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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF BENTON

STATE OF OREGON, ex rel.
LEAH FELDON, DIRECTOR
DEPARTMENT OF ENVIRONMENTAL
QUALITY

Plaintiff,

v.

HOLLINGSWORTH & VOSE FIBER
COMPANY

Defendant.

Case No. [insert]

CONSENT JUDGMENT
General Judgment

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1 1. Purpose

2 This Consent Judgment is filed simultaneously with and for the purpose of resolving the
3 underlying complaint by the State of Oregon. Plaintiff State of Oregon *ex rel.* the Director of the
4 Department of Environmental Quality (“DEQ”) and Defendant Hollingsworth & Vose Fiber
5 Company (“Defendant”) (collectively, the “Parties”) desire to resolve this action without
6 litigation and have agreed to entry of the Consent Judgment without admission or adjudication of
7 any issue of fact or law. The mutual objective of the Parties is to protect public health, safety,
8 and welfare and the environment by the design and implementation of remedial measures in
9 accordance with ORS 465.200 through 465.410, regulations promulgated thereto, and the
10 administrative Record of Decision for Evanite Fiber Corporation, 1115 Crystal Lake Drive,
11 Corvallis, Oregon, ECSI #40 (September 18, 2015) (“ROD”).

12 2. Stipulations and Findings

13 A. Defendant stipulates:

- 14 (1) To entry of this Consent Judgment;
15 (2) To perform and comply with all provisions of this Consent Judgment;
16 (3) To not litigate, in any proceeding brought by DEQ to enforce this Consent
17 Judgment or to assess penalties for noncompliance with this Consent Judgment, any issue other
18 than Defendant’s compliance with this Consent Judgment; and
19 (4) To waive any right Defendant might have under ORS 465.260(7) to seek
20 reimbursement from the Hazardous Substances Remedial Action Fund for costs incurred under this
21 Consent Judgment.

22 B. DEQ and Defendant stipulate:

23 For the purposes of this Consent Judgment:

- 24 (1) “Property” means the real property located at 1115 SE Crystal Lake Drive in
25 Corvallis, Oregon, Township 12 South, Range 5 West, Section 2, Benton County with a latitude of
26 44°33’13”N and longitude of -123°15’38.5”W.

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1 (2) “Site” means the Property and waterways nearby to the Property including
2 Marys River to the north and the Willamette River to the east, and any other land or waters within
3 the “locality of the facility” as the term is currently defined by DEQ rule in OAR 340-122-
4 0115(35). The general location of the Site is shown on Exhibit A to this Consent Judgment. The
5 Site is referred to in the Environmental Site Cleanup Information (“ECSI”) database as the
6 Evanite Fiber Corp. Site (ECSI Site ID No. 40).

7 (3) “Facility,” as defined in ORS 465.200(13), means: (a) the Site; and (b) the
8 full extent of existing known or unknown contamination by hazardous substances of any media on,
9 above, or below the Site, or that has migrated, might have migrated, or hereafter migrates to
10 anywhere from the Site.

11 (4) For the purposes of this Consent Judgment, “Matters Addressed” means all
12 investigation, removal, and remedial actions taken or to be taken and all remedial action costs
13 incurred or to be incurred at or in connection with a release of hazardous substances at the Facility,
14 provided that nothing in this Consent Judgment alters defendant’s obligations under its Hazardous
15 Waste Post-Closure Care and Corrective Action Permit (ORD 009 023 466), as may be revised.

16 C. DEQ finds, and Defendant neither admits nor denies:

17 (1) The Property is used for industrial purposes; surrounding uses are residential
18 to the south, commercial to the west, recreational and the Marys River to the north, and the
19 Willamette River to the east. The approximate ground elevation of the Property is 220 feet above
20 mean sea level.

