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4	IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON FOR THURSTON COUNTY		
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6	STATE OF WASHINGTON) DEPARTMENT OF ECOLOGY,)		
7	DEPARTMENT OF ECOLOGY, No. $90-2-01183$	5	
	CONSENT DECREE		
8	CASCADE POLE COMPANI, INC.		
9	and THE PORT OF OLYMPIA)		
10	Table of Contents		
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11		<u>Page</u>	
12	INTRODUCTION	. 3	
13	I. JURISDICTION	. 5	
	II. PARTIES BOUND	. 6	
14		. 7	
15		. 13	
`	VI. DESIGNATED PROJECT COORDINATORS	. 13	
16	{	. 14	
	VIII. ACCESS	. 15 . 16	
17	41	. 17	
4.0	X. PROGRESS REPORTS	18	
18		. 19	
40		. 19	
19	XIV. AMENDMENT OF CONSENT DECREE	. 23	
20		. 24	
20	XVI. ENDANGERMENT	. 26	
21	XVII. OTHER ACTIONS	. 28	
	XVIII. INDEMNIFICATION	. 29	
22	XIX. COMPLIANCE WITH APPLICABLE LAWS	. 29	
	XX. REMEDIAL AND INVESTIGATIVE COSTS	,	
23	XXI. LIABILITY INSURANCE		
	THE THE THE THE TANK OF DESCRIPTION	. 33	
24	XXIII. IMPLEMENTATION OF REMEDIAL ACTION	. 34	
25			
26	6		

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CONSENT DECREE

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CONSENT DECREE

INTRODUCTION

- A. In entering into this Decree (Decree), the mutual objective of the Washington State Department of Ecology (Ecology), and Cascade Pole Company, Inc. and the Port of Olympia (Defendants) is to provide for remedial action at a facility where hazardous substances have been released. This Decree requires Defendants to undertake the following remedial action:
 - (1) Three interim cleanup actions
 - Seep Investigation and Cleanup
 - Enhanced Recovery of Floating Contaminants from Groundwater
 - A Groundwater Extraction and Treatment System
 - (2) Supplemental site investigation activities
 - (3) Completion of revised feasibility study and final cleanup plan for upland portion of the site
 - (4) Remedial investigation and feasibility study for intertidal sediments
- B. The Complaint in this action is being filed simultaneously with this Decree. An answer has not been filed, and 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. 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.
- E. This Decree is entered without prejudice to any existing or future claims, or causes of action between the Defendants. This Decree shall not be construed as proof of liability or responsibility for any releases of hazardous substances or cost for remedial action nor an admission of any facts; provided, however, that the Defendants shall not challenge the jurisdiction of Ecology in any proceeding to enforce this Decree.
- F. The Court is fully advised of the reasons for entry of this Decree, and good cause having been shown: IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

I. JURISDICTION

- A. This Court has jurisdiction over the subject matter and over the parties pursuant to chapter 90.48 RCW and the Model Toxics Control Act (MTCA) which was passed by initiative (Initiative 97) and which took effect on March 1, 1989. The MTCA has been codified as Ch. 70.105D RCW.
- B. Authority is conferred upon the State of Washington Attorney General by RCW 70.105D.040(4)(a) to agree to a settlement with any potentially liable party if, after public notice and hearing, Ecology finds the proposed settlement would lead to a more expeditious cleanup of hazardous substances in compliance with cleanup standards under RCW 70.105D.030(2)(d). RCW 70.105D.040(4)(b) requires that such a settlement be entered as a consent decree issued by a court of competent jurisdiction.
- c. Ecology has given notice to Defendants as set forth in RCW 70.105.020(8) of Ecology's determination that each of the Defendants is a potentially liable party for the Site and each Defendant has been given notice of the release of hazardous substances at the Site.
- D. Ecology has determined that past practices at the Site have given rise to a release of hazardous substances, the release is causing contamination of surface and ground waters,

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26 CONSENT DECREE

and the release will continue to cause contamination unless the release is abated or mitigated.

E. The actions to be taken pursuant to this Decree are necessary to protect the public health, welfare and the environment.

II. PARTIES BOUND

- This Decree shall apply to and be binding upon the Α. signatories to this Decree (parties), their successors and The undersigned representative of each party hereby assigns. 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, subject to the limitations set forth in Defendants agree to undertake all Paragraph II.B. below. actions required by the terms and conditions of this Decree and not to contest state jurisdiction regarding this Decree. change in ownership or corporate status shall alter the responsibility of the Defendants under this Decree. shall provide a copy of this Decree to all contractors and subcontractors retained to perform work required by this Decree and shall insure that all work undertaken by such contractors and subcontractors will be in compliance with this Decree.
- B. The Port of Olympia is a Washington municipal corporation subject to the requirements of Article 8, Sections 6 and 7 of the Washington State Constitution concerning

municipal debt ceilings and lending of credit, which the Port asserts may limit the Port's liaiblity under the MTCA. Ecology and Cascade Pole Company each assert the Port's liability under the MTCA is unchanged by the cited constitutional provisions. The Port, Cascade Pole Company and Ecology reserve all rights, claims, and defenses related to these constitutional issues.

III. <u>DEFINITIONS</u>

- A. <u>Site</u>: Refers to the Port of Olympia property formerly operated as a wood treating plant at the northeast tip of the peninsula which divides the East and West Bays of Budd Inlet. The Site, which is more particularly described in Exhibit A to this Decree which is a detailed site diagram, consists of the area formerly leased by Cascade Pole Company, the southwest corner which is generally south of the leased area, and the intertidal sediments which are generally north and east of the leased area. The intertidal sediments are considered a separate operable unit from the remainder of the Site. The Site may be expanded if hazardous substances from activities at the Site are found outside the existing Site boundaries.
- B. Remedial Action: See definition of same at RCW 70.105D.020(11).
- C. <u>Model Toxics Control Act</u>: Refers to Initiative 97 which took effect on March 1, 1989.

