

AGREED ORDER
No. DE 3599

PACCAR Inc.
and
Washington State Department of Ecology

July 2006

**STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY**

In the Matter of Sediment Investigation by:

AGREED ORDER

PACCAR Inc., a Delaware Corporation

No. DE 3599

TO: **PACCAR Inc.**
PACCAR Building
777-106th Avenue N.E.
Bellevue, Washington 98004

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I. INTRODUCTION

The mutual objective of the State of Washington, Department of Ecology (Ecology) and PACCAR Inc (“PACCAR”) under this Agreed Order (“Order”) is to provide for PACCAR’s implementation of a Sediment Evaluation Work Plan at a facility where there has been a release or threatened release of hazardous substances. This Order requires PACCAR to implement such a plan for investigating sediment quality adjacent to its former facility at 8801 East Marginal Way South, in Tukwila, King County, Washington. Ecology believes the actions required by this Order are in the public interest.

II. JURISDICTION

This Agreed Order is issued pursuant to the authority of the Model Toxics Control Act (MTCA), RCW 70.105D.050(1).

III. PARTIES BOUND

This Agreed Order shall apply to and be binding upon the Parties to this Order, their successors and assigns. The undersigned representative of each Party hereby certifies that he or she is fully authorized to enter into this Order and to execute and legally bind such Party to comply with the Order. PACCAR agrees to undertake all actions required by the terms and conditions of this Order. No change in ownership or corporate status shall alter PACCAR’S responsibility under this Order. PACCAR 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 complies with this Order.

IV. DEFINITIONS

Unless otherwise specified herein, the definitions set forth in Chapter 70.105D RCW, Chapter 173-340 WAC, and Chapter 173-204 WAC shall control the meanings of the terms used in this Order.

A. Sediment Investigation Area: For purposes of this Order, the Sediment Investigation Area is defined by the extent of contamination in the bank and sediments, adjacent to PACCAR’s former uplands facility located at 8801 East Marginal Way South in Tukwila, King

County, Washington. The Sediment Investigation Area is more particularly described in Exhibit A to this Order, which includes a detailed Sediment Investigation Area diagram. The Sediment Investigation Area and the Uplands Facility together are part of a Facility as that term is defined in RCW 70.105D.020(4).

B. Parties: Refers to the State of Washington, Department of Ecology and PACCAR.

C. PLP: Refers to PACCAR.

D. Agreed Order or Order: Refers to this Order and each of the exhibits to the Order.

All exhibits are integral and enforceable parts of this Order. The terms “Agreed Order” or “Order” shall include all exhibits to the Order.

V. FINDINGS OF FACT

Ecology makes the following findings of fact, without any express or implied admissions of such facts by PACCAR:

A. The Sediment Investigation Area is located adjacent to the eastern bank of the Lower Duwamish Waterway and to a parcel of real property located at 8801 East Marginal Way South in Tukwila, King County, Washington (the “Uplands Facility”). PACCAR formerly owned and operated the Uplands Facility. The Uplands Facility is within Tukwila’s Manufacturing Industrial Center/Heavy zoning district and is currently zoned for heavy industrial use. The Uplands Facility is surrounded by industrial facilities to the north and south.

B. In approximately 1929, the Fisher Body Corporation built the Main Manufacturing Building at the Uplands Facility. Boeing operated the Uplands Facility during World War II. Monsanto also occupied a portion of the Uplands Facility prior to 1946. In January of 1946, PACCAR purchased the Uplands Facility and acquired the Kenworth Trucking Company, which built trucks at the Uplands Facility from 1946 through April 1996. PACCAR also purchased the northern portion of property formerly owned by Monsanto in 1965; which property was annexed to the Kenworth site and now comprises one-third of the Uplands Facility. In 1997, truck building resumed at the Uplands Facility, and off-road trucks were built for PACCAR through 2002 when PACCAR ceased its operations. In October 2004, PACCAR sold the Uplands

Facility to Merrill Creek Estate Holdings, LLC, which is the current owner of the Uplands Facility. The Uplands Facility is currently leased to, and used by, Insurance Auto Auctions, Inc.

