

After Recording Return  
Original Signed Covenant to:

Russell E. Olsen, M.P.A.  
Executive Director  
Technical Assistance Program  
Pollution Liability Insurance Agency  
P.O. Box 40930  
Olympia, Washington 98504-0930

## Environmental Covenant

**Grantor:** CCE Ventures Inc.

**Grantee:** State of Washington, Pollution Liability Insurance Agency (hereafter "PLIA")

**Brief Legal Description:** A portion of the southeast quarter of the northeast quarter of Section 12, Township 17 North, Range 10 West, Grays Harbor County, Washington

**Tax Parcel Nos.:** 055204501102

**Cross Reference:** NFA Letter Dated: May 5, 2023

**Environmental Covenant Number** 2023-04190027

### RECITALS

- a. This document is an environmental (restrictive) covenant (hereafter "Covenant") executed pursuant to the Model Toxics Control Act ("MTCA"), chapter 70A.300 RCW, and Uniform Environmental Covenants Act ("UECA"), chapter 64.70 RCW.
- b. The Property that is the subject of this Covenant is part or all of a site commonly known as Hoquiam Shell, Facility/Site ID No. 4472437. The Property is legally described in Exhibit A, and illustrated in Exhibit B, both of which are attached (hereafter "Property"). If there are differences between these two Exhibits, the legal description in Exhibit A shall prevail.
- c. The Property is the subject of remedial action conducted under MTCA. This Covenant is required because residual contamination remains on the Property after completion of remedial actions. Specifically, the following principal contaminants remain on the Property:

| Medium    | Principal Contaminants Present                                                      |
|-----------|-------------------------------------------------------------------------------------|
| Soil      | Gasoline range petroleum hydrocarbons, benzene, ethylene dichloride (EDC), and lead |
| Air/Vapor | Total hydrocarbons and benzene                                                      |

- d. It is the purpose of this Covenant to restrict certain activities and uses of the Property to protect human health and the environment and the integrity of remedial actions conducted at the site. Records describing the extent of residual contamination and remedial actions conducted are available through PLIA.
- e. This Covenant grants PLIA certain rights under UECA and as specified in this Covenant. As a Holder of this Covenant under UECA, PLIA has an interest in real property, however, this is not an ownership interest which equates to liability under MTCA or the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.* The rights of PLIA as an “agency” under UECA, other than its’ right as a holder, are not an interest in real property.

### COVENANT

CCE Venture Inc., as Grantor and fee simple owner of the Property hereby grants to the Washington State Pollution Liability Insurance Agency (PLIA), and its successors and assignees, the following covenants. Furthermore, it is the intent of the Grantor that such covenants shall supersede any prior interests the GRANTOR has in the property and run with the land and be binding on all current and future owners of any portion of, or interest in, the Property.

#### Section 1. General Restrictions and Requirements.

The following general restrictions and requirements shall apply to the Property:

- a. **Interference with Remedial Action.** The Grantor shall not engage in any activity on the Property that may impact or interfere with the remedial action and any operation, maintenance, inspection or monitoring of that remedial action without prior written approval from PLIA.
- b. **Protection of Human Health and the Environment.** The Grantor shall not engage in any activity on the Property that may threaten continued protection of human health or the environment without prior written approval from PLIA. This includes, but is not limited to, any activity that results in the release of residual contamination that was contained as a part of the remedial action or that exacerbates or creates a new exposure to residual contamination remaining on the Property.
- c. **Continued Compliance Required.** Grantor shall not convey any interest in any portion of the Property without providing for the continued adequate and complete operation, maintenance and monitoring of remedial actions and continued compliance with this Covenant.

- d. **Leases.** Grantor shall restrict any lease for any portion of the Property to uses and activities consistent with this Covenant and notify all lessees of the restrictions on the use of the Property.
- e. **Preservation of Reference Monuments.** Grantor shall make a good faith effort to preserve any reference monuments and boundary markers used to define the areal extent of coverage of this Covenant. Should a monument or marker be damaged or destroyed, Grantor shall have it replaced by a licensed professional surveyor within 30 days of discovery of the damage or destruction.

## **Section 2. Specific Prohibitions and Requirements.**

In addition to the general restrictions in Section 1 of this Covenant, the following additional specific restrictions and requirements shall apply to the Property.

- a. **Containment of soil/waste materials.** The remedial action for the Property is based on containing contaminated soil under a cap consisting of concrete and asphalt surfacing. The primary purpose of this cap is to prevent human direct contact, minimize leaching of contaminants to groundwater and, where volatile contaminants are present, manage harmful vapors that may be emanating from the contained contaminated soil. As such, the Grantor covenants and agrees that it shall as outlined in the PLIA approved Confirmation Monitoring and Contingency Plan (Enclosure A), annually, or at another time as approved in writing by PLIA, inspect the cap and report within thirty (30) days of the inspection the condition of the cap and any changes to the cap that would impair its performance.
- b. **Stormwater facilities.** To minimize the potential for mobilization of contaminants remaining in the soil on the Property, no stormwater infiltration facilities or ponds shall be constructed within the areas of the Property illustrated in Exhibit C. All storm water catch basins, conveyance systems, and other appurtenances located within these areas shall be of water-tight construction.
- c. **Vapor/gas controls.** The residual contamination on the Property includes volatile chemicals that may generate harmful vapors. As such, the following restrictions shall apply within the area of the Property illustrated in Exhibit C to minimize the potential for exposure to these vapors:
  - 1. No building or other enclosed structure shall be constructed within this area of the property unless a vapor barrier has been included with the construction.
  - 2. If a building or other enclosed structure is approved, it shall be constructed with a sealed foundation and a vapor control system that is operated and maintained to prevent the migration of vapors into the building or structure, unless an alternative approach is approved by PLIA.
- d. **Monitoring.** Several groundwater monitoring wells are located on the Property as outlined in the PLIA-approved Confirmation Monitoring and Contingency Plan (Enclosure A) to monitor the performance of the remedial action. The Grantor shall maintain clear access to these devices and protect them from damage. The Grantor shall report to PLIA within forty-eight (48) hours of the discovery of any damage to any monitoring device. Unless PLIA approves of an alternative plan in writing, the Grantor shall promptly repair the

