

RECEIVED
MAY 27 2005
DEPT OF ECOLOGY

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

In the Matter of Remedial Action by:

Georgia-Pacific Corporation and
the Port of Bellingham

**SECOND AMENDMENT TO AGREED
ORDER FOR INTERIM ACTION; PORT
OF BELLINGHAM ADDED AS
SIGNATORY
NO. 2301**

TO: Georgia-Pacific Corporation
133 Peachtree Street N.E.
P.O. Box 105605
Atlanta, GA 30348-5605

The Port of Bellingham
1801 Roeder Avenue
P.O. Box 1677
Bellingham, WA 98225-2257

I.
JURISDICTION

This amendment to Agreed Order NO. 00TCPNR-1418 (the original "Order") is issued pursuant to the authority of RCW 70.105D.050(1). This amendment does not attempt to recite all of the provisions of the original Order. Provisions of the original Order not specifically addressed in this amendment remain in full force and effect.

INTERIM ACTION AGREED ORDER AMEND NO.2, page 1
April, 2005

II.

FINDINGS OF FACT

The Department of Ecology (hereinafter "Ecology") makes the following Findings of Fact in addition to those Findings set forth in the original Order, without admission of such facts by the Port of Bellingham (hereinafter "Port") or Georgia-Pacific (hereinafter "G-P").

1. On January 20, 2005, the Port acquired aquatic bedland property from G-P known as the G-P Log Pond, (hereinafter "Log Pond ") which is located on the former G-P pulp and paper mill at West Laurel Street, Bellingham, Washington, 98225. The Log Pond is a sub-unit of the Whatcom Waterway Site, located In the vicinity of 500 West Laurel Street, Bellingham, Washington, 98225.

2. Prior to the Port's acquisition of the Log Pond from G-P, G-P owned and operated, since the 1960's, a pulp and paper mill in Bellingham, Washington, located directly adjacent to the Log Pond.

3. In order to protect human health and the environment and to prevent the release or threatened release of hazardous substances from the Log Pond, G-P previously conducted an integrated capping and habitat restoration action under the original Order. The capping action, completed in February 2001, eliminated or substantially reduced pathways for exposure to hazardous substances. Long-term monitoring of the capping action is ongoing, consistent with the requirements of the original Order.

III.

ECOLOGY DETERMINATIONS

In addition to the determinations contained in the original Order, Ecology makes the following determinations:

1. The Port is a current "owner or operator" of a portion of the "facility" as defined in RCW 70.105D.020 (4 and 12). The facility is known as the Whatcom Waterway Site, of which the Log Pond is a sub-unit.

2. G-P is a former "owner or operator" of a portion of the "facility" as defined in RCW 70.105D.020.

3. "Hazardous Substances" have been found at the facility as defined in RCW70.105D.020(7) and as indicated in :

- Remedial Investigation/Feasibility Study Whatcom Waterway Site, Bellingham, WA, dated July 25, 2000, by Anchor Environmental and Hart Crowser for Georgia-Pacific west; and
- Supplemental Remedial Investigation/Feasibility Study Whatcom Waterway Site, Including the Georgia-Pacific Aerated Stabilization Basin Area, Bellingham, Washington, dated October 2004, by Anchor Environmental for Georgia-Pacific West.

4. By letter dated February 1, 2005, Ecology notified the Port of their status as a "potentially liable person" under RCW 70.105D.040 after notice and opportunity for comment.

IV.

WORK TO BE PERFORMED

Based on the foregoing Facts and Determinations, it is hereby ordered that the Port, in addition to G-P, carry out the requirements of the original Order. The Port and G-P acknowledge that they are strictly, jointly and severally liable under RCW 70.105D.040(2) for the obligations set forth in this Agreed Order. However, in order to effectuate the work to be performed in the most efficient manner, the Port has elected to take the lead in performing certain responsibilities under this Agreed Order. Language in this Agreed Order and its attachments which reflect the Port or G-P as the party performing a task does not in any way relieve the other party of its strict, joint and several liability under RCW 70.105D.040(2) for the performance of all of their obligations under this Agreed Order.

V.