C. The Uplands Facility is approximately 25 acres and is currently covered with asphalt, buildings, and building foundation slabs. The western boundary of the Uplands Facility is the Lower Duwamish Waterway. A steel sheet piling bulkhead extending approximately 30 feet below ground surface was installed along the northern two-thirds of the western boundary, separating that portion of the Uplands Facility from the Lower Duwamish Waterway. The remaining southern third of the western boundary is shoreline covered with rip rap.

D. The Uplands Facility has been the subject of numerous investigations between 1986 and 2004.

E. Investigations at the Uplands Facility revealed releases of petroleum hydrocarbons, lead and chromium to soils at the Uplands Facility; releases of VOCs (trichloroethene, 1,1-dichloroethene and vinyl chloride), petroleum hydrocarbon compounds, chrysene, arsenic and selenium to groundwater beneath the Uplands Facility; and releases of VOCs, PCBs, arsenic, cadmium, copper, lead, zinc, and PAHs to stormwater at the Uplands Facility.

F. PACCAR has previously implemented voluntary remedial measures at the Uplands Facility. These measures are described in the report titled *Phase 2 Data Gaps Investigation Summary Report – November 2004* (Kennedy/Jenks). These remedial measures were conducted as independent remedial actions consistent with Chapter 173-340 WAC, and all reports have been provided to Ecology. The Parties are negotiating the scope of further investigation and remediation activities to be performed at the Uplands Facility via a separate Consent Decree. The objective of this Agreed Order is to provide for the investigation of the potential extent of contamination in the Sediment Investigation Area at concentrations that exceed applicable Sediment Management Standards (“SMS”), Chapter 173-204 WAC.

G. Based on the facts set forth herein, Ecology has determined that a release or threatened release of hazardous substances at the Sediment Investigation Area requires remedial actions to protect human health and the environment. This Order sets forth the measures that need to be taken to conduct an initial sediment investigation at the Sediment Investigation Area.

VI. ECOLOGY DETERMINATIONS

A. PACCAR is a former "owner or operator" as defined in RCW 70.105D.020(12) and RCW 70.105D.040(1)(b), of a "facility" as defined in RCW 70.105D.020(4) because PACCAR owned and operated a business on property at which, and from which, hazardous substances were released into the environment during PACCAR's ownership.

B. Based upon all factors known to Ecology, a "release" or "threatened release" of "hazardous substance(s)" as defined in RCW 70.105D.020(20) and RCW 70.105D.020(7), respectively, has occurred at the Sediment Investigation Area.

C. For purposes of implementation of this Order only, PACCAR voluntarily waives its rights to notice and comment and accepts Ecology's determination that PACCAR is a potentially liable person (PLP) pursuant to WAC 173-340-500(5).

D. Pursuant to RCW 70.105D.030(1) and -050(1), Ecology may require PLPs to investigate or conduct other remedial actions with respect to any release or threatened release of hazardous substances, whenever it believes such action to be in the public interest. Based on the foregoing facts, Ecology believes the sediment investigation at the Sediment Investigation Area as required by this Order is in the public interest.

E. Under WAC 173-340-430, an interim action is a remedial action that is technically necessary to reduce a threat to human health or the environment by eliminating or substantially reducing one or more pathways for exposure to a hazardous substance, that corrects a problem that may become substantially worse or cost substantially more to address if the remedial action is delayed, or that is needed to provide for completion of a site hazard assessment, remedial investigation/feasibility study or design of a cleanup action. The Sediment Investigation Area is part of the larger Lower Duwamish Waterway Site, at which Ecology and the Environmental Protection Agency ("EPA") share jurisdiction. EPA has primary responsibility over sediment investigation and cleanup, and Ecology has primary authority over upland cleanup and source control. The sediment investigation and analysis to be performed under this Order are required to evaluate the extent to which contamination at the Sediment Investigation Area exceeds applicable SMS requirements.