21 (2) Evanite Fiber Corporation (“Evanite”) operated a hardboard and glass fiber
22 manufacturing plant at the Property. From 1975 through 1996, Evanite and its predecessors
23 manufactured a silica separator on the Property in what was described as the Submicro Building.
24 Production of the silica separator required the use of trichloroethylene (“TCE”) to extract oil from
25 the separator to create a micro porous matrix. Releases of TCE from Evanite’s manufacturing
26 processes have impacted groundwater and soil at the Site. In 1978, Evanite estimated that 1,400

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1 gallons of TCE had leaked from treatment system carbon vessels onto an unpaved surface along
2 the east side of the Submicro Building on the Property. In addition, Evanite discovered an annular
3 opening in the wall of the Submicro Building's wastewater sump in 1985, likely resulting in a TCE
4 release of unknown volume. TCE was discovered in subsurface soil in August 1985 when a deep
5 trench for the new millrace culvert was excavated east of the Submicro Building. In 1986, TCE
6 was also detected in groundwater samples collected from domestic irrigation wells at the Site.

7 (3) Defendant is current owner of the Property. Defendant's acquisition of the
8 Property from Evanite occurred by transaction in the mid-1990s. Defendant manufactures glass
9 fiber for specialty markets at the Property and does not and has never used TCE in its operations.

10 (4) Permits and Orders

11 (a) Evanite was advised to submit a Resource Conservation and
12 Recovery Action ("RCRA") Part B post-closure permit application to close the 1978 TCE spill
13 as a landfill and implement a corrective action program to remove TCE from soil and
14 groundwater. The final permit application was submitted on June 9, 1988 and Evanite received a
15 joint DEQ/U.S. Environmental Protection Agency ("EPA") permit effective April 30, 1990.
16 Evanite then engaged in a continuous remedial action with EPA and DEQ approval starting April
17 30, 1990. In 2001, under an agreement between Evanite, DEQ, and EPA, DEQ's Environmental
18 Cleanup Program took over the lead role in supervising remediation of the Site. A portion of the
19 Site remains a permitted RCRA facility maintained pursuant to a DEQ-issued post-closure
20 permit.

21 (b) DEQ and Evanite signed the 2001 Consent Order in which Evanite
22 agreed to complete a remedial investigation ("RI") and feasibility study ("FS") and to undertake
23 interim removal measures. The purpose of the RI was to investigate the nature and extent of
24 hazardous substance contamination at the Site. The purpose of the FS was to develop alternatives
25 for remedial action. The purpose of the interim removal measures was to minimize the potential
26 exposure of the public and environment to hazardous substances pending DEQ's selection of the

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1 final remedial action for the Site. Evanite submitted the Final RI to DEQ in December 2002 and
2 submitted the Final FS to DEQ in May 2007.

3 (5) Pursuant to ORS 465.320, on May 1, 2015, DEQ published notice of a
4 proposed remedial action and provided opportunity for public comment. Comments received on
5 the proposed remedial action were considered by DEQ, as shown in the administrative record.

6 (6) After considering public comment, on September 18, 2015, DEQ's Western
7 Region Administrator selected the remedial action set forth in the ROD. The remedial action
8 selected in the ROD required the following:

9 (a) Institutional controls, consisting of a deed restriction in the form of
10 an easement and equitable servitude ("EES");

11 (b) Continued Dense Non-Aqueous Phase Liquid ("DNAPL")
12 monitoring and soil vapor extraction ("SVE") in the DNAPL source zone, if accumulations are
13 observed;

14 (c) Continued groundwater extraction to flush the DNAPL source
15 zone, to expand the unsaturated zone within the source area to facilitate SVE mass removal and
16 maintain containment of impacted groundwater;

17 (d) Treatment of off-gas from the SVE system and air stripper, as
18 necessary;

19 (e) Enhanced reductive dechlorination ("ERD") of groundwater at
20 specified source areas within the Site;

21 (f) Continued monitoring of groundwater and air quality and remedial
22 system performance; and

23 (g) Following active groundwater remediation (i.e., groundwater
24 extraction and ERD), conversion to passive groundwater remediation involving reduced mass
25 flux from the source area with natural attenuation to protect surface water.