- D. <u>Days</u>: Refers to calendar days unless specified otherwise.
- E. <u>Parties</u>: Refers to the Washington State Department of Ecology, the Port of Olympia, and the Cascade Pole Company.
- F. <u>Defendants</u>: Refers to the Port of Olympia and the Cascade Pole Company.
- each of the exhibits to the decree. All exhibits, except Ex. D which is a planning tool, are integral and enforceable parts of this consent decree.

IV. STATEMENT OF FACTS

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

- A. The project area in this matter (the "Site") is known as the Cascade Pole Company Site and is situated in Olympia, Washington. The location and boundaries of the Site are depicted by the diagram that is Exhibit A to this Decree.
- B. Cascade Pole Company, one of several companies doing business as McFarland Cascade, formerly leased a portion of the Site from the Port of Olympia. The Port of Olympia is the owner of this property and has been since the 1930's.
- c. The leased area of the Site has been utilized as a wood treating plant for more than forty (40) years. Various other operators, which are apparently no longer in business,

utilized this Site prior to Cascade Pole Company. Cascade Pole Company began operations at this Site in 1967. Cascade Treating Company, which merged with Cascade Pole in 1967, began operating a wood treatment plant on the Site in 1957. Prior to the early 1960s, creosote was the chemical used for treating wood at the Site. In the early 1960s pentachlorophenol became the primary treating chemical used at the Site, although creosote was also used.

- D. In December 1982, an environmental complaint was filed with Ecology regarding a discharge of oily material from the storm drain which discharges to Budd Inlet southwest of the Site, and the presence of similar oily material in the soils at the border of the leased area. A preliminary investigation showed contamination of soils and groundwater along the southern boundary of the facility. Cascade Pole performed further investigation to determine the extent of the problem. Several backhoe pits and wells installed by Cascade Pole revealed a layer of oily liquid floating on the groundwater at the Site.
- E. Between 1983 and May of 1986 Cascade Pole conducted a partial remedial investigation (RI) at the Site. After submittal of the RI report, Ecology staff identified major data gaps in this investigation. On May 30, 1986, because it was concerned that the RI and feasibility study (FS) were not being

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CONSENT DECREE

completed in a timely manner, Ecology issued an administrative order requiring completion of the RI and FS. Cascade Pole appealed that order. After a two-day hearing in October of 1986, the Washington State Pollution Control Hearings Board issued a decision upholding the administrative order in full. The Board's decision was issued in January of 1987.

- F. In February of 1987, a Consent Order was signed by Ecology and Cascade Pole requiring Cascade Pole to complete the RI at the Site, to fill the identified data gaps, and to complete the FS at the Site.
- The Site and adjacent areas are relatively flat and G. lie approximately 10 feet above mean sea level. The peninsula is filled land in what was originally a tidal flat. the fill were the East and West Bays of Budd Inlet, which have been periodically dredged since the 1920s. Additions of dredged fill have enlarged the Cascade Pole Site considerably since it was first used in 1939. Unconsolidated glacial and post-glacial deposits also underlie the Site. There are two The upper aquifer, or fill aguifers underlying the Site. aquifer, flows outward from the central portion of the Site and The upper aquifer is severely discharges into Budd Inlet. contaminated with creosote constituents, pentachlorophenol and These contaminants migrate polyaromatic hydrocarbons (PAHs). through the groundwater and seep into the nearshore

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(intertidal) sediments and the waters of Budd Inlet. The lower aquifer appears to be separated from the upper aquifer by an impervious layer or aquatard. However, data gaps still exist regarding the water quality of the lower aquifer. Verification of non-contamination of the lower aquifer has not been accomplished.

- In February and August of 1985, Ecology performed two Η. studies at and in the vicinity of the Site. The specific purpose of these studies was to locate the sources of and gather information regarding the concentration of suspected contamination in the vicinity of the Site. Soil, intertidal sediment, and groundwater analysis data obtained as of the effective date of this Decree reveals that hazardous substances have been and continue to be released from the Cascade Pole For example, soil samples have revealed concentrations Site. of pentachlorophenol at 400 parts per million (ppm) and PAHs at Groundwater samples have revealed concentra-40,000 ppm (4%). tions of pentachlorophenol at 9300 ppm, tetrachlorophenal at 740 ppm, and PAHs at 20,000 ppm (2%). These levels are well above concentration levels necessary to render the material an extremely hazardous waste under the state hazardous waste program (ch. 70.105 RCW and ch. 173-303 WAC).
- I. Land use on adjacent properties consists of recreational (East Bay Marina) and industrial (log storage) to

the south, and industrial and commercial (restaurant, marine products outlet, and a radio station) to the west and northwest. The public is at risk via: surface water contamination, ingestion of contaminated marine fauna, contact with soils at the Site, contact with contaminated seeps emanating from the Site and flowing into Budd Inlet, or contact with wind blown dust or air emissions at the Site.

- Cascade Pole has completed a feasibility study for The final feasibility study was submitted on the Site. August 26, 1988. The feasibility study discusses various alternative remedial actions at the Site, their environmental protectiveness, and the cost of such alternatives. Ecology has not approved the FS on the basis that it is incomplete, omits information requested by Ecology, biases the conclusion and promotes a preferred alternative which fails to protect human health and the environment and is inconsistent with state and Ecology has developed its own remedial action federal laws. proposal for the Site based on the FS and information not The remedial action required by Ecology included in the FS. will be implemented as per the terms of this Decree.
- K. Based on the above facts, Ecology has determined that the release or threat of release of hazardous substances from the Site requires remedial action to protect the public health, welfare and the environment.

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WORK TO BE PERFORMED V.