VII. WORK TO BE PERFORMED

Based on the Findings of Fact and Ecology Determinations, it is hereby ordered that PACCAR take the following investigative actions at the Sediment Investigation Area and that these actions be conducted in accordance with Chapter 173-340 WAC unless otherwise specifically provided for herein:

A. PACCAR shall implement a Sediment Evaluation Work Plan (“Work Plan”) (Exhibit B) which is incorporated herein by reference, which includes a Quality Assurance Project Plan, Health and Safety Plan, and associated Field Sampling Plan, for the characterization of shoreline and nearshore sediments, seeps, and storm water to determine the extent of contamination at the Sediment Investigation Area that exceeds applicable SMS and applicable MTCA criteria. The Work Plan will include sediment sampling in the vicinity of the north, middle (closed in 2004) and south outfalls; shoreline seeps; storm water from the outfalls if storm water is present or flowing, and sediments between the bank and the east side of the United States Corps of Engineers (“USCOE”) Lower Duwamish navigation channel, as shown on Exhibit A. PACCAR shall also prepare a Sediment Evaluation Data Report for Ecology approval that summarizes the results of the characterization activities. The schedule for submission of major deliverables is set forth in Exhibit C.

B. If, at any time after the first exchange of comments on drafts, Ecology determines that insufficient progress is being made in the preparation of any of the deliverables required by this section, Ecology may complete and issue the final deliverable. To ensure consistency with the Lower Duwamish Waterway RI/FS process, Ecology will seek written comments from EPA Region 10’s project manager or designee for the Lower Duwamish Waterway Superfund Site. As appropriate Ecology will incorporate EPA’s comments in response to the deliverables PACCAR delivers under this Order.

C. If as a result of implementation of the Work Plan, contamination exceeding SMS at the Sediment Investigation Area is discovered, Ecology and PACCAR agree to negotiate in good faith whether PACCAR shall perform remedial actions to address contaminated sediments above cleanup levels via an Amendment to this Order pursuant to section VIII.J. herein or other

mutually acceptable regulatory agreement. If an Amendment is agreed upon, such work will be conducted pursuant to a work plan subject to prior Ecology review and approval. In the event Ecology and PACCAR do not agree on an Amendment, both parties reserve all of their respective rights and defenses.

VIII. TERMS AND CONDITIONS OF ORDER

A. Public Notices

This Order has been the subject of public notice and comment pursuant to WAC 173-340-600.

B. Remedial Action Costs

PACCAR shall pay to Ecology costs incurred by Ecology pursuant to this Order and consistent with WAC 173-340-550(2). These costs shall include work performed by Ecology or its contractors for, or on, the Sediment Investigation Area under Chapter 70.105D RCW, including remedial actions and Order preparation, negotiation, oversight, and administration. These costs shall include work performed both prior to and subsequent to the issuance of the Order. Ecology shall notify PACCAR in writing prior to using technical staff outside of Ecology. PACCAR shall pay the required amount within ninety (90) days of receiving from Ecology an itemized statement of costs that includes a summary of costs incurred, an identification of involved staff, and the amount of time spent by involved staff members on the project. A general description statement of work performed will be provided upon request. Ecology's itemized statements shall be prepared quarterly. Pursuant to WAC 173-340-550(4), failure to pay Ecology's costs within ninety (90) days of receipt of the itemized statement of costs will result in interest charges at the rate of twelve percent (12%) per annum, compounded monthly.

C. Implementation of Remedial Action

Except where necessary to abate an emergency situation, PACCAR shall not perform any remedial actions at the Sediment Investigation Area outside those remedial actions required by this Order, unless Ecology concurs, in writing, with such additional remedial actions.

