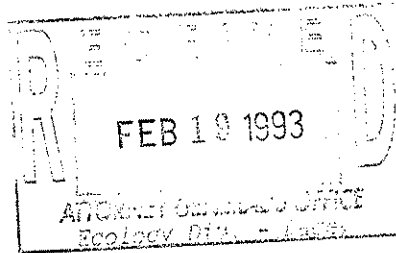


U.S. DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

FEB 17 1993

JAMES R. LARSEN, CLERK
DEPUTY



UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

STATE OF WASHINGTON DEPARTMENT
OF ECOLOGY,

Plaintiff,

-vs-

ALUMAX FABRICATED PRODUCTS, INC.,
a Delaware corporation; and
ALUMAX MILL PRODUCTS, INC., a
Delaware corporation,

Defendants.

NO. CS-91-066-WFN

ORDER

Before the Court is a Stipulated Motion for Entry of the Consent Decree for Payment of Costs. Having reviewed the record and being fully informed, this court GRANTS the Motion. Accordingly,

IT IS ORDERED that the parties' Stipulated Consent Decree for Payment of Costs be filed.

IT IS SO ORDERED. The Clerk is directed to file the Stipulated Consent Decree for Payment of Costs, enter this Order and forward copies of this Order to counsel.

DATED this 16 day of February, 1993.


WM. FREMMING NIELSEN
UNITED STATES DISTRICT JUDGE

THE
OFFICE OF THE
ATTORNEY GENERAL
STATE OF NEW YORK

IN SENATE,
January 10, 1912.
REPORT
OF THE
ATTORNEY GENERAL,
JAMES C. CLARK,
IN RESPONSE TO A
RESOLUTION PASSED
BY THE SENATE,
MAY 1, 1911,
RELATIVE TO THE
PROSECUTION OF
THE CASE OF
THE PEOPLE OF THE
STATE OF NEW YORK
VS. JAMES C. CLARK,
ET AL.

Honorable William Fremming Nielson

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF WASHINGTON

STATE OF WASHINGTON)
DEPARTMENT OF ECOLOGY,)
) No. CS-91-066-WFN
Plaintiff,)
)
v.) **CONSENT DECREE FOR**
) **PAYMENT OF COSTS**
)
ALUMAX FABRICATED PRODUCTS,)
INC., a Delaware Corporation;)
and ALUMAX MILL PRODUCTS,)
INC., a Delaware Corporation,)
)
Defendants.)

TABLE OF CONTENTS

		<u>Page</u>
I.	INTRODUCTION.....	2
II.	JURISDICTION.....	3
III.	PARTIES BOUND.....	3
IV.	DEFINITIONS.....	4
V.	STATEMENT OF FACTS.....	5
VI.	GENERAL PROVISIONS.....	8
VII.	REIMBURSEMENT OF COSTS.....	9
VIII.	COVENANTS NOT TO SUE BY ECOLOGY.....	10
IX.	COVENANTS NOT TO SUE BY DEFENDANTS.....	12
X.	CONTRIBUTION PROTECTION.....	12
XI.	MODIFICATION.....	13
XII.	PUBLIC NOTICE AND WITHDRAWAL OF CONSENT.....	13
XIII.	EFFECTIVE DATE AND TERMINATION DATE.....	13
XIV.	RETENTION OF JURISDICTION.....	14

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

I. INTRODUCTION

A. In entering into this Consent Decree (Decree), the mutual objective of the Washington State Department of Ecology (Ecology), and Alumax Fabricated Products, Inc., and Alumax Mill Products, Inc. (Defendants), is for Ecology to recover costs for the investigation and remediation of the Colbert Landfill site, and for the above-referenced parties to resolve their litigation pending in the United States District Court for the Eastern District of Washington, Civil No. CS-91-066-WFN.

B. A complaint and answer has been filed. There has not been a trial on any issue of fact or law in this case. 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.

C. In signing this Decree, Defendants agree to its entry and agree to be bound by its terms.

D. Except as set forth in Sections XIII and IX, by entering into this Decree, the parties do not intend to discharge nonsettling parties from any liability they may have with respect to matters alleged in the complaint. The parties

1 retain the right to seek reimbursement, in whole or in part,
2 from any liable persons for sums expended under this Decree.

