Working Group I Consent Decree

3 UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON 6-3195- RHW 8 STATE OF WASHINGTON, 9 DEPARTMENT OF ECOLOGY, **SUMMONS** 10 Plaintiff, 11 12 APPLIED SOLAR ENERGY CORPORATION, DUOTANG 13 CORPORATION, WELCH'S OVERALL CLEANING COMPANY, INC., 14 WESTERN WASTE INDUSTRIES, INC., 15 Defendants. 16 17 18 To: Above-entitled Defendant(s) and their Representative(s): 19 20 A lawsuit has been started against you in the above-entitled court by the State of 21 Washington, Department of Ecology, Plaintiff. Plaintiff's claim is stated in the written 22 complaint, a copy of which is served upon you with this Summons. 23 24

ATTORNEY GENERAL OF WASHINGTON
Ecology Division
PO Box 40117
Olympia, WA 98504-0117
FAX (206) 438-7743

1	The parties have agreed to resolve this matter by entry of a Consent Decree.
2	Accordingly, this Summons shall not require the filing of an answer.
3	Respectfully submitted this May of 1996.
4	CHRISTINE O. GREGOIRE Attorney General
5	Amonto y General
6	STEVEN J. THIELE
7	Assistant Attorney General Attorneys for Plaintiff
8	State of Washington Department of Ecology
9	(360) 459-6134
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FILED IN THE
U.S. DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

DEC 20 1996

JAMES R. LARSEN, CLERK

DEPUTY

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON

STATE OF WASHINGTON, CY 796. 3195 - RH

Plaintiff.

COMPLAINT

-VS-

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APPLIED SOLAR ENERGY CORPORATION, DUOTANG CORPORATION, WELCH'S OVERALL CLEANING COMPANY, INC., WESTERN WASTE INDUSTRIES, INC.,

Defendants.

Plaintiff, State of Washington, Department of Ecology, for cause of action, alleges as follows:

I. JURISDICTION

1. This Court has jurisdiction over the subject matter and over the parties under Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9607, 42 U.S.C. § 9613(b), and this Court also has 28 U.S.C. § 1331 jurisdiction over Plaintiff's state law claims brought under the Model Toxics Control Act ("MTCA"), Chapter 70.105D RCW, and the Water Pollution Control Act, Chapter 90.48 RCW, based on the doctrine of pendent jurisdiction. Venue is proper in this district, pursuant to 42 U.S.C. § 9613(b) and 28 U.S.C. § 1391(b), because the events

 giving rise to the claims herein arose in this district and the property that is the subject of the action is situated in the district.

II. PARTIES

- 2. Plaintiff, State of Washington, Department of Ecology ("Ecology"), is an agency of the State of Washington responsible for the regulation and abatement of releases or threatened releases of hazardous substances and for the regulation of surface and groundwater contamination in the State.
- 3. Ecology is authorized to seek cost recovery under Section 107 of CERCLA, 42 U.S.C. § 9607, for all necessary costs of remedial action that are not inconsistent with the National Contingency Plan. Ecology is empowered to bring any appropriate action at law or in equity, including an action for injunctive relief, as may be necessary to protect human health and the environment under Chapter 70.105D RCW.
- 4. Defendant Applied Solar Energy Corporation is a California corporation newspans as TECSTAR Power Systems, Inc.; Defendants Welch's Overall Cleaning Company, Inc., and Duo-Tang, Inc. are Delaware corporations; Defendant Western Waste is corporation of unknown origin.

III. FACTUAL ALLEGATIONS

5. The Site is a residential, commercial and industrial area covering approximately six square miles in downtown Yakima and Union Gap Known as the Yakima Railroad Area (YRRA) and has been designated by Ecology as a "Facility" or "Site" pursuant to RCW 70.105D.020. Analysis of soil and groundwater at various locations within the Site has, in varying levels, shown the presence of perchloroethylene (PCE) and other Covered Substances. A Site History and Synopsis of PCE Releases is attached to the Consent Decree being filed concurrently with this Complaint and contains a history and statement of facts regarding the presence of PCE at the Site.

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- 6. The Site contains at least nineteen identified Source Areas which have, through their historic operations, contributed to the presence of PCE at the Site. One of the source areas is a carbon reprocessing business known as Cameron-Yakima, Inc., located at 1414 S. First, Yakima, Washington. More than 100 PLPs, including the Defendants, shipped carbon containing PCE and/or other Covered Substances to Cameron-Yakima, Inc. Ecology estimates that the total amount of such carbon containing PCE is 6.7 million pounds.
- 7. In August, 1991, the Yakima Railroad Area area of contamination was defined by Ecology
- 8. There is a continuing threat of releases of hazardous substances, pollutants and contaminants at and from the Site.
- 9. The work to be performed under the Consent Decree lodged with the Court at the time this Complaint is filed is consistent with CERCLA and the MTCA.
- 10. Ecology has incurred costs to identify, eliminate or minimize the release or threatened release of hazardous substances at the Site. In addition, Ecology will continue to incur costs associated with oversight and implementation of remedial action at the Site through the Yakima Railroad Area Trust Fund. Ecology's expenditures to date are not inconsistent with the National Contingency Plan, 40 C.F.R., Part 300.
- 11. Without making any admissions as to the factual or legal allegations contained in this Complaint, the Defendants have consented to entry of the Consent Decree (the "Decree") attached to this Complaint.

