the Facility on the Washington 21. Hazardous Sites list. Ecology has not made a determination that Defendants are Potentially Liable Persons ("PLPs") for the Facility. Were Union Station Associates to acquire an interest in the Facility, however, some or all of the Defendants would become PLPs under RCW 70.105D.040(1)(a). This Decree is entered before Union Station Associates' acquires the Property to resolve the potential liability of it and certain of its Associated Entities at the Facility to the State of Washington and/or third parties for the contamination identified in Attachment G associated with the Facility, including the contamination associated with the Property, described in Section III and Attachment A herein, as well as any such contamination from the Property that has migrated from the Property and has thereafter been deposited, stored, disposed of, or placed, or otherwise come to be located within the Facility, and to facilitate a more comprehensive and expeditious cleanup than otherwise would occur.
  - 22. By entering into this Decree, Defendants agree not to challenge Ecology's jurisdiction in any proceeding to enforce this Decree. Defendants consent to the issuance of this Decree and have agreed to perform the terms of the Decree, including remediation, monitoring and payment of oversight costs as

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specified in this Decree; however, only Union Station Associates and its Successors in Interest and Assigns who become Defendants as provided in Sections X and XI of this Decree will be obligated under paragraph 93 to indemnify the State of Washington.

#### II. <u>DEFINITIONS</u>

- 23. Whenever terms listed below are used in this Decree or in the attachments hereto, the following definitions shall apply:
- (a) "Cleanup Action Plan" shall mean the Cleanup Action
  Plan, dated May 29, 1997, attached to this Decree as Attachment B.
- (b) "Decree" shall mean this Decree and all attachments hereto. In the event of a conflict between this Decree and any attachment, this Decree shall control.
- (c) "Defendant" shall mean Union Station Associates, L.L.C. and those Associated Entities who are signatories to this Decree Additional Associated Entities may become Defendants as provided in Sections X and XI Qualified Successors in Interest and Assigns may also become Defendants as provided in Sections X and XI.
- (d) "Facility" shall mean the site or area where Hazardous Substances, Pollutants or Contaminants have been deposited, stored, disposed of, placed or otherwise come to be located as a result of the conditions on the Property discussed in one or more of the reports or studies listed in Attachment G. The Facility boundaries are beyond the Property boundaries both upgradient and downgradient, and are not currently known at this time.

- (e) "Hazardous Substance" shall have the meaning defined in the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") § 101(14), 42 U.S.C. § 9601(14) and MTCA, RCW 70.105D.020(6).
- (f) "Paragraph" shall mean a portion of this Decree identified by an Arabic numeral.
- (g) "Pollutants or Contaminants" shall have the meaning defined in CERCLA § 101(33), 42 U.S.C. § 9601(33).
- (h) "The Property" is described in Section III and Attachment A attached hereto and incorporated by reference.
- (i) "Section" shall mean a portion of this Decree identified by a Roman numeral and including one or more Paragraphs.
- (j) "Successors in Interest and Assigns" shall mean any person who acquires an interest in the Property through purchase, lease, transfer, assignment, mortgage or otherwise and by virtue of compliance with Sections X and XI obtains protection under this Decree. "Successor in Interest and Assigns" specifically includes the lenders and mortgagees in interest of Union Station Associates who by virtue of compliance with Sections X and XI obtain protection under this Decree.

# III. DESCRIPTION OF FACILITY CONDITIONS

24. The Property consists of approximately 7.5 acres located in the City of Seattle, in King County as set forth in Attachment A.

25. Numerous studies of environmental conditions at the Property and the Facility have been conducted. Attachment G is a list of the studies supplied by Defendants to Ecology, on which Ecology has relied in reaching this Agreement. For the purpose of this Decree, only the documents listed in Attachment G were relied upon by Ecology. Other documents, whether contained in Ecology files, listed as references in the documents listed on Attachment G, or otherwise existing were not relied upon by Ecology for the purposes of this Decree. A brief description of the environmental conditions at the Facility follows.

26. A Seattle Gaslight Company coal gasification plant operated in the northern portion of the Property from 1874 to 1907. The Washington Natural Gas Company (now Puget Sound Energy) is the successor to the Seattle Gaslight Company. A Vulcan Iron Works foundry operated from about 1900 until about 1910 in the southern portion of the Property. Gas plant wastes consist mostly of tar, lampblack, and tarry sludges. Coal tar is a complex chemical mixture (containing more than 250 individual compounds) that is derived from the destructive distillation of coal in coke ovens and retorts. During the process, coal is heated to 450 to 900 degrees centigrade for approximately 16 hours in the absence of air. Coal vapors generated from this process are then condensed to produce water, and the coal tars can then be separated out because they sink.

