

Cover Sheet

Environmental Covenant

Grantor: Coleman Services V, LLC

Grantee: State of Washington, Department of Ecology

Brief Legal Description: Manufacture Amended Block 4 Lots 1-9 Acres 1.2700

Tax Parcel Number: 222011693005

Cross Reference: 600 South Worthen Street, Wenatchee, WA 98801/ Northwest
Quarter of Section 11, Township 22 North, Range 20 East in
Chelan County, Washington

Recorded at the Request of:

Coleman Services V, LLC, 335 Mill Road, Lewiston, ID 83501

After Recording Return Original Signed Covenant to:

Jennifer Lind, Toxics Cleanup Program

Department of Ecology

Central Regional Office

15 West Yakima Avenue, Suite 200

Yakima, WA 98902-3452

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Washington

RECITALS

- a. This document is an environmental (restrictive) covenant (hereafter "Covenant") executed pursuant to the Model Toxics Control Act ("MTCA"), chapter 70.105D 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 Coleman Oil Company 1, Facility Site No. 83844381. The Property is legally described in Exhibit A, and illustrated in Figures 1 and 2 of 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 under MTCA. This Covenant is required because residual contamination above MTCA Cleanup Levels remain in soil on the Property after completion of remedial actions. Residual contamination below MTCA Cleanup Levels (CULs) remains in groundwater on the property. Specifically, the following principle contaminants remain above MTCA CULs on the Property:

| Medium | Principle Contaminants Present |
|------------------------|---|
| Soil | Total petroleum hydrocarbons as gasoline-range organics, benzene, toluene, ethylbenzene, and xylenes. |
| Groundwater | Not applicable. |
| Surface Water/Sediment | Not applicable. |

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 the Washington State Department of Ecology. Figure 1 provided in Exhibit B illustrates the location of the Environmental Covenant. Figure 2 provides the analytical soil boring results for which the Environmental Covenant is based.

e. This Covenant grants the Washington State Department of Ecology, as holder of this Covenant, certain rights specified in this Covenant. The right of the Washington State Department of Ecology as a holder is not an ownership interest under MTCA, Chapter 70.105D RCW or the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") 42 USC Chapter 103.

COVENANT

Coleman Services V LLC, as Grantor owner of the Property hereby grants to the Washington State Department of Ecology, and its successors and assignees, (hereafter "Ecology") the following covenants. Furthermore, it is the intent of the Grantor that such covenants shall 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 Ecology.

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 Ecology. 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. **Amendment to the Covenant.** Grantor must notify and obtain approval from Ecology 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.¹ Before approving any proposal, Ecology must issue a public notice and provide an opportunity for the public to comment on the proposal. If Ecology approves the proposal, the Covenant will be amended to reflect the change.

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:

Containment of Soil

The Grantor shall not alter or remove the existing structures associated with the residual soil contamination on the Property in any manner that would expose contaminated soil, result in a release to the environment of contaminants, or create a new exposure pathway, without prior written approval of Ecology. Should the Grantor propose to remove all or a portion of the existing structures within the Environmental Covenant illustrated on Figure 1 in Exhibit B so that access to the underlying contamination is feasible, Ecology may require treatment or removal of the underlying contaminated soil.

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 Ecology 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 area of the Covenant Restriction illustrated on Figure 1 in Exhibit B, including but not limited to title, easement, leases, and security or other interests, must:
 - i. Notify Ecology 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:

¹ Examples of inconsistent uses are: using the Property for a use not allowed under the covenant (for example, mixed residential and commercial use on a property that is restricted to industrial uses); OR, drilling a water supply well when use of the groundwater for water supply is prohibited by the covenant.

NOTICE: THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT GRANTED TO THE WASHINGTON STATE DEPARTMENT OF ECOLOGY ON _____ AND RECORDED WITH THE CHELAN COUNTY AUDITOR UNDER RECORDING NUMBER _____. 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 Ecology, provide Ecology 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 to Ecology.
- c. **Emergencies.** For any emergency or significant change in site conditions due to Acts of Nature (for example, flood, 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 Ecology 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. Any required written notice, approval, or 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.

| | |
|---|---|
| Jim Cach or Robert S. Coleman, Jr. Coleman Services V LLC PO Box 1308 (mailing address) 355 Mill Road (physical address) Lewiston, ID 93501 Phone contact (208) 799-2000, ext 2019 | Environmental Covenants Coordinator Washington State Department of Ecology Toxics Cleanup Program P.O. Box 47600 Olympia, WA 98504 – 7600 (360) 407-6000 |
|---|---|

As an alternative to providing written notice and change in contact information by mail, these documents may be provided electronically in an agreed upon format at the time of submittal.