3 E. This Decree shall not be construed as proof of
4 liability or responsibility for any releases of hazardous
5 substances or costs for investigation or remedial action nor
6 an admission of any facts; provided, however, that the
7 Defendants shall not challenge the jurisdiction of Ecology in
8 any proceeding to enforce this Decree.

9 F. The Court is fully advised of the reasons for entry
10 of this Decree, and good cause having been shown: IT IS
11 HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

12 II. JURISDICTION

13 A. This Court has jurisdiction over the subject matter
14 and over the parties pursuant to 28 U.S.C. §§ 1331 and 1345,
15 and 42 U.S.C. §§ 9606, 9607 and 9613(b), and ch. 70.105D RCW,
16 the Model Toxics Control Act (MTCA). This Court has personal
17 jurisdiction over the Defendants. Solely for the purposes of
18 this Decree, the Defendants waive all objections and defenses
19 that they may have to jurisdiction of the Court or to venue in
20 this District. Defendants shall not challenge the terms of
21 this Decree or the Court's jurisdiction to enter and enforce
22 this Decree.

23 III. PARTIES BOUND

24 This Decree shall apply to and be binding upon the
25 signatories to this Decree, their successors and assigns. The

26 CONSENT DECREE

-3-

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. No change in ownership or corporate status shall alter the responsibility of the Defendants under this Decree.

IV. DEFINITIONS

Except as specified herein, all definitions set forth in the Model Toxics Control Act, chapter 70.105D RCW, and regulations adopted pursuant thereto, apply to the terms in this Decree.

A. Site: The site, referred to as the Colbert Landfill, is located about 2.5 miles north of the Town of Colbert, Washington, and half a mile east of U.S. Highway 2 in the northwest quadrant of the intersection Elk-Chattaroy, Yale, and Big Meadows Road. It is situated in the southeast corner of Section 3, Township 27 North, Range 43 East, W.M. The remedial action site, the area of potential impact surrounding and including the landfill, extends north of the landfill about half a mile, west about one mile to the Little Spokane River, east about one mile, and south approximately five miles to the Peone Creek. The total area is approximately 6,800 acres, which includes parts of sections 2,

1 3, 10, 11, 14, 15, 16, 21, 22, 23, 26, 27, 28, 33, 34 and 35
2 of Township 27 North, Range 43 East, W.M.

3 B. Parties: Refers to the Washington State Department
4 of Ecology; Alumax Fabricated Products, Inc., a Delaware
5 Corporation; and Alumax Mill Products, Inc., a Delaware
6 Corporation.

7 C. Defendants: Refers to Alumax Fabricated Products,
8 Inc., a Delaware Corporation; and Alumax Mill Products, Inc.,
9 a Delaware Corporation.

10 D. Consent Decree or Decree: Refers to this Consent
11 Decree and each of the exhibits to the Decree, if any. All
12 exhibits are integral and enforceable parts of this Consent
13 Decree.

14 E. Costs: Refers to past and future costs, including,
15 but not limited to, direct and indirect costs and interest,
16 that Ecology has incurred with regard to investigation and
17 remediation of the Colbert Landfill site.

18 V. STATEMENT OF FACTS

19 Ecology makes the following finding of facts without any
20 express or implied admissions by Defendants.

21 1. On or about February 11, 1991, the United States
22 filed an action for cost recovery in the United States
23 District Court for the Eastern District of Washington, Cause
24 No. CS-91-066-WFN. On or about June 25, 1991, Ecology moved
25 to intervene in the above-referenced action. Filed with

26 CONSENT DECREE

-5-

1 Ecology's motion was a Proposed Complaint for Cost Recovery
2 ("Complaint"). Ecology's Motion to Intervene was granted on
3 or about July 23, 1991.

4 2. The Complaint was brought under § 107(a) of the
5 Comprehensive Environmental Response, Compensation and
6 Liability Act of 1986 ("CERCLA"); 42 U.S.C. § 9607(a), as
7 amended by the Superfund Amendments and Reauthorization Act of
8 1986, Pub. L. No. 99-499, § 106, 100 Stat. 1613 (1986) and the
9 Washington Model Toxics Control Act, RCW 70.105D.050(3), to
10 recover investigative and remedial action costs incurred and
11 to be incurred by Ecology in connection with the Colbert
12 Landfill, a site located near Spokane, Washington.