ATTORNEY GENERAL OF WASHINGTON

- 27. The major class of chemical and relative percent composition associated with gas plant wastes are approximately 85% polycyclic aromatic hydrocarbons (PAHs). The PAHs associated with coal tars have a distinctive composition dominated by naphthalenes (11 to 14%), and phenanthrene (3 to 7%). Other chemical classes include: 10% phenolics (e.g., phenols, cresols, napthals), 5% various inorganic sulfur and nitrogen compounds (e.g., acridenes, cyanide, ammonia, thiodenes, sulphite), less than 5% light aromatic hydrocarbons (benzene, toluene, ethylbenzene, and xylene [BTEX]), and trace metals (e.g., aluminum, arsenic, cadmium, chromium, copper, iron, lead, mercury, selenium, silver, sodium, and vanadium).
- 28. A Vulcan Iron Works plant was located between South Dearborn and South Lane Streets north of Airport Way South. The iron works was built before 1900 and expanded in 1902 to cover the entire portion of the block north of Airport Way South. Along with the residues from the iron, brass, and steel manufacturing processes, it is likely that a variety of lubricants were used on site for servicing machinery and products.
- 29. Union Station was constructed in 1911 by the Oregon and Washington Railway and Navigation Co. (predecessor to Union Pacific Railroad) and the Chicago Milwaukee and St. Paul Line. Union Station served passengers until 1971, when Union Pacific Railroad discontinued railroad operations at the Property. Based on the existence of a rail yard and a roundhouse located south of

- 30. Over 50 soil samples from the Property or immediately adjacent areas have been analyzed for a variety of metals and organic compounds.
- The most frequently detected constituents include metals 31. (arsenic, beryllium, chromium, copper, lead, mercury, nickel, silver, zinc) and PAHs. Concentrations of arsenic, beryllium, lead and CPAH in soil at some locations exceed MTCA method B cleanup levels. The highest concentrations of PAH compounds were detected within the fill soils at the northern end of the Facility and at the elevation of the historical tideflat surface. Metals concentrations are found at elevated levels in various portions of the Facility. The distribution of these constituents is consistent with the understanding that the PAH contamination originated from the historical coal gasification plant that existed at the north end of the Property. The origin of the metals may be either trace metals from the coal used in the gasification plant or residuals from other prior site owners and operations.

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- Based on water level elevations measured in monitoring wells from previous studies, and information from adjacent properties, shallow groundwater flow is to the northwest. Estimated groundwater flow velocity within the fill aquifer on the Property is about 0.2 to 2 feet per month. Groundwater on, and adjacent to the Property is not used for drinking. A search of Ecology's well data conducted in 1986 indicated that there are no existing drinking water wells located in the vicinity of the Property. Drinking water supplied to the City of Seattle comes from protected surface water sources on the Tolt and Cedar Rivers. Based on the location of the old shoreline and the historic topography, it is likely that a component of groundwater flow may enter the Property at its northern boundary.
  - 34. Constituents detected in groundwater are similar to those detected in soil, including metals and PAHs. Low and high molecular weight PAH concentrations detected in some samples from some groundwater wells suggest that PAHs are sorbed on minerals in

the formation near to the well and causing measured PAH concentrations in excess of MTCA method B cleanup levels.

#### IV. DESCRIPTION OF PROPOSED PROJECT

- 35. Defendants propose to acquire the Property for commercial and retail development. The Union Station Development Project (the "Project") will provide 1.2 million square feet of commercial and retail space at the south end of downtown Seattle.
- 36. Union Station will be rehabilitated, and six new buildings will be constructed. The Project will provide 1,110 parking spaces, including a parking garage located south of Airport Way. The Project will include retail uses to complement the commercial space. Below grade, transit, service, storage and parking activities will predominate. At grade, there will be public open spaces and retail. Special facilities, such as a fitness center, will also be located at street level. Above grade, floor space will be devoted primarily to commercial office space.
- 37. Defendants propose to carry out the existing Property Use and Development Agreement (PUDA) for this development, which is valid until the year 2008. The following summarizes the key elements of the development:

Density: Over 1,100,000 square feet above-grade in up to six new buildings.

Height: Maximum building heights may vary from 65 feet to 150 feet above street level, depending upon the

location of the building.

Access: Pedestrian access will be available from all sides of the Property. Automobile access to parking is provided along Fourth Avenue both north and south of Airport Way. Service access is provided south of Airport Way. Public transportation is provided atgrade along Fifth and Fourth, and below-grade at the Metro International Station, located at the northeast corner of the Site. The Metro station is designed to accommodate a future light and heavy rail system being planned by the Regional Transit Authority. Access to the Waterfront Streetcar is available on Fifth Avenue on the north end of the Property.

- 38. The development will be designed to take advantage of the desirable location of the Property, and will minimize adverse environmental impacts. Redevelopment will facilitate public access between the Pioneer Square and International District neighborhoods, create a strong connection to the downtown retail core, improve public safety in the area, improve parking in the area and create a new transportation hub.
- 39. The Project is expected to create a significant number of well-paying downtown jobs and to spur development in the south end of Seattle.

Upon the Effective Date of this Decree, Defendants will

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perform the Cleanup Action Plan described in Attachment B
according to the schedule provided therein.