IV. FIRST CLAIM FOR RELIEF

- 12. The allegations of paragraph 1 through 11 hereby incorporated by reference and made a part thereof.
 - 13. Section 107(a) of CERCLA, 42 U.S.C. §9607(a), provides in pertinent part: 107(a) Notwithstanding any other provision or rule of law, and subject only to the defenses set forth in subsection (b) of this section --

1			(c)	Any person who owned or possessed a hazardous substance and who by contract, agreement, or otherwise
3				arranged for disposal or treatment of the hazardous substance at the facility, or arranged with a transporter for transport for disposal or treatment of the hazardous
4		÷		substance at the facility, or otherwise generated hazardous waste disposed of or treated at the facility;
5		(2)	Each p	person who is liable under this section is strictly liable,
6			natura	and severally, for all remedial action costs and for all I resource damages resulting from the releases or
7			genera	ened releases of hazardous substances. The attorney al, at the request of the department, may recover all costs umages from persons liable for them.
8	18.	RCW	70.105	D.030 provides in pertinent part:
9				
10		(1)		epartment may exercise the following powers in addition other powers granted by law:
11			(a)	Investigate, provide for investigating, or require potentially liable persons to investigate any releases or
12				threatened releases of hazardous substances, including but not limited to inspecting, sampling, or testing to
13				determine the nature or extent of any release or threatened release.
14			ΔLX.	Conduct annuity for annuation of require notentially
15			(b)	Conduct, provide for conducting, or require potentially liable persons to conduct remedial actions (including investigations under (a) of this subsection) to remedy
16				releases or threatened releases of hazardous substances.
17	19.	PCW	70 105	D.020(3) defines "facility" as:
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19		(3)	equipr	ity" means (a) any building, structure, installation, nent, pipe or pipeline (including any pipe into a sewer or
20			lagoon	ly owned treatment works), well, pit, pond, , impoundment, ditch, landfill, storage container, motor
21			area w	e, rolling stock, vessel, or aircraft, or (b) any site or where a hazardous substance, other than a consumer
22				et in consumer use, has been deposited, stored, disposed placed, or otherwise come to be located.
23	20.	RCW	70.105	D 020(5) defines hazardous substances to include:
24		(1)	Any h	azardous or extremely hazardous waste as defined in
25			hazard	70.105.010(5) and (6), or any dangerous or extremely lous waste designated by rule pursuant to chapter
26			/0.103	5 RCW;

29. Without making any admissions as to the factual or legal allegations contained in this Complaint, Defendants have agreed to the terms of the proposed Decree and agree to the entry of the Decree by the Court.

VII. PRAYER FOR RELIEF

WHEREAS Ecology and the Defendants have voluntarily entered into the Decree, Ecology requests that the Court enter the Consent Decree and retain jurisdiction to enforce its terms.

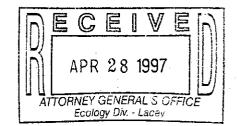
DATED this 20 day of July 1996

CHRISTINE O. GREGOIRE Attorney General

Assistant Attorney General Attorneys for Plaintiff
State of Washington
Department of Ecology
(360) 459-6134

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APR 2 4 1997

JAMES R. LARSEN, Clark

Deputy

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON

STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY,

Plaintiff,

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APPLIED SOLAR ENERGY CORPORATION DUO-TANG, INC., WELCHES OVERALL CLEANING COMPANY, INC., WESTERN WASTE INDUSTRIES. INC.,

Defendants.

No. CY-96-3195-WFN

ORDER ENTERING CONSENT DECREE

Having reviewed the Consent Decree signed by the parties to this matter, the Stipulated Motion for Entry of the Consent Decree, the Declaration of Richard Roeder, and the file herein, it is hereby

ORDERED AND ADJUDGED that the Consent Decree in this matter is Entered and that the Court shall retain jurisdiction over the Consent Decree to enforce its terms.

COURT JUDGE

ORIGINAL

ORDER ENTERING CONSENT DECREE

ATTORNEY GENERAL OF WASHINGTON **Ecology Division** PO Box 40117 Olympia, WA 98504-0117 FAX (360) 438-7743

1	Presented by:
2	CHRISTINE O. GREGOIRE
3	Attorney General
4	STEVEN I THIEFE WSBA #20275
5	STEVEN J. THIELE, WSBA #20275 Assistant Attorney General Attorneys for Plaintiff Department of Ecology
6	Department of Ecology
7	DATED: 4-14-97
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1	APPROVED FOR ENTRY AND NOTICE
2	OF PRESENTATION WAIVED:
3	BUCK & GORDON
4	1. th 5 Mars
5	KEITH E. MOXON, WSBA# 15361
6	Attorneys for Defendant Applied Solar Energy Corp.
7	DATED: 4-10-77
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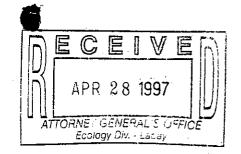
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2	OF PRESENTATION WAIVED: KIRKLAND & ELLIS
3	AIRALAND & ELLIS
4	Mule Lum
5	MARK E. GRUMMER Attorneys for Defendant
6	Duo-Tang, Inc.
7	DATED: $4-14-97$
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1	APPROVED FOR ENTRY AND NOTICE OF PRESENTATION WAIVED:
2	DEMETRIOU, DEL GUERCIO,
3	SPRINGER & MOYER
4	
5	and I
6	GREGORY D. TRIMARCHE Attorneys for Defendant Western Waste Industries
7	4 10 00
8	DATED: 7-10-9/
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UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF WASHINGTON

STATE OF WASHINGTON, DEPARMENT OF ECOLOGY,

Plaintiff,

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APPLIED SOLAR ENERGY CORPORATION, DUOTANG CORPORATION, WELCHES OVERALL CLEANING COMPANY, INC., WESTERN WASTE INDUSTRIES, INC.