26 (7) Removal and Remedial Actions Completed. The Site has undergone

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1 continuous remedial action under EPA and DEQ oversight since 1991, and several of the
2 components of the ROD selected remedy are in place at the Site. Significant removal and remedial
3 actions that have been completed or are ongoing at the Site include as follows:

4 (a) In 1990, an engineered cap was put in place to cover contaminated
5 soil at the Site. The cap is located between the Submicro Building and Glass Plant 2 and prevents
6 direct contact with TCE-impacted soil. The cap was installed and is maintained pursuant to the
7 post-closure permit for the RCRA-permitted element of the Site;

8 (b) Groundwater cleanup has occurred since 1991, with continuous
9 groundwater extraction and treatment, soil vapor extraction (SVE) in shallow silty soil, and
10 deeper SVE in the dewatered sections of the upper aquifer since 2009. Free-phase product was
11 pumped from the subsurface from 1991 until 2007 when product was no longer found in
12 monitoring wells;

13 (c) TCE vapors from the SVE system air-stripper have been collected
14 and treated since 2009, initially with a catalytic oxidizer scrubber system and presently with an
15 activated carbon adsorption system;

16 (d) Ambient and sub-slab air evaluations of the Submicro Building
17 between 2006 and 2009 identified vapors with TCE above occupational standards. A sub-slab
18 depressurization system was installed to draw contaminated air beneath the floor slab into the
19 treatment system. Although workers spend limited time in the building, this system has been
20 operating continuously since 2009; and

21 (e) Successful ERD pilot testing was performed in 2013, resulting in
22 Defendant's plans for construction and operation of an ERD treatment system for use in the
23 future.

24 (8) As a result of these removal and remedial actions that have already taken
25 place, the following remedial action objectives ("RAO") set forth in the ROD have been met at the
26 Site:

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(a) Mobile dense non-aqueous phase liquid (“DNAPL”) at the Site has been recovered, achieving short-term goal #1, as defined in the ROD.

(b) The potential for vapor intrusion has been mitigated. In the limited remaining areas at the Site where vapor intrusion over the applicable DEQ Risk Based Concentrations (“RBC”) remains possible, engineering controls (i.e., continued operation of the SVE system) and institutional controls (i.e., the EES), will ensure that unacceptable risk is not present, achieving short-term goal #2, as defined in the ROD.

(c) Further migration of DNAPL has been prevented, achieving short-term goal #3, as defined in the ROD, through mass depletion efforts, DNAPL recovery, and ground water extraction and flushing. Going forward, it is anticipated that in-situ ERD treatment will continue to ensure that short-term goal #3 remains met.

(d) The source has been sufficiently depleted to allow for natural attenuation in all areas of the Site, achieving intermediate-term goal #1, as defined in the ROD, except within and around the former manufacturing area of the Submicro Building (“Source Zone”).

(e) Dissolved-phase volatile organic compounds (“VOC”) concentrations outside the Source Zone meet applicable RBCs for dissolved VOC contamination, achieving intermediate-term goal #2, as defined in the ROD, for all areas of the Site outside the Source Zone.

(9) DEQ approved Defendant’s Remedial Design/Remedial Action Work Plan dated May 5, 2020 (the “RD/RA Work Plan”) for the Site. The RD/RA Work Plan summarizes the removal and remedial actions previously completed at the Site and details the remedial actions Defendants will take to address the remaining RAOs:

(a) Reduction of the TCE mass discharge rate or flux from the source (intermediate-term goal #3, as defined in the ROD);

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(b) Reduction of DNAPL source mass or volume to the extent practicable (intermediate-term goal #4, as defined in the ROD);

(c) Prevention of migration of in-situ remediation fluids beyond the treatment zone, which, as indicated in the ROD, has been achieved to date (intermediate-goal #5, as defined in the ROD); and

(d) Achieve compliance with applicable RBCs and screening levels applicable to contaminated media at the Site, except for pathways controlled through engineering or institutional controls (the long-term goal, as defined in the ROD).