41. Defendants agree not to perform any remedial actions for
the release of hazardous substances covered by this Decree, other

- the release of hazardous substances covered by this Decree, other than those required by this Decree, unless the parties agree to amend the Decree to cover those actions. All work conducted under this Decree shall be done in accordance with Chapter 173-340 WAC and the National Contingency Plan, 40 CFR Part 300, unless otherwise provided herein. All work conducted pursuant to this Decree shall be done pursuant to the cleanup levels specified in Tables 1 and 2 of the Cleanup Action Plan, as now written or hereinafter amended provided that cleanup levels based on practical quantitation limits may be modified pursuant to WAC 173-340-707(4) and that any errors in fact are subject to correction.
- 42. Defendants agree to record the restrictive covenant in Attachment C with the Office of the King County Recorder within thirty (30) days of the Effective Date of this Decree, and shall provide Ecology with proof of such recording within thirty (30) days of recording.

#### VI. ECOLOGY COSTS

43. Defendants agree to pay all oversight costs incurred by Ecology pursuant to this Decree, except for costs already paid pursuant to the prepayment agreement entered between Ecology and Nitze-Stagen & Company, Incorporated dated June 19, 1996. The

oversight costs required to be paid under this Decree shall include work performed by Ecology or its contractors for, or on, the Facility under Chapter 70.105D RCW, both before and after the issuance of this Decree, for Decree preparation, negotiations, and administration. Ecology oversight costs shall be calculated pursuant to WAC 173-340-550(2) and shall include direct staff costs, an agency support cost multiplier and a program support cost multiplier for all oversight costs. Such oversight costs shall not include costs of any remedial action taken by Ecology, but Ecology reserves its right to take such action pursuant to Section XV herein.

- 44. Defendants agree to pay Ecology oversight costs within ninety (90) days of receiving from Ecology an itemized statement of costs that includes a summary of costs incurred, an identification of involved staff, and the amount spent by involved staff members on the project. Ecology shall, upon request, provide Defendants a general statement of work performed. Ecology shall prepare itemized statements of its oversight costs quarterly. Failure to pay Ecology's costs within ninety (90) days of receipt of the itemized statement will result in interest charges at the rate of twelve (12) percent per annum.
- 45. In the event Defendants dispute expenditures or the adequacy of documentation for which reimbursement is sought, the parties agree to be bound by the dispute resolution process set forth in Section XII.

#### VII. DESIGNATED PROJECT COORDINATORS

46. The project coordinator for Ecology is:

David L. South
Toxics Cleanup Program
Department of Ecology
Northwest Regional Office
3190 160th Avenue S.E.
Bellevue, Washington 98008-5452
(206) 649-7200

The project coordinator for Defendants is:

Kevin Daniels Union Station Associates, L.L.C. 2401 Utah Avenue South Seattle, Washington 98134 (206) 467-0420

Each project coordinator shall be responsible for 47 overseeing the implementation of this Decree. The Ecology project coordinator will be Ecology's designated representative at the To the maximum extent possible, communications between Property. Ecology and Defendants and all documents, including reports, approvals, and other correspondence concerning the activities performed pursuant to the terms and conditions of this Decree, The project shall be directed through the project coordinators. coordinators may designate, in writing, working-level staff contacts for all or portions of the implementation of Section V of this Decree, including the Cleanup Action Plan, incorporated in this Decree as Attachment B. The project coordinators may agree to minor modifications to the work to be performed without formal

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amendments to this Decree. Minor modifications will be documented in writing by Defendants and approved by Ecology.

48. Any party may change its respective project coordinator. Written notification shall be given to the other party at least ten (10) days prior to the change.

#### VIII. PERFORMANCE

49. All work performed pursuant to this Decree shall be under the direction and supervision, as necessary, of a professional engineer or hydrogeologist, or equivalent. Any construction work must be under the supervision of a professional engineer. Defendants shall notify Ecology in writing as to the identity of such engineer(s) or hydrogeologist(s), or others and of any contractors and subcontractors to be used in carrying out the terms of this Decree, in advance of their involvement at the Facility.

#### IX. CERTIFICATIONS

- 50. Defendants certify that, to the best of their knowledge and belief, they have fully and accurately disclosed to Ecology the information currently in their possession that relates to the environmental conditions at the Facility, or to Defendants' right and title thereto and such information is included in Attachment G.
- 51. Defendants represent and certify that, to the best of their knowledge, they are not aware of any facts that would give rise to liability under RCW 70.105D.040 prior to Union Station Associates' acquisition of the Property.

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PROSPECTIVE PURCHASER CONSENT DECREE UNION STATION

52. Defendants represent and certify their belief that their redevelopment is not likely to contribute to the existing release or threatened release of Hazardous Substances from the Facility, interfere with future remedial actions that may be needed at the Facility, or increase health risks to persons at or in the vicinity of the Facility.

53. If any certification provided by a Defendant pursuant to this Section is not true, the Covenant Not to Sue in Section XIV shall not be effective with respect to that Defendant, and Ecology reserves all rights it may have against that Defendant.