13 3. The Colbert Landfill is a Spokane County-owned
14 sanitary landfill that was operated from 1968 through 1986.
15 The Colbert area is in northeastern Washington, in Spokane
16 County, approximately 15 miles north-northeast of Spokane,
17 Washington. The landfill is located about 2.5 miles north of
18 the Town of Colbert and a half a mile east of U.S. Highway 2
19 in the northwest quadrant of the intersection Elk-Chattaroy,
20 Yale, and Big Meadows Road. It is situated in the southeast
21 corner of Section 3, Township 27 North, Range 43 East, W.M.
22 The landfill covers 40 acres and received both municipal and
23 commercial wastes up to 1986. It is now filled to capacity
24 and is no longer receiving waste. The remedial action site,
25 the area of potential impact surrounding and including the

1 landfill, extends north of the landfill about half a mile,
2 west about one mile to the Little Spokane River, east about
3 one mile, and south approximately five miles to the Peone
4 Creek. The total area is approximately 6,800 acres, which
5 includes parts of sections 2, 3, 10, 11, 14, 15, 16, 21, 22,
6 23, 26, 27, 28, 33, 34 and 35 of Township 27 North, Range 43
7 East.

8 4. The Complaint alleged that during the time that the
9 Colbert Landfill was in operation, the Defendants operated an
10 irrigation products manufacturing facility in Spokane,
11 Washington. The Complaint further alleged that the
12 Defendants' manufacturing facility generated hazardous
13 substances, including 1,1,1-Trichloroethane ("TCA") and
14 Trichloroethylene ("TCE"), that were disposed of and/or
15 treated at the Colbert Landfill between the late 1960's and
16 1980. Both of these hazardous substances, TCA and TCE, were
17 detected in the groundwater at the Colbert Landfill. It was
18 also alleged that the Defendants, by contract, agreement or
19 otherwise, arranged for disposal and/or treatment at the
20 Colbert Landfill of the hazardous substances referred to
21 above, which substances were owned or possessed by the
22 Defendants.

23 5. Defendants have denied that they disposed of
24 hazardous substances at the Colbert Landfill, or that they
25 arranged by contract, agreement or otherwise for the disposal

1 and/or treatment of hazardous substances owned or possessed by
2 them at the Colbert Landfill.

3 6. Hazardous substances that have been, are being, or
4 may be released from the site include, but are not limited to,
5 1,1,1-Trichloroethane, 1,1-Dichloroethane, Trichloroethylene,
6 Tetrachloroethylene, and Methylene Chloride. Alluvial
7 groundwater under most of the site is contaminated and the
8 contamination extends beyond the boundaries of the landfill.

9 7. Ecology has expended and will continue to expend
10 funds to investigate, monitor, survey, test, and otherwise
11 gather information to identify, eliminate or minimize the
12 threat or potential threat posed by hazardous substances at
13 the Colbert Landfill site. In addition, Ecology will continue
14 to incur costs associated with oversight and implementation of
15 remedial action at the site.

16 VI. GENERAL PROVISIONS

17 A. Objective of the Parties

18 The primary objective of the parties in entering into
19 this Consent Decree is to reimburse costs of Ecology and to
20 resolve the litigation pending in the United States District
21 Court for the Eastern District of Washington, Civil
22 No. CS-91-066-WFN.

23 B. Commitments by Settling Defendants

24 1. Defendants shall reimburse Ecology for costs as
25 provided in this Consent Decree.

26 CONSENT DECREE

1 2. The obligations of the Defendants to pay amounts
2 owed to Ecology under this Consent Decree are joint and
3 several. In the event of the insolvency or other failure of
4 one of the Defendants to implement the requirements of this
5 Consent Decree, the remaining Defendant shall complete all
6 such requirements.

7 C. Commitment of the Parties

8 Upon payment of costs by the Defendants, the parties
9 agree to cause their respective attorneys to sign and enter a
10 Stipulated Motion for Dismissal with Prejudice and Proposed
11 Order in the United States District Court for the Eastern
12 District of Washington in the case of United States of
13 America, et al. v. Alumax Fabricated Products, Inc., et al.,
14 No. CS-01-066-WFN, attached hereto as Exhibits A and B.

15 VII. REIMBURSEMENT OF COSTS

16 Within 15 business days after the Defendants, through
17 their attorneys, receive notice of the entry of the Consent
18 Decree by the Court, Defendants shall pay to Ecology a total
19 of four hundred thirty-two thousand, five hundred dollars
20 (\$432,500).