(10) On [Date], DEQ published notice of this proposed Consent Judgment and provided opportunity for public comment in accordance with ORS 465.320(1) and 465.325(4)(d). The comment period ended [Date]. Comments were received and considered by DEQ, as documented in the administrative record.

(11) Defendant is a “person” within the meaning of ORS 465.200(21), and a potentially liable person under ORS 465.255.

(12) Contaminants described in this Section 2 are “hazardous substances” within the meaning of ORS 465.200(16). The presence of these hazardous substances in the soil, pore water, and groundwater at the Site constitutes a “release” or “threat of release” to the environment within the meaning of ORS 465.200(22).

(13) Based on the administrative record, the Director determines, in accordance with ORS 465.325(1) and (7), that this Consent Judgment and Defendant’s commitments under the Consent Judgment will expedite removal or remedial action, minimize litigation, be consistent with rules adopted under ORS 465.400, and be in the public interest.

3. Work to be Performed

A. Remedial Design and Remedial Action

Defendant will perform the remedial design and remedial action for the Site in accordance with the terms and schedules set forth in the Scope of Work (“SOW”) attached to and

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incorporated by reference into this Consent Judgment as Exhibit B, and the terms and schedules set forth in the RD/RA Work Plan.

B. Modification of SOW or Related Work Plans

(1) If DEQ determines that modification to the work specified in the SOW and/or in work plans developed pursuant to the SOW is necessary in order to implement or maintain the effectiveness of the remedy set forth in the ROD, DEQ may require that such modification be incorporated in the SOW and/or such work plans; provided, any such modification may be required pursuant to this paragraph only to the extent that the modification is consistent with the scope of the remedy selected in the ROD.

(2) Subject to Sections 3.B.(1) above and to dispute resolution under Subsection 4.M., Defendant will modify the SOW and/or work plans as required by DEQ and implement any work required by the modifications. Before invoking dispute resolution under Subsection 4.M., Defendant and DEQ will make a good-faith effort to resolve any dispute regarding DEQ-requested modifications by informal discussions for no more than 30 days following notice from DEQ of a requested modification.

C. Periodic Review

At least once every five years, DEQ will review the remedy to ensure that the Site remains protective of public health, safety, and welfare and the environment. Periodic reviews will include evaluation of monitoring data, progress reports, inspection and maintenance reports, land and water uses, compliance with institutional controls, and any other relevant information.

D. Additional Measures

Defendant may elect at any time during the term of this Consent Judgment to undertake measures, beyond those required under this Consent Judgment and the SOW, to address the release or threatened release of hazardous substances at the Site. Such additional measures are subject to prior approval by DEQ. DEQ's approval will be granted if DEQ

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determines that the additional measures are consistent with the remedial action objectives in the ROD and will not threaten human health or the environment.

E. Site Restrictions

(1) Within 30 days of entry of this Consent Judgment, Defendant will record with the County Clerk, Benton County, the EES for the Property in the form attached to this Consent Judgment as Exhibit C. Defendant will provide DEQ a file-stamped copy of the EES within 10 days of recording.

(2) Property subject to the EES may be freely alienated at any time after recording; provided, the deed or other instrument of conveyance from Defendant must refer to or incorporate the EES.

(3) Any deed, title, or other instrument of conveyance regarding real property owned by Defendant within the Site must reserve such access (by easement, right-of-way, or otherwise) as might be necessary to carry out Defendant's obligations under this Consent Judgment.