#### X. PARTIES BOUND; CONVEYANCE OF PROPERTY

- 54. The restrictions, obligations and rights set forth in this Decree shall be binding upon the parties to this Decree. Additional Associated Entities and Qualified Successors in Interest and Assigns may become parties to this Decree, at the option of Defendants, by following the amendment procedures set forth in Section XI, or such other procedure as may hereafter be legally available, by reason of an amendment to MTCA or its implementing regulations, or otherwise.
- 55. Defendants shall implement contractual provisions that require all Successors in Interest and Assigns who become parties to this Decree to comply with the provisions of this Decree.
- 56. If proposed Successors in Interest and Assigns wish to become a party to this Decree, Defendants and the proposed transferee(s) shall notify Ecology and the Attorney General's

Office of the proposed transfer, the name of the proposed transferee(s), and the proposed transferee(s)'s intended use for the Property. The notification required by this paragraph shall occur at least sixty (60) days before the date of any transfer of interest. Such notification shall be in the form of Attachment D to this Decree. Other than the amendment procedures set forth in Section XI, there is no notification required for an additional Associated Entity to become a party to the Decree.

- 57. In the event Defendants assign all of their fee interest to a Successor in Interest or Assign, at Ecology's sole discretion, Ecology may elect to thereafter look first to the Successor and then to Union Station Associates, and, finally, to Associated Entities, to satisfy the requirements of this Decree, including, but not limited to, performance of the work as described in Section V, and payment of Ecology costs as described in Section VI.
- 58. The Covenant Not to Sue shall not be effective with respect to any additional Associated Entity or Successors In Interest or Assigns who fail to follow the procedure set forth in Section XI, or such other procedure as may hereafter be legally available, by reason of an amendment to MTCA or its implementing regulations, or otherwise. Failure of Defendants or the proposed Successors in Interest or Assign to timely comply with the notification requirements for Successors in Interest or Assigns in

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# XI. AMENDMENT OF CONSENT DECREE; ADDING NEW PARTIES TO DECREE

- among the parties to this Decree that is thereafter entered and approved by order of the Court. Such amendment shall become effective upon entry by the Court, or upon a later date if such date is expressly stated in the parties' written stipulation or the Court so orders.
- agreed to by the parties to this Decree, including for the purpose of making additional Associated Entities or proposed Successors in Interest and Assigns new parties to the Decree. If Ecology determines that the subject of an amendment requires public input, Ecology shall provide thirty (30) days public notice prior to seeking entry of the amendment by the Court, except that Ecology agrees that an amendment to make additional Associated Entities or proposed Successors in Interest and Assigns parties to this Decree does not by itself require public notice or comment.
- 61. All of Defendants' rights and benefits under this Decree may be assigned or transferred, and shall run to any person who becomes a party to this Decree pursuant to the procedures set forth in Section XI of this Decree or obtains such protections through any other procedures as may hereafter be legally

- Whenever Defendants contemplate conveyance of a fee 62... interest in the Property, the proposed Successors in Interest and Assigns may request that the Decree be amended as provided for in The amendment to the Decree shall be in the form this paragraph. of Attachment E, "Agreement of Successors in Interest and Assigns." Ecology may withhold consent to an amendment making proposed Successors in Interest and Assigns party to this Decree only if Defendants or a Successors in Interest and Assigns is in violation or will be in violation of a material term of the Decree. Provided, however, that Ecology shall not withhold consent to an amendment making proposed Successors in Interest and Assigns party to the Decree on the basis that their proposed use fails to provide a public benefit or expedite cleanup so long as the proposed use as a whole meets or is anticipated to meet those requirements.
  - 63. Whenever Defendants desire to add additional Associated Entities to the Decree, the Decree will be amended as provided for in this paragraph. The amendment to the Decree shall be in the form of Attachment F, "Agreement of Additional Associated

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PROSPECTIVE PURCHASER CONSENT DECREE UNION STATION

Entities." Ecology may withhold consent to an amendment adding an Associated Entity as a party to this Decree only if Defendants or their Successors in Interest and Assigns are in violation or will be in violation of a material term of the Decree.

#### XII. DISPUTE RESOLUTION

- 64. In the event a dispute arises as to an approval, disapproval, proposed modification, or other decision or action by Ecology's project coordinator pertaining to this Decree the parties shall use the dispute resolution procedure set forth below.
- (1) Upon receipt of the Ecology project coordinator's written decision, Defendants have fourteen (14) days within which to notify Ecology's project coordinator of any objection to the decision.
- (2) The parties' project coordinators shall then confer in an effort to resolve the dispute. If the project coordinators cannot resolve the dispute within fourteen (14) days, Ecology's project coordinator shall issue a written decision.
- (3) Defendants may then request Ecology management review of the decision. This request shall be submitted in writing to the Toxics Cleanup Program Manager within seven (7) days of receipt of Ecology's project coordinator's written decision.
- (4) Ecology's Toxics Cleanup Program Manager shall conduct a review of the dispute and shall issue a written decision regarding the dispute within thirty (30) days of the Defendants' request for