This Decree contains a program designed to protect the public health and welfare and the environment from the known release, or threatened release, of hazardous substances or contaminants at, on, or from the Site. This program is set forth in Exhibit B to this Decree, which is the Remedial Action Exhibit B sets forth the work to be performed to Plan (RAP). accomplish required remedial action at the Site during the Exhibit C is the schedule for duration of this Decree. Exhibit B and C are integral and implementing this work. enforceable parts of this Decree. Exhibit D, which is the Critical Path Chart, is to be utilized as a planning tool. terms "Consent Decree" or "Decree" shall include the RAP and Except where schedule whenever used in this document. performance by another party is expressly provided in the RAP, the Defendants hereby commit to implement the requirements of the RAP.

DESIGNATED PROJECT COORDINATORS VI.

On or before the entry of this Decree, Ecology and Defendants shall each designate a project coordinator. project coordinator shall be responsible for overseeing the The Ecology project coordinator implementation of this Decree. will be Ecology's designated representative at the Site. the maximum extent possible, communications between Ecology and the Defendants and all documents, including reports, approvals, CONSENT DECREE

and other correspondence concerning the activities performed pursuant to the terms and conditions of this Decree, shall be directed through the project coordinators. The project coordinators may designate, in writing, working level staff contacts for all or portions of the implementation of the remedial work required by this Decree.

Any party may change its respective project coordinator. Written notification shall be given to the other parties, in writing, at least ten (10) calendar days prior to the change.

The project coordinator for Ecology is:

Phillip Hertzog 7272 Cleanwater Lane Mail Stop LU-11 Olympia, WA 98504-6811

The project coordinator for Cascade Pole Company is:

Les D. Lonning Cascade Pole Company P.O. Box 1496 Tacoma, WA 98401-1496

The project coordinator for the Port of Olympia is:

Douglas Edison Port of Olympia P.O. Box 827 Olympia, WA 98507-0827

VII. PERFORMANCE

All work performed pursuant to this Decree shall be under the direction and supervision, as necessary, of a professional

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CONSENT DECREE

experience and expertise in hazardous waste site investigation and cleanup. Defendants shall notify Ecology in writing as to 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 Decree, in advance of their involvement at the Site.

engineer or certified hydrogeologist, or equivalent, with

Defendants shall be jointly and severally responsible for the performance and completion of the tasks required by this Decree, subject to Section II. B.

VIII. ACCESS

Ecology or any Ecology authorized representatives who are properly trained shall have the authority to enter and freely move about all property at 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 Decree; reviewing the progress in carrying out the terms of this Decree; conducting such tests or collecting samples as Ecology may deem necessary; using a camera, sound recording, or other documentary type equipment to record work done pursuant to this Decree; and verifying the data submitted to Ecology by the Defendants. Upon request, Ecology shall split any samples taken during an inspection unless the Defendants fail to make available a representative for the

purpose of splitting samples. All parties with access to the Site pursuant to this paragraph shall comply with approved health and safety plans. Ecology's project coordinator shall be given keys allowing access to the Site and to the locked well covers on the Site. Except in emergency situations, Ecology personnel and representatives shall sign in at the Port of Olympia's office prior to entering the Site.

IX. SAMPLING, DATA REPORTING AND AVAILABILITY

With respect to the implementation of this Decree,

Defendants shall make the results of all sampling, laboratory
reports, and/or test results generated by them, or on their
behalf available to Ecology and shall submit these results in
monthly progress reports submitted in accordance with Exhibits

B and C.

If requested by Ecology, Defendants shall allow split or duplicate samples to be taken by Ecology and/or its authorized representatives of any samples collected by Defendants pursuant to the implementation of this Decree. Defendants shall notify Ecology five (5) working days in advance of any sample collection or work activity at the Site. Ecology shall, upon request, allow split or duplicate samples to be taken by Defendants or their authorized representatives of any samples collected by Ecology pursuant to the implementation of this Decree. Without limitation on Ecology's rights under Section

VIII, Ecology shall endeavor to notify Defendants prior to any sample collection activity.

X. PROGRESS REPORTS

Defendants shall submit to Ecology written monthly progress reports which describe the actions they have taken during the previous month to implement the requirements of this Decree. The progress reports shall include the following:

- A. A list of on-site activities that have taken place during the month;
- B. Detailed description of any deviations from required tasks not otherwise documented in project plans or amendment requests;
- C. Description of all deviations from the schedule (Exhibit C) and critical path (Exhibit D) during the current month and any planned deviations in the upcoming month;
- D. For any deviations in schedule, a plan for recovering lost time and maintaining the critical path;
- E. All raw data (including laboratory analysis) received by the defendants during the past month and an identification of the source of the sample;
- F. A list of deliverables for the upcoming month if different from the schedule; and
- G. Documentation of amount or volume of contaminants and product collected from recovery systems.

CONSENT DECREE

All progress reports shall be submitted by the tenth day of the month in which they are due after the effective date of this Decree. Unless otherwise specified, progress reports and any other documents submitted pursuant to this Decree shall be sent by certified mail, return receipt requested, to Ecology's project coordinator.

XI. RETENTION OF RECORDS

Defendants shall preserve, during the pendency of this Decree and for ten (10) years from the date of issuance of the Notice of Completion (Section XXVIII) all records, reports, documents, and underlying data in their possession relevant to the implementation of this Decree and shall insert in contracts with project contractors a similar record retention requirement. In addition, a data management/information system shall be developed, implemented and updated on a monthly basis. This information shall be provided to Ecology in a monthly progress report. Once a year the Defendants shall provide an index of all documents, data and other information contained in the system. Upon request of Ecology, Defendants shall make all non-archived records available to Ecology and allow access for review. All archived records shall be made available to Ecology within a reasonable period of time.

CONSENT DECREE

XII. TRANSFER OF INTEREST IN PROPERTY

No voluntary or involuntary conveyance or relinquishment of title, easement, leasehold, or other interest in any portion of the Site shall be consummated without provision for continued operation and maintenance of any containment system, treatment system, and monitoring system installed or implemented pursuant to this Decree.

prior to transfer of any legal or equitable interest in all or any portion of the property, and during the effective period of this Decree, Defendants shall serve a copy of this Decree upon any prospective purchaser, lessee, transferee, assignee, or other successor in interest of the property; and, at least thirty (30) days prior to any transfer, Defendants shall notify Ecology of said contemplated transfer.