Defendants.

ORIGINAL

CONSENT DECREE

APR 2 4 1997

JAMES H. LA REET, Clark

Daputy

ATTORNEY GENERAL OF WASHINGTON **Ecology Division** PO Box 40117

Olympia, WA 98504-0117 FAX (360) 438-7743

DATED this 27 day of hulf, 1997

JUDGE

United States District Court Eastern District of Washington

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I. INTRODUCTION

- This Consent Decree ("Decree") is entered into by and between the Washington State Department of Ecology ("Ecology"), and Applied Solar Energy Corporation, Duotang Corporation, Welches Overall Cleaning Company, Inc., and Western Waste Industries, Inc., (collectively referred to hereinafter as "Settlors"). It is the mutual objective of the parties to this Decree to fund a portion of the Remedial Action at an area defined to be a "facility" by Ecology where there has been a release or threatened release of hazardous substances. The facility, known as the Yakima Railroad Area (the Site), is located in Yakima, Washington. A Site diagram is attached hereto as Exhibit A. This Decree requires the Settlors to make a financial contribution toward remedial action at the Site in an amount and for the purposes specified in Section VI of this Decree. The amount of financial contribution is based on all past and future costs incurred by Ecology or any other person relating to the investigation and remediation of Covered Substances at, relating to, or originating from the Site or any Source Areas. Ecology has determined that all of these actions are necessary to protect public health and the environment.
- The Complaint in this action is being filed simultaneously with this В., Decree. An answer has not been filed, and there has not been a trial on any issue of fact or law in this case. The Settlors neither admit nor deny the allegations in the complaint. However, the parties wish to resolve the issues raised by Ecology's complaint. In addition, the parties agree that settlement of these matters without litigation is reasonable and in the public interest and that entry of this Decree is the most appropriate means of resolving these matters.
- In signing this Decree, Settlors agree to its entry and agree to be C. bound by its terms.
- By entering into this Decree, the parties do not intend to discharge parties not designated as Settlors herein from any liability they may have with respect to matters alleged in the complaint. The parties retain the right to seek reimbursement, in

whole or in part, from any liable persons not a party to this Decree for sums expended under this Decree

- E. This Decree shall not be construed as proof or evidence of liability or responsibility for any releases of hazardous substances or costs for Remedial Action nor an admission of any facts and Settlors expressly deny such liability. However, the Settlors shall not challenge the jurisdiction of Ecology in any proceeding to enforce this Decree.
- F. The Court is fully advised of the reasons for entry of this Decree, and good cause having been shown: IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

II. JURISDICTION

- A. This Court has jurisdiction over the subject matter and over the parties under Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. §9607. This Court also has jurisdiction pursuant to Chapter 70.105D RCW, the Model Toxics Control Act (MTCA), under the doctrine of pendent jurisdiction. Venue is proper in this district pursuant to Section 113(b) of CERCLA, 42 U.S.C. §9613(b), and 28 U.S.C. §1391(b), because the claims arose in this district.
- B. Authority is conferred upon the Washington State Attorney General by RCW 70.105D.040(4)(a) to agree to a settlement with any potentially liable person ("PLP") if, after public notice and hearing, Ecology finds the proposed settlement would lead to a more expeditious cleanup of hazardous substances. RCW 70.105D.040(4)(b) requires that such a settlement be entered as consent decree issued by a court of competent jurisdiction.
- C. Ecology has determined that a release or threatened release of hazardous substances has occurred at the Site which is the subject of this Decree.
- D. Ecology has given notice to Settlors, as set forth in RCW 70.105D.020(15), of Ecology's determination that the Settlors are PLPs for the Site and that there has been a release or threatened release of hazardous substances at the Site.

- E. Ecology has determined that the actions to be taken pursuant to this Decree are necessary to protect public health, welfare, and the environment and will lead to more expeditious cleanup of hazardous substances in compliance with the cleanup standards of RCW 70.105D.030(2)(d) and the regulations adopted pursuant thereto.
- F. Settlors have agreed to undertake the actions specified in this Decree and consent to the entry of this Decree under the MTCA and CERCLA.

III. PARTIES BOUND

A. This Decree shall apply to and be binding upon the signatories to this Decree (parties), their successors and assigns. The undersigned representative of each party hereby certifies that he or she is fully authorized to enter into this Decree and to execute and legally bind such party to comply with the Decree. Settlors agree to undertake all actions required by the terms and conditions of this Decree and not to contest jurisdiction regarding this Decree. No change in ownership or corporate status shall alter the responsibility of the Settlors under this Decree.

IV. <u>DEFINITIONS</u>

Except for as specified herein, all definitions in WAC 173-340-200 apply to the terms in this Decree.

