Wesmar Company, Inc., SIC # JIB44 SIte: 2194 Proj. Coord: Ron Timm

# STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

In the Matter of Remedial Action by:

AGREED ORDER

Bridge Group II, LLC Wesmar Company, Inc. Site Seattle, Washington

No. DE 5242

TO: Bridge Group II, LLC
c/o KG Investments Management, LLC
11225 SE 6<sup>th</sup> St., Suite 215
Bellevue, Washington 98004

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# I. INTRODUCTION

The mutual objective of the State of Washington, Department of Ecology (Ecology) and Bridge Group II, LLC under this Agreed Order (Order) is to provide for remedial action at a facility where there has been a release or threatened release of hazardous substances. This Order requires Bridge Group II, LLC to perform a remedial investigation/feasibility study (RI/FS) and to submit a draft cleanup action plan (CAP) to Ecology for review in anticipation of negotiation of a Consent Decree at the Site, Ecology believes the actions required by this Order are in the public interest.

## II. JURISDICTION

This Agreed Order is issued pursuant to 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 this Order. Bridge Group II, LLC agrees to undertake all actions required by the terms and conditions of this Order. No change in ownership or corporate status shall alter Bridge Group II, LLC's responsibility under this Order. Bridge Group II, LLC 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 and Chapter 173-340 WAC shall control the meanings of the terms in this Order.

- A. <u>Site</u>: The Site is referred to as Wesmar Company, Inc. and is generally located at 1401 and 1451 Northwest 46<sup>th</sup> Street, Seattle, Washington. The Site is defined by the extent of contamination caused by the release of hazardous substances at the Site. The Site constitutes a Facility under RCW 70.105D.020(4).
- B. <u>Parties</u>: Refers to the State of Washington, Department of Ecology and Bridge Group II, LLC.
- C <u>Potentially Liable Person (PLP)</u>: Refers to Bridge Group II, LLC, currently the only PLP named at the Site.
- D. Agreed Order or Order: Refers to this Order and each of the exhibits to this Order. All exhibits are integral and enforceable parts of this Order. The terms "Agreed Order" or "Order" shall include all exhibits to this Order.

## V. FINDINGS OF FACT

Ecology makes the following findings of fact, without any express or implied admissions of such facts by Bridge Group II, LLC:

- A. Bridge Group II, LLC currently owns the property Parcel #2768303245 (hereinafter Property) that was formerly known to be operated by Wesmar Company, Inc., a chemical product manufacturer and distributor, and Color Tech, Inc. (aka, Color-Tech, Inc.), a metal coating service.
- B. The Property is known to have been operated by Pacific Coast Pipe Co. from 1905 to 1917, during which time the wood preservative creosote was used and stored on the Property.
- C. Two underground fuel storage tanks are reported to have been removed from the Property in 1991.

- D. Portions of the Property are located within 200 feet of the shoreline for Lake Washington Ship Canal, a freshwater surface body.
- E Bridge Group II, LLC retained Sound Environmental Strategies Corporation, Seattle, WA, (SES) to conduct environmental investigations at the Site and to prepare technical memoranda documenting the results of those investigations (described below in F through I). The SES investigations were conducted as independent actions.
- F. A technical memorandum prepared by SES, dated October 20, 2006, titled Subsurface Investigation, Wesmar Ballard Property, 1451 Northwest 46<sup>th</sup> Street, Seattle, Washington, for Bridge Group II, LLC and KG Investment Management, LLC, identified the polynuclear aromatic hydrocarbon (PAH) benzo(a)pyrene, the volatile organic compound (VOC) tetrachloroethylene, and the metal arsenic as contaminants in soil; and total petroleum hydrocarbons (TPH), PAHs, the VOC benzene, and the metal arsenic as contaminants in groundwater at the Site.
- G. A technical memorandum prepared by SES, dated December 18, 2006, titled Supplemental Subsurface Investigation, Wesmar Ballard Property, 1451 Northwest 46<sup>th</sup> Street, Seattle, Washington, for Bridge Group II, LLC and KG Investment Properties, LLC, identified PAHs and the metals arsenic and lead as contaminants in soil; and the metal arsenic as a contaminant in groundwater at the Site.
- H. A technical report prepared by SES, dated March 19, 2007, titled *Reconnaissance Investigation Report, Wesmar Property, 1451 Northwest 46<sup>th</sup> Street, Seattle, Washington, for Bridge Group II, LLC, summarizes the contaminants and media of concern (described above in F and G) at the Site.*
- I. A groundwater monitoring report prepared by SES, dated September 19, 2007, for Bridge Group II, LLC and KG Investment Properties, LLC, identified the PAH naphthalene and the metal arsenic as contaminants in groundwater at the Site.