XIII. RESOLUTION OF DISPUTES

- A. In the event a dispute arises as to an approval, disapproval, proposed modification or other decision or action by Ecology's project coordinator, the parties shall utilize the dispute resolution procedure set forth below.
- (1) Upon receipt of the Ecology project coordinator's decision, the Defendants have fourteen (14) days within which to notify Ecology's project coordinator of their objection to the decision.

CONSENT DECREE

(2) The parties' project coordinators shall then confer in an effort to resolve the dispute. If the project coordinators cannot resolve the dispute within fourteen (14) days, Ecology's project coordinator shall issue a written decision.

- (3) Defendants may then request Ecology management review of the decision. This request shall be submitted in writing to the Hazardous Waste Investigation & Cleanup Program Manager within seven (7) days of receipt of Ecology's project coordinator's decision.
- (4) Ecology's Program Manager shall conduct a review of the dispute including, if requested, a meeting with the Defendants. Ecology's Program Manager shall issue a written decision regarding the dispute within thirty (30) days of the Defendants' request for review.
- B. If Ecology's final written decision is unacceptable to Defendants, Defendants have the right to submit the dispute to the Court for resolution. The parties agree that one judge should retain jurisdiction over this case and shall, as necessary, resolve any dispute arising under this Decree. In the event Defendants present an issue to the Court for review, the Court shall review the action or decision of Ecology on the basis of whether such action or decision was arbitrary and

WA 98504-8077

capricious and render a decision based on such standard of review.

- c. On technical issues only, the Defendants may request nonbinding arbitration prior to judicial review. Any request for arbitration shall be in writing and filed with Ecology within seven (7) days of Ecology's final decision. If Ecology agrees the issue is appropriate for arbitration, the arbitration process set forth below shall be utilized:
- (1) The Defendants jointly and Ecology shall each designate one arbitrator within fourteen (14) days of Ecology's approval of the arbitration process. The two arbitrators shall be skilled and knowledgeable regarding the issue in dispute.
- and shall be given such written information as any party desires on the issue to be heard. The decision to permit or require additional evidence, either written or oral, or to permit argument shall be up to the discretion of the arbitrators. The initial written materials shall be submitted within fourteen (14) days after notice of the selection of the arbitrators and any response to such information shall be filed within seven (7) days. Oral argument, if requested by the panel, shall occur within seven (7) days of the submittal of written materials.

26 CONSENT DECREE

(3) If the arbitrators do not reach a unanimous decision, Ecology's decision will constitute the final decision on the dispute. If the panel reaches a unanimous decision it shall be reduced to writing and submitted to Ecology. Notice of the panel's decision or failure to reach agreement must be submitted to Ecology and the Defendants within fourteen (14) days of the later of either the final submittal of written materials or oral argument before the panel.

(4) The panel's decision, if unanimous, shall be nonbinding and shall be treated as a recommended decision. Ecology may accept or reject the panel's decision in making its final decision.

D. Ecology and Defendants 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. Where either party utilizes the dispute resolution process in bad faith or for purposes of delay, the other party may seek sanctions.

Implementation of these dispute resolution procedures shall not provide a basis for delay of any activities required in this Decree, unless Ecology agrees in writing to a schedule extension or the Court so orders.

XIV. AMENDMENT OF CONSENT DECREE

This Decree may only be amended by a written stipulation among all the parties to this Decree that is entered by the Court. Such amendment shall become effective upon entry by the Court. Agreement to amend shall not be unreasonably withheld by any party to the Decree.

Defendants shall submit any request for an amendment to Ecology for approval. Ecology shall indicate its approval or disapproval in a timely manner after the request for amendment is received. Reasons for the disapproval shall be stated in writing. If Ecology does not agree to any proposed amendment, the disagreement may be addressed through the dispute resolution procedures described in Section XIII of this Decree.

No guidance, suggestions, or comments by Ecology will be construed as relieving Defendants of their obligation to obtain formal approval as may be required by this Decree. No verbal communication by Ecology shall relieve Defendants of the obligation specified herein.

Ecology shall notify Defendants in writing of any Ecology proposed amendment and the basis for such proposal. Defendants shall thereafter comply with such modifications, or if they do not agree with those modifications, the disagreement shall be addressed through the dispute resolution procedures described in Section XIII of this Decree.

26 CONSENT DECREE

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An extension of schedule shall be granted only when a request for an extension is submitted in a timely fashion and good cause exists for granting the extension. All extensions The request shall specify the shall be requested in writing. The request for extension reason(s) the extension is needed. of schedule shall include an analysis of the request's impact on the critical path chart and schedule contained in this Decree or as subsequently amended in accordance with this section. Ecology will consider these impacts when granting a Ecology may also extend due request for extension of schedule. dates for subsequent critical path deliverables if the parties demonstate that, to the best of their abilities, lost time cannot be recovered.

An extension shall only be granted for such period of time as Ecology determines is reasonable under the circumstances. A requested extension shall not be effective until approved by Ecology. Ecology shall act upon any written request for extension in a timely fashion. It shall not be necessary to formally amend this Decree pursuant to Section XIV when a schedule extension is granted.

B. Where the time needed for necessary permit approval or for Ecology review, modification or approval of any document or task delays any critical path item identified in Exhibit D,

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26 CONSENT DECREE

the schedule for all affected critical path items shall be extended accordingly.

- C. The burden shall be on Defendants 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, the following:
- (1) Circumstances beyond the reasonable control and despite the due diligence of Defendants including delays caused by unrelated third parties or Ecology, such as (but not limited to) delays by Ecology in reviewing, approving, or modifying documents submitted by Defendant; or
- (2) Acts of God, including fire, flood, blizzard, extreme temperatures, storm, wave or water conditions, or other unavoidable casualty; or
 - (3) Endangerment as described in Section XVI.