- If Ecology's final written decision is unacceptable to 65.. Defendants, Defendants have the right to submit the dispute to the Court for resolution. The parties agree that one judge should retain jurisdiction over this case and shall, as necessary, resolve any dispute arising under this Decree. For disputes that arise under the following sections of the Decree, the Court shall review the action or decision of Ecology under an arbitrary and capricious standard of review: work to be performed (Section V), Ecology costs (Section VI), designated project coordinators (Section VII), performance of the work (Section VIII), retention of records (Section XVII), property access (Section XVIII), compliance with applicable laws (Section XIX), permit requirements (Section XX), sampling data reporting and availability (Section XXI), progress reports (Section XXII), extension of schedule (Section XXIII), endangerment (Section XXIV), certification of completion and delisting (Section XXV) and public participation (Section XXIX) The standard of review for all other issues will be decided by the Court.
  - 66. The parties may mutually agree to substitute an Alternative Dispute Resolution (ADR) process, such as mediation, for the formal dispute resolution process set forth in this section.

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in good faith and agree to expedite, to the extent possible, the dispute resolution process whenever it is used. When either party uses the dispute resolution process in bad faith or for purposes of delay, the other party may seek sanctions.

68. The implementation of these dispute resolution

The parties agree to use the dispute resolution process

68. The implementation of these dispute resolution procedures shall not provide a basis for delay of any activities required in this Decree, unless Ecology agrees in writing to a schedule extension or the Court so orders.

#### XIII. CONTRIBUTION PROTECTION

- Defendants for Matters Addressed in this Consent Decree, the parties hereto agree that Defendants are entitled to contribution protection from any actions or claims pursuant to MTCA, RCW 70.105D.080, CERCLA § 107 or 113, or any other federal or state claim seeking, under other theories, substantially similar relief, to the extent allowed by MTCA, RCW 70.105D.040 and CERCLA § 113(f)(2). The contribution protection conferred in this section shall not be frustrated by the use of non-CERCLA or non-MTCA theories to seek relief in the nature of contribution or indemnification.
- 70. For the purpose of this section, "Matters Addressed" shall include:
- (i) all past and future investigation and remedial measures taken at the Facility, including those taken on or off of the Property, provided such measures pertain to Hazardous

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Substances, Pollutants or Contaminants specified in one or more of the reports or studies listed in Attachment G, whether performed by Defendants, Ecology or any other persons, including other PLPs, whether performed voluntarily, under the Independent Remedial Action Program (IRAP), under any consent decree or order, under an enforcement order, or otherwise, and whether performed before or after the Effective Date of this Decree.

#### COVENANT NOT TO SUE; REOPENERS XIV.

- In consideration of Defendants' compliance with the 71. terms and conditions of this Decree, Ecology agrees that compliance with this Decree shall stand in lieu of any and all administrative, legal, and equitable remedies and enforcement actions ("Actions") available to the State against Defendants or Successors in Interest and Assigns, for releases or threatened releases of Hazardous Substances, Pollutants or Contaminants at the Facility including releases or threatened releases on or off of the Property, provided such Actions pertain to Hazardous Substances, Pollutants or Contaminants specified in one or more of the reports or studies listed in Attachment G.
- In the following circumstances Ecology may Reopeners: exercise its full legal authority to address releases of Hazardous Substances, Pollutants, or Contaminants at the Facility, notwithstanding the Covenant Not to Sue set forth above:
- In the event a Defendant fails to comply with the terms and conditions of this Decree, including all attachments, and, after written notice of noncompliance, such failure is not cured

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by such defendant within sixty (60) days of receipt of notice of noncompliance;

- (2) In the event factors not known at the time of entry of this Agreement, and not disclosed to Ecology in Attachment G are discovered and such factors present a previously unknown threat to human health or the environment and are not addressed by the Cleanup Action Plan. If such factors are discovered, Ecology shall give written notice to Defendants. Defendants will have sixty (60) days from receipt of notice to propose a cure to the condition giving rise to the threat. If such cure is acceptable to Ecology, Defendants and Ecology will negotiate an appropriate time table for implementation. If such cure is not acceptable to Ecology, the parties shall follow the dispute resolution procedures in Section XIII.
- 73. Applicability: The Covenant Not to Sue set forth above shall have no applicability whatsoever to:
  - (1) Criminal liability;
- (2) Liability for any releases or threatened releases of Hazardous Substances, Pollutants or Contaminants caused or contributed to by a Defendant;
- (3) Liability for actions by a Defendant that would be sufficient to create liability under RCW 70.105D.040(1)(c)-(e) as a generator, transporter or seller of Hazardous Substances;
- (4) Liability of a Defendant who owned or operated the Property prior to May, 1994.

- (5) Liability for damages for injury to, destruction of, or loss of natural resources.
- (6) Liability for any property owned or leased by a Defendant other than the Property.
- 74. Ecology retains all of its legal and equitable rights against all persons, except as otherwise provided in this Decree. The legal and equitable rights retained by Ecology include, but are not limited to, the right to compel any person, other than Defendants, to take remedial actions for the release of hazardous substances at the Property, and to seek reimbursement against such persons for costs incurred by Ecology as a result of such contamination.