- Investigation Work Plan, Former Wesmar Property, 1401 and 1451 Northwest 46<sup>th</sup> Street, Seattle, Washington (the "Work Plan)," for Bridge Group II, LLC and KG Investment Properties, LLC presents additional work necessary to further evaluate the extent of PAHs in soil and arsenic in groundwater, assess potential sources of arsenic in soil and groundwater, and investigate for the presence of potential other contaminants of concern at the Site. Work proposed includes the installation of 19 additional direct push borings, 6 additional groundwater monitoring wells, and 7 additional surface samples on and off property; groundwater sampling of the 11 existing and 6 proposed wells on and off property; and preparation of a RI/FS report. The Work Plan includes a sampling and analysis plan and a health and safety plan, reviewed by Ecology, per WAC 173-340-350(7)(c)(iv). The Work Plan was approved by Ecology on November 15, 2007. The Work Plan is an integral and enforceable part of this Order and is attached hereto as Exhibit B.
- K. A letter prepared by SES, dated February 27, 2007, titled *Potential Utility Leaks*Near 1451 Northwest 46<sup>th</sup> Street, Seattle, Washington for Bridge Group II, LLC and KG Investment Properties, LLC identifies a water seep surfacing off-property in the southeast corner of the Site. The letter presents data that suggests the water seep originates from a leaking water main in Northwest 45<sup>th</sup> Street. The City of Seattle has been notified of the suspected leak in the municipal water supply system.
- L. Bridge Group II, LLC reserves the right to request Ecology to name additional PLPs at the Site, consistent with these Findings of Fact.

## VI. ECOLOGY DETERMINATIONS

A. Bridge Group II, LLC is an "owner" as defined in RCW 70.105D.020(12) of a "facility" as defined in RCW 70.105D.020(4).

- B. Based upon all factors known to Ecology, a "release" or "threatened release" of "hazardous substance(s)" as defined in RCW 70105D.020(20) and RCW 70.105D.020(7), respectively, has occurred at the Site.
- C. Based upon credible evidence, Ecology issued a PLP status letter to Bridge Group II, LLC dated October 18, 2007, pursuant to RCW 70.105D.040, -.020(16), and WAC 173-340-500. By completion of a waiver form dated November 13, 2007, Bridge Group II, LLC voluntarily waived its rights to notice and comment and accepted Ecology's determination that Bridge Group II, LLC is a PLP under RCW 70.105D.040.
- 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 remedial actions required by this Order are in the public interest.

## VII. WORK TO BE PERFORMED

Based on the Findings of Fact and Ecology Determinations, it is hereby ordered that Bridge Group II, LLC take the following remedial actions at the Site and that these actions be conducted in accordance with Chapter 173-340 WAC unless otherwise specifically provided for herein:

A. Extensive independent investigations have already been performed at the Site; however, supplemental investigation is necessary. In particular, additional work is necessary to further delineate the Site by evaluating the nature and extent of contamination beyond the boundaries of the Property. Within 60 days of finalization of this Agreed Order, Bridge Group II, LLC shall perform the remedial investigation work necessary to meet the requirements for a RI under WAC 173-340-350 for the Site, in compliance with the Work Plan and final plans

incorporated therein, and shall submit all Quality Assurance/Quality Control (QA/QC) data of all analytical data from the investigation conducted pursuant to the Work Plan.

- B. Within 30 days of receipt of all analytical data from investigations, but no later than 115 days from the effective date of this Order, Bridge Group II, LLC shall prepare and submit to Ecology a draft RI/FS report that meets the requirements of WAC 173-340-350 and proposes a preferred alternative for cleanup of the Site.
- C. Concurrent with submission of the draft RI/FS report, Bridge Group II, LLC shall prepare and submit a draft CAP to Ecology that is based on implementation of the preferred alternative in the draft RI/FS report.
- D. Ecology will endeavor to provide comments on the draft RI/FS report and draft CAP within 30 days. Upon Ecology's approval, the final drafts will be considered the Public Review Draft RI/FS Report and Public Review Draft CAP (DCAP).
- E. 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.
- F. Should significant additional work be necessary based on information obtained during the remedial investigation and/or new information that was not known at the time of the preparation of this Order, a supplemental work plan shall be submitted to Ecology for review and approval according to an agreed schedule, including an agreed revised schedule for submission of the resulting draft RI/FS report.