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

D. Ecology may extend the schedule for a period not to exceed ninety (90) days, except where an extension is needed as a result of:

CONSENT DECREE

(1) Delays in the issuance of a necessary permit which was timely applied for; or

- (2) Judicial review of the issuance, non-issuance, or reissuance of a necessary permit; or
- (3) Other circumstances deemed exceptional or extraordinary by Ecology; or
 - (4) Endangerment as described in Section XVI.

Ecology shall give Defendants written notice in a timely fashion of any extensions granted pursuant to the Decree.

XVI. ENDANGERMENT

In the event Ecology determines that activities implementing or in noncompliance with this Decree, or any other circumstances or activities, 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 may order Defendants to stop further implementation of this Decree for such period of time as needed to abate the danger or may petition the Court for an order as appropriate. During any stoppage of work under this section, the obligations of Defendants with respect to the work under this Decree which is ordered to be stopped shall be suspended and the time periods for performance of that work, as well as the time period for any other work dependent upon the work which is stopped, shall be extended, pursuant to Section XV of this

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CONSENT DECREE

reasonable under the circumstances.

In the event Defendants determine that activities

Decree, for such period of time as Ecology determines is

undertaken in furtherance of this Decree or any other circumstances or activities are creating an endangerment to the people on the Site or in the surrounding area or to the environment, Defendants may stop implementation of this Decree for such periods of time necessary for Ecology to evaluate the situation and determine whether Defendants should proceed with implementation of the Decree or whether the work stoppage should be continued until the danger is abated. Defendants shall notify Ecology's project coordinator as soon as is possible, but no later than twenty-four (24) hours after such stoppage of work, and thereafter provide Ecology with documentation of the basis for the work stoppage. disagrees with Defendants' determination, it may order Defendants to resume implementation of this Decree. If Ecology concurs in the work stoppage, Defendants' obligations shall be suspended and the time period for performance of that work, as well as the time period for any other work dependent upon the work which was stopped, shall be extended, pursuant to Section XV of this Decree, for such period of time as Ecology determines is reasonable under the circumstances.

disagreements pursuant to this clause shall be resolved through the dispute resolution procedures in Section XIII.

XVII. OTHER ACTIONS

Ecology reserves its rights to institute remedial action(s) at the Site and subsequently pursue cost recovery, and Ecology reserves its rights to issue orders and/or penalties pursuant to available statutory authority under the following circumstances:

- (1) Where Defendants fail to comply with any requirement of this Decree, and after written notice of default, fail to come into compliance;
- (2) In the event or upon the discovery of a release or threatened release not addressed by this Decree;
- (3) Upon Ecology's determination that action beyond the terms of this Decree is necessary to abate an emergency situation which threatens the public health or welfare or the environment; or
- (4) Upon the occurrence or discovery of a situation beyond the scope of this Decree as to which Ecology would be empowered to perform any remedial action or to issue an order and/or penalty, or to take any other enforcement action. This Decree is limited in scope to the geographic Site described in Exhibit A and to those contaminants which Ecology knows to be at the Site when this Decree is entered.

CONSENT DECREE

Ecology reserves the right to take any enforcement action whatsoever, including a cost recovery action, against additional potentially liable parties, including additional McFarland Cascade related corporate entities, corporate officials, and shareholders.

XVIII. INDEMNIFICATION

Defendants agree 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 acts or omissions of Defendants, their officers, employees, agents, or contractors in entering into and implementing this Decree. However, the Defendants 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 acts or omissions of the State of Washington, or the employees or agents of the State, in implementing the activities pursuant to this Decree.

XIX. COMPLIANCE WITH APPLICABLE LAWS

All actions carried out by Defendants pursuant to this

Decree shall be done in accordance with all applicable federal,

state, and local requirements. All parties reserve the right

to take the position that permits are not required for remedial

CONSENT DECREE

action undertaken pursuant to an order or consent decree issued under the MTCA.

All facilities used by Defendants for the off-site treatment, storage, or disposal of hazardous waste removed from the Site must be in compliance with the applicable requirements of the Resource Conservation and Recovery Act, as amended in November 1984, 42 U.S.C. 6901, et. seg.; and ch. 70.105 RCW. Defendants must designate in a report to Ecology any facilities that Defendants propose to use for such off-site storage, treatment, or disposal.

XX. REMEDIAL AND INVESTIGATIVE COSTS

Defendants agree to reimburse the appropriate account of the Treasury of the State of Washington, as identified by Ecology, for Ecology's reasonable and appropriate remedial and investigative costs associated with Ecology's activities at the Site conducted during the implementation of this Decree, including costs accrued in overseeing the Defendants' performance of tasks required by this Decree. Remedial and investigative costs incurred by Ecology to be paid under this Consent Decree shall consist of 164% of direct labor salary costs, consultant fees (if any) and laboratory costs, all of which must be directly related to implementation of the tasks required by this Consent Decree. However, the defendants only agree to pay consultant costs incurred by Ecology if they have

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CONSENT DECREE

given prior approval to Ecology's utilization of such consultant (excluding contract laboratory expenses).

Within ninety (90) days of the end of each fiscal quarter, Ecology will submit to Defendants a summary statement of Ecology's expenses for the previous quarter. The summary statement shall include a description of the activities undertaken, the time spent on such activity(s) and the person or persons conducting such activity(s). Following receipt of the statement, Defendants shall pay, within ninety (90) days, into the appropriate account of the Treasury of the State of Washington, as identified by Ecology, the required sum. costs paid by the Defendants shall not exceed the lesser of Ecology's actual costs or two hundred thousand dollars This annual cap on recoverable costs (\$200,000) annually. shall not apply to any Ecology action which is beyond the scope of this Decree, nor to any Ecology action taken pursuant to The parties agree that Ecology's Paragraphs XVI or XVII. stormwater investigation is beyond the scope of this Decree.