Section 5. Modification or Termination.

- a. If the conditions at the site requiring a Covenant have changed or no longer exist, then the Grantor may submit a request to Ecology that this Covenant be amended or terminated. Any amendment or termination of this Covenant must follow the procedures in Chapter 64.70 RCW and Chapter 70.105D RCW and any rules promulgated under these chapters.
- b. By signing this agreement, per RCW 64.70.100, the original signatories to this agreement, other than Ecology, agree to waive all rights to sign amendments to and termination of this Covenant.²

² As time passes, the original grantor and other signers of the covenant may no longer exist as viable entities. This is intended to allow future amendments or termination of the covenant without Ecology having to seek court authorization, as provided by RCW 64.70.100.

Section 6. Enforcement and Construction.


- a. This Covenant is being freely and voluntarily granted by the Grantor.
- b. Grantor shall provide Ecology with an original signed Covenant and proof of recording within ten (10) days of execution of this Covenant.
- c. Ecology 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 Chapter 70.105D RCW and Chapter 64.70 RCW. Enforcement of the terms of this Covenant shall be at the discretion of Ecology, 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 Ecology of that term or of any subsequent breach of that term, or any other term in this Covenant, or of any rights of Ecology under this Covenant.
- d. The Grantor, upon request by Ecology, shall be obligated to pay for Ecology'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 the Model Toxics Control Act, chapter 70.105D RCW and Uniform Environmental Covenants Act, chapter 64.70 RCW.
- 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 19th day of SEPT, 2014.

COLEMAN SERVICES V LLC


SIGNATURE
Robert S. Coleman Jr., Manager/Member

Dated: 9/19/2014

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

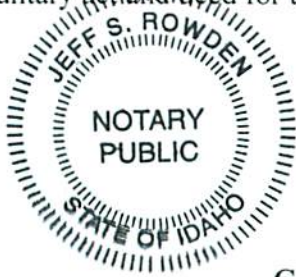

SECTION MANAGER SIGNATURE

Dated: 9/24/2014

GRANTOR CORPORATE ACKNOWLEDGMENT

STATE OF IDAHO
COUNTY OF NEZ PERCE

On this 19 day of September, 2014, I certify that Robert S. Coleman Jr. personally appeared before me, and acknowledged that **he/she** is the individual described herein and who executed the within and foregoing instrument and signed the same at **his/her** free and voluntary act and deed for the uses and purposes therein mentioned.



Jeff S. Rowden
Notary Public in and for the State of Idaho
~~Washington~~, residing at Lewiston.
My appointment expires 11/13/2015.

GRANTOR LLC ACKNOWLEDGMENT

STATE OF IDAHO
COUNTY OF NEZ PERCE

On this 19 day of September, 2014, I certify that Robert S. Coleman Jr. 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.



Jeff S. Rowden
Notary Public in and for the State of Idaho
~~Washington~~, residing at Lewiston.
My appointment expires 11/13/2015.