#### XV. RESERVATION OF RIGHTS

- 75. Defendants reserve all rights and defenses which they may have and which are not otherwise addressed in this Decree, including the right to seek contribution or cost recovery for funds expended pursuant to this Decree, subject to the limitations in Section XXVIII. The execution of the "Agreement of Successors in Interest and Assigns" attached hereto as Attachment E or the "Agreement of Additional Associated Entities" attached hereto as Attachment F or an amendment to this Decree by the Defendants is not an admission of liability on their part.
- 76. Except as provided herein for the parties, this Decree does not grant any rights or affect any liabilities of any person, firm or corporation or subdivision or division of state, federal, or local government.

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#### XVI. <u>DISCLAIMER</u>

77. This Decree does not constitute a representation by Ecology that the Property is fit for any particular purpose.

#### XVII. RETENTION OF RECORDS

Defendants shall preserve, during the pendency of this 78. Decree and for ten (10) years from the date this Decree is no longer in effect as provided in Section XXX, all records, reports, documents, and underlying data in its possession relevant to the implementation of this Decree and shall insert in contracts with project contractors and subcontractors a similar record retention requirement. Defendants shall retain all monitoring data so long as monitoring is ongoing as provided in the Cleanup Action Plan. In the event the Cleanup Action Plan is modified to terminate monitoring, Defendants shall retain all monitoring data until ten (10) years after monitoring is completed. Upon request of Ecology, Defendants shall make all non-archived records available to Ecology and allow access for review. All archived records shall be made available to Ecology within a reasonable period of time.

#### XVIII. PROPERTY ACCESS

79. Defendants grant to Ecology, its employees, agents, contractors and authorized representatives, an irrevocable right to enter upon the Property, with reasonable notice and at any reasonable time for purposes of allowing Ecology to monitor or enforce compliance with this Decree. Defendants recognize and acknowledge that Ecology's entry onto the Property for such

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purposes may interfere with their full use of the Property. Defendants agree that they will not object to any interruption or interference with their use of the Property caused by Ecology's entry onto the Property for such purposes. The right of entry granted in this Section is in addition to any right Ecology may have to enter onto the Property pursuant to specific statutory or regulatory authority. Consistent with Ecology's responsibilities under state and federal law, Ecology, and any persons acting for it, shall use reasonable efforts to minimize any interference and use reasonable effort not to interfere with the operations of Defendants by any such entry. In the event Ecology enters the Property for reasons other than emergency response, Ecology agrees that it shall provide reasonable notice to Defendants of any planned entry, as well as schedules and locations of activity on Ecology further agrees to accommodate reasonable the Property. requests that it modify its scheduled entry or activities at the Property. Notwithstanding any provision of the Decree, Ecology retains all of its access authorities and access rights, including enforcement authorities related thereto, under MTCA and any other applicable state statute or regulations.

### XIX. COMPLIANCE WITH APPLICABLE LAWS

80. All actions carried out by Defendants pursuant to this Decree shall be done in accordance with all applicable federal, state, and local requirements, including requirements to obtain necessary permits.

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aware that additional permits beyond those already obtained prior to entry of this Decree would, but for the provisions of RCW 70.105D.090(1), be required to carry out the Cleanup Action Plan, Defendants will be required to consult with the appropriate state or local jurisdictions concerning the substantive requirements those agencies believe are applicable to the remedial actions, prior to conducting the remedial actions. Ecology shall then determine whether additional substantive requirements are applicable to the remedial action, and if so, how Defendants must meet those requirements. Substantive requirements will be incorporated into an amendment to this Decree.

#### XXI. SAMPLING, DATA REPORTING, AND AVAILABILITY

- 82. With respect to the implementation of this Decree,
  Defendants shall make the results of all sampling, laboratory
  reports, and/or test results generated by it, or on its behalf,
  available to Ecology in hard copy and on electronic disk. Data
  submitted on disk shall be in a format acceptable to Ecology for
  importation for use as a relational database into databases and/or
  spreadsheet software commonly available.
- 83. If requested by Ecology, Defendants shall allow split or duplicate samples to be taken by Ecology and/or its authorized representatives of any samples collected by Defendants pursuant to the implementation of this Decree Defendants shall notify

Ecology seven (7) days in advance of any sample collection or work activity at the Property. Ecology shall, upon request, allow split or duplicate samples to be taken by Defendants or their authorized representatives of any samples collected by Ecology pursuant to the implementation of this Decree provided it does not interfere with the Department's sampling. Ecology shall endeavor to notify Defendants prior to any sample collection activity.

