



FOSTER PEPPER PLLC

Direct Phone 206-447-3867
Direct Facsimile 206-749-1923
E-Mail thorb@foster.com

June 20, 2013

Denis and Mary Rogers
2809 Lake Avenue
Snohomish, WA 98290-1006

Wayne Hoskins
1606 164th Street SW
Lynnwood, WA 98037

and

Robert Ford
2804 172nd Street NE
Marysville, WA 98271

Re: RCW 70.105(D), et seq. Notification
Investigation and Remedial Action Work
Site of Release Where Contaminants Remain:

Former Chevron Station, 2804 172nd
Street NW, Marysville, Washington
98271
DOE Site No. 9763

Abutting Property Contaminated
by DOE Site No. 9763:

Smokey Point Retail Center, 171st
Place NE, Marysville, Washington

Dear Ladies and Gentlemen:

We represent the owner (our "Client") of the Smokey Point Retail Center located at 171st Place NE, Marysville, WA 98271 (the "Retail Center Property"). Our work relates your ongoing cross-contamination of the Retail Center Property. This ongoing cross-contamination is confirmed by substantial past investigative and limited remedial work performed on your Contaminating Property, as defined below, and testing on the Retail Center Property.

As a result, our Client intends to proceed with the completion of the investigation and remediation of the contaminants on the Retail Center Property and those which migrate from the Contaminating Property for the purposes of performing the "substantial equivalent" of a Washington State Department of Ecology ("DOE") supervised cleanup so as to obtain a No Further Action ("NFA") letter from the DOE for the Retail Center Property. You were either owners, lessor's, lessee's or operators on the Contaminating Property and therefore, as defined in RCW 70.105D.020(21), Potentially Liable Persons ("PLP's") for the existing and ongoing contamination on the site located at 2804 172nd Street NE, Marysville, Washington 98271 (the "Contaminating Property"), which caused, and continues to cause, elevated levels of contaminants to migrate onto and cause the ongoing contamination of, the Retail Center Property.

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As you know from multiple reports prepared by consultants for the PLP's, TPH and BETX contamination exists in the soils of the Contaminating Property. Our consultant has confirmed this fact and it is well documented. For reasons we do not fully comprehend, you have failed to complete the remediation of the Contaminating Property. This has resulted in the ongoing contamination of the Retail Center Property. So, each winter when the ground-water level rises on the Contaminating Property, it encounters the contaminated materials located in its soils, and then transports them via down gradient northerly water migration onto the Retail Center Property. This ongoing contamination will no longer be tolerated.

In fact, our Client is being substantially damaged by the ongoing contamination of the Retail Center Property by the Contaminating Property. These substantial damages are evidenced by the fact that a recent sale of the Retail Center Property which was set to close this week failed due to the purchaser and its lenders discomfort with the existing and ongoing contamination. Suffice it to say, the contaminating site has caused our Client many hundreds of thousands of dollars in damages due to the failed sale, which has been caused by the contamination which also constitutes a nuisance and trespass.

As you know from prior interactions with our Client, your environmental consultants and the DOE, obtaining a NFA letter can only be accomplished, in an economic manner, by reducing the levels of contamination on the Contaminating Property and the Retail Center Property. The only two options that appear to be available are the demolition of existing structures and removal of contaminated materials in the soils and the import of clean fill on the Contaminating Property or the injection of chemical oxidants on the Contaminating Property and the Retail Center Property on an ongoing basis. Our environmental consultant, SoundEarth Strategies, has concluded that the cost to engage in the first option could exceed \$1,000,000. Obviously, this is not an economical approach. We also understand that due to lack of action, the DOE is threatening to remove the Contaminating Property from the Voluntary Clean-up Program. This will create further damages to our Client as it relates to its Retail Center Property.

Self attenuation is not an option given the fact that much of the contamination on the Contaminating Property lies in its soils and is habitually lit up and migrates onto our client's property when the ground water levels rise every winter. As a result, we either require the PLP's cooperation for the purposes of accessing the site to perform the above remedial efforts or will seek court or DOE assistance to accomplish the same. We also require the PLP's to pay for the prior and ongoing costs of the investigative, remedial, administrative and legal costs that have been incurred, and will be incurred, by our Client throughout this process.

As is clear from the above explanation, our consultant is proposing to engage with the DOE to complete the existing Voluntary Clean-up Program as it relates to the Retail Center Property as a single site (we will attempt to negotiate this with DOE) and hope that the DOE will agree to the same. If this is permitted by the DOE, the course of action recommended by our consultant is the injection of chemical oxidants into monitoring wells on the Retail Center Property in the very near future, which oxidants attach to the contaminants and mitigate their impact to the property. Later this year as the groundwater rises, our consultant recommends a similar process for the shallower existing PVC pipe infiltration gallery you installed on the

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Contaminated Property. This would mitigate the contaminants that are lit up and are continually transported through the ground water onto the Retail Center Property.

In addition to this injection work, my clients will also need to pay fees and costs associated with the Voluntary Clean-up Program with the DOE and on-going quarterly monitoring of the wells on the Retail Center Property (those directly north of the building which abuts the northerly property line of the Retail Center Property, for a period ranging from one-to-three years). The goal is to have positive results by an ongoing reduction in the contamination levels on the Retail Center Property below the MTCA Method A clean up levels and hopefully then obtain a NFA from the DOE for the Retail Center site. Our consultant estimates the cost of the same will start at \$80,000, exclusive of legal fees and costs, and this figure is an estimate and nothing more. As with most cross-contaminating property, it is very difficult to assess the costs for the investigation and remediation until the work is well underway and test results become available.

By providing this letter to you under the Washington Administrative Code and the Revised Code of Washington, 70.105(D).080, each of you are jointly and severally liable for all investigation and remedial costs associated with the efforts our Client is undertaking to remediate the cross-contamination of its Retail Center Property, which has been contaminated, and continues to be contaminated, by the Contaminating Property. This includes not only the cost of investigation and remediation, but also all legal fees and costs incurred in an action for contribution and declaratory relief, as permitted by RCW 70.105(D).080. As part of that action, we will also be filing a Notice against the Contaminating Property to inform third parties of the course of action and the soon to be filed MTCA contribution action against the PLP's unless one or all of them agree to step forward and pay for, and engage in, the course of action recommended by our Client's environmental consultant, as outlined above.

If you have any questions, please do not hesitate to contact the undersigned at 206-447-4400. We are happy to share with you all of our Client's information and will need your permission to go on to your property to do the injections later this year or early next year and keep your involvement in the Voluntary Clean-up Program active. If you decline, you can expect that the costs will substantially increase as our Client will either seek court or request DOE intervention to permit the same or will otherwise need to place some sort of interceptor system (vapor air extraction, barrier or other method) on the southerly Retail Center Property line. We sincerely hope this will not be necessary.

Very truly yours,



Bradley P. Thoreson

BPT/bdb

cc: Washington State Department of Ecology, Attn: Mr. Russ Olsen
Smokey Point Planning & Development Office