# RECEIVED

## STATE OF WASHINGTON P3:09 DEPARTMENT OF ECOLOGY

In the Matter of Remedial Action by:

(a) Pulp Mill Finishing Room Cleanup

Rayonier, Inc.

(b) Pulp Mill Finishing Room Cleanup

(c) AGREED ORDER

(c) AGREED ORDER

(d) Pulp Mill Finishing Room Cleanup

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TO: Mr. Dana Dolloff
Director, Environmental Affairs
Rayonier, Inc.
1177 Summer Street
Stamford, CT 06905-55

#### I. JURISDICTION

This Agreed Order (Order) is issued pursuant to the authority of Revised Code of Washington (RCW) 70.105D.050(l).

#### II. FINDINGS OF FACT

The Department of Ecology ("Ecology") makes the following Findings of Fact, without admission of such facts by Rayonier, Inc. ("Rayonier");

- 1. The Port Angeles Mill property is owned by Rayonier and is located at 700 North Ennis Street, Port Angeles, Washington 98362.
- 2. On the Port Angeles Mill property, Rayonier operated a dissolving sulfite pulp mill until early 1997 when Rayonier closed the mill and began to dismantle the mill buildings.
- 3. Located within the pulp mill area is a facility known as the pulp mill finishing room site (the "Finishing Room Site" or the "Site"). The location of the Site is shown on the diagram attached as Exhibit A to this Order.

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- 4. Several environmental investigations conducted from 1989 to 1991 in and around the Finishing Room Site found free hydraulic oil in groundwater and in the surface waters of Ennis Creek, located adjacent to the Site. Investigations of soils from the Finishing Room Site showed concentrations of total petroleum hydrocarbons ("TPH") in ranges from 34 parts per million to 52,000 parts per million. In addition, some soils samples contaminated with hydraulic oils showed concentrations of PCBs up to 56 ppm.
- 5. On February 10, 1992, Ecology issued Enforcement Order DE-92TCI029 to Rayonier (then ITT Rayonier, Inc.) whereby Ecology required Rayonier to undertake cleanup actions at the Finishing Room Site. Specifically, the Enforcement Order required Rayonier to prepare certain plans (engineering design report, health and safety plan, sampling and compliance monitoring plan) and to undertake the remedial actions described in Ecology's Cleanup Action Plan.
- 6. In May of 1992, Rayonier submitted its Work Plan for the interim remedial action at the Finishing Room Site. The Work Plan required Rayonier to contain the migration of floating oil to the surface water of Ennis Creek, to excavate and treat contaminated soils located near the finishing room, and to install a system for pumping contaminated groundwater to prevent the contamination from reaching the creek. This interim action was commenced in 1993 and has been in continuous operation since then.
- 7. The Enforcement Order stated that the remedial actions required were "interim actions" and that Rayonier could not perform any additional remedial actions unless Ecology concurred with the additional actions.
- 8. With the scheduled demolition of the finishing room in the second quarter of 1998, it will soon be possible for Rayonier to have access to areas of soil and groundwater contamination under the finishing room.

9. Rayonier has therefore proposed entering into this Agreed Order to govern additional work to be performed to excavate soil contamination from beneath the finishing room and to install additional pumps to extract residual groundwater contamination.

#### III. ECOLOGY DETERMINATIONS

- Rayonier is the "owner and operator" as defined in RCW 70.105D.020(12) of a "facility" as defined in RCW 70.105D.020(4).
- 2. The substances found at the facility as described above are "hazardous substances" as defined in RCW 70.105D.020(7).
- 3. Based on the presence of these hazardous substances at the facility, and all factors known to Ecology, Ecology has determined that there has been a release of hazardous substances as defined in RCW 70.105D.020(20).
- 4. By a letter dated July 3, 1991, Ecology notified Rayonier of its status as a "potential liable person" under RCW 70.105D.040 after notice and opportunity for comment.
- 5. Pursuant to RCW 70.105D.030(1) and 70.105D.050, Ecology may require potentially liable persons to investigate or conduct other remedial actions with respect to the release or threatened release of hazardous substances whenever it believes such action to be in the public interest.
- 6. Based on the foregoing facts, Ecology believes the activities required by this Order are in the public interest.