TERMS AND CONDITIONS OF THE ORDER

1. Definitions.

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

2. Remedial Action Costs.

G-P shall pay costs incurred by Ecology pursuant to oversight of this Order to the extent those costs arose on or before January 20, 2005. The Port shall pay costs incurred by Ecology pursuant to oversight of this Order to the extent those costs arose after January 20, 2005. These costs shall include work performed by Ecology or its contractors for investigations, remedial actions, and Order preparation, oversight and

administration. Ecology costs shall include costs of direct activities and support costs of direct activities as defined in WAC 173-340-550(2). The Port or G-P, as the case may be, shall pay the required amount within ninety (90) days of receiving from Ecology an itemized statement of costs that includes a description of work performed, a summary of costs incurred, an identification of involved staff, and the amount of time spent by involved staff members on the project. Itemized statements shall be prepared quarterly. Failure to pay Ecology's costs within ninety (90) days of receipt of the itemized statement of costs will result in interest charges.

The Port and G-P may invoke the Dispute Resolution process under §V, paragraph (9) of the Order if the Port or G-P disagree with Ecology's oversight cost charges. Failure to pay Ecology's uncontested costs and costs for which a final decision has been issued under the Dispute Resolution process within ninety (90) days of receipt of the itemized statement of costs or the date of the Dispute Resolution final decision will result in interest charges.

3. Designated Project Coordinators.

The project coordinator for Ecology is:

Ms. Lucille T. McInerney
Washington Department of Ecology, Northwest Regional Office
3190 - 160th Avenue SE
Bellevue, WA 98008-5452
phone: (425) 649-7272
e-mail: lpeb461@ecy.wa.gov

The project coordinator for the Port is:

Mr. Michael G. Stoner
Director of Environmental Programs
Port of Bellingham
1801 Roeder Avenue

Bellingham, WA 98225-2257
phone: (360) 676-2500
e-mail: mikes@portofbellingham.com

The project coordinator for G-P is:

Mr. Roger J. "Chip" Hilarides
General Manager
Georgia-Pacific West, Inc.
300 W. Laurel Street
Bellingham, WA 98225-5593
phone: (360) 647-5695
e-mail: rjhilari@gapac.com

The project coordinator(s) shall be responsible for overseeing the implementation of this amended Order. To the maximum extent possible, communications between Ecology, the Port and G-P, and all documents, including reports, approvals, and other correspondence concerning the activities performed pursuant to the terms and conditions of this amended Order, shall be directed through the project coordinator(s). Should Ecology, the Port, or G-P change project coordinator(s), written notification shall be provided to Ecology, the Port or G-P at least ten (10) calendar days prior to the change.

4. Extension of Schedule.

A. 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.

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 Order when a schedule extension is granted.

B. The burden shall be on the Port and/or G-P 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 the Port and/or G-P 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 Port and/or G-P;

(2) Acts of God, including fire, flood, blizzard, extreme temperatures, storm, or other unavoidable casualty; or

(3) Endangerment of the health or welfare of the people on the site or in the surrounding area or to the environment.

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 the Port and/or G-P.

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

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

(2) Other circumstances deemed exceptional or extraordinary by

Ecology; or

(3) Endangerment of the health or welfare of the people on the Site

or in the surrounding area or to the environment.

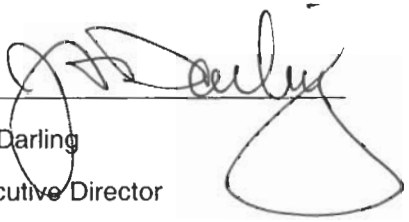
Ecology shall give the Port and G-P written notification in a timely fashion of any extensions granted pursuant to this Order.

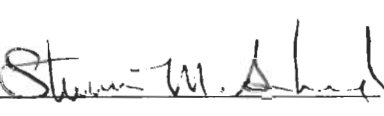
Effective date of this Order: 6.08.05

PORT OF BELLINGHAM

STATE OF WASHINGTON

DEPARTMENT OF ECOLOGY

By 
Jim Darling
Executive Director
Port of Bellingham

By 
Steven M. Alexander
Toxics Cleanup Program Regional
Manager -Northwest Regional Office

Date 5/20/05

Date 6.08.05

GEORGIA-PACIFIC CORPORATION

By 

Roger J. Hilarides

General Manager

Georgia-Pacific West, Inc.

Date 5/10/05