D. Designated Project Coordinators

The project coordinator for Ecology is:

Maura S. O'Brien, PG/HG #869
Professional Geologist/Hydrogeologist and Site Manager
Washington State Department of Ecology
3190 – 160th Avenue SE
Bellevue, Washington 98008-5452
Phone (425) 649-7249
E-Mail mobr461@ecy.wa.gov

The project coordinator for PACCAR is:

Carole Robbins
Environmental Affairs Manager
PACCAR Inc
P.O. Box 1518
Bellevue, Washington 98009
Phone (425) 468-7199
E-Mail carole.robbins@paccar.com

The project coordinator(s) shall be responsible for overseeing the implementation of this Order. The Ecology project coordinator will be Ecology's designated representative for the Sediment Investigation Area. To the maximum extent possible, communications between Ecology and PACCAR, 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).

Ecology and PACCAR may change their respective project coordinator, but must provide ten (10) days advance written notification of the change to the other Party.

E. Performance

1. All work performed pursuant to this Order shall be under the direction and supervision, as necessary, of a licensed professional engineer or licensed hydrogeologist, or equivalent as approved by Ecology, with experience and expertise in hazardous waste and contaminated sediment site investigation and cleanup. PACCAR shall notify Ecology in writing of the identity of such engineer(s), or hydrogeologist(s), or others, and of any contractors and subcontractors to be used in carrying out the terms of this Order, in advance of their involvement at the Sediment Investigation Area.

2. Any construction work performed pursuant to the Order shall be under the supervision of a professional engineer or a qualified technician under the direct supervision of a professional engineer. The professional engineer must be registered in the State of Washington, except as provided in RCW 18.43.130.

F. Access

Ecology or any Ecology authorized representative shall have the full authority to enter and freely move about all property at the Sediment Investigation Area that PACCAR either owns, controls, or has access rights to 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 PACCAR's progress in carrying out the terms of this Order; conducting such tests or collecting such samples as Ecology 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 PACCAR. PACCAR shall make all reasonable efforts to secure access rights for those properties within the Sediment Investigation Area not owned or controlled by PACCAR where remedial activities or investigations will be performed pursuant to this Order. Ecology or any Ecology authorized representative shall give reasonable notice before entering any Sediment Investigation Area property owned or controlled by PACCAR unless an emergency prevents such notice. All persons who access the Sediment Investigation Area pursuant to this paragraph shall comply with the approved health and safety plan, if any. Ecology employees and their representative shall not be required to sign any release or waiver as a condition of Site property access.

G. Sampling, Data Reporting, and Availability

1. With respect to the implementation of this Order, PACCAR shall make the results of all sampling, laboratory reports, and/or test results generated by it or on its behalf available to Ecology and shall submit these results in accordance with Section VII of this Order.

2. All sampling data shall be submitted to Ecology according to the requirements of WAC 173-340-840(5). These submittals shall be provided to Ecology in accordance with Section VII of this Order.

3. If requested by Ecology, PACCAR shall allow split or duplicate samples to be taken by Ecology and/or its authorized representative of any samples collected by PACCAR pursuant to implementation of this Order. PACCAR shall notify Ecology seven (7) days in advance of any sample collection or work activity at the Sediment Investigation Area. Ecology shall, upon request, allow split or duplicate samples of any samples collected by Ecology pursuant to the implementation of this Order to be taken by PACCAR or its authorized representative provided it does not interfere with Ecology's sampling. Without limitation on Ecology's rights under Section VIII.F. of this Order, Ecology shall notify PACCAR prior to any sample collection activity unless an emergency prevents such notice.

4. In accordance with WAC 173-340-830(2)(a), all hazardous substance analyses shall be conducted by a laboratory accredited under Chapter 173-50 WAC for the specific analyses to be conducted, unless otherwise approved by Ecology.

H. Public Participation

Ecology shall maintain the responsibility for public participation at the Site. However, PACCAR shall cooperate with Ecology as follows:

1. PACCAR shall notify Ecology prior to issuance of all press releases or performance of outreach activities and meetings with interested public and/or local governments.
2. Where possible PACCAR will provide Ecology with 48 hours notice to allow Ecology's comment or participation in such press releases and meetings.