21 The payment shall be made in the form of a certified
22 check payable to "Washington State Toxics Control Account,"
23 referencing Colbert Landfill, E.D. Cause No. CS-91-066, in
24 reimbursement of costs incurred or to be incurred by Ecology.
25 The Defendants shall send the certified check to:

26 CONSENT DECREE

-9-

1 Fiscal Cashier
2 Department of Ecology
3 P.O. Box 5128
4 Lacey, WA 98503-0210.

5 A copy of the check shall be sent to the undersigned Assistant
6 Attorney General for the State of Washington.

7 VIII. COVENANTS NOT TO SUE BY ECOLOGY

8 A. In consideration of the payment that will be made by
9 the Defendants under the terms of the Consent Decree, and
10 except as specifically provided in Paragraph B of this
11 section, Ecology covenants not to sue or to take
12 administrative action against the Defendants pursuant to
13 § 107(a) of CERCLA, and MTCA, ch. 70.105D RCW, for recovery of
14 costs. This covenant not to sue shall take effect upon the
15 receipt by Ecology of payment required by Section VII
16 (Reimbursement of Costs) and upon entry of an Order of
17 Dismissal with Prejudice. This covenant not to sue is
18 conditioned upon the complete and satisfactory performance by
19 Defendants of their obligations under this Consent Decree.
20 This covenant not to sue extends to the Defendants, its parent
21 corporation, other affiliated corporations, subsidiaries and
22 divisions, its stockholders, directors, officers, employees,
23 representatives, agents, predecessors, successors and insurers
24 from any and all claims, demands, damages, actions, causes of
25 action or suits of any kind or nature whatsoever, past,
26 present or future, arising out of or related to the alleged

1 disposal and/or treatment by the Defendants at the site of the
2 hazardous substances named in Section V, ¶ 6, including,
3 without limitation, claims for investigative and remedial
4 action costs, and administrative costs.

5 B. General reservations of rights. The covenant not to
6 sue set forth above does not pertain to any matters other than
7 those expressly stated. Ecology reserves, and this Consent
8 Decree is without prejudice to, all rights against Defendants
9 and other persons with respect to all other matters,
10 including, but not limited to:

11 (1) Where Defendants fail, after notice, to comply with
12 any requirement of this Decree;

13 (2) In the event or upon the discovery of a release or
14 threatened release not addressed by this Decree;

15 (3) Upon Ecology's determination that action beyond the
16 terms of this Decree is necessary to abate an emergency
17 situation which threatens public health or welfare or the
18 environment; and

19 (4) Upon the occurrence or discovery of a situation
20 beyond the scope of this Decree as to which Ecology would be
21 empowered to perform any remedial action or to issue an order
22 and/or penalty, or to take any other enforcement action.

23 Ecology reserves all rights regarding the injury to,
24 destruction of, or loss of natural resources resulting from
25

1 the release or threatened release of hazardous substances from
2 the Colbert Landfill site.

3 IX. COVENANTS NOT TO SUE BY DEFENDANTS

4 A. Defendant, its parent corporation, other affiliated
5 corporations, subsidiaries and divisions, its stockholders,
6 directors, officers, employees, representatives, agents,
7 predecessors, successors and insurers, hereby agree not to
8 assert any direct or indirect claim against the State of
9 Washington and/or Ecology, their employees, representatives,
10 or agents, the State Toxics Control Account, or any local
11 toxics control account for costs or fees arising out of
12 Defendants' performance of their obligations under this Decree
13 or incurred in connection with the case filed in the United
14 States Court for the Eastern District of Washington, Cause No.
15 CS-91-066-WFN.

16 X. CONTRIBUTION PROTECTION

17 With regard to claims for contribution against Defendants
18 for matters addressed in this Consent Decree, the parties
19 hereto agree that the Defendants are entitled to such
20 protection from contribution actions or claims as is provided
21 by MTCA, RCW 70.105D.040, or as otherwise provided by law.
22 For the purposes of this section, matters addressed shall mean
23 the investigation and remediation of the Colbert Landfill site
24 for hazardous substances named in Section V.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

XI. MODIFICATION

No modification shall be made to this Consent Decree without written notification to and written approval of the parties and the Court. The notification required by this section shall set forth the nature of and reasons for the requested modification. No oral modification of this Consent Decree shall be effective. Nothing in this section shall be deemed to alter the Court's power to interpret or enforce this Consent Decree or to modify this Consent Decree as the parties have agreed.