XXI. LIABILITY INSURANCE

Within thirty (30) days of the entry of this Decree and for the duration of the remedial action required by this Decree, Defendants shall provide Ecology with current certificates of insurance certifying coverage for general liability which may arise in carrying out this Decree with

CONSENT DECREE

minimum limits of one million dollars (\$1,000,000) per occurrence and an annual aggregate of at least two million dollars (\$2,000,000), exclusive of legal defense costs, for bodily injury and property damage liability combined.

Defendants shall provide thirty (30) day written notice prior to cancelling such insurance.

These insurance limits are not to be construed as maximum limits. Defendants are solely responsible for determining the appropriate amount of insurance they should carry for injuries or damages that may result from the implementation of this Decree.

XXII. FINANCIAL ASSURANCES

Cascade Pole Company shall establish a performance bond in the amount of five hundred thousand dollars (\$500,000) for one year from the effective date of this Decree and thereafter in the amount of twenty-five (25) percent (readjusted quarterly) of the estimated expenses for the following twelve months. This bond shall be maintained for the duration of this Consent Decree, or until twenty-five (25) percent of the estimated twelve month budget is less than \$50,000, whichever occurs first. The Port of Olympia shall have direct access to this performance bond. The parties agree that the Department of Ecology is a third party beneficiary of the performance bond. As such, Ecology may access the bond upon an order of this

Court. The parties agree that the Court may order Ecology's access to the bond in the event the defendants default in the performance of remedial activities required by this Consent Decree. Neither of the defendants shall enter into any contractual arrangement which conflicts with this paragraph. The performance bond required by this paragraph shall be terminated upon defendant's receipt of the written Notice of Completion issued by Ecology pursuant to paragraph XXVII of this Consent Decree, or when twenty-five (25) percent of the twelve month budget is less than \$50,000, whichever occurs first.

XXIII. IMPLEMENTATION OF REMEDIAL ACTION

If Ecology determines that Defendants have failed without good cause to implement the remedial action, Ecology may, after notice to Defendants, perform any or all portions of the remedial action that remain incomplete. If Ecology performs all or portions of the remedial action because of Defendants' failure to comply with their obligations under this Decree, Defendants shall reimburse Ecology for the costs of doing such work within thirty (30) days of receipt of demand for payment of such costs, provided that Defendants are not obligated under this section to reimburse Ecology for costs incurred for work inconsistent with or beyond the scope of the Remedial Action Plan.

CONSENT DECREE

XXIV. FIVE YEAR REVIEW

As remedial action, including groundwater monitoring, continues at the Site, the parties agree to review the progress of remedial action at the Site, and to review the data accumulated as a result of site monitoring as often as is necessary and appropriate under the circumstances. At least every five years the parties shall meet to discuss the status of the Site and the need, if any, of further remedial action at the Site. Ecology reserves the right to require further remedial action at the Site under appropriate circumstances.

XXV. <u>DEFENDANTS' RESERVATION OF RIGHTS</u> AND DENIAL OF LIABILITY

Nothing in this Consent Decree shall constitute a release of any claim, cause of action, or demand in law or equity which the Defendants, jointly or singly, may have against any person, entity, governmental agency, firm, partnership, or corporation ("person") for any liability arising out of or relating in any way to the generation, storage, treatment, handling, transportation, release, or disposal of any hazardous substance, pollutant, or contaminant, or any hazardous solid waste, found at, taken to, or taken from the Site or to the ownership and/or operation of the Site.

The Defendants jointly and singly deny any and all legal or equitble liability under any federal or state statute,

regulation, ordinance, or common law for any costs or damages caused by or arising out of conditions at or arising from the Site. However, Defendants agree to comply with this Consent Decree, subject to Article II(B).

Defendants expressly reserve any and all rights of contribution and indemnity that they have jointly or singly against any person or entity. Defendants reserve the right of contribution and indemnity from any or all liable persons for all costs incurred by Defendants in performing the work and complying with the requirements of this Consent Decree.

Nothing in this Consent Decree shall be construed as limiting Defendants' rights jointly or singly to seek contribution and indemnity from any or all liable persons.

Notwithstanding the granting of consent under Section I (Jurisdiction), the entering into of this Consent Decree, and the taking of any action under the Decree, Defendants do not admit any allegations contained herein, nor do Defendants admit liability for any purpose or admit any issues of law or fact or any responsibility for the alleged release or threat of release of any hazardous substance into the environment.

Nothing herein is intended by any of the parties to create any private causes of action in favor of any person not a Defendant or to release any person not a Defendant from any

26 CONSENT DECREE

liability, duty, or responsiblity which they might have at law or equity.

XXVI. COMMUNITY RELATIONS

Ecology shall maintain the responsibility for community relations at the Site. However, Defendants shall cooperate with Ecology and shall:

- A. Prepare drafts of public notices and fact sheets at important stages of the remedial action, such as the submission of work plans and the completion of engineering design.

 Ecology will finalize (including editing if necessary) and distribute such fact sheets and prepare and distribute public notices of Ecology's presentations and meetings;
- B. Notify Ecology's project coordinator prior to the issuance of all press releases and fact sheets, and before major meetings with the interested public and local governments. Likewise, Ecology shall notify Defendants prior to the issuance of all press releases and fact sheets, and before major meetings with the interested public and local governments;
- c. Participate in public presentations on the progress of Remedial Action at the Site. Participation may be through attendance at public meetings to assist in answering questions or as a presenter;

CONSENT DECREE

D. In cooperation with Ecology, arrange and/or continue information repositories to be located at the Timberland Regional Library, 8th and Franklin, Olympia and Ecology's Southwest Regional Office in Tumwater. At a minimum, copies of all public notices, fact sheets, and press releases, all quality assured groundwater, surface water, soil sediment, and air monitoring data, remedial action plans, supplemental remedial planning documents, and all other similar documents relating to performance of the remedial action required by this Decree shall be promptly placed in these repositories.