damage and submit a report documenting this work to PLIA within thirty (30) days of completing the repairs.

**Section 3. Access.**

- a. The Grantor shall maintain clear access to all remedial action components necessary to construct, operate, inspect, monitor and maintain the remedial action.
- b. The Grantor freely and voluntarily grants PLIA and its authorized representatives, upon reasonable notice, the right to enter the Property at reasonable times to evaluate the effectiveness of this Covenant and associated remedial actions, and enforce compliance with this Covenant and those actions, including the right to take samples, inspect any remedial actions conducted on the Property, and to inspect related records.
- c. No right of access or use by a third party to any portion of the Property is conveyed by this instrument.

**Section 4. Notice Requirements.**

- a. **Conveyance of Any Interest.** The Grantor, when conveying any interest within the areas of the Property described and illustrated in Exhibits A and C, including but not limited to title, easement, leases, and security or other interests, must:
  - i. Provide written notice to PLIA of the intended conveyance at least thirty (30) days in advance of the conveyance.
  - ii. Include in the conveying document a notice in substantially the following form, as well as a complete copy of this Covenant:

**NOTICE: THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT GRANTED TO THE WASHINGTON STATE POLLUTION LIABILITY INSURANCE AGENCY ON 3/30/23 AND RECORDED WITH THE GRAYS HARBOR COUNTY AUDITOR UNDER RECORDING NUMBER 2023-03300039. USES AND ACTIVITIES ON THIS PROPERTY MUST COMPLY WITH THAT COVENANT, A COMPLETE COPY OF WHICH IS ATTACHED TO THIS DOCUMENT.**
  - iii. Unless otherwise agreed to in writing by PLIA, provide PLIA with a complete copy of the executed document within thirty (30) days of the date of execution of such document.
- b. **Reporting Violations.** Should the Grantor become aware of any violation of this Covenant, Grantor shall promptly report such violation in writing to PLIA.
- c. **Emergencies.** For any emergency or significant change in site conditions due to Acts of Nature (for example, flood or fire) resulting in a violation of this Covenant, the Grantor is authorized to respond to such an event in accordance with state and federal law. The Grantor must notify PLIA in writing of the event and response actions planned or taken as soon as practical but no later than within 24 hours of the discovery of the event.
- d. **Notification procedure.** Any required written notice, approval, reporting or other communication shall be personally delivered or sent by first class mail to the following persons. Any change in this contact information shall be submitted in writing to all

parties to this Covenant. Upon mutual agreement of the parties to this Covenant, an alternative to personal delivery or first class mail, such as e-mail or other electronic means, may be used for these communications.

|                                                                                                           |                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CCE Venture Inc.<br>Attn: Aaron Hanks<br>625 Orchard Drive<br>Hoquiam, Washington 98550<br>(425) 442-4940 | Russell E. Olsen, M.P.A.<br>Executive Director<br>Washington State<br>Pollution Liability Insurance Agency<br>P.O. Box 40930<br>Olympia, WA 98504-0930<br>(800) 822-3905<br><a href="http://www.plia.wa.gov">www.plia.wa.gov</a> |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### **Section 5. Modification or Termination.**

- a. Grantor must provide written notice and obtain approval from PLIA at least sixty (60) days in advance of any proposed activity or use of the Property in a manner that is inconsistent with this Covenant. For any proposal that is inconsistent with this Covenant and permanently modifies an activity or use restriction at the site:
  - i. PLIA must issue a public notice and provide an opportunity for the public to comment on the proposal; and
  - ii. If PLIA approves of the proposal, the Covenant must be amended to reflect the change before the activity or use can proceed.
- b. If the conditions at the site requiring a Covenant have changed or no longer exist, then the Grantor may submit a request to PLIA that this Covenant be amended or terminated. Any amendment or termination of this Covenant must follow the procedures in MTCA and UECA and any rules promulgated under these chapters.
- c. By signing this agreement, per RCW 64.70.100, the original signatories to this agreement, other than PLIA, agree to waive all rights to sign amendments to and termination of this Covenant.