- A. <u>Site</u>: As defined by Ecology and for purposes of this Decree, the Site, also referred to as the Yakima Railroad Area, refers to an area in which there has been releases and/or threatened releases of Covered Substances (as defined in Section IV.E below) in Yakima, and Union Gap, Washington. For reference purposes, the Site is generally described in Exhibit A to this Decree, which is a Site diagram.
- B. <u>Parties</u>: Refers to Ecology and Applied Solar Energy Corporation,
 Duotang Corporation, Welches Overall Cleaning Company, Inc., and Western Waste
 Industries, Inc., and their respective parents, subsidiaries and affiliates.

- C. <u>Settlors</u>: Refers to Applied Solar Energy Corporation, Duotang Corporation, Welches Overall Cleaning Company, Inc., and Western Waste Industries, Inc., and their respective parents, subsidiaries and affiliates.
- D. <u>Consent Decree or Decree</u>: Refers to this Consent Decree and each of the exhibits to the Decree. All exhibits are integral and enforceable parts of this Consent Decree. The terms "Consent Decree" or "Decree" shall include all exhibits to the Consent Decree.
- E. <u>Covered Substances</u>: Refers to those hazardous substances listed in Exhibit E, or for which Ecology issues written notification pursuant to Section VII(A)(3)(b) below, which were included in any waste shipments identified in Exhibit B or the administrative record attached as Exhibit F.
- F. Remedial Action: Refers to all activities defined to be a "Response" under CERCLA or a "Remedy" or "Remedial Action" under MTCA.
- G. Source Area: Refers to an area at which there has been a release of threatened release of PCE or other Covered Substances within or around the Site.

V. STATEMENT OF FACTS

Ecology makes the following findings of fact without any express or implied admissions by Settlors.

- 1. The Site is a residential, commercial and industrial area covering approximately six square miles in downtown Yakima and Union Gap. Analysis of soil and groundwater at various locations within the Site has, in varying levels, shown the presence of perchloroethylene (PCE) and other Covered Substances. A Site History and Synopsis of PCE Releases, attached to this Consent Decree as Exhibit C, contains a history and statement of facts regarding the presence of PCE at the Site.
- 2. The Site contains at least eighteen identified Source Areas which have, through their historic operations, contributed to the presence of PCE at the Site. Contributed to the presence of PCE at the Site.

located at 1414 S. First, Yakima, Washington. More than 100 PLPs, including the Settlors who are parties to this Decree, shipped carbon containing PCE and/or other Covered Substances to Cameron-Yakima, Inc. Ecology estimates that the total amount of such carbon containing PCE is approximately 6.7 million pounds.

VI. TRUST FUND

The Settlors each agree to make a financial contribution to the Trust Fund established in Exhibit D in the amounts specified in Exhibit D within ninety (90) days of the entry of this Decree. Such payments are derived by multiplying the number of pounds of carbon which Ecology had documented that each Settlor sent to the Site, and for which Ecology found credible evidence of PCE content, times a cash settlement of \$2.31. The Trust Fund is established by the trust agreement, which is attached hereto as Exhibit D and is hereby incorporated by reference. Each Settlor shall be responsible for payment of the amount set forth for it in Exhibit D, and not for any amount owed by any other Settlor.

The Trust Fund shall be used by Ecology for the exclusive purposes of financing past and future Remedial Actions in and around the Site. Each Settlor's financial contribution expressly and specifically includes, but is not limited to the Settlor's share of the following past and future costs: (i) costs of grants provided to the cities of Yakima and Union Gap, Washington for the purposes of municipal water system installation and upgrades; and (ii) costs of work performed by Ecology or its contractors for, or on, the Site under Ch. 70.1050 RCW both prior to and subsequent to the issuance of this Decree for investigations, remedial actions, and Decree preparation, negotiations, oversight and administration of this Decree. Ecology costs include costs of direct activities and support costs of direct activities as defined in WAC 173-340-550(2). The Settlor's financial contribution and any other funds derived from a settling PLP shall be held in the Trust Fund pursuant to the terms of Exhibit D. Ecology shall be designated as having the power of appointment under the Trust.

VII. CONTRIBUTION PROTECTION

With regard to claims for contribution against any Defendant for matters addressed in this Consent Decree, the parties hereto agree that each Settlor is 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 fullest 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. For the purpose of this section, "matters addressed" shall include:

- (i) all past and future investigation and remediation measures, whether performed by Ecology or any other person, and
- (ii) all past and future costs incurred by Ecology or any other person, with respect to Covered Substances at, related to, or originating from the S and any Source Areas, including without limitation any such measures performed and any such costs incurred by any person under any consent decree or enforcement order entered before or after this consent decree.

VIII. COVENANT NOT TO SUE

In consideration of Settlors' compliance with the 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 available to the State against each Defendant for the release or threatened release of Covered Substances at the Site.

This covenant not to sue is strictly limited in its application to the Site and related Source Areas and to Covered Substances found in or moving from the Site. This covenant is not applicable to any other hazardous substance or area, and the state retains of its authority relative to such substances and areas.