Likewise, Ecology shall notify PACCAR prior to issuance of all press releases and fact sheets and meetings with interested public and local governments and where possible will allow PACCAR sufficient notice to allow comment or participation.

I. Retention of Records

During the pendency of this Order and for ten (10) years from the date of completion of work performed pursuant to this Order, PACCAR shall preserve all records, reports, documents, and underlying data in its possession relevant to the implementation of this Order and shall insert a similar record retention requirement into all contracts with project contractors and

subcontractors that perform work pursuant to this Order. Upon request of Ecology, PACCAR shall make all records available to Ecology and allow access for review within a reasonable time.

J. Resolution of Disputes

1. In the event a dispute arises as to an approval, disapproval, proposed change, required modification or other decision or action by Ecology's project coordinator, the Parties shall utilize the dispute resolution procedure set forth below.

(a) Upon receipt of the Ecology project coordinator's written decision, PACCAR has fourteen (14) days within which to either request a meeting to discuss the decision or to notify Ecology's project coordinator in writing of its objection to the decision.

(b) Upon written request of PACCAR, the Parties' project coordinators shall then confer in an effort to resolve the dispute. Such written request can come via e-mail.

(c) If the project coordinators cannot resolve the dispute at the meeting, if one is held or within fourteen (14) days (unless Ecology determines that a longer time would be useful in resolving the dispute), PACCAR may then request Ecology management to review of the decision. This request shall be submitted in writing to Steven Alexander or his successor as the Northwest Region Toxics Cleanup Section Manager, within thirty (30) days of receipt of Ecology's project coordinator's decision or fourteen (14) days after a meeting is held, whichever is later and shall include a written statement of PACCAR's position on the disputed matters in the Ecology Project Coordinator's written decision.

(d) The Section Manager shall conduct a review of the dispute and shall endeavor to issue a written decision regarding the dispute within thirty (30) days of PACCAR's request for review. The Section Manager's decision shall be Ecology's final decision on the disputed matter.

2. The Parties agree to only utilize the dispute resolution process in good faith and agree to expedite, to the extent possible, the dispute resolution process whenever it is used.

3. Implementation of these dispute resolution procedures shall not provide a basis for delay of any activities required in this Order, unless Ecology agrees in writing to a schedule extension.

K. Extension of Schedule

1. An extension of schedule shall be granted only when a request for an extension is submitted in a timely fashion, generally at least thirty (30) days prior to expiration of the deadline for which the extension is requested, and good cause exists for granting the extension. All extensions shall be requested in writing. The request shall specify the reason(s) the extension is needed. The request shall specify:

- (a) The deadline that is sought to be extended;
- (b) The length of the extension sought;
- (c) The reason(s) for the extension; and
- (d) Any related deadline or schedule that would be affected if the extension were granted.

2. The burden shall be on PACCAR to demonstrate to the satisfaction of Ecology that the request for such extension has been submitted in a timely fashion and that good cause exists for granting the extension. Good cause includes, but is not limited to:

- (a) Circumstances beyond the reasonable control and despite the due diligence of PACCAR including delays caused by unrelated third parties or Ecology, such as (but not limited to) delays by EPA or Ecology in reviewing, approving, or modifying documents submitted by PACCAR; or
- (b) Acts of God, including fire, flood, blizzard, extreme temperatures, storm, or other unavoidable casualty; or
- (c) Endangerment as described in Section VIII.M. of this Order.

However, neither increased costs of performance of the terms of this Order nor changed economic circumstances shall be considered circumstances beyond the reasonable control of PACCAR.

3. Ecology shall act upon any written request for extension in a timely fashion. Ecology shall give PACCAR written notification in a timely fashion of any extensions granted pursuant to the Order. A requested extension shall not be effective until approved by Ecology.

Unless the extension is a substantial change, it shall not be necessary to amend this Order pursuant to Section VIII.L. when a schedule extension is granted.