#### IV. WORK TO BE PERFORMED

Based on the foregoing Facts and Determinations, it is hereby agreed that Rayonier will undertake the following interim actions and that these actions will be conducted in accordance with Chapter 173-340 WAC, unless otherwise specifically provided for herein.

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Remedial Actions. Rayonier shall undertake remedial actions (1) to excavate and dispose of off-site or treat on-site contaminated soils from beneath the finishing room, and (2) to install and operate additional pumps to extract residual contamination from groundwater remaining after the removal of contaminated soils (hereinafter the "Work"). The Work is more fully described in the attached Work Plan for Soil and Groundwater Remediation, which is attached hereto as Exhibit B, and is hereby agreed to and incorporated by this reference as an integral and enforceable part of this Agreed Order.

- Groundwater Monitoring. Rayonier shall conduct groundwater monitoring in accordance with the Work Plan.
  - Schedule. The schedule for performance of the Work is set forth in the Work Plan.
- Submission of Sampling Data. In accordance with WAC 173-340-840(5), any environmental sampling data shall be submitted in writing as specified in the Work Plan.
- Progress Reports. Rayonier shall provide a quarterly (every three months) progress report which will include the following:
  - activities that happened in the past three (3) months;
  - activities planned for the next three (3) months;
  - a written summary of all lab data required by this Order received in the past three (3) months;
  - if requested by Ecology, all lab data required by this order or requested by Ecology shall be provided in an Ecology-approved electronic format.

This progress report frequency may be revised by Ecology if adequate justification is provided by Rayonier or if Ecology provides justification for a change.

- Definitions. Unless otherwise specified, the definitions set forth in Chapter 70.105D
   RCW and Chapter 173-340 WAC shall control the meanings of the terms used in this Order.
- 2. <u>Public Notices</u>. RCW 70.105D.030(2)(a) requires that, at a minimum, this Order be subject to concurrent public notice. Ecology shall be responsible for providing such public notice and reserves the right to propose modifications or to propose withdrawing any provisions of this Order should public comment disclose facts or considerations which indicate to Ecology that the Order is inadequate or improper in any respect. Ecology agrees to provide Rayonier with notice and an opportunity to comment prior to modifying or withdrawing any provision of this Order.
- 3. Remedial Action Costs. Rayonier shall pay to Ecology costs incurred by Ecology pursuant to this Order. These costs shall include work performed by Ecology or its contractors for oversight and administration. Ecology costs shall include costs of direct activities and support costs of direct activities as defined in WAC 173-140-550(2). Rayonier shall pay the required amount within ninety (90) days of receiving from Ecology an itemized statement of costs that includes a general description of the work performed, a summary of costs incurred, an identification of involved staff, and the amount of time spent by involved staff members on the project. Itemized statements shall be prepared quarterly by Ecology. Failure to pay Ecology's costs within ninety (90) days of receipt of the itemized statement of costs will result in interest charges.

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4. <u>Designated Project Coordinators</u>. The project coordinator for Ecology is:

Name:

Garin Schrieve, P.E.

Site Manager

Address:

Department of Ecology

P.O. Box 47775

Olympia, Washington 98504-7775

Telephone:

(360) 407-6253

Fax:

(360) 407-6305

E-Mail:

gasc461@ecy.wa.gov

The project coordinator for Rayonier is:

Name:

Jack Anderson

Environmental Manager

Address:

Port Angeles Mill

700 North Ennis Street

Port Angeles, Washington 98362

Telephone:

(360) 457-2329

Fax:

(360) 457-2437

E-Mail:

jack.anderson@rayonier.com

The project coordinator(s) shall be responsible for overseeing the implementation of this Order. To the maximum extent possible, communications between Ecology and Rayonier, and all documents, including reports, approvals, and other correspondence concerning the activities performed pursuant to the terms and conditions of this Order shall be directed through the project coordinator(s). If Ecology or Rayonier should change project coordinator(s), written notification shall be provided to the other parties at least ten (10) calendar days prior to the change.