4. General Provisions

A. Project Managers

(1) To the extent possible, all reports, notices, and other communications required under or relating to this Consent Judgment must be directed to:

DEQ Project Manager:

Nancy Sawka
Department of Environmental Quality
Western Region
4026 Fairview Industrial Dr SE
Salem, OR 97302
503-378-8240
nancy.sawka@deq.oregon.gov

Hollingsworth & Vose Project Manager

Cindy Frost
Site Manager
Hollingsworth & Vose Fiber Company
1115 Crystal Lake Dr.
Corvallis, OR 97333
541-738-5323
Cindy.Frost@hovo.com

(2) The Project Managers or their respective designees must be available and have the authority to make day-to-day decisions necessary to complete the SOW. Either Party

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1 may change their Project Manager upon written notice to the other Party of the name, address,
2 phone number and address of the Party's new Project Manager.

3 B. Supervising Contractor

4 (1) All aspects of the work to be performed by Defendant pursuant to this
5 Consent Judgment must be performed under the direction and supervision of a qualified employee
6 or contractor having experience in hazardous substance remediation and knowledge of applicable
7 state and federal laws, regulations, and guidance.

8 (2) Before initiation of remedial design work for the Site, Defendant will notify
9 DEQ in writing of the name, title, and qualifications of any proposed supervising contractor. DEQ
10 may for good cause disapprove the proposed contractor. In the event of such disapproval, DEQ
11 will notify Defendant in writing of the reasons for its disapproval within 14 days of receipt of the
12 initial notice from Defendant. Defendant, within 14 days of receiving DEQ's notice of
13 disapproval, will notify DEQ of the name, title, and qualifications of an alternate supervising
14 contractor, subject to DEQ's right to disapprove under the terms and schedule specified above.
15 DEQ approves PNG Environmental, Inc. as Defendant's supervising contractor for purposes of
16 performing work under this Consent Judgment.

17 (3) If, during the course of work required under this Consent Judgment,
18 Defendant proposes to change its supervising contractor, Defendant will notify DEQ in accordance
19 with the provisions of the preceding paragraph. DEQ may disapprove such contractor provided
20 that, in the event of such disapproval, DEQ will notify Defendant in writing of the reasons for its
21 disapproval within 14 days of receipt of the initial notice from Defendant. Defendant, within 14
22 days of receiving DEQ's notice of disapproval, will notify DEQ of the name, title, and
23 qualifications of an alternate supervising contractor, subject to DEQ's right to disapprove under
24 the terms and schedule specified above.

25 C. DEQ Approvals

26 (1) Where DEQ review and approval is required for any plan or activity under

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1 this Consent Judgment, Defendant may not proceed to implement the plan or activity until DEQ
2 approval is received. Any DEQ delay in granting or denying approval correspondingly extends the
3 time for completion by Defendant. Prior approval is not required in emergencies; provided,
4 Defendant will notify DEQ as soon as is reasonably possible after the emergency and evaluate the
5 impact of its actions.

6 (2) After review of any plan, report, or other item required to be submitted for
7 DEQ approval under this Consent Judgment, DEQ will: (a) approve the submission in whole or in
8 part; or (b) disapprove the submission in whole or in part and notify Defendant of its deficiencies
9 and/or request modifications to cure the deficiencies.

10 (3) DEQ approvals, rejections, or identification of deficiencies will be given in
11 writing within the time specified in the SOW or as soon as practicable, and will state DEQ's
12 reasons with reasonable specificity.

13 (4) In the event of DEQ disapproval or request for modification of a
14 submission, Defendant will, within 30 days of receipt of the DEQ notice or such longer time as
15 may be specified in the notice, correct the deficiencies and resubmit the revised report or other
16 item for approval.

17 (5) In the event of two deficient submittals of the same deliverable that are
18 deficient for the same reasons due to Defendant's failure in good faith to cure the original
19 deficiency, DEQ may modify the submission to cure the deficiency.

20 (6) In the event of approval or modification of a submission by DEQ, Defendant
21 will implement the action(s) required by the plan, report, or other item, as so approved or
22 modified, or invoke dispute resolution under Subsection 4.M.