XXVII. DURATION OF DECREE

This Decree shall remain in effect and the remedial program described in this Decree shall be maintained and continued until Defendants receive a written Notice of Completion from Ecology that the remedial action plan has been satisfactorily completed, or until twelve (12) months after the final scheduled delivery date set forth in Exhibit C as amended by Ecology in accordance with Section XV, whichever is earlier, which date is the "final termination date" for this Decree. If this Decree is terminated without agreement to a new or amended Consent Decree, the covenant not to sue in paragraph XXIX is of no force or effect whatsoever, and the Defendants shall allow Ecology access to the site to continue operating and maintaining the groundwater extraction and

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26 CONSENT DECREE

treatment system and to allow Ecology access for any other remedial activity at the site that Ecology determines necessary.

XXVIII. INVESTIGATIVE WASTES

Investigative wastes, which may include soils from trenching, well drilling, borings, and wastewater from well installation or well purging, will be produced during the implementation of this Decree. The Defendants shall develop an appropriate sampling and analysis program in the overall Sampling and Analysis Plan (Task 5.3, RAP) to determine whether Investigative investigative wastes constitute hazardous waste. wastes which constitute hazardous waste may be stored on-site, if such storage is in compliance with applicable substantive provisions of Ch. 70.105 RCW and Ch. 173-303 WAC. However, no hazardous waste permit will be required by Ecology for such All investigative wastes, whether hazardous waste or storage. not, shall be managed in an environmentally sound manner.

XXIX. GROUNDWATER EXTRACTION AND TREATMENT TECHNOLOGY

A. "Floating and dissolved groundwater contamination" shall refer to the floating, non-aqueous phase liquid and any dissolved contaminants in the shallow saline upper aquifer in the area of influence, but does not include dense non-aqueous phase liquids. The "area of influence" shall refer to that area in which the groundwater extraction and treatment system causes gradient reversal as finally designed and

CONSENT DECREE

depicts the predicted area of influence. Exhibit shall be revised upon design of the groundwater extraction and treatment system and finalized after operation of the system and associated monitoring more accurately determine the area of influence.

implemented pursuant to this Decree. Exhibit E to this Decree

- B. Ecology has determined that a groundwater extraction and treatment system is the appropriate final technology for the remediation of the floating and dissolved groundwater contamination for the area of influence and the Defendants have agreed to design, construct and operate the extraction and treatment system set forth in this Decree. Therefore, for the area of influence as described in Exhibit E, Ecology hereby covenants not to sue, not to execute judgment, nor take administrative, civil, or judicial action against Defendants for remediation of the floating and dissolved contamination in the area of influence, except under the following circumstances:
 - 1) In the event Defendants fail to comply with the terms of this Consent Decree; or
 - 2) In the event of an emergency; or
 - In the event new contaminants or pollutants are found within the area of influence and the Defendants cannot demonstrate that the groundwater extraction

and treatment system will adequately address the newly discovered contaminants; or

In the event Ecology determines in writing that the groundwater extraction and treatment system will not result in the attainment of cleanup standards set pursuant to RCW 70.105D.030(2)(d) at an appropriate point of compliance as determined by Ecology.

This covenant not to sue shall have no effect on Ecology's ability to seek to recover damages to natural resources caused by releases of hazardous substances at this site.

XXX. EFFECTIVE DATE

This Decree is effective upon the date it is entered by the Court.

XXXI. 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, in compliance with applicable cleanup standards.

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

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and without prejudice. In such an event, no party shall be bound by the requirements of this Decree. For State of Washington, For State of Washington, Department of Ecology Attorney General's Office 6 CAROL FLESKES Program Manager Assistant Attorney General Hazardous Waste Investigation and Cleanup 9 10 123/cascade 11 12 13 14 15 16 17 18

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Environmental Investigations

DRAFT

Cascade Pole Pre-Proposal

This pre-proposal responses to a verbal request received by Toxics Investigations/Groundwater Monitoring (TI/GMS) on 1/4/90 from the Hazardous Waste Investigations & Cleanup Program (HWICP).

Overall Project Goal: To provide information which will allow parties to the Consent Decree to rationally evaluate the following proposition:

Stormwater runoff and/or infiltration do/do not contribute to the off-site migration of contaminants from the Cascade Pole site.

As currently conceived, the project will consist of 2 parts: the Runoff Project and the Infiltration Project. These efforts will be undertaken while attempting to balance the need to mobilize before the end of the rainy season; and the need to do carefully designed work that is both legally and scientifically defensible.

Runoff Project:

Primary Objectives:

- 1) To determine if contaminants are present in stormwater standing on, flowing across, and /or leaving the site. Secondary (possible) Objectives:
 - 2) To quantify or estimate contaminant loads leaving the site.
 - 3) To distinguish between dissolved and particulate concentrations of contaminants in samples collected.
 - 4) To associate contamination detected in runoff samples with general areas on-site that may have contributed to the contamination.
 - 5) To estimate or quantify the biological implications/impact of the runoff (bioassays).
 - 5) To estimate potential impacts on the receiving environment by comparing the results of runoff whole water and suspended sediments samples with Water Quality Standards and AETs. (Collection of receiving environment samples to actually measure these inpacts would increase costs.)

Potential Problems:

- 1) The site is flat, runoff is generally not channalized, and much of the precipitation that falls on the site appears to infiltrate. This means that opportunities for collecting samples are reduced.
- 1) Because of the above, it is likely that most of any contaminant transport occurs in the subsurface.

Possible Equipment Needs:

Portable flumes

Small on-site weather station

Field filter and/or centrifuge equipment

Personal protection and safety equipment

Timeline:

Reconnaissance, begin drafting project plan: 1/5/90

Draft project proposal and sampling plan complete: 1/26/90

Circulate proposal for review and comments: 2/2/90

Incorporate review comments and submit lab request: 2/5/90

Sampling events: unknown

Analyses complete: 1-2 months

QA/QC review: 2 weeks

Initial (2-3 pp.) highlight memo to client: 1 week

Draft report: 1.5 months

Report peer and client review and comment: 1 week

Modify and finalize report 1-2 weeks.