Exhibit A

LEGAL DESCRIPTION

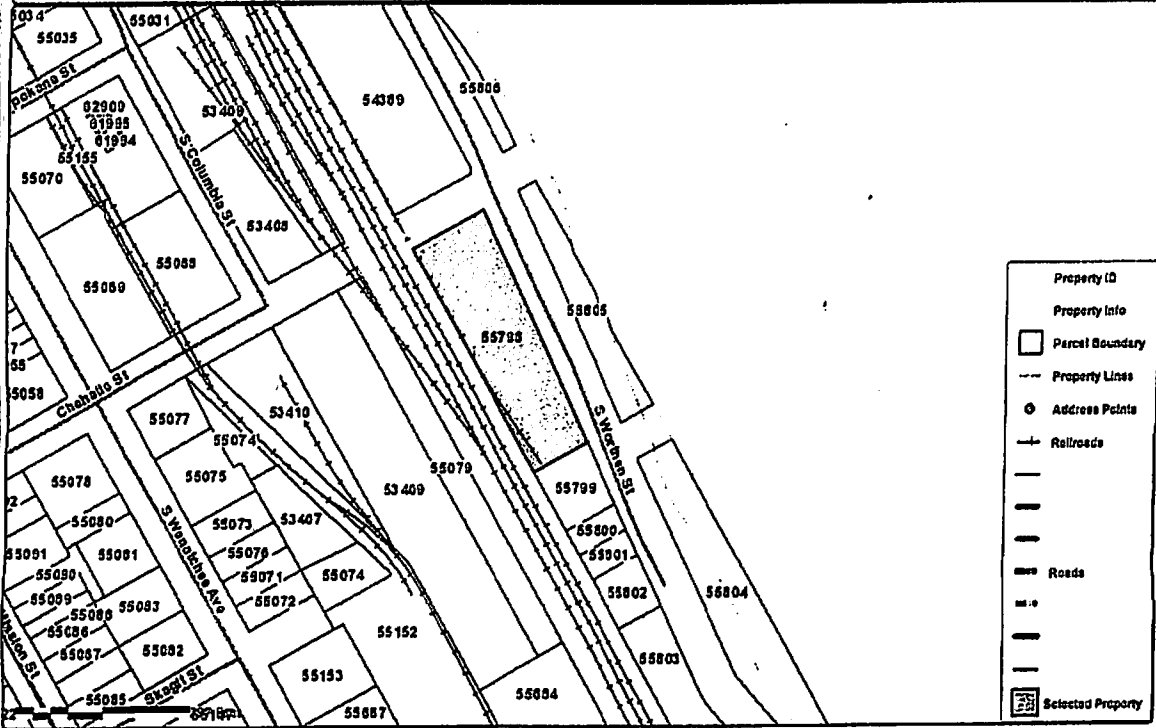
The property is in the Northwest Quarter of Section 11, Township 22 North, Range 20 East in Chelan County, Washington.

Legal Description: Manufacturers Amended Block 4 lots 1-9 acres 1.2700

Tax Parcel I.D. # Chelan County Tax Parcel Number: 222011693005

See attached Exhibit A-Chelan County Assessor and Treasurer-Map of Property ID 55798

Chelan County Assessor & Treasurer - Map of Property ID 55798 for Year 2014



Property Details

Account

Property ID: 55798
 Geo ID: 222011693005
 Type: Real

Legal Description: MANUFACTURERS AMENDED BLOCK 4 LOTS 1-9 ACRES 1.2700

Location

Situs Address: 600 S WORTHEN ST WENATCHEE, WA 98801
 Neighborhood: Cycle 1 Wenatchee Div 3 Com
 Mapsco:

Jurisdictions: 010170,160001,644001,652001,652005,654210,671101,693041,693050

Owner

Owner Name: COLEMAN SERVICES IV LLC
 Mailing Address: PO BOX 1308, LEWISTON, ID 83501