#### VIII. TERMS AND CONDITIONS OF ORDER

#### A. Public Notice

RCW 70.105D.030(2)(a) requires that, at a minimum, this Order be subject to concurrent public notice. Ecology shall be responsible for providing such public notice and reserves the right to modify or withdraw any provisions of this Order should public comment disclose facts or

considerations which indicate to Ecology that this Order is inadequate or improper in any respect.

## B. Remedial Action Costs

Bridge Group II, LLC 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 Site 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 this Order. Ecology's costs shall include costs of direct activities and support costs of direct activities as defined in WAC 173-340-550(2). Bridge Group II, LLC 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 statement of work performed will be provided upon request. 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.

Pursuant to RCW 70.105D.055, Ecology has authority to recover unreimbursed remedial action costs by filing a lien against real property subject to the remedial actions.

# C. Implementation of Remedial Action

If Ecology determines that Bridge Group II, LLC has failed without good cause to implement the remedial action, in whole or in part, Ecology may, after notice to Bridge Group II, LLC, perform any or all portions of the remedial action that remain incomplete. If Ecology performs all or portions of the remedial action because of Bridge Group II, LLC's failure to comply with its obligations under this Order, Bridge Group II, LLC shall reimburse Ecology for the costs of doing such work in accordance with Section VIII.B (Remedial Action Costs),

provided that Bridge Group II, LLC is not obligated under this Section to reimburse Ecology for costs incurred for work inconsistent with or beyond the scope of this Order.

Except where necessary to abate an emergency situation, Bridge Group II, LLC shall not perform any remedial actions at the Site 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:

Ronald W. Timm
Washington State Department of Ecology
Northwest Regional Office (NWRO)
Toxics Cleanup Program
3190 160<sup>th</sup> Avenue NE
Bellevue, Washington 98008
425-649-7185

The project coordinator for Bridge Group II, LLC is:

Daniel M. Ramras Bridge Group II, LLC c/o KG Investments Management, LLC 11225 SE 6<sup>th</sup> Street, Suite 215 Bellevue, Washington 98004 206-619-0560

cc: Daniel M. Ramras Bridge Group II, LLC 9032 42nd Avenue NE Seattle, Washington 98115 206-619-0560

Each project coordinator shall be responsible for overseeing the implementation of this Order. Ecology's project coordinator will be Ecology's designated representative for the Site. To the maximum extent possible, communications between Ecology and Bridge Group II, LCC, 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 coordinators. The project coordinators may designate, in writing, working level staff

contacts for all or portions of the implementation of the work to be performed required by this Order.

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

#### E. Performance

All geologic and hydrogeologic work performed pursuant to this Order shall be under the supervision and direction of a geologist licensed in the State of Washington or under the direct supervision of an engineer registered in the State of Washington, except as otherwise provided for by Chapters 18 220 and 18 43 RCW.

All engineering work performed pursuant to this Order shall be under the direct supervision of a professional engineer registered in the State of Washington, except as otherwise provided for by RCW 18.43.130.

All construction work performed pursuant to this Order shall be under the direct 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 otherwise provided for by RCW 18.43.130.

Any documents submitted containing geologic, hydrologic or engineering work shall be under the seal of an appropriately licensed professional as required by Chapter 18.220 RCW or RCW 18.43.130.

Bridge Group II, LLC shall notify Ecology in writing of the identity of any engineer(s) and geologist(s), contractor(s) and subcontractor(s), and others to be used in carrying out the terms of this Order, in advance of their involvement at the Site.

## F. Access

Ecology or any Ecology authorized representative shall have the full authority to enter and freely move about all property at the Site that Bridge Group II, LLC 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 Bridge Group II, LLC'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 Bridge Group II, LLC. Bridge Group II, LLC shall make all reasonable efforts to secure access rights for those properties within the Site not owned or controlled by Bridge Group II, LLC 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 Site property owned or controlled by Bridge Group II, LLC unless an emergency prevents such notice. All persons who access the Site pursuant to this section shall comply with any applicable Health and Safety Plan(s). Ecology employees and their representatives shall not be required to sign any liability release or waiver as a condition of Site property access.

## G. Sampling, Data Submittal, and Availability

With respect to the implementation of this Order, Bridge Group II, LLC shall make the results of all sampling, laboratory reports, and/or test results generated by it or on its behalf available to Ecology Pursuant to WAC 173-340-840(5), all sampling data shall be submitted to Ecology in both printed and electronic formats in accordance with Section VII (Work to be Performed), Exhibit C Ecology's Toxics Cleanup Program Policy 840 (Data Submittal Requirements), and/or any subsequent procedures specified by Ecology for data submittal.