- A. Reopeners: If the Court determines, upon petition from any of the parties, that any of the following circumstances exist, Ecology may exercise its full legal authority to address releases of hazardous substances at the Site, notwithstanding the Covenant Not to Sue set forth above:
 - In the event a Settlor fails to make a payment to the Trust Fund pursuant to Section VI and such failure is not cured within thirty (30) days of receipt by the Settlor of notice of nonpayment. This reopener shall apply only to the Settlor failing to make the payment;
 - 2.. In the event new information becomes available regarding factors previously unknown to Ecology and Ecology determines, in light of this information, that remedial action is necessary to address a previously unknown threat to human health or the environment at the Site, and Settlors, after notice, fail to take the necessary action within a reasonable time provided by Ecology in the notice. If such new information becomes available with respect to a specific Settlor, Ecology may make its determination and issue such notice with respect to that Settlor only. For purposes of this Decree, "factors previously unknown to Ecology," with the exception of subsection 3 below, shall mean contamination unknown or undocumented in the Waste Shipment Profiles (Exhibit B) or the administrative record (Exhibit F) at the time of this Decree from hazardous substances other than Covered Substances. "Factors previously unknown to Ecology" shall not include any new information related to the presence of, extent of, or impacts from Covered Substances at the Site, provided that Ecology shall be able to seek additional funds from certain Settlors, pursuant to the terms of subsection 3(a) below, if new information, not contained in the administrative record, establishes,

consistent with the standard provided in RCW Section 70.105D.060 that the amount of carbon containing PCE contributed by all of the Settlors to this Consent Decree exceeds by more than ten (10) percent the amount of carbon containing PCE reflected for all Settlors in Exhibit B. For purposes of this paragraph, the administrative record shall mean the documents in Ecology's possession as of October 30, 1996, pertaining to this case, including, but not limited to, the records referenced in Exhibits B and F. "Previously unknown threats to human health or the environment" shall not include any threat to any beneficial uses of water (including the use of water for agricultural or drinking water purposes) from Covered Substances in or around the Site.

- 3 (a) Each Settlor(s) responsible for the additional shipments of carbon containing PCE described in Section VIII(A)(2) shall make a further financial contribution to the Trust Fund in the amount of \$2.31 for every additional pound of PCE-containing carbon which exceeds the ten (10) percent threshold. Where two or more Settlors are responsible for the additional shipments referenced herein, they shall make, on a pro rata basis, the payment referenced in the preceding sentence.
- (b) If new information becomes available regarding additional hazardous substances contained in the carbon shipped by a Settlor to the Site and Ecology determines that the newly disclosed substances are; 1) not substances which are of a class which would be identified by previous RCRA Appendix IX laboratory analysis at the Site and; 2) would not be addressed by the remediation plan being implement at the Site. Substances which Ecology determines meet either part of

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the test above shall be considered Covered Substances following written notification of such by Ecology. A Settlor's liability under this reopener shall be limited to joint and several liability for the additional response costs arising from the additional hazardous substance or substances.

- B. Effect of Reopener: If a Settlor makes the payment specified in Section VII (A)(2)(a), the Settlor's liability to Ecology for such additional carbon shipments shall be extinguished and such shipments shall be fully covered by Section VII (Contribution Protection) and Section VIII (Covenant Not To Sue) of this Decree. If a Settlor declines to make a payment pursuant to Section VIII(A)(3)(a), then the reopener shall be triggered, subject to any invocation by the Settlor of the provisions of Section X (Resolution of Disputes).
- C. Applicability: The Covenant Not to Sue set forth above shall have no applicability whatsoever to:
 - 1 Criminal liability;
 - 2. Liability for damages to natural resources;
 - 3. Any Ecology action against PLPs not a party to this Decree.

IX. RETENTION OF RECORDS

Settlors shall preserve for ten (10) years from the date of this Decree all records, reports, documents, and underlying data in its possession relevant to this Decree Upon request of Ecology, Settlors 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.

X. RESOLUTION OF DISPUTES

A. In the event a dispute arises under this Consent Decree, the parties shall utilize the dispute resolution procedure set forth below.

- (1) Ecology shall give written notice of any decision to invoke the disput resolution procedure to the Settlors. Settlors shall give written notice of any decision to invoke the dispute resolution procedure to Ecology's project coordinator, Rick Roeder, at Washington Department of Ecology, 15 West Yakima Avenue, Suite 200, Yakima, Washington 98902. Either party may change the designated recipient of the written notice by providing written notification to the other party at least ten (10) days prior to the change.
- (2) The Settlors and the project coordinator shall then confer in an effort to resolve the dispute. If the parties cannot resolve the dispute within fourteen (14) days, Ecology's project coordinator shall issue a written decision.
- (3) Settlors may then request Ecology management review of the decision. This request shall be submitted in writing to the Central Regional Office Toxics Cleanup Section Manager within seven (7) days of receipt of Ecology's project coordinator's decision.
- (4) Ecology's Central Regional Office Toxics Cleanup Section Manager shall conduct a review of the dispute and shall issue a written decision regarding the dispute within thirty (30) days of the Settlors' request for review. The Central Regional Office Toxics Cleanup Section Manager's decision shall be Ecology's final decision on the disputed matter.
- B. If Ecology's final written decision is unacceptable to Settlors, Settlors have the right to submit the dispute to the Court for resolution. The parties agree that one judge should retain jurisdiction over this case to the extent possible and shall, as necessary, resolve any dispute arising under this Decree. In the event Settlors present an issue to the Court for review, the Court shall review the action or decision of Ecology on the basis of whether such action or decision was arbitrary and capricious and render a decision based on such standard of review

C. The parties agree to only utilize the dispute resolution process in good faith and agree to expedite, to the extent possible, the dispute resolution process whenever it is used. Where either party utilizes the dispute resolution process in bad faith or for purposes of delay, the other party may seek sanctions.

Implementation of these dispute resolution procedures shall not provide a basis for delay of any activities required in this Decree (except in the case of a dispute between the Parties under Section X of this Decree), unless Ecology agrees in writing to a schedule extension or the Court so orders.