XII. 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.

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

XIII. EFFECTIVE DATE AND TERMINATION DATE

A. The effective date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court. A proposed Joint Motion for Entry of Consent Decree, Affidavit of E. Christina Beusch regarding public

CONSENT DECREE

-13-

1 participation, and Order Entering Consent Decree are attached
2 hereto as Exhibits C, D, and E, respectively.

3 B. This Consent Decree shall terminate as to the
4 Defendants when Ecology has received all amounts required to
5 be paid hereunder and/or Order of Dismissal with Prejudice,
6 provided, however, that the provisions of Sections VIII
7 (Covenants Not To Sue By Ecology), IX (Covenants Not To Sue By
8 Defendants), and X (Contribution Protection) shall remain in
9 effect.

10 XIV. RETENTION OF JURISDICTION

11 This Court retains jurisdiction over both the subject
12 matter of this Consent Decree and the parties for the duration
13 of the performance of the terms and provisions of this Consent
14 Decree for the purpose of enabling any of the parties to apply
15 to the Court at any time for such further order, direction,
16 and relief as may be necessary or appropriate for the
17
18
19
20
21
22
23
24
25

1 construction or modification of this Consent Decree, or to
2 effectuate or enforce compliance with its terms.

3
4 Carol L. Fleskes 9/24/92
CAROL FLESKES Date
5 Program Manager
6 Toxics Cleanup Program
Department of Ecology

E. Christina Beusch Date
E. CHRISTINA BEUSCH
Assistant Attorney General
State of Washington

7 WILSON, SMITH, COCHRAN
8 & DICKERSON

9
10 Robert P. Wolf Vice President and
Secretary 9/9/92
ROBERT P. WOLF Date
11 General Counsel for
12 Alumax Fabricated Products
Inc., and Alumax Mill
Products, Inc.

By Janet McKinnon Date
JANET MCKINNON
Attorney for Defendants

13
14 132\alumax.csd
15
16
17
18
19
20
21
22
23
24
25

26 CONSENT DECREE


-15-

FS 110

DEPARTMENT OF ECOLOGY

January 18, 1994

TO: Peter Brooks, SCS Flora Goldstein, ERO
Mike Kuntz, SCS Roxane Broadhead, ERO
Steve Thiele, AAG Steve Loftness, Grants

FROM: Tim L. Nord/ 

SUBJECT: Colbert Landfill Agreement

Attached is a signed copy of the Colbert Landfill Agreement. As you know, this agreement was put forward by Ecology to clarify and bring certainty to timelines for landfill cover design and construction. The agreement also specifies how Trust monies will be spent.

I would like to thank all of you for your help. Peter, you particularly did a great job!

Attachment

TN:gj

cc: Neal Thompson, EPA
Claude Sappington, Ecology
Mary Burg, Ecology
Ali Raad, Ecology

Memorandum of Agreement for Colbert Trust Fund Disbursement

I) Dates of Milestones and Associated Costs

Spokane County agrees to commence design of landfill closure in January, 1995 with a design completion date no later than December 31, 1995. The cost of design is estimated by Spokane County to be \$500,000.

Spokane County agrees to commence construction of landfill closure in calendar year 1996, with completion no later than December 31, 1996. The cost of the landfill closure construction is estimated by Spokane County to be \$5,000,000.

II) Trust Fund Disbursements

Timing, Amounts, and Purpose

The Washington State Department of Ecology (Ecology) agrees to allocate for disbursement the trust fund money for the following expenditure types, according to the accompanying schedule, and in accordance with the procedures set forth in the consent decree. (See Table)

- | | |
|----------|---|
| Type I | Non-grant eligible expenditures which Spokane County made specifically for Colbert landfill and paid for with Spokane County funds. |
| Type II | Expenditures for design of the Colbert Landfill closure. |
| Type III | Expenditure for construction of the Colbert landfill closure. |

Contingencies of Agreement

It is estimated by Spokane County that the landfill closure design phase will cost about \$500,000 and occur during calendar year 1995. If closure design costs exceed the estimate, a maximum of \$100,000 of additional trust fund money can be dispersed for Type II expenditures.