If requested by Ecology, Bridge Group II, LLC shall allow Ecology and/or its authorized representative to take split or duplicate samples of any samples collected by Bridge Group II, LLC pursuant to implementation of this Order. Bridge Group II, LLC shall notify Ecology seven (7) days in advance of any sample collection or work activity at the Site. Ecology shall, upon request, allow Bridge Group II, LLC and/or its authorized representative to take split or duplicate samples of any samples collected by Ecology pursuant to the implementation of this Order,

provided that doing so does not interfere with Ecology's sampling. Without limitation on Ecology's rights under Section VIII.F (Access), Ecology shall notify Bridge Group II, LLC prior to any sample collection activity unless an emergency prevents such notice.

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

A Public Participation Plan is required for the Site. Ecology shall review any existing Public Participation Plan to determine its continued appropriateness and whether it requires amendment, or if no plan exists, Ecology shall develop a Public Participation Plan alone or in conjunction with Bridge Group II, LLC.

Ecology shall maintain the responsibility for public participation at the Site. However, Bridge Group II, LLC shall cooperate with Ecology, and shall:

- 1. If agreed to by Ecology, develop appropriate mailing list, prepare drafts of public notices and fact sheets at important stages of the remedial action, such as the submission of work plans, remedial investigation/feasibility study reports, cleanup action plans, and engineering design reports. As appropriate, Ecology will edit, finalize, and distribute such fact sheets and prepare and distribute public notices of Ecology's presentations and meetings.
- 2. Notify Ecology's project coordinator prior to the preparation of all press releases and fact sheets, and before major meetings with the interested public and local governments. Likewise, Ecology shall notify Bridge Group II, LLC prior to the issuance of all press releases and fact sheets, and before major meetings with the interested public and local governments. For all press releases, fact sheets, meetings, and other outreach efforts by Bridge Group II, LLC that do not receive prior Ecology approval, Bridge Group II, LLC shall clearly indicate to its audience that the press release, fact sheet, meeting, or other outreach effort was not sponsored or endorsed by Ecology.

- 3. When requested by Ecology, participate in public presentations on the progress of the remedial action at the Site. Participation may be through attendance at public meetings to assist in answering questions or as a presenter.
- 4. When requested by Ecology, arrange and/or continue information repositories to be located at the following locations:
  - a. Ballard Branch Public Library 5614 22<sup>nd</sup> Ave. N.W., Seattle, Washington 98107 206-684-4089
  - b. Ecology's Northwest Regional Office 3190 160<sup>th</sup> Ave NE, Bellevue, Washington 425-649-7190

At a minimum, copies of all public notices, fact sheets, and press releases; all quality assured monitoring data; remedial action plans and reports, supplemental remedial planning documents, and all other similar documents relating to performance of the remedial action required by this Order shall be promptly placed in these repositories.

## 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, Bridge Group II, LLC 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. Upon request of Ecology, Bridge Group II, LLC 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, or other decision or action by Ecology's project coordinator, or an itemized billing statement under Section VIII.B (Remedial Action Costs), the Parties shall utilize the dispute resolution procedure set forth below.

- a. Upon receipt of Ecology's project coordinator's written decision or the itemized billing statement, Bridge Group II, LLC has fourteen (14) days within which to notify Ecology's project coordinator in writing of its objection to the decision or itemized statement.
- b. 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.
- c. Bridge Group II, LLC may then request regional management review of the decision. This request shall be submitted in writing to the Northwest Region Toxics Cleanup Section Manager within seven (7) days of receipt of Ecology's 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 Bridge Group II, LLC'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

- 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:
  - 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.
- The burden shall be on Bridge Group II, LLC 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 may include, but may not be limited to:
  - a. Circumstances beyond the reasonable control and despite the due diligence of Bridge Group II, LLC including delays caused by unrelated third parties (including the City of Seattle) or Ecology, such as (but not limited to) delays by Ecology in reviewing, approving, or modifying documents submitted by Bridge Group II, LLC;
  - b. Acts of God, including fire, flood, blizzard, extreme temperatures, storm, or other unavoidable casualty; or
    - c. Endangerment as described in Section VIII.M (Endangerment).

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 Bridge Group II, LLC.

- Ecology shall act upon any written request for extension in a timely fashion. Ecology shall give Bridge Group II, LLC written notification of any extensions granted pursuant to this 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 (Amendment of Order) 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 state or local 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 (Endangerment).