XI. AMENDMENT OF CONSENT DECREE

With the exception of Section B, below, this Decree may only be amended by a written stipulation among the parties to this Decree that is entered by the Court or by order of the Court. Such amendment shall become effective upon entry by the Court. Agreement to amend shall not be unreasonably withheld by any party to the Decree.

- A. Settlors shall submit any request for an amendment to Ecology for approval. Ecology shall indicate its approval or disapproval in a timely manner after the request for amendment is received. If the amendment to the Decree is determined by Ecology to be substantial, Ecology will provide public notice and opportunity for comment. Reasons for the disapproval shall be stated in writing. If Ecology does not agree to any proposed amendment, the disagreement may be addressed through the dispute resolution procedures described in Section X of this Decree.
- B. Ecology may, at any time subsequent to the entry of this Decree, unilaterally move the Court to amend Exhibit E of the Decree in order to add additional Covered Substances.

XII. DURATION OF DECREE

This Decree shall remain in effect until the Settlors have received written notification from Ecology that the requirements of the Decree have been satisfied. The termination of this Decree shall not alter the provisions of Section VII (Contribution

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n), Section VIII (Covenant Not to Sue), and other such continuing rights of inder this Decree.

XIII. CLAIMS AGAINST THE STATE

Settlors hereby agree that they will not seek to recover any costs accrued in nting the Remedial Action required by this Decree from the State of Washington or s agencies; and further, that the Settlors will make no claim against the State Control Account or any Local Toxics Control Account for any costs incurred in nting this Decree. Except as provided above, however, Settlors expressly reserve nt to seek to recover any costs incurred in implementing this Decree from any other

XIV. EFFECTIVE DATE

This Decree is effective upon the date it is entered by the Court.

XV. PUBLIC NOTICE AND WITHDRAWAL OF CONSENT

This Decree has been the subject of public notice and comment under RCW .040(4)(a). As a result of this process, Ecology has found that this Decree will more expeditious cleanup of Covered Substances at the Site.

If the Court withholds or withdraws its consent to this Decree, it shall be null at the option of any party and the accompanying Complaint shall be dismissed costs and without prejudice. In such an event, no party shall be bound by the ents of this Decree.

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5	WASHINGTON STATE
6	DEPT. OF ECOLOGY
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9	Mary E. Burg MARY/E. BURG
10	Program Manager
11	Toxics Cleanup Program DATED: 12-19-94
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CHRISTINE O. GREGOIRE Attorney General

STEVEN J. THIELE Assistant Attorney General

DATED: 12-19-96

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2	WELCH'S OVERALL CLEANING COMPANY, INC.
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4	Rohene E. Mado
5	ROJEAN E. RADA, Esq. for WELCH'S OVERALL CLEANING
6	CO., INC., a Delaware corporation,
7	323
8	BERWARD BERRY, Esq.
9	for ACTIVE INDUSTRIAL UNIFORM CO., INC., a New York corporation,
10	AMERICAN LINEN SUPPLY CO., a Delaware corporation, AMERICAN LINEN SUPPLY
11	CO., a Georgia corporation, AMERICAN LINEN SUPPLY CO., INC., a New Jersey
12	corporation, COVERALL SERVICE & SUPPLY, INC., a New York corporation.
13	MECHANICS LAUNDRY CO., INC., a New York corporation, SUN BELT LINENS,
14	INC., a Texas corporation, WHITE ROSE, INC., a Tennessee corporation
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WESTERN WASTE INDUSTRIES

Leshe Bittenson

Executive Vice President & C.O.O.

Dated: 12-12-96

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DUO-TANG, INC.

B. Thomas Bessey
President and Chief Executive Officer

APPLIED SOLAR ENERGY CORPORATION

President and CEO

TECSTAR Power Systems, Inc. formerly known as Applied Solar Energy Corporation

CONSENT DECREE

-17-

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UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON

STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY,

Plaintiff.

٧.

APPLIED SOLAR ENERGY CORPORATION, DUO-TANG, INC., WELCHES OVERALL CLEANING COMPANY, INC., WESTERN WASTE INDUSTRIES, INC.,

Defendants.

No. CY-96-3195-WFN

DECLARATION OF RICHARD ROEDER

- I, Richard Roeder, being first duly sworn on oath, depose and say:
- 1. I am over twenty-one years of age and am competent to testify herein. The facts set forth in this Declaration are from my personal knowledge.
- 2. I am an Environmental Specialist and am the Site Manager for the Washington State Department of Ecology for the Site in Yakima, Washington referred to as the Yakima Railroad Area.
- 3. On behalf of Ecology, I took part in the negotiations that led to the Consent Decree that is being presented to the court.

FAX (360) 438-7743

1	4. The Consent Decree was the subject of public notice and public comment
2	required by RCW 70.105D.040(4)(a). Ecology also conducted a public hearing as required
3	by WAC 173-340-600(9)(d).
4	5. Ecology received no oral comment and nine written comments during the public
5	comment period on the substance of the Consent Decree.
6	6. As the Site Manager, I reviewed all of the public comments and drafted the
7	Responsiveness Summary issued by Ecology which is attached hereto as Exhibit A.
8	7. No changes to the Consent Decree were made as a result of the comments
9	received.
10	I declare under penalty of perjury of the laws of the state of Washington that the
11	foregoing is true and correct.
12	DATED this /4 day of April, 1997.
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14	RICHARD ROEDER
15	Site Manager State of Washington
16	Department of Ecology
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UNITED STATES DISTRICT COURT EASTERN DISTRICT OF WASHINGTON

STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY,

Plaintiff.