#### **Section 6. Enforcement and Construction.**

- a. This Covenant is being freely and voluntarily granted by the Grantor.
- b. Within ten (10) days of execution of this Covenant, Grantor shall provide PLIA with an original signed Covenant and proof of recording and a copy of the Covenant and proof of recording to others required by RCW 64.70.070.
- c. PLIA shall be entitled to enforce the terms of this Covenant by resort to specific performance or legal process. All remedies available in this Covenant shall be in addition to any and all remedies at law or in equity, including MTCA and UECA. Enforcement of the terms of this Covenant shall be at the discretion of PLIA, and any forbearance, delay or omission to exercise its rights under this Covenant in the event of a

breach of any term of this Covenant is not a waiver by PLIA of that term or of any subsequent breach of that term, or any other term in this Covenant, or of any rights of PLA under this Covenant.

- d. The Grantor shall be responsible for all costs associated with implementation of this Covenant. Furthermore, the Grantor, upon request by PLIA, shall be obligated to pay for PLIA's costs to process a request for any modification or termination of this Covenant and any approval required by this Covenant.
- e. This Covenant shall be liberally construed to meet the intent of MTCA and UECA.
- f. The provisions of this Covenant shall be severable. If any provision in this Covenant or its application to any person or circumstance is held invalid, the remainder of this Covenant or its application to any person or circumstance is not affected and shall continue in full force and effect as though such void provision had not been contained herein.
- g. A heading used at the beginning of any section or paragraph or exhibit of this Covenant may be used to aid in the interpretation of that section or paragraph or exhibit but does not override the specific requirements in that section or paragraph.

The undersigned Grantor warrants he/she holds the title to the property and has authority to execute this Covenant.

EXECUTED this 30<sup>th</sup> day of March, 2023.

Aaron L Hanks

By: Aaron L Hanks

Title: President (CCE Ventures INC)

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**CORPORATE ACKNOWLEDGMENT**

STATE OF Washington  
COUNTY OF Grays Harbor

On this 30<sup>th</sup> day of March, 2023 I certify that Aaron Hanks personally appeared before me, acknowledged that **he/she** is the President of the corporation that executed the within and foregoing instrument, and signed said instrument by free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that **he/she** was authorized to execute said instrument for said corporation.

Dan Bahl  
Notary Public in and for the State of Washington <sup>15</sup>  
Residing at 409 8<sup>th</sup>, Hoquiam, WA 98550  
My appointment expires February 5<sup>th</sup>, 2025



The Pollution Liability Insurance Agency, hereby accepts the status as GRANTEE and HOLDER of the above Environmental Covenant.

WASHINGTON STATE  
POLLUTION LIABILITY INSURANCE AGENCY



By: Russell E. Olsen, M.P.A.

Title: Executive Director

Dated: 3/15/2023



## **Exhibit A**

### **LEGAL DESCRIPTION**

Lots 10, 11, 12 and 13, Block 45, Ontario Addition, an Addition to the City of Hoquiam, as per plat recorded in Volume 3 of Plats, page 42, records of Grays Harbor County;

Also all that portion of the vacated alley in said Block 45, described as follows:

Beginning at the Northeast corner of Lot 10, in said Block 45;  
Thence South along the East line of Lots 10, 11, 12 and 13 of said Block to the Southeast corner of said Lot 13;  
Thence East along the South line of said Lot 13, extended Easterly, to the West line of Lot 9 in said Block 45;  
Thence North along the West line of said Lot 9 to the Northwest corner thereof;  
Thence West to the point of beginning;

EXCEPT the following described tract:

Beginning at the Northwest corner of said Lot 10;  
Thence East along the North line thereof a distance of 42 feet;  
Thence Southwesterly in a straight line to a point on the West line of said Lot 10 which is 30 feet South of the point of beginning;  
Thence North along the West line of said Lot 10, 30 feet to the point of beginning;  
Situate in the County of Grays Harbor, State of Washington.