Property

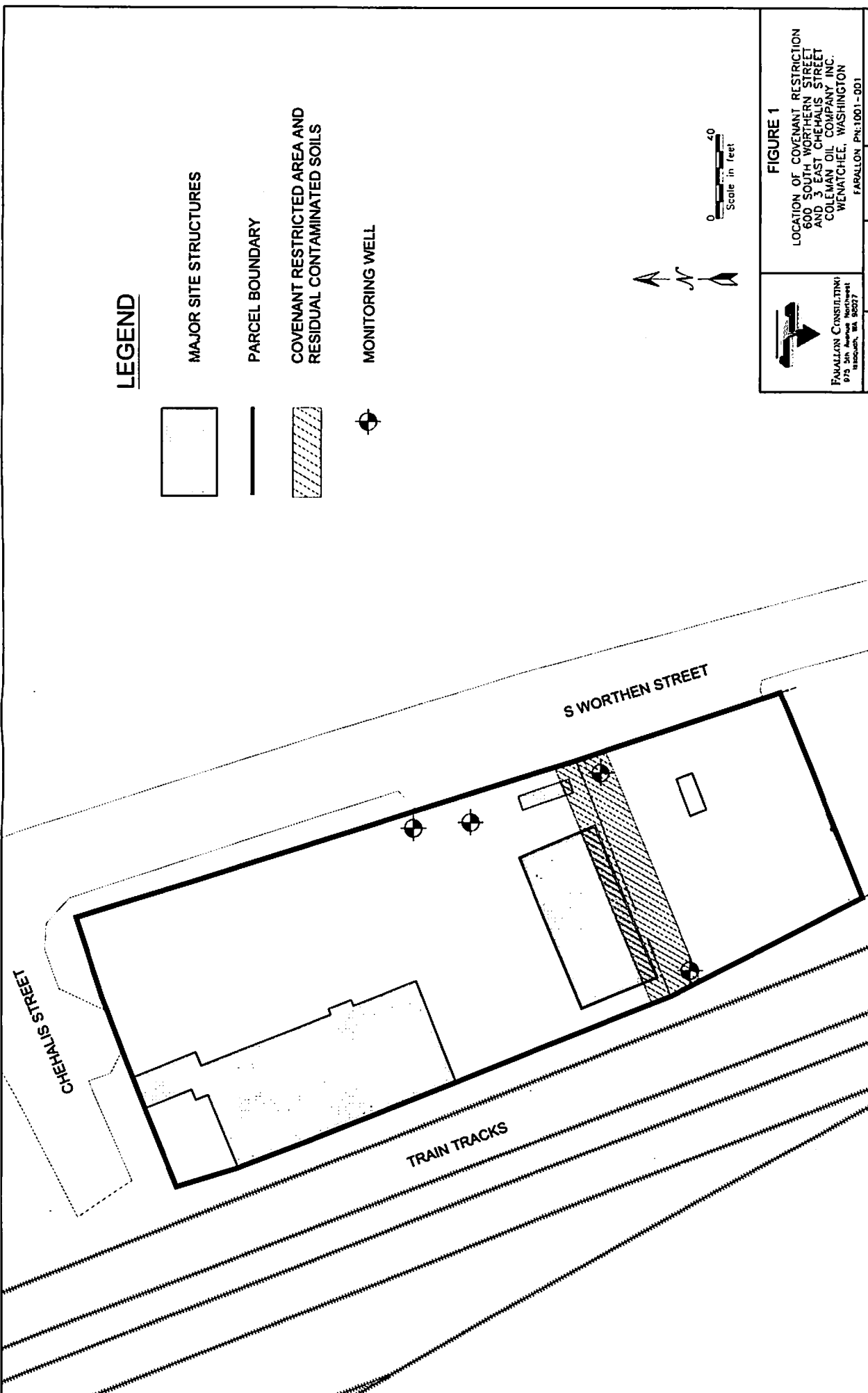
Appraised Value: N/A

<http://63.135.55.83/Map/View/Map/91/55798/2014>







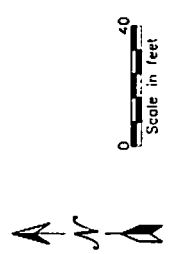

Exhibit B

PROPERTY MAP AND LOCATIONS OF RESTRICTIONS



LEGEND

- 
MAJOR SITE STRUCTURES
- 
PARCEL BOUNDARY
- 
COVENANT RESTRICTED AREA AND RESIDUAL CONTAMINATED SOILS
- 
MONITORING WELL

FARALLON CONSULTING, INC.
 975 5th Avenue, North
 Tacoma, WA 98507

FIGURE 1
 LOCATION OF COVENANT RESTRICTION
 600 SOUTH WORTHEN STREET
 AND 3 EAST CHEHALIS STREET
 COLEMAN OIL COMPANY INC.
 WENATCHEE, WASHINGTON
 FARALLON, PN:1001-001

Drawn By: SP Checked By: DEW Date: 8/21/14 Data Reference: 1001001

LEGEND

- CHAINLINK FENCE
- UNDERGROUND FUEL LINE
- UNDERGROUND NATURAL GAS LINE
- UNDERGROUND COMMUNICATION LINE
- UNDERGROUND ELECTRICAL LINE
- UNDERGROUND SANITARY SEWER LINE
- UNDERGROUND WATER LINE
- OVERHEAD POWER LINE