٧.

FAIRCHILD SEMICONDUCTOR CORPORATION, et al.,

Defendants.

No. CY-96-3195-WFN

DECLARATION OF RICHARD ROEDER

- I, Richard Roeder, being first duly sworn on oath, depose and say:
- 1. I am over twenty-one years of age and am competent to testify herein. The facts set forth in this Declaration are from my personal knowledge.
- 2. I am an Environmental Specialist and am the Site Manager for the Washington State Department of Ecology for the Site in Yakima, Washington referred to as the Yakima Railroad Area.
- 3. On behalf of Ecology, I took part in the negotiations that led to the Consent Decree that is being presented to the court.
- 4. The Consent Decree was the subject of public notice and public comment as required by RCW 70.105D.040(4)(a). Ecology also conducted a public hearing as required by WAC 173-340-600(9)(d).

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- 6. As the Site Manager, I reviewed all of the public comments and drafted the Responsiveness Summary issued by Ecology which is attached hereto as Exhibit A.
- 7. No changes to the Consent Decree were made as a result of the comments received.

I declare under penalty of perjury of the laws of the state of Washington that the foregoing is true and correct.

DATED this 14 day of April, 1997.

RICHARD ROEDER

Site Manager

State of Washington Department of Ecology

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YAKIMA RAILROAD AREA CONSENT DECREES RESPONSIVENESS SUMMARY

The Washington State Department of Ecology lodged four consent decrees in the Federal District Court for the Eastern District of Washington on December 20, 1996. The consent decrees propose to settle the state's claims under the Model Toxics Control Act (MTCA), a state law, and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), a federal law, with approximately 96 Potentially Liable Persons (PLPs) regarding the Yakima Railroad Area (YRRA) cleanup site. Written comments from the public and interested parties were solicited, and a public hearing was held to receive oral and written comment on January 8, 1997 in Yakima. The only comment received during the comment process was submitted by Douglas S. Little, attorney for U-Haul of Inland Northwest. U-Haul is also a PLP for the YRRA.

Listed below are the comments received by U-Haul (italics) and Ecology's response.

COMMENT 1

There is no basis for filing the Consent Decrees in federal district court. To the best of our knowledge, Ecology's handling of the Yakima Railroad Area matter has proceeded solely under MTCA without resort to any CERCLA authority process.

The State of Washington may settle claims it may have against settling parties under both the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Model Toxics Control Act (MTCA). Taking actions pursuant to MTCA does not divest the State of authority to pursue and resolve its CERCLA claims. Since the parties are settling a federal claim (the CERCLA claim), the federal district court has exclusive jurisdiction. The court has pendent jurisdiction to settle the related state claim (the MTCA claim).

COMMENT 2

There has been no demonstration that the work to be performed under the RI Consent Decree will be consistent with CERCLA.

The work plan developed to implement the Statement of Work contained in the RI Consent Decree will be reviewed and approved by the Department prior to implementation by the potentially liability parties ("PLPs"). This review process will enable the Department to ensure that the work will be consistent with CERCLA. Also see COMMENT 3, below.

COMMENT 3

There has been no demonstration that Ecology's expenditures with regard to the Yakima Railroad Area "were incurred and will be incurred in a manner not inconsistent with the National Contingency Plan," as asserted in the complaints attached to the Consent Decrees. In addition, it is impossible to represent now whether a future expenditure will be consistent with the NCP.

To date the Department has been involved in the review of data submitted by those PLPs acting under Enforcement Orders as well as in negotiating the four Consent Decrees at the Site. These actions are consistent with both CERCLA and the NCP. Similarly, Ecology will have oversight for future expenditures sufficient to ensure that those expenditures are not inconsistent with the NCP.

COMMENT 4

There has been no demonstration that "nineteen identified Source Areas have contributed to the presence of PCE at the [Yakima Railroad Area] Site." This statement should be limited only to the Cameron-Yakima property with which the defendants in the four Consent Decrees are involved. These defendants have had no involvement with regard to any other alleged Source Area within the Yakima Railroad Area, comments as to those other properties are beyond the scope of the Consent Decree.

The YRRA is an area of approximately 6 square miles of perc contaminated groundwater. Within the area there are 19 known subfacilities or source areas. A site becomes part of the YRRA when PCE is found to be present in soils, an indication of a source. All nineteen subfacilities or Source Areas have PCE present in both soil and groundwater. Under RCW 70 105D 010(5) each of the responsible persons associated with these subfacilities is liable jointly and severally. The parties to the four decrees being proposed all shipped waste to Cameron Yakima, Inc. The CYI facility has contributed to groundwater contamination within the YRRA as evidence by soil and groundwater contamination.

Because the Site History is an important part of the background information necessary to review the Consent Decrees it should be as complete as possible. Thus, it is appropriate to include this information within the Consent Decree. Moreover, the information regarding the Source Areas at the Site constitute a factual finding by the Department of Ecology.

COMMENT 5

The contribution protection under the four proposed Consent Decrees, is overly broad. A Remedial Investigation has not even been performed for the Yakima Railroad Area. Thus, it is premature to reach settlements relieving parties from liability for future remediation decisions.