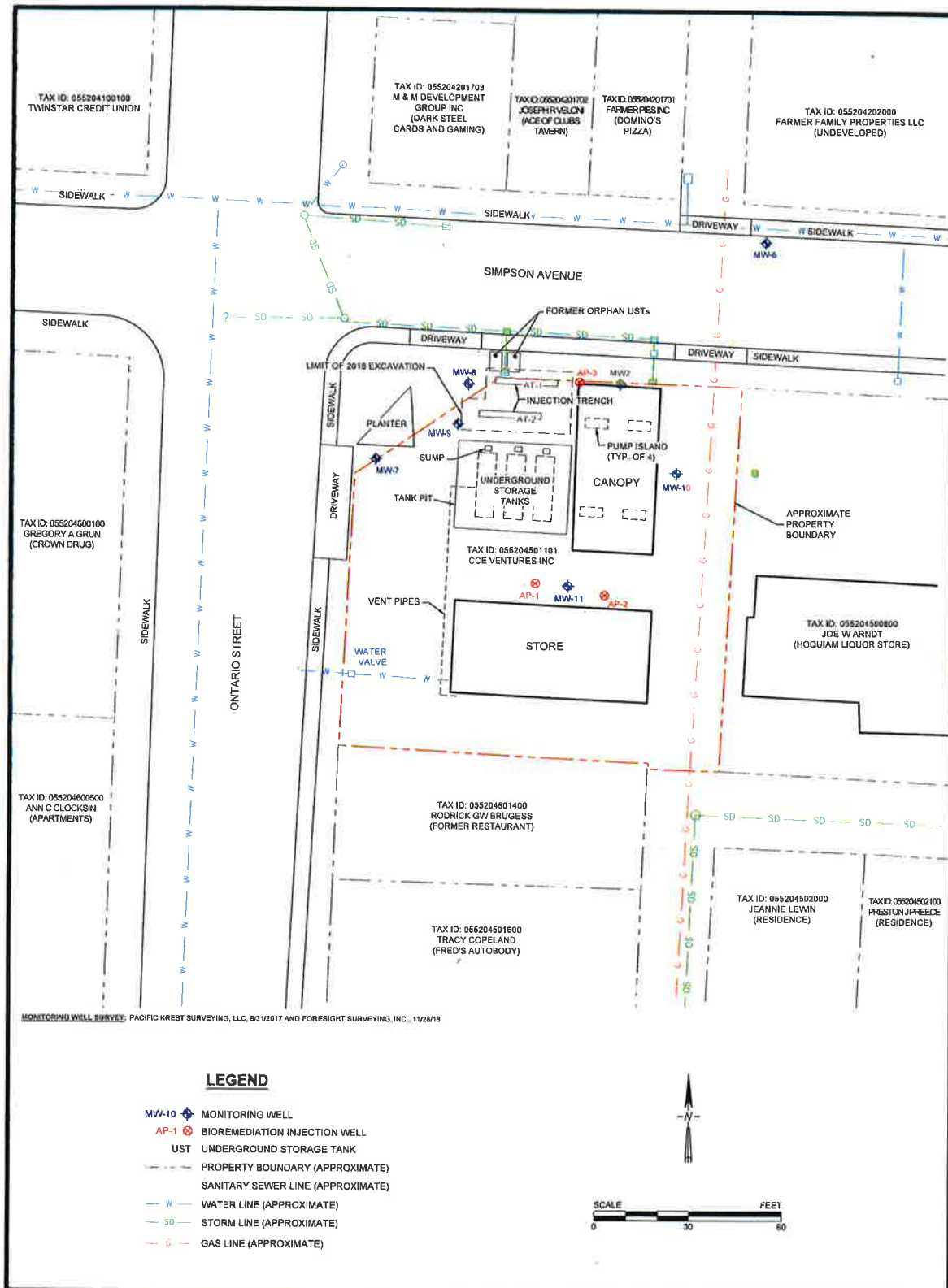
**Exhibit B**

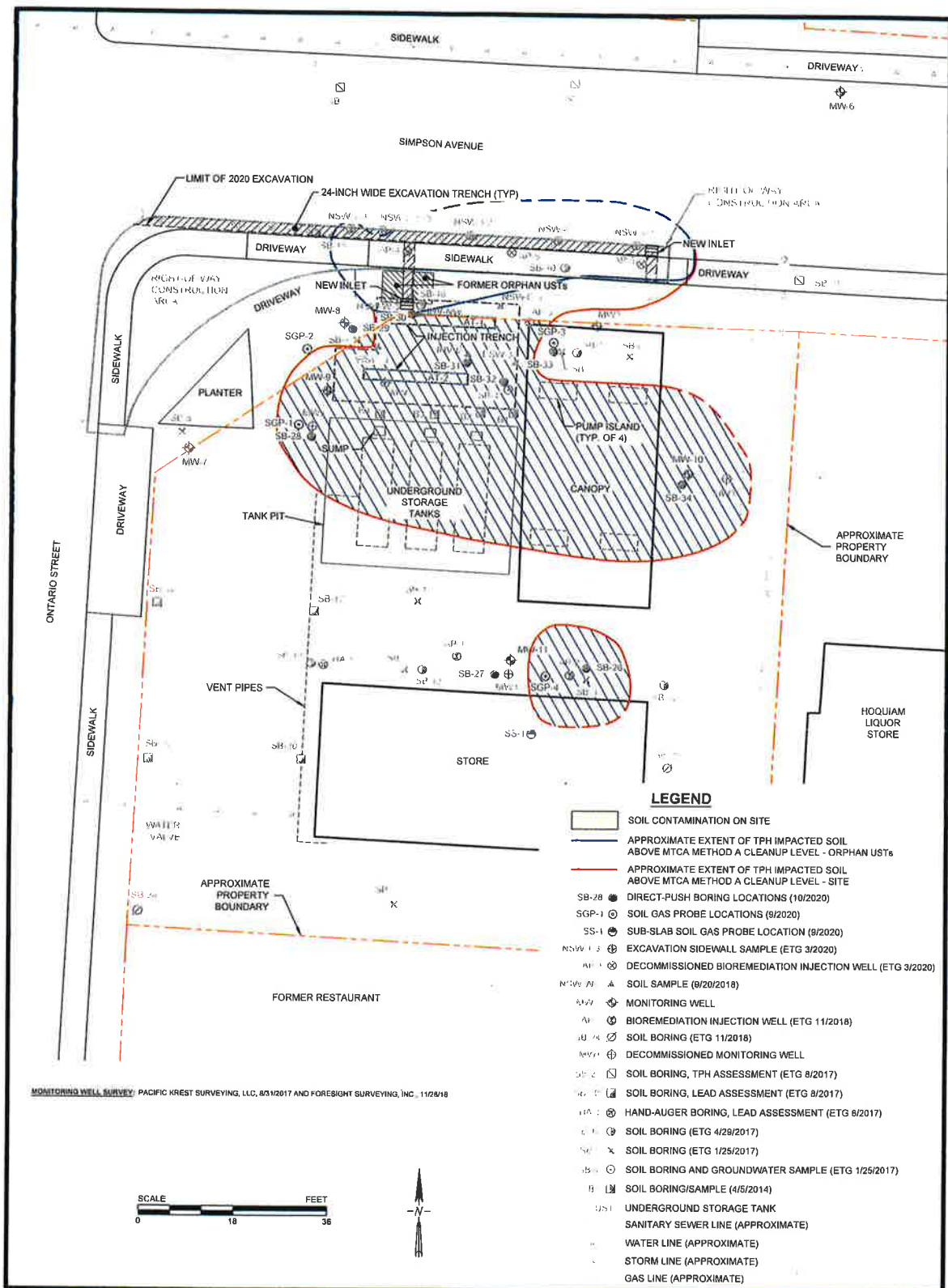
**B-1 - PROPERTY LOCATION MAP**

**B-2 – EXTENT OF RESIDUAL TPH SOIL CONTAMINATION MAP**

**B-3 – EXTENT OF RESIDUAL LEAD SOIL CONTAMINATION MAP**

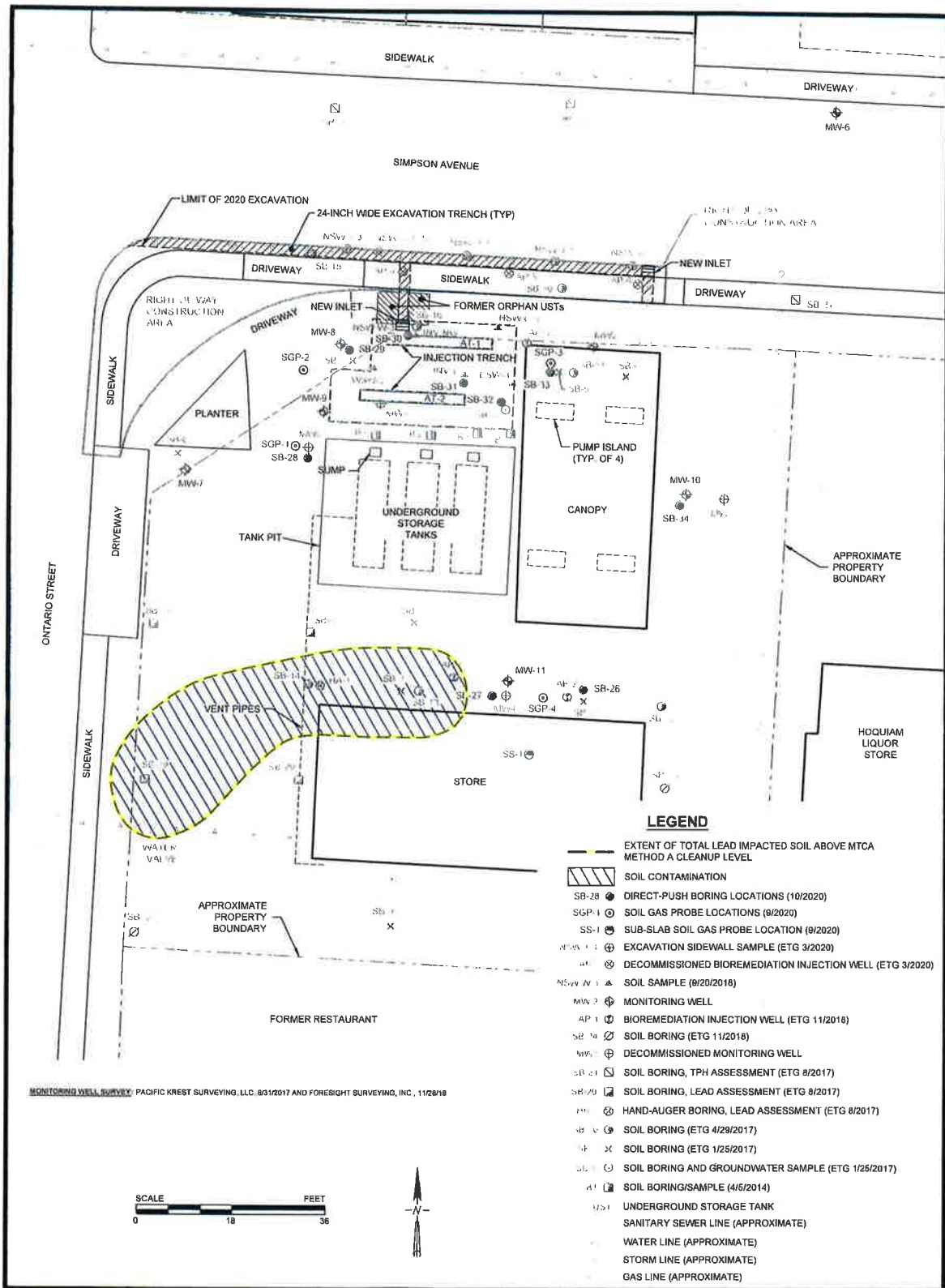
**B-4 – EXTENT OF SOIL GAS CONTAMINATION MAP**





|                |                                               |
|----------------|-----------------------------------------------|
| FIGURE TITLE   | EXTENT OF RESIDUAL TPH SOIL CONTAMINATION MAP |
| DOCUMENT TITLE | 2804 SIMPSON AVENUE ENVIRONMENTAL COVENANT    |
| CLIENT         | CCE VENTURE, INC.                             |
| LOCATION       | 2804 SIMPSON AVENUE<br>HOQUIAM, WA            |