#### XXII. PROGRESS REPORTS

- 84. Defendants shall submit to Ecology written monthly progress reports beginning thirty (30) days prior to initiation of the Cleanup Action Plan and continuing until completion. After that time, progress reports shall be submitted quarterly, or at other intervals as approved by Ecology. The progress reports shall describe the actions taken during the reporting period to implement the requirements of this Decree. The progress report shall include the following:
- (1) A list of on-site activities that have taken place during the reporting period;
- (2) Detailed description of any deviations from required tasks not otherwise documented in project plans or amendment requests;
- (3) Description of all deviations from the schedule during the current reporting period and any planned deviations in the upcoming reporting period;

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- (4) For any deviations in schedule, a plan for recovering lost time and maintaining compliance with the schedule;
- (5) All raw data (including laboratory analysis) received by Defendants during the past reporting period and an identification of the source of the sample. Raw data shall be submitted in hard copy and, on electronic disk. Data submitted on disk shall be in a format acceptable to Ecology for importation for use as a relational database into databases and/or spreadsheet software commonly available;
- (6) A list of deliverables for the upcoming reporting period if different from the schedule;
  - (7) the status of deed recordation.
- 85. All progress reports shall be submitted by the tenth day of the month in which they are due after the effective date of this Decree.

#### XXIII. EXTENSION OF SCHEDULE

- 86 An extension of schedule shall be granted only when a request for an extension is submitted in a timely fashion, generally at least thirty (30) days prior to expiration of the deadline for which the extension is requested, and good cause exists for granting the extension. All extensions shall be requested in writing. The request shall specify the reason(s) the extension is needed.
- 87. An extension shall be granted only for such period of time as Ecology determines is reasonable under the circumstances.

- 88. The burden shall fall on Defendants to demonstrate to the satisfaction of Ecology that the request for such an extension has been submitted in a timely fashion and that good cause exists for granting the extension. Good cause includes, but is not limited to, the following:
- (1) Circumstances beyond the reasonable control and despite the due diligence of Defendants including delays caused by unrelated third parties or Ecology, such as (but not limited to) delays by Ecology in reviewing, approving, or modifying documents submitted by Defendants; or
- (2) Acts of God, including fire, flood, blizzard, extreme temperatures, storm, or other unavoidable casualty; or
  - (3) Endangerment as described in Section XXIV.

Ecology may extend the schedule for a period not to exceed ninety (90) days, except where an extension is needed as a result of:

- (1) Delays in the issuance of a necessary permit which was applied for in a timely manner; or
- (2) Other circumstances deemed exceptional or extraordinary by Ecology.

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However, neither increased costs of performance of the terms of the Decree nor changed economic circumstances shall be considered circumstances beyond the reasonable control of Defendants.

Ecology shall give Defendants written notification in a timely fashion of any extensions granted pursuant to this Decree.

#### XXIV. ENDANGERMENT

- 89. If, during construction of the Property, Ecology determines that there is an actual or imminent danger to human health or to the environment, Ecology may order Defendants to stop further implementation of this Decree for such period of time as needed to abate the danger or may petition the Court for an order as appropriate. During any stoppage of work under this section, the obligations of Defendants shall be suspended and the time periods for performance of that work, as well as the time period for any other work dependent upon the work which is stopped, shall be extended, pursuant to Section XXIII of this Decree, for such period of time as Ecology determines is reasonable under the circumstances.
- 90. In the event Defendants determine that activities undertaken in furtherance of this Decree or any other circumstances or activities are creating an imminent danger to human health or to the environment, Defendants may stop implementation of this Decree for such period of time necessary for Ecology to evaluate the situation and determine whether Defendants should proceed with implementation of the Decree or

whether the work stoppage should be continued until the danger is abated. Defendants shall notify Ecology's project coordinator as soon as possible, but no later than twenty-four (24) hours after stoppage of work, and thereafter provide Ecology with documentation of the basis for the work stoppage. disagrees with Defendants' determination, Ecology may order Defendants to resume implementation of this Decree. If Ecology concurs with the work stoppage, Defendants' obligations shall be suspended and the time period for performance of that work, as well as the time period for any other work dependent on the work which was stopped, shall be extended, pursuant to Section XXIII of this Decree, for such period of time as Ecology determines is Any disagreements pursuant to reasonable under the circumstances. this Section shall be resolved through the dispute resolution procedures in Section XII.

#### XXV. CERTIFICATION OF COMPLETION AND DELISTING

91. Upon completion of all remedial actions specified in the Cleanup Action Plan, except confirmational monitoring, Ecology shall issue a Certificate of Completion. Completion of all remedial actions except confirmational monitoring is defined in Section 6.0 of Attachment B. Unless Ecology becomes aware of circumstances at the Facility that present a previously unknown threat to human health or the environment, Ecology shall within thirty (30) days of issuance of the Certificate of Completion propose to remove the Facility from the Hazard Ranking List, pursuant to WAC 173-340-330(4).