Estimated resource requirements:

Staff time -

Development of project plan: Field work including preparation and cleanup: Data review and interpretation: Writing and editing report: Providing follow-up services (expert witness, consultations, presentations of results)	.06 .10	FTE FTE	
consultations, presentations or results)	.3241	FTE	

Laboratory Analyses

Estimating tosts: Costs vary depending on type of analysis PNA, PCP, dioxin, bioassay, TOC, etc.), detection limits required number of sample sites, frequency of sampling, required turnaround times, number and frequency of QA/QC samples, etc. For these reasons it is possible only to give a ball park estimate of lab costs.

For a modestly scoped runoff project, lab costs may be in the \$10.000 to \$15.000 range.

QA/QC Review:

If done independently, this cost may run 10% of lab costs.

Equipment and other needs:

See discussion under Infiltration Project;

Infiltration Project:

Primary Objectives:

- 1) To review relevant scientific information and the results of previous site characterization work, in order to develop an approach:
- 2) To evaluate whether or not precipitation that infiltrates into soils on-site contributes to the immediate or long-term migration of contaminants off-site.

Secondary (possible) Objectives:

- 3) To supplement/improve the information available on soils contamination and soils characteristics on-site.
- 4) To determine if, under standard conditions (i.e.. a standardized leaching test), contaminants are mobilized.
- 5) To quantify short-term the response of ground water elevation (head) to precipitation events.
- 6) To evaluate the biological implications/impacts of contaminants in soils or leachate.
- 7) To provide information & analysis that will improve understanding of the on-site water balance (i.e. what portion of precipitation evaporates, how much infiltrates, how much runs off?).

Potential Problems:

- 1) The identification of certain chlorinated dibenzofurans and dibenzodioxins in site soils may lead to difficulties in shipping samples and excavating on-site.
- 2) Because the potential mechanism for off-site migration of contamination by way of ground water is relatively complex, there will be gaps in any attempt to prove and/or quantify the details of this mechanism. Results are more likely to show the magnitude of a potential for contamination.

Possible Equipment Needs:

In-case precipiation/evaporation recorder Personal protection and safety equipment Lysameters

Infiltrometer

Well points/data loggers (including corrosion resistant sensors).

Possible Personal Service Contractual Needs: ...

Well or lysimeter installation Soil coring

Timeline:

Reconnaissance, begin site and literature review: 1/5/90

Complete initial review, begin to draft overall

project proposal and study plan: 2/9/90

Draft preliminary soil leaching work plan: 2/9/90

Circulate prelim. proposal for review and comments: 2/16/90

Complete preliminary proposal, submit lab request: 2/23/90 Begin prelim. soil leaching work, circulate overall

project proposal for review: 3/9/90

Incorporate review comments into overall project proposal

begin initial soil sampling: 3/19/90

Begin infiltration project: 3/26/90 Initial soil sample results complete: 4/30/90 QA/QC review of soil sample results: 5/15/90

Draft technical memorandum on soil leaching results:

6/1/90

Soil leaching report, peer and client review: 6/8/90

Infiltration project proceeding: unknown

Analyses complete: 1-2 months

QA/QC review: 2 weeks Draft report: 2 months

Report peer and client review and comment: 2 weeks

Modify and finalize report: 2 weeks

Estimated resource requirements:

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Site and literature review: Develop soils leaching proposal: Data review and interpretation: Writing and editing technical memorandum: Develop overall infiltration study plan: Carry out study plan, write report: Provide follow-up services (expert witness,	.10 .03 .03 .05 .06 .1525 .0715	•
consultation, presentation of results)	.4967	FTE

Laboratory Analyses

Estimating costs: Costs vary depending on type of analysis (PNA, PCP, dioxin, bioassay, TOC, etc.), detection limits required, number of sample sites, frequency of sampling, required turnaround times, number and frequency of QA/QC samples, etc. For these reasons it is possible only to Tive a hall park estimate of lab costs.

For the preliminary soils leaching subpart costs may be in the 315000-320000 range.

For the rest of the project, laboratory costs should not exceed an additional \$25000.

CA/OC Review:

If done independently, this cost may run 10% of lab costs.

Personal services contracts:

Although difficult to quantify at this point, there is a significant possibility that resources may be required for activities like lysimeter and/or well installation. An additional \$10,000 should cover these options.

Equipment and other needs:

There may be some specialized equipment needed for these projects; including a portable flume, personal protection gear, well points, a simple on-site weather station, lysimeters etc. Additionally, office equipment will be needed for the project employee (calculated at 1/2 start-up costs).

Given these needs, it would probably be wise to set aside \$5000-\$7000, for equipment, travel, goods and services, etc. in addition to the standard \$7525 for 1/2 start-up costs.

Estimated overall resource needs and suggested source:

	-4474	Category	EILS Contribution	HWICP Contribution	Total
		Personnel (E3 level)	.25 FTE	.5683 FTE	.81 - 1.08 FTE
jeds 3	{	Salary Benefits (24%) Overhead (48%)	\$8000 \$1900 \$3800	\$18000-\$26500 \$4300-\$6400 \$8600-\$12700	\$26000-\$34500 \$6200- \$8300 \$12500-\$16600
		Total Personnel Costs	\$13700	\$30900-\$45600	\$44700-\$59400
bject	\langle	Laboratory Costs	S26450	\$23550-\$33550	\$50000-\$60000
T	1	QA/QC Review		\$5000- \$6000	\$5000- \$6000
lit- E	力量	Equipment Costs including 1/2 star	\$1000 t-up)	\$11500-\$13500	\$12500-\$14500
jeats ET	· {	Personal Services Contracts		\$10000	\$10000 *********************************
		Total	\$41150	\$70950-\$98650	\$112100-\$139800