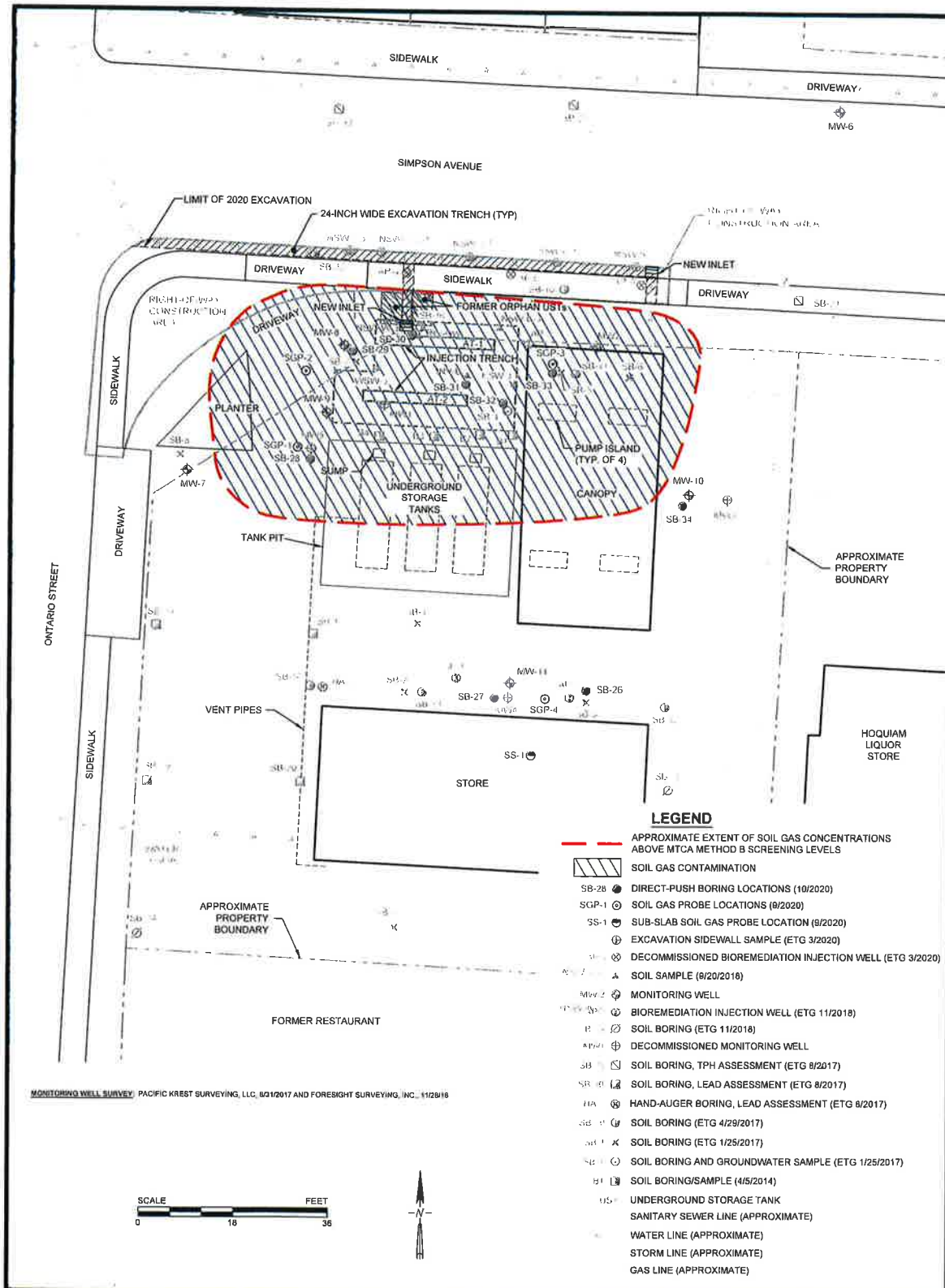
|                |           |
|----------------|-----------|
| DATE           | 12/16/21  |
| SCALE          | AS SHOWN  |
| DESIGNED BY    | D.J.      |
| APPROVED BY    | D.J.      |
| DRAWN BY       | SRM       |
| PROJECT NUMBER | 2107-0001 |
| FIGURE NUMBER  | B-2       |



|                |                                                |
|----------------|------------------------------------------------|
| FIGURE TITLE   | EXTENT OF RESIDUAL LEAD SOIL CONTAMINATION MAP |
| DOCUMENT TITLE | 2804 SIMPSON AVENUE ENVIRONMENTAL COVENANT     |
| CLIENT         | CCE VENTURE, INC.                              |
| LOCATION       | 2804 SIMPSON AVENUE<br>HOQUIAM, WA             |

|                |           |
|----------------|-----------|
| DATE           | 1/5/22    |
| SCALE          | AS SHOWN  |
| DESIGNED BY    | D.J.      |
| APPROVED BY    | D.J.      |
| DRAWN BY       | SRM       |
| PROJECT NUMBER | 2107-0001 |
| FIGURE NUMBER  | B-3       |



