STATE OF WASHINGTON KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON, DEPARTMENT OF ECOLOGY,

Plaintiff,

v.

ESTATE OF WILLIAM F. ARNOLD; and ESTATE OF ERMA R. ARNOLD,

Defendants.

NO.

CONSENT DECREE RESOLVING ECOLOGY'S PAST COSTS CLAIM AGAINST ARNOLDS

I. <u>INTRODUCTION</u>

A. In entering into this Consent Decree (Decree), the mutual objective of the Washington State Department of Ecology (Ecology), and the Estate of William F. Arnold and the Estate of Erma R. Arnold (hereafter Arnolds or Defendants) is to settle Ecology's claim against the Arnolds for all Costs it incurred through September 28, 1999, relating to the release or threatened release of hazardous substances at or near the Manhattan Express Deli (formerly Arnold's Mini-Mart) located at 631 Queen Anne Avenue North, Seattle, Washington (the Site). Ecology has determined that these actions are necessary as part of the process to remediate the release or threatened release of hazardous substances at or near the Site and to protect public health and the environment.

CONSENT DECREE RESOLVING ECOLOGY'S PAST COSTS CLAIM - 1

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- 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 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 a 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 or near the Site which is the subject of this Decree.
- D. Ecology has given notice to Defendants, as set forth in RCW 70.105D.020(15), of Ecology's determination that the Defendants are potentially liable persons for the site and that there has been a release or threatened release of hazardous substances at the site.
 - E. Defendants consent to the entry of this Decree under the MTCA.

III. SETTLEMENT AND PARTIES BOUND

Within thirty (30) days after the effective date of this Decree, Defendants shall pay Ecology One Hundred Fifty Thousand Dollars (\$150,000.00) to completely settle Ecology's claim against Defendants for Ecology's costs and expenses incurred before September 28, 1999. Upon receipt of this payment, Ecology shall release its creditor's claim filed against the Estate of Erma R. Arnold under Cause No. 96-4-04704-7 and Ecology shall assert no claim against the Estate of William F. Arnold for Costs settled in this Decree. 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. Defendants agree to undertake all actions required by the terms and conditions of this Decree and not to contest state jurisdiction regarding this Decree.

expressly includes settlement of liability the Yoos may have to Ecology, if any, relating to Costs incurred by Ecology prior to September 28, 1999.

V. STATEMENT OF FACTS

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

- A. William F. Arnold and Erma R. Arnold were the owners of the Manhattan Express Deli (formerly Arnold's Mini-Mart) located at 631 Queen Anne Avenue North, Seattle, Washington. Credible evidence exists indicating that a hazardous substance (petroleum product) was released at the Site. Petroleum hydrocarbons presently exist in the soil, soil-gas, dissolved in ground water, and as free-phase product floating on the ground water.
- B. On or about April 26, 1977, the Arnolds purchased the Site from Texaco, Inc. Texaco, formerly the Texas Company, owned and operated the Site as a gas station since 1927. The Arnolds assumed operation of Texaco's gas station at the Site in May 1977. In February 1978, the basement of the neighboring Monterey apartment building was noted to have gasoline odors, which were investigated by the Seattle Fire Department. In 1986, Ecology began investigating the source of gasoline odors in the Monterey apartment building. In 1989, the Arnolds sold the site to John Yoo and Young Yoo. In 1993, the sale was rescinded because of the presence of petroleum contamination. In 1993, Ecology ordered the Site to stop selling gasoline and contracted to have the underground storage tanks and associated gasoline dispensing equipment removed from the Site. In addition, Ecology installed a soil vapor extraction remediation system at the Site.
- C. By letter dated February 11, 1994, Ecology notified Mr. and Mrs. Arnold that it proposed to find them "potentially liable persons" under RCW 70.105D.040. This letter

its past Costs claim for this period. Ecology has agreed to accept payment from defendants in the amount of \$150,000.00 as complete and full compromise of all Ecology claimed Costs incurred through September 28, 1999, as related to Defendants.

VI. AMENDMENT OF CONSENT DECREE

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.

Defendants 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 substantial, Ecology will provide public notice and opportunity for comment. Reasons for the disapproval shall be stated in writing.

VII. OTHER ACTIONS

Ecology reserves its rights to institute remedial action(s) at the Site and subsequently pursue cost recovery, and Ecology reserves its rights to issue orders and/or penalties or take any other enforcement action pursuant to available statutory authority for matters outside the scope of this Consent Decree (i.e., Costs incurred by Ecology after September 28, 1999, relating to the Site and not settled in this Consent Decree, and remedial investigation and cleanup actions relating to the Site). With respect to matters within the scope of this Consent Decree (i.e., Costs incurred by Ecology through September 28, 1999, relating to the Site), Ecology reserves its rights to issue orders and/or penalties or take any other enforcement action pursuant to available statutory authority in the event Defendants fail, after notice, to comply with any requirement of this Decree.