5. <u>Performance</u>. All work performed pursuant to this Order shall be under the direction and supervision, as necessary, of a professional engineer or hydrogeologist, or similar expert, with appropriate training, experience and expertise in hazardous waste site investigation and cleanup. Rayonier shall notify Ecology about the identity of such engineer(s) or hydrogeologist(s), and of any contractors and subcontractors to be used in carrying out the terms of this Order, in advance of

their involvement at the Site. Rayonier shall provide a copy of this Order to all agents, contractors, and subcontractors retained to perform work required by this Order and shall ensure that all work undertaken by such agents, contractors, and subcontractors is in compliance with this Order.

Except where necessary to abate an emergency situation, Rayonier shall not perform any remedial actions at the Site beyond those required by this Order unless Ecology concurs, in writing, with such additional remedial actions.

WAC 173-340-400(7)(b)(i) requires that "construction" performed on the Site <u>must</u> be under the supervision of a professional engineer registered in Washington.

6. Access. Ecology or any Ecology-authorized representative shall have the authority to enter and freely move about the Site at all reasonable times for the purposes of, inter alia: inspecting records, operation logs, and contracts related to the work being performed pursuant to this Order; reviewing the progress in carrying out the terms of this Order; conducting such tests or collecting samples as Ecology or the project coordinator may deem necessary; using a camera, sound recording, or other documentary type equipment to record work done pursuant to this Order; and verifying the data submitted to Ecology by Rayonier. Rayonier agrees, upon reasonable advance notice from Ecology, to allow access to the Site at all reasonable times for purposes of overseeing work performed under this Order. Ecology shall allow split or replicate samples to be taken by Rayonier during an inspection unless doing so interferes with Ecology's sampling. Ecology shall provide to Rayonier reasonable notice before conducting any sampling activity such that Rayonier has the opportunity to take split sampling. Rayonier shall allow split or replicate samples to be taken by Ecology and shall provide seven (7) days notice before conducting any sampling activity.

7. <u>Public Participation</u>. Rayonier shall help prepare and/or update a public participation plan for the Site. Ecology shall maintain the responsibility for public participation at the Site. Rayonier shall help coordinate and implement reasonable public participation for the Site.

- 8. Retention of Records. Rayonier shall preserve in a readily retrievable fashion, during the pendency of this Order and for ten (10) years from the date of completion of the work performed pursuant to this Order, all records, reports, documents, and underlying data in its possession prepared pursuant to this Order. If any portion of the work performed hereunder is undertaken by contractors or agents of Rayonier, then Rayonier agrees to include in their contract with such contractors or agents a record retention requirement meeting the terms of this paragraph.
- 9. Reservation of Rights/No Settlement. This Order is not a settlement under Chapter 70.105D RCW. Ecology's signature on this Order in no way constitutes a covenant not to sue or a compromise of any Ecology rights or authority. Ecology will not, however, bring an action against Rayonier to recover remedial action costs paid to and received by Ecology under this Order. In addition, Ecology will not take additional enforcement actions against Rayonier to require those interim actions required by this Order, provided Rayonier complies with this Order. Ecology reserves the right, however, to require additional remedial actions at the Site should it deem such actions necessary.

Ecology also reserves all rights regarding the injury to, destruction of, or loss of natural resources resulting from the releases or threatened releases of hazardous substances from the Site.

In the event Ecology determines that conditions at the Site are creating or have the potential to create a danger to the health or welfare of the people on the Site or in the surrounding area or to the environment, Ecology reserves the right to order Rayonier to stop further implementation of this Order for such period of time as needed to abate the danger.

Rayonier expressly reserves all rights. Nothing in this Order shall be construed as an admission of any liability or a waiver of any rights on the part of Rayonier.

10. <u>Transference of Property</u>. No voluntary or involuntary conveyance or relinquishment of title, easement, leasehold, or other interest in any portion of the Site shall be consummated by Rayonier, without provision for continued implementation of all requirements of this Order and implementation of any remedial actions found to be necessary as a result of this Order.