4. An extension shall only be granted for such period of time as Ecology determines is reasonable under the circumstances. Ecology may grant schedule extensions exceeding ninety (90) days only as a result of:

- (a) Delays in the issuance of a necessary permit which was applied for in a timely manner;
- (b) Other circumstances deemed exceptional or extraordinary by Ecology; or
- (c) Endangerment as described in Section VIII.M. of this Order.

L. Amendment of Order

1. The project coordinators may verbally agree to minor changes to the work to be performed without formally amending this Order. Minor changes will be documented in writing by Ecology within seven (7) days of verbal agreement.

2.. Except as provided in Section VIII.N. of this Order, substantial changes to the work to be performed shall require formal amendment of this Order. This Order may only be formally amended by the written consent of both Ecology and PACCAR. PACCAR shall submit a written request for amendment to Ecology for approval. Ecology shall indicate its approval or disapproval in writing and in a timely manner after the written request for amendment is received. If the amendment to the Order represents a substantial change, Ecology will provide additional public notice and opportunity to comment. If Ecology does not agree to a proposed amendment, the disagreement may be addressed through the dispute resolution procedures described in Section VIII.J. of this Order.

M. Endangerment

1. In the event Ecology determines that any activity being performed at the Sediment Investigation Area is creating or has the potential to create a danger to human health or the environment on or surrounding the Sediment Investigation Area, Ecology may direct PACCAR to cease such activities for such period of time as it deems necessary to abate the danger. PACCAR shall immediately comply with such direction.

2. If, for any reason, PACCAR determines that any activity being performed at the Sediment Investigation Area is creating or has the potential to create a danger to human health or the environment, PACCAR may cease such activities. PACCAR shall notify Ecology's project coordinator as soon as possible, but no later than twenty-four (24) hours after making such determination or ceasing such activities. Upon Ecology's direction PACCAR shall provide Ecology with documentation of the basis for the determination or cessation of such activities. If Ecology disagrees with PACCAR's cessation of activities, it may direct PACCAR to resume such activities.

3. If Ecology concurs with or orders a work stoppage pursuant to this section, PACCAR's obligations with respect to the ceased activities shall be suspended until Ecology determines the danger is abated, and the time for performance of such activities, as well as the time for any other work dependent upon such activities, shall be extended for such period of time as Ecology determines is reasonable under the circumstances.

4. Nothing in this Order shall limit the authority of Ecology, its employees, agents, or contractors to take or require appropriate action in the event of an emergency.

N. Reservation of Rights/No Settlement

1. 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 PACCAR to recover remedial action costs paid to and received by Ecology under this Order. In addition, Ecology will not take enforcement actions against PACCAR regarding remedial actions required by this Order, provided PACCAR complies with this Order.

2. Ecology nevertheless reserves its rights under Chapter 70.105D RCW, including the right to require additional or different remedial actions at the Sediment Investigation Area should it deem such actions necessary to protect human health and the environment, and to issue orders requiring such remedial actions. Ecology and PACCAR also reserve all of their respective rights and defenses regarding the injury to, destruction of, or loss of natural resources

resulting from the release or threatened release of hazardous substances at the Sediment Investigation Area.

O. Transfer of Interest in Property

1. No voluntary conveyance or relinquishment of title, easement, leasehold, or other interest in any portion of the Sediment Investigation Area shall be consummated by PACCAR 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.

2. Prior to PACCAR's transfer of any interest in all or any portion of the Sediment Investigation Area, and during the effective period of this Order, PACCAR shall serve a copy of this Order upon any prospective purchaser, lessee, transferee, assignee, or other successor in said interest; and, at least thirty (30) days prior to any transfer, PACCAR shall notify Ecology of said transfer. Upon transfer of any interest, PACCAR shall restrict uses and activities to those consistent with this Order and notify all transferees of the restrictions on the use of the property.

P. Compliance with Applicable Laws

1. All actions carried out by PACCAR 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 RCW 70.105D.090.

2. Pursuant to RCW 70.105D.090(1), the substantive requirements of Chapters 70.94, 70.95, 70.105, 77.55, 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 and that are known to be applicable at the time this Order becomes effective, are binding and enforceable requirements of this Order.