EXCAVATION AREA JUNE 2010

RESULTS IN MILLIGRAMS PER KILOGRAM
 GRO = TOTAL PETROLEUM HYDROCARBONS AS
 GASOLINE RANGE ORGANICS

B = BENZENE
 T = TOLUENE
 E = ETHYLBENZENE
 X = TOTAL XYLENES

** NOT DETECTED AT OR ABOVE LABORATORY PRACTICAL
 QUANTIFICATION LIMIT SHOWN

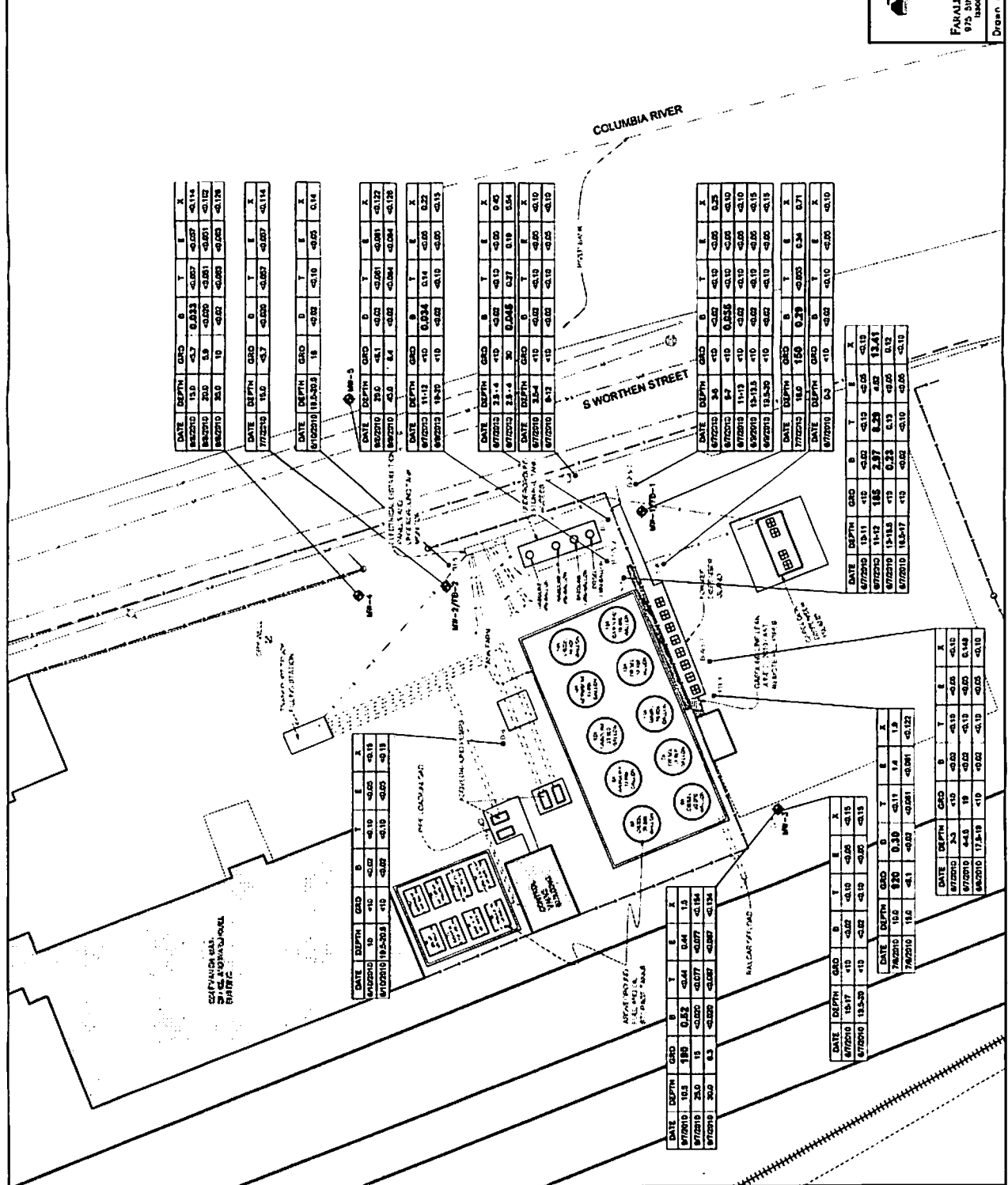
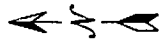
RESULTS IN SOIL REMOTE CONCENTRATIONS
 EXCEED APPLICABLE CLEANUP LEVELS FOR SOIL