Until the work described in this Order is completed, prior to transfer of any legal or equitable interest Rayonier may have in the Site or any portions thereof, Rayonier shall serve a copy of this Order upon any prospective purchaser, lessee, transferee, assignee, or other successor in such interest. At least thirty (30) days prior to finalization of any transfer, Rayonier shall notify Ecology of the contemplated transfer.

## 11. Compliance With Applicable Laws.

- a. All actions carried out by Rayonier pursuant to this Order shall be done in accordance with all applicable federal, state, and local requirements, including requirements to obtain necessary permits, except as provided in paragraph (b) of this section.
- b. Pursuant to RCW 70.105D.090(l), the substantive requirements of Chapters 70.94, 70.95, 70.105, 75.20, 90.48, and 90.58 RCW and of any laws requiring or authorizing local government permits or approvals for the remedial action under this Order that are known to be applicable at the time of issuance of this Order have been included in Section 3.2 of the Work Plan and are binding and enforceable requirements of the Order.
- c. Rayonier has a continuing obligation to determine whether additional permits or approvals addressed in RCW 70.105D.090(I) would otherwise be required for the remedial action under this Order. In the event Rayonier determines that additional permits or

approvals addressed in RCW 70.105D.090(I) would otherwise be required for the remedial action under this Order, they shall promptly notify Ecology of this determination, Ecology shall determine whether Ecology or Rayonier shall be responsible to contact the appropriate state and/or local agencies. If Ecology so requires, Rayonier shall promptly consult with the appropriate state and/or local agencies and provide Ecology with written documentation from those agencies of the substantive requirements those agencies believe are applicable to the remedial action. Ecology shall make the final determination on the additional substantive requirements that must be met by Rayonier and on how Rayonier must meet those requirements. Ecology shall inform Rayonier in writing of these requirements. Once established by Ecology, the additional requirements shall be enforceable requirements of this Order. Rayonier shall not begin or continue the remedial action potentially subject to the additional requirements until Ecology makes its final determination.

- d. Ecology shall ensure that notice and opportunities for comment are provided to the public and appropriate agencies prior to establishing the substantive requirements under this section.
- e. Pursuant to RCW 70.105D.090(2), in the event Ecology determines that the exemption from complying with the procedural requirements of the laws referenced in RCW 70.105D.090(I) would result in the loss of approval from a federal agency, which is necessary for the state to administer any federal law, Ecology shall notify Rayonier that the exemption shall not apply and Rayonier shall comply with both the procedural and substantive requirements of the laws referenced in RCW 70.105D.090(1), including any requirements to obtain permits.

#### VI. SATISFACTION OF THIS ORDER

The provisions of this Order shall be deemed satisfied upon receipt by Rayonier of written notification from Ecology that Rayonier have completed the remedial activity required by this Order, as amended by any modifications, and that all other provisions of this Order have been complied with.

#### VII. ENFORCEMENT

- 1. Pursuant to RCW 70.105D.050, this Order may be enforced as follows:
- a. The Attorney General may bring an action to enforce this Order in a state or federal court.
- b. The Attorney General may seek, by filing an action, if necessary, to recover amounts spent by Ecology for investigative and remedial actions and orders related to the Site.
- c. In the event that Rayonier refuses, without sufficient cause, to comply with any term of this Order, Rayonier shall be liable for:
  - (1) up to three (3) times the amount of any reasonable costs incurred by the state of Washington as a result of the refusal to comply; and
  - (2) civil penalties of up to \$25,000 per day for each day they refuse to comply.
- d. This Order is not appealable to the Washington Pollution Control Hearings Board. This Order may be reviewed only as provided under RCW 70.105D.060.

Effective date of this Order: October 1, 1998.	
Rayonier, Inc.	State of Washington Department of Ecology
OOM	
By Dana Dolloff	By <u>Laurie D. Davies</u> Laurie Davies
Director, Environmental Affairs	Toxics Cleanup Program Southwest Regional Section Manager
	Solid Waste Financial Assistance Program.
	Rayonier, Inc.  By Dana Dolloff