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#### XXVI. INDEMNIFICATION AND HOLD HARMLESS

To the extent allowed by law, Union Station Associates 92. and its Successors in Interest and Assigns who become Defendants as set forth in Sections X and XI of this Decree (hereinafter collectively the "Indemnitors") agree to defend, hold harmless and indemnify the State of Washington, its employees, and agents from any and all claims or causes of action for death or injuries to persons or for loss or damage to property arising from or on account of acts or omissions of Defendants, their officers, employees, agents, or contractors in entering into and If barred from assuming the State's implementing this Decree. defense of any claim brought under this Section, Indemnitors nevertheless shall have the opportunity to participate and/or cooperate in Ecology's defense to the maximum extent allowable by However, Indemnitors shall not indemnify the State of Washington nor save nor hold its employees and agents harmless from any claims or causes of action arising out of the negligent acts or omissions of the State of Washington, or the employees or agents of the State, in implementing the activities pursuant to In any claims against the State by any employee of this Decree. the Indemnitors, the indemnification obligation shall not be limited in any way by the limitation on the amount or type of damages, compensation or benefits payable by or for the Indemnitors under workmen's compensation acts, disability benefit acts, or other employee benefits acts.

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#### XXVII. <u>INSURANCE</u>

- the requirements set forth in paragraph 94 shall be obtained by the Defendants for the Union Station Property in the amount of one million dollars per occurrence/two million dollars aggregate for a period beginning on the Effective Date of this Decree and ending three years following the completion of foundation loading. The State of Washington shall be listed as an additional insured on such policy. In the event that groundwater treatment is required as set forth in the Cleanup Action Plan, Attachment B, Defendants will obtain the same coverage for a period beginning with the construction of the groundwater treatment system and ending two years following initiation of operation of the groundwater treatment system.
- 94. The following requirements apply to the coverage required by paragraph 93:
- a) The coverage shall contain no special limitations on the scope of protection afforded to the State of Washington.
- b) For any claims related to this Decree, Defendant's insurance coverage shall be primary insurance as respects the State of Washington.
- c) During the periods mentioned in paragraph 93, the policy shall state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice, by certified mail, return receipt requested, has been given to the State of Washington.

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95. Defendants hereby agree that they will not seek to recover any costs accrued in implementing the remedial action required by this Decree from the State of Washington or any of its agencies; and further, that the Defendants will make no claim against the State Toxics Control Account or any Local Toxics Control Account for any costs incurred in implementing this Decree. Except as provided above, however, Defendants expressly reserve their right to seek to recover any costs incurred in implementing this Decree from any other potentially liable person.

# 96. Public participation shall be accomplished by implementing a Union Station Public Participation Plan, attached as Exhibit I. Ecology shall maintain the responsibility for public participation in accordance with WAC 173-340-600(8)(g).

PUBLIC PARTICIPATION

Defendants shall help coordinate and implement public participation for the Property as required by Ecology.

XXIX.

# XXX. DURATION OF DECREE AND RETENTION OF JURISDICTION

97. This Decree shall remain in effect and this Court shall retain jurisdiction over both the subject matter of this Decree and the parties for the duration of the performance of the terms and provision of this Decree for the purpose of enabling any of the parties to apply to the Court, as provided in the dispute resolution process set forth in Section XII, and the amendment

process set forth in Section XI, at any time for such further order, direction, and relief as may be necessary or appropriate to ensure that obligations of the parties have been satisfied. The Decree shall remain in effect until the parties agree otherwise

#### XXXI. PUBLIC NOTICE AND WITHDRAWAL OF CONSENT

- 98. This Decree has been the subject of public notice and comment as required by RCW 70.105D.040(4)(a). As a result of this process, Ecology has found that this Decree will lead to a more expeditious cleanup of hazardous substances at the Property, in compliance with applicable cleanup standards, and is in the public interest.
- 99. If the Court withdraws its consent, this Decree shall be null and void at the option of any party, and the accompanying Complaint shall be dismissed without costs and without prejudice. In such an event, no party shall be bound by the requirements of this Decree.

#### XXXII. <u>SEVERABILITY</u>

100. If any Section, subsection, sentence or clause of this Agreement is found to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability will not affect the legality, validity or enforceability of the Agreement as a whole or of any other Section, subsection, sentence or clause.

#### XXXIII. EFFECTIVE DATE

101. The effective date of this Decree is the Closing date, as defined in the Purchase and Sale Agreement between Union

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1	Pacific and Union Station Associates, dated $\frac{4-1-97}{2}$ , and attached
2	as Exhibit H. So ordered this day of, 1997.
3	29 1130
4	King County Superior Court
5	The undersigned parties enter into this Prospective
6	Purchaser Consent Decree on the date specified below
7	
8	UNION STATION ASSOCIATES, L.L.C.
9	Just Jaym
LO	By: 1017
11	Date:
12	ASSOCIATED ENTITIES
13	Janet Joyme
14	By: 1516344 1
15	Date:
16	
17	By:
18	Date: 7/10/97
19	By:
20	Date:
21	
22	DEPARTMENT OF ECOLOGY ATTORNEY GENERAL'S OFFICE
23	By: Mary & Burn By: Mauf Aug 18 1997  Date: 28 July 1997 Date: Open 28 1997
24	Date: 28 July 1997 Date: Only 28, 1997
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