- MP-1 MONITORING WELL
- FO-3 SOIL BORING
- N CATCH BASIN
- ⊗ SANITARY SEWER MANHOLE
- ⊙ WATER VALVE
- POWER POLE

FIGURE 2
 ANALYTICAL SOIL BORING RESULTS
 COLEMAN OIL WENATCHEE
 WENATCHEE, WASHINGTON

FARALLON CONSULTING
 975 5th Avenue Northwest
 Issaquah, WA 98027

Created By: DEW Date: 4/2/14 Disk Reference: 1001001



| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|------|-------|--------|--------|-------|
| 8/22/10 | 15.0 | <0.2 | 0.033 | <0.02 | <0.02 | <0.14 |
| 8/22/10 | 20.0 | 5.9 | <0.02 | <0.01 | <0.01 | <0.12 |
| 8/22/10 | 25.0 | 10 | <0.02 | <0.005 | <0.005 | <0.15 |

| DATE | DEPTH | GRO | B | T | E | X |
|----------|-------|------|--------|--------|--------|--------|
| 7/7/2010 | 15.0 | <0.7 | <0.002 | <0.007 | <0.007 | <0.114 |

| DATE | DEPTH | GRO | B | T | E | X |
|-----------|-----------|-----|-------|-------|-------|------|
| 8/16/2010 | 18.5-20.2 | 18 | <0.02 | <0.10 | <0.05 | 0.14 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|------|-------|--------|--------|-------|
| 8/22/10 | 25.0 | <0.1 | <0.02 | <0.01 | <0.01 | <0.12 |
| 8/22/10 | 30.0 | 8.4 | <0.02 | <0.004 | <0.004 | <0.12 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|-----|-------|-------|-------|-------|
| 8/22/10 | 11-12 | <10 | 0.034 | 0.14 | <0.05 | 0.22 |
| 8/22/10 | 18-20 | <10 | <0.02 | <0.10 | <0.05 | <0.15 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|-------|-------|-------|-------|------|
| 8/22/10 | 23-24 | <10 | <0.02 | <0.15 | <0.05 | 0.45 |
| 8/22/10 | 29-30 | 0.248 | 0.27 | 0.18 | 0.04 | |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|-----|-------|-------|-------|-------|
| 8/22/10 | 3-6 | <10 | <0.02 | <0.10 | <0.05 | 0.25 |
| 8/22/10 | 8-9 | <10 | 0.258 | <0.10 | <0.05 | <0.10 |
| 8/22/10 | 11-13 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |
| 8/22/10 | 15-18 | <10 | <0.02 | <0.10 | <0.05 | <0.15 |
| 8/22/10 | 19-20 | <10 | <0.02 | <0.10 | <0.05 | <0.15 |

| DATE | DEPTH | GRO | B | T | E | X |
|----------|-------|-----|-------|--------|-------|-------|
| 7/7/2010 | 18.5 | 150 | 0.29 | <0.005 | 0.34 | 0.71 |
| 8/7/2010 | 0-3 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|---------|-----|-------|-------|-------|-------|
| 8/22/10 | 19-21 | <10 | <0.02 | <0.15 | <0.05 | <0.10 |
| 8/22/10 | 11-13 | 185 | 2.97 | 0.29 | 0.05 | 13.41 |
| 8/22/10 | 15-18.5 | <10 | 0.23 | 0.19 | 0.05 | 0.12 |
| 8/22/10 | 18.5-21 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|-----|-------|-------|-------|-------|
| 8/22/10 | 19-20 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|-------|--------|--------|--------|-------|
| 8/22/10 | 10.2 | 185 | 0.28 | <0.11 | 1.4 | 1.8 |
| 8/22/10 | 15 | <0.02 | <0.077 | <0.077 | <0.18 | |
| 8/22/10 | 20.0 | 8.3 | <0.02 | <0.027 | <0.027 | <0.18 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|-----|-------|-------|-------|-------|
| 8/22/10 | 15-17 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |
| 8/22/10 | 18-20 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|-------|--------|--------|--------|-------|
| 8/22/10 | 10.2 | 185 | 0.28 | <0.11 | 1.4 | 1.8 |
| 8/22/10 | 15 | <0.02 | <0.077 | <0.077 | <0.18 | |
| 8/22/10 | 20.0 | 8.3 | <0.02 | <0.027 | <0.027 | <0.18 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|-------|------|-------|--------|--------|--------|
| 8/22/10 | 15.0 | <0.1 | <0.02 | <0.081 | <0.081 | <0.122 |

| DATE | DEPTH | GRO | B | T | E | X |
|---------|---------|-----|-------|-------|-------|-------|
| 8/22/10 | 2-3 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |
| 8/22/10 | 4-5 | 18 | <0.02 | <0.10 | <0.05 | 0.148 |
| 8/22/10 | 17.2-18 | <10 | <0.02 | <0.10 | <0.05 | <0.10 |