3. PACCAR has a continuing obligation to determine whether additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order. In the event either Ecology or PACCAR determines that additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order, it shall promptly notify the other Party of its determination. Ecology shall determine whether Ecology or PACCAR shall be responsible to contact the

appropriate state and/or local agencies. If Ecology so requires, PACCAR 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 PACCAR and on how PACCAR must meet those requirements. Ecology shall inform PACCAR in writing of these requirements. Once established by Ecology, the additional requirements shall be enforceable requirements of this Order. PACCAR shall not begin or continue the remedial action potentially subject to the additional requirements until Ecology makes its final determination.

4. Ecology shall ensure that notice and opportunity for comment is provided to the public and appropriate agencies prior to establishing the substantive requirements under this section.

5. 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(1) would result in the loss of approval from a federal agency which is necessary for the state to administer any federal law, the exemption shall not apply and PACCAR 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.

Q. Indemnification

PACCAR agrees to indemnify and save and hold the State of Washington, its employees, and agents harmless from any and all claims or causes of action for death or injuries to persons or for loss or damage to property arising from or on account of the negligent acts or omissions of PACCAR, or its officers, employees, agents, or contractors in entering into and implementing this Order. However, the PACCAR shall not indemnify the State of Washington nor save nor hold its employees and agents harmless from any claims or causes of action arising out of the negligent acts or omissions of the State of Washington, or the employees or agents of the State, in implementing the activities pursuant to this Order.

IX. SATISFACTION OF ORDER

The provisions of this Order shall be deemed satisfied upon PACCAR's receipt of written notification from Ecology that PACCAR has completed the remedial investigation required by this Order, as amended by any modifications, and that the PACCAR has complied with all other provisions of this Order.

X. ENFORCEMENT

Pursuant to RCW 70.105D.050, this Order may be enforced as follows:


1. The Attorney General may bring an action to enforce this Order in a state or federal court.
2. The Attorney General may seek, by filing an action, if necessary, to recover amounts spent by Ecology for remedial actions and orders related to the Sediment Investigation Area.
3. In the event PACCAR refuses, without sufficient cause, to comply with any term of this Order, PACCAR will be liable for:
 - (a) Up to three (3) times the amount of any costs incurred by the State of Washington as a result of its refusal to comply; and
 - (b) Civil penalties of up to \$25,000 per day for each day it refuses to comply.
4. 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: 10, 4, 06