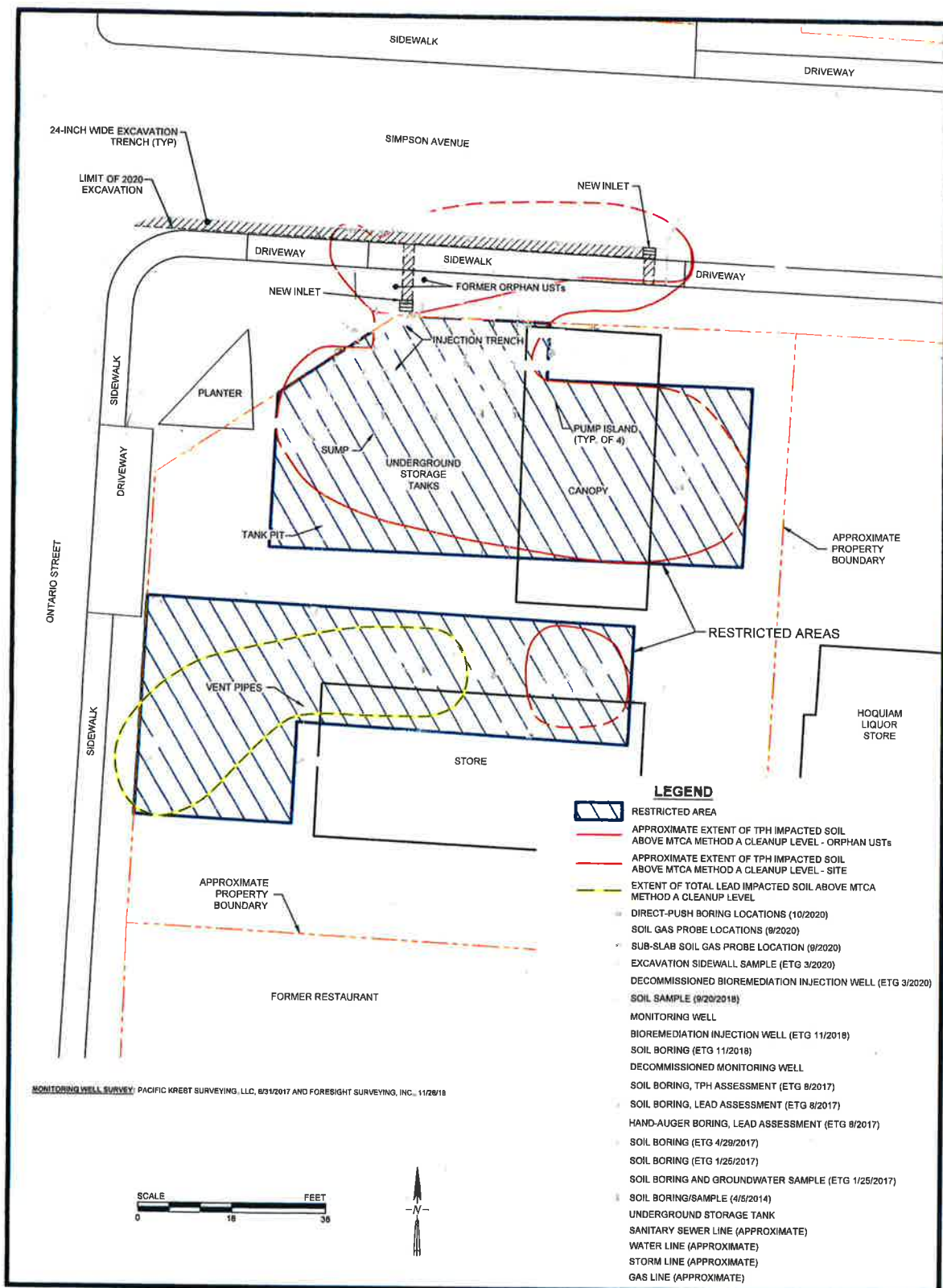


|                |                                            |
|----------------|--------------------------------------------|
| FIGURE TITLE   | EXTENT OF SOIL GAS CONTAMINATION MAP       |
| DOCUMENT TITLE | 2804 SIMPSON AVENUE ENVIRONMENTAL COVENANT |
| CLIENT         | CCE VENTURE, INC.                          |
| LOCATION       | 2804 SIMPSON AVENUE<br>HOQUIAM, WA         |

|                |           |
|----------------|-----------|
| DATE           | 1/5/22    |
| SCALE          | AS SHOWN  |
| DESIGNED BY    | DJA       |
| APPROVED BY    | DJA       |
| DRAWN BY       | SRM       |
| PROJECT NUMBER | 2107-0001 |
| FIGURE NUMBER  | B-4       |