Ecology's entry of consent decrees at this time is not premature. MTCA provides that Ecology may settle with a PLP when that settlement will lead to a more expeditious cleanup of the hazardous substances at the Site. The four consent decrees proposed for entry by Ecology provide for the remedial investigation of, and substantial funds toward remediation of, over six square miles of contaminated groundwater. Thus, these decrees will lead to a more expeditious cleanup of the Site.

COMMENT 6

There is no demonstration that the amounts used to compute the cash-out settlements are fair and reasonable. No information has been provided to explain, let alone justify, the total estimated remediation costs, the allocation to those involved at the Cameron-Yakima property, or the allocation amongst PLPs at the property

Attachment A shows a line item estimate of anticipated remedial action costs for the YRRA. The estimate identifies the completion of a remedial investigation and feasibility study with the implementation of cleanup action. The cleanup action estimate consists of either the connection of about 1000 additional homes and businesses to a municipal water supply or the construction of new wells for these businesses, the 1200 plus homes already connected to a new water supply, the protection and or replacement of Union Gap Municipal Wells, and the implementation of institutional controls to protect the aquifer and control consumption. This estimate is \$23,649,669. This estimate was then allocated amongst the subfacilities by looking at soil contamination levels at each subfacility as of February 1996. A percentage of contribution for each subfacility was then developed. (See Attachment B) Note that this allocation was based on facilities in existence as of February 1996. Numbers were not included for subfacilities which had already settled via earlier settlements.

The percentage contribution identified that the Cameron-Yakima, Inc., subfacility is responsible for approximately 94% of the \$23,649,669 area-wide costs or \$22,215,516. This amount was allocated to CYI generator PLPs based on the pounds of carbon shipped to the

CYI facility; approximately 6.7 million pounds. This generated a baseline value of \$3.35 per pound of carbon shipped to the CYI subfacility.

The settlement terms of the consent decrees reflect the cooperative effort and substantial resources devoted toward remediating the contamination at the Site by the settling PLPs. Further, the decree providing for a Remedial Investigation recognizes the significant savings involved in having the PLPs carry out field work rather than having Ecology undertake the same task. The RI decree represents, when the combined value of the work and \$150,000 trust fund contribution are considered, a settlement to those PLPs of approximately \$1.99 per pound of carbon shipped to CYI. The other decrees settle for \$2.11 and \$2.35 per pound.

COMMENT 7

In the RI Consent Decree, the scope of contribution protection and the scope of the covenant not to sue are unjustifiably broad. The defendants to the RI Consent Decree are obligated to perform certain remedial investigation activities but not to participate in any feasibility study for the Yakima Railroad Area. The scope of the contribution protection and the covenant not to sue should be consonant with the activities being handled under the Consent Decree.

The scope of the covenant not to sue is commensurate with the scope of settlement embodied in the RI consent decree. The decree provides that the PLPs shall carry out the Remedial Investigation of the Site, and also contribute \$150,000 00 to the Yakima Railroad Area Trust Fund. The Trust Fund is being created by the four decrees and has, as its stated purpose, the funding of the remedial action necessary at the Site. Because the RI decree provides for payment into the Trust Fund, the intended scope of the settlement is for the remedial action necessary at the Site.

Regarding the scope of the Contribution Protection in the RI Consent Decree, CERCLA Section 113(f) (2) provides that a party who has resolved its liability with the United States or a State in a Consent Decree "shall not be liable for claims of contribution regarding the matters addressed in the settlement." MTCA, also provides that a party which has resolved its liability with the State "shall not be liable for claims for contribution regarding matters addressed in the settlement." RCW 70 105D0 040(4)(d). Because the parties have resolved their future liability under the terms of the Consent Decrees (i.e., the scope of the matters addressed includes future response costs), both MTCA and CERCLA provide that such parties are entitled to contribution protection for those same matters.

COMMENT 8

The defendants in the four Consent Decrees should not be relieved from responsibility for source removal and cleanup at the Cameron-Yakima site. For example, if Cameron-Yakima is financially unable to perform and complete remedial activities at the site, the defendants and other potentially liable parties at the site should be liable. In addition, any other liability property allocable to Cameron-Yakima should also be assessable against the defendants and other potentially liable parties at the Cameron-Yakima site.

The Settlors are entitled to protections available to settling parties under MTCA and CERCLA. It is in both the State's and the Settlor's interest to encourage early settlement and early cleanups at the Site. The Department does not contend that every PLP at the Site has settled its liability. As future response actions are identified, or future response costs incurred, by the Department, such work or costs will be allocated to those PLPs not participating in the current settlements. The State does not intend to foreclose the possibility of early settlements and cleanup at the Site simply because there is a possibility that one PLP may not be in a position to fund continuing remedial activities.

COMMENT 9

The proposed activities under the RI Consent Decree include sampling of downgradient wells at several alleged Source Areas within the Yakima Railroad Area, including the U-Haul/Yakima Valley Spray Site. If such monitoring is conducted, it should also include contemporaneous sampling of an upgradient well at the site, if such exists.

The purpose of the sampling of downgradient wells at all YRRA facilities is to begin generating an area-wide understanding of groundwater contamination levels. The contractor working under the RI Consent Decrees will be sampling one well at each facility. Ecology will be working with each subfacility to coordinate all subfacility groundwater sampling to occur on the same schedule as the area-wide sampling.

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