The Parties agree, and by entering this Consent Decree this Court finds, that the Defendants, Defendants' heirs and successors, and the Yoos are entitled, as of the Effective Date, to protection from contribution actions or claims as provided by RCW 70.105D.040(4)(d) for matters addressed in this Consent Decree include all Costs incurred by Ecology through September 28, 1999, relating to the Site and as settled in this Consent Decree.

X. REMEDIAL AND INVESTIGATIVE COSTS

By entering into this Consent Decree, Ecology does not waive or release any claims against Defendants for costs incurred after September 28, 1999, and does not waive the right to order Defendants to perform additional remedial actions relating to the Site.

XI. CLAIMS AGAINST THE STATE

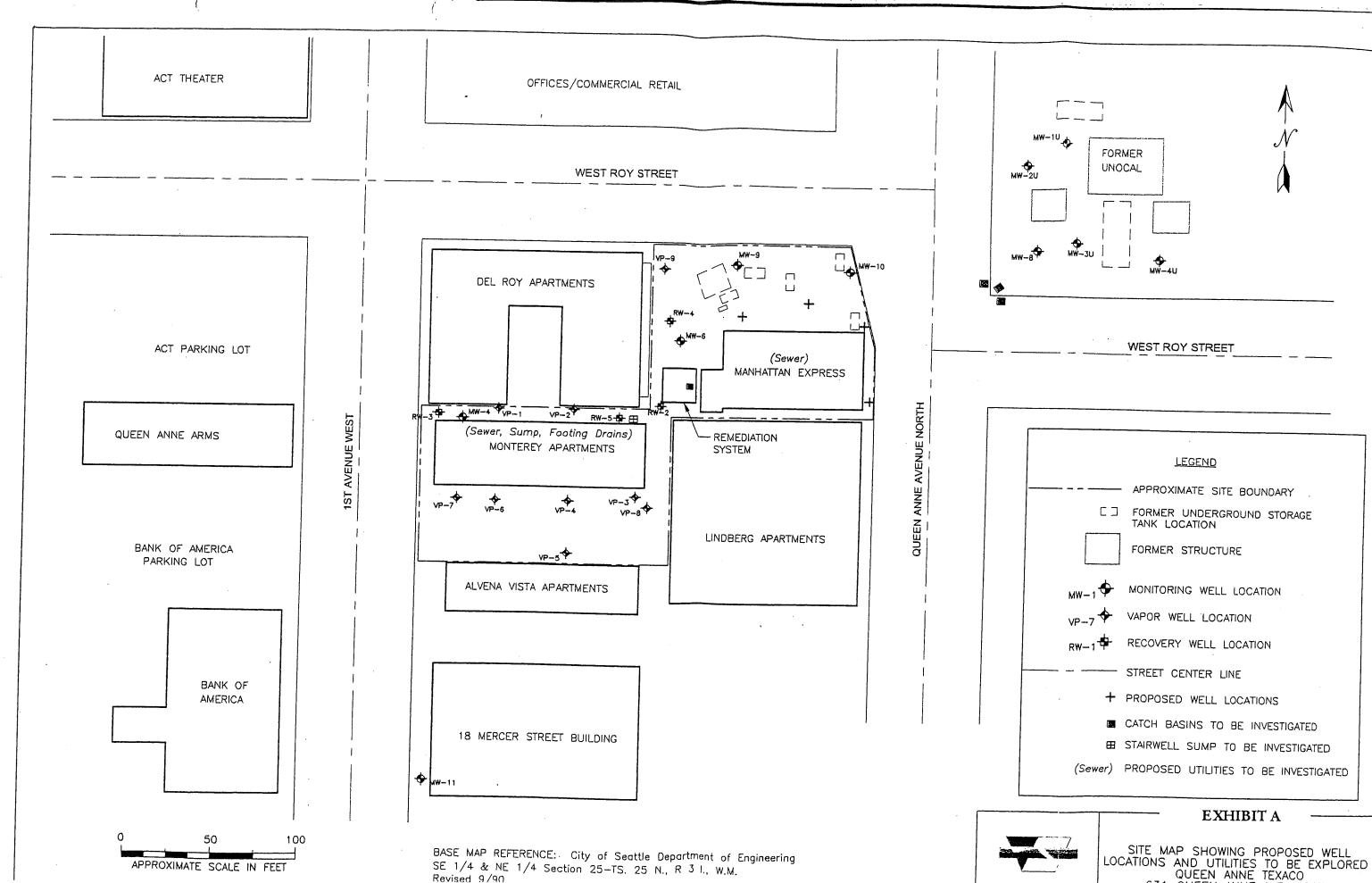
Defendants hereby agree that they will not seek to recover any costs paid pursuant to this Decree from the State of Washington or any of its agencies; and further, that the Defendants will make no claim against the State Toxics Control Account or any Local Toxics Control Account for any costs incurred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

XII. EFFECTIVE DATE

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

XIII. PUBLIC NOTICE AND WITHDRAWAL OF CONSENT

This Decree has been the subject of public notice and comment under 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 site.



SITE MAP SHOWING PROPOSED WELL LOCATIONS AND UTILITIES TO BE EXPLORED QUEEN ANNE TEXACO