**Exhibit C**

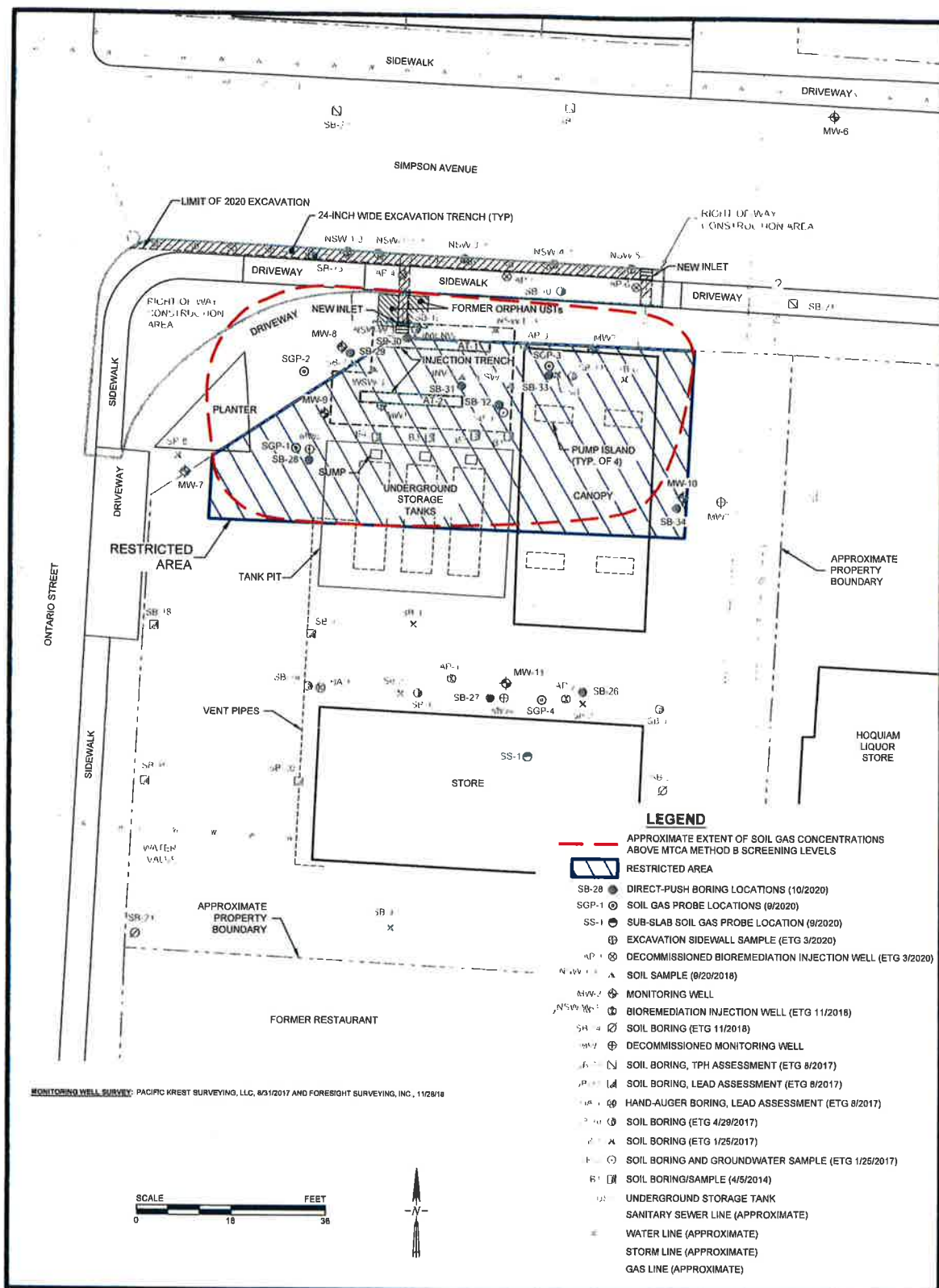
**C-1 – LOCATION OF RESTRICTED SOIL AREAS MAP**  
**C-2 – LOCATION OF RESTRICTED SOIL GAS AREA MAP**



|                |                                            |
|----------------|--------------------------------------------|
| FIGURE TITLE   | LOCATION OF RESTRICTED SOIL AREAS MAP      |
| DOCUMENT TITLE | 2804 SIMPSON AVENUE ENVIRONMENTAL COVENANT |
| CLIENT         | CCE VENTURE, INC.                          |
| LOCATION       | 2804 SIMPSON AVENUE<br>HOQUIAM, WA         |

|                |           |
|----------------|-----------|
| DATE           | 1/5/22    |
| SCALE          | AS SHOWN  |
| DESIGNED BY    | D.J.L.    |
| APPROVED BY    | D.J.L.    |
| DRAWN BY       | SRM       |
| PROJECT NUMBER | 2107-0001 |
| FIGURE NUMBER  | C-1       |





|                |                                            |
|----------------|--------------------------------------------|
| FIGURE TITLE   | LOCATION OF RESTRICTED SOIL GAS AREA MAP   |
| DOCUMENT TITLE | 2804 SIMPSON AVENUE ENVIRONMENTAL COVENANT |
| CLIENT         | CCE VENTURE, INC.                          |
| LOCATION       | 2804 SIMPSON AVENUE<br>HOQUIAM, WA         |

|                |           |
|----------------|-----------|
| DATE           | 1/5/22    |
| SCALE          | AS SHOWN  |
| DESIGNED BY    | D.J.L.    |
| APPROVED BY    | D.J.L.    |
| DRAWN BY       | SRM       |
| PROJECT NUMBER | 2107-0001 |
| FIGURE NUMBER  | C-2       |

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