PACCAR Inc

**STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY**


Richard E. Bangert, II
Vice President
PACCAR Inc
(425) 468-7250

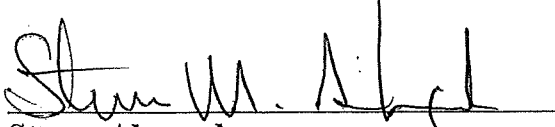

Steven Alexander
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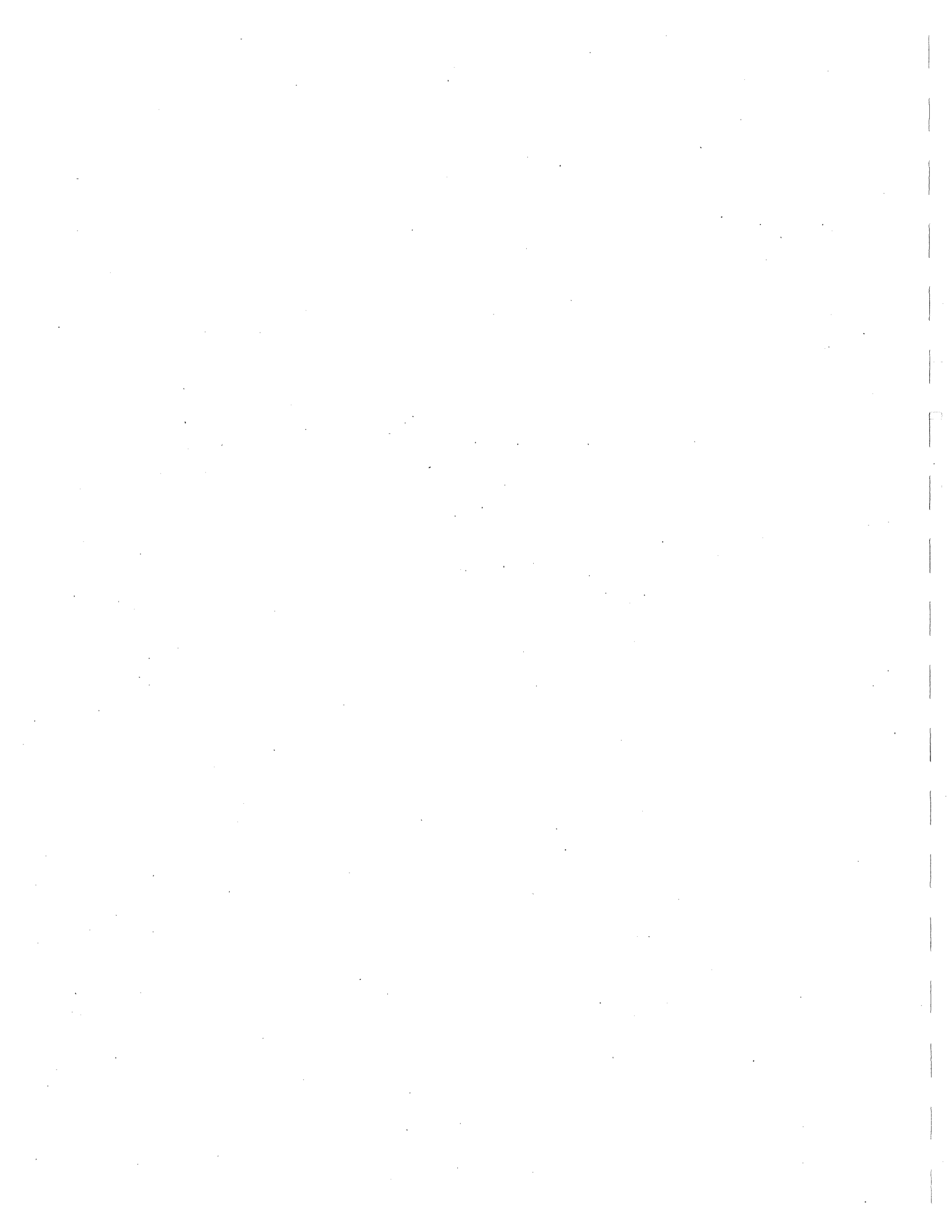
EXHIBIT A

SEDIMENT INVESTIGATION AREA DIAGRAM

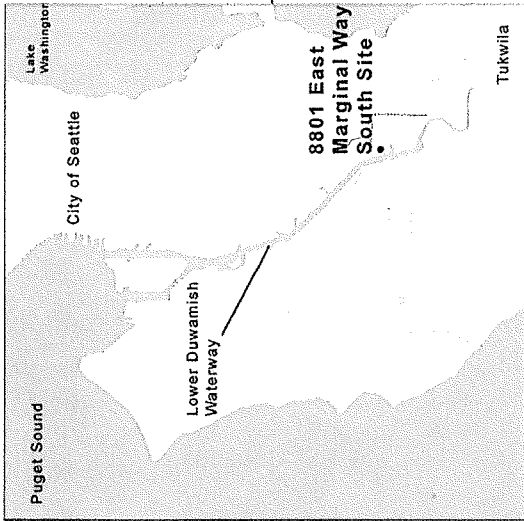
8801 Site

TUKWILA, WASHINGTON

June 12, 2006



Site Map: 8801 E. Marginal Way South



Boeing Isaacson

East Marginal Way South

8801 E Marginal Way South
Property

Duwamish River

Former
Rhône-Poulenc
Property