It is estimated by Spokane County that the landfill closure construction phase will cost about \$5,000,000 and occur during calendar year 1996. If closure construction costs exceed the estimate, the balance of the fund (approximately \$1,000,000) can be dispersed for Type III expenditures.

In the unlikely event that landfill closure construction costs exceed the funds remaining in the trust fund, Spokane County will be expected to provide additional funds for completion of the closure as per the time schedule outlined herein.

If the sum of the costs for landfill closure design and construction are less than those estimated herein, then the remaining funds in the trust fund will be allocated to remaining Type I expenditures and/or to future eligible costs of operation and maintenance (O&M) of Colbert landfill. Whether the funds are allocated for Type I expenditures or O&M will be at the discretion of Spokane County. Selection of Type I allocation will not relieve Spokane County of their obligation to provide adequate funding for operation and maintenance activities.

Date	Expenditure Type	Amount Available
January, 1995	Type I	\$500,000
January, 1995	Type II	\$500,000
January, 1996	Type III	\$5,000,000
December, 1996	Type III	Balance of Trust
Post Construction Closeout	Type I	Balance of Trust

III) Application of Insurance Money

In the event that Spokane County is successful in obtaining payment from its insurance carriers for claims relating to Colbert landfill, such money should be earmarked for providing resources to supplement the Trust fund. This will add assurance that resources will be adequate to complete construction of the landfill closure.

If the monies from settlement of claims relating to Colbert landfill exceed the fiscal needs of the Colbert landfill project, Spokane County will set those funds aside for remediation of Greenacres, Mica, and/or Marshall landfills.

IV) Administrative Process

Disbursements from trust fund

Disbursements will be as per Section XVIII and Appendix C of the Consent Decree.

Progress Reports

Spokane County shall submit progress reports to Ecology as per Section XI of the consent decree.

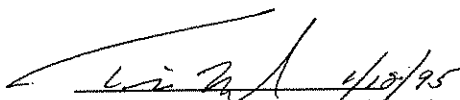
Dispute resolution

The consent decree gives Ecology the authority to approve submittals for disbursement by the Trustee. If Spokane County does not adhere to the conditions and schedules set forth in this plan, then Ecology can cease authorizing disbursement from the fund until Spokane County and Ecology have resolved the dispute.

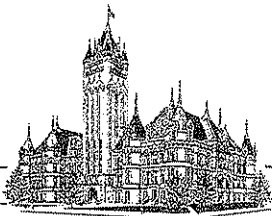
V) Signatures

We agree to the terms, conditions, and schedules set forth in this proposal.

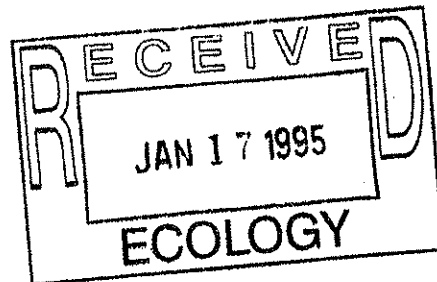

Dennis M. Scott, Director of Public Works


Tim Nord; Manager, Site Cleanup Section

S P O K A N E C O U N T Y



PUBLIC WORKS DEPARTMENT
Dennis M. Scott, P.E., Director



January 10, 1995

Mr. Timothy L. Nord, Manager
Site Cleanup Section
Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600

RE: Colbert Memorandum of Agreement

Dear Mr. Nord:

Enclosed with this letter is the signed original of the Memorandum of Agreement for Colbert Trust Fund Agreement. I apologize for the time it has taken to execute this agreement as we are in agreement with the efforts Ecology has made in drawing this proposal. Unfortunately, it came at the end of the year and it was very difficult to bring the Board together plus we were going to have a change in the make-up the Board.

The Board approved the agreement and authorized my signature. When you sign, I would appreciate a return copy. I believe you know that we have had a settlement with some of the insurance carriers that is a cause for some relief in the funding arena as long as we are not impacted by something not anticipated at this time. Once again I want to extend my appreciation for the personal touch that you brought to this agreement and the efforts that you made in helping to form a solution. I look forward to working with you again.

Very truly yours,

Dennis M. Scott, P.E.

Director of Public Works

Enclosure

C

C

C