#### L. Amendment of Order

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.

Except as provided in Section VIII.N (Reservation of Rights), 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 Bridge Group II, LLC. Bridge Group II, LLC 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 this Order represents a substantial change, Ecology will provide public notice and opportunity to comment. Reasons for the disapproval of a proposed amendment to this Order shall be stated in writing. If Ecology does not agree to a proposed amendment, the disagreement may be addressed through the dispute resolution procedures described in Section VIII.N (Resolution of Disputes).

## M. Endangerment

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

In the event Bridge Group II, LLC determines that any activity being performed at the Site is creating or has the potential to create a danger to human health or the environment, Bridge

Group II, LLC may cease such activities. Bridge Group II, LLC 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 Bridge Group II, LLC shall provide Ecology with documentation of the basis for the determination or cessation of such activities. If Ecology disagrees with Bridge Group II, LLC's cessation of activities, it may direct Bridge Group II, LLC to resume such activities.

If Ecology concurs with or orders a work stoppage pursuant to Section VIII.M (Endangerment), Bridge Group II, LLC'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 in accordance with Section VIII.K (Extension of Schedule) for such period of time as Ecology determines is reasonable under the circumstances.

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

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 of Ecology's rights or authority. Ecology will not, however, bring an action against Bridge Group II, LLC to recover remedial action costs paid to and received by Ecology under this Order. In addition, Ecology will not take additional enforcement actions against Bridge Group II, LLC regarding remedial actions required by this Order, provided Bridge Group II, LLC complies with this Order.

Ecology nevertheless reserves its rights under Chapter 70.105D RCW, including the right to require additional or different remedial actions at the Site should it deem such actions necessary to protect human health and the environment, and to issue orders requiring such remedial actions. Ecology also reserves all rights regarding the injury to, destruction of, or loss

of natural resources resulting from the release or threatened release of hazardous substances at the Site.

# O. Transfer of Interest in Property

No voluntary conveyance or relinquishment of title, easement, leasehold, or other interest in any portion of the Site shall be consummated by Bridge Group II, LLC 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.

Prior to Bridge Group II, LLC's transfer of any interest in all or any portion of the Site, and during the effective period of this Order, Bridge Group II, LLC shall provide a copy of this Order to any prospective purchaser, lessee, transferee, assignee, or other successor in said interest; and, at least thirty (30) days prior to any transfer, Bridge Group II, LLC shall notify Ecology of said transfer. Upon transfer of any interest, Bridge Group II, LLC 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

- All actions carried out by Bridge Group II, LLC 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. At this time, no federal, state or local requirements have been identified as being applicable to the actions required by this Order.
- Pursuant to RCW 70.105D.090(1), Bridge Group II, LLC is exempt from the procedural 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. However, Bridge Group II, LLC shall comply with the substantive requirements of such permits or approvals. At this time, no state or local permits or approvals have been identified as being applicable but procedurally exempt under this Section.

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

3. 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 that is necessary for the State to administer any federal law, the exemption shall not apply and Bridge Group II, LLC 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

Bridge Group II, LLC 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 to the extent arising from or on account of acts or omissions of Bridge Group II, LLC, its officers, employees, agents, or contractors in entering into and implementing this Order. However, Bridge Group II, LLC shall not indemnify the State of Washington nor save nor hold its employees and agents harmless from any claims or causes of action to the extent arising out of the negligent acts or omissions of the State of Washington, or the employees or agents of the State, in entering into or implementing this Order.

#### IX. SATISFACTION OF ORDER

The provisions of this Order shall be deemed satisfied upon Bridge Group II, LLC's receipt of written notification from Ecology that Bridge Group II, LLC has completed the remedial activity required by this Order, as amended by any modifications, and that Bridge Group II, LLC has complied with all other provisions of this Agreed 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 investigative and remedial actions and orders related to the Site.
- In the event Bridge Group II, LLC refuses, without sufficient cause, to comply with any term of this Order, Bridge Group II, LLC 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 twenty-five thousand dollars (\$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.

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Effective date of this Order:

12-12-07

Bridge Group II, LQ

Daniel M. Ramras Member, Bridge Group II, LLC

c/o KG Investments Management, LLC 11225 SE 6<sup>th</sup> St., Suite 215 Bellevue, Washington 98004 206-619-0560

SIATE OF WASHINGION, DEPARTMENT OF ECOLOGY

Bob Warren
Section Manager
Toxics Cleanup Program
Northwest Regional Office
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