23 D. Access to Property

24 (1) Defendant will allow DEQ to enter all portions of the Site owned by or
25 under the control of Defendant at all reasonable times for the purpose of overseeing Defendant's
26 performance under this Consent Judgment, including but not limited to inspecting records relating

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1 to work under this Consent Judgment, conducting such tests and taking such samples as DEQ
2 deems necessary, verifying data submitted to DEQ by Defendant, conducting periodic review, and
3 using camera, sound recording, or other recording equipment. DEQ will make available to
4 Defendant, upon Defendant's request, any photographs or recorded or videotaped material taken.

5 (2) The ROD, SOW and RD/RA Work Plan do not require Defendant to
6 perform work on property not owned or controlled by the Defendant. If, however, it becomes
7 necessary for Defendant to obtain access to property not owned or controlled by Defendant to
8 perform the work required in this Consent Judgment, including access by DEQ for purposes
9 described in Paragraph 4.D.(1), Defendant will seek such access. DEQ may use its statutory
10 authority to obtain access to property on behalf of Defendant if DEQ determines that access is
11 necessary, and that Defendant has exhausted all good faith efforts to obtain access.

12 E. Records

13 (1) In addition to those reports and documents specifically required under this
14 Consent Judgment, Defendant will provide to DEQ, within 10 days of DEQ's written request,
15 copies of QA/QC memoranda and audits, raw data, final plans, task memoranda, field notes (not
16 made by or at the direction of Defendant's attorney), and laboratory analytical reports relating to
17 activities under this Consent Judgment.

18 (2) Defendant will preserve all records and documents in possession or control
19 of Defendant, including records and documents of its employees, agents, or contractors, that relate
20 to activities under this Consent Judgment and were produced on or after the date this Consent
21 Judgment is entered by the court for at least five years after certification of completion under
22 Section 8. Upon DEQ's request, Defendant will provide to DEQ, or make available for copying by
23 DEQ, copies of non-privileged records. For a period of 3 years after certification of completion,
24 Defendant will provide DEQ 60 days' notice before destruction or other disposal of such records
25 or documents. Notwithstanding the above, Defendant shall have no obligation to preserve draft
26 records or documents or internal correspondence that is not otherwise required to be retained by

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1 Defendant's by the SOW or RD/RA Work Plan. After 3 years after certification of completion,
2 Defendant has no further obligation to preserve documents or records or to notify DEQ before
3 destruction or other disposal of such records or documents.

4 (3) Subject to Paragraph 4.E.(4), Defendant may assert a claim of
5 confidentiality under the Oregon Public Records Law regarding any documents or records
6 submitted to or copied by DEQ pursuant to this Consent Judgment. DEQ will treat documents and
7 records for which a claim of confidentiality has been made in accordance with ORS 192.410
8 through 192.505. If Defendant does not make a claim of confidentiality at the time the documents
9 or records are submitted to or copied by DEQ, the documents or records may be made available to
10 the public without notice to Defendant.

11 (4) Defendant will identify to DEQ (by addressor-addressee, date, general
12 subject matter, and distribution) any document, record, or item withheld from DEQ on the basis of
13 attorney-client or attorney work product privilege, except to the extent that such identifying
14 information is itself subject to a privilege. Attorney-client or work product privilege may not be
15 asserted with respect to any records required to be submitted under Paragraph 4.E.(1). DEQ
16 reserves its rights under law to obtain documents DEQ asserts are improperly withheld by
17 Defendant.

18 F. Notice and Samples

19 (1) Defendant will complete routine performance monitoring as set forth in the
20 Sampling and Analysis Plan (SAP) identified in the SOW. At DEQ's request, Defendant will
21 notify DEQ of any excavation, drilling, sampling, or other fieldwork to be conducted under this
22 Consent Judgment pursuant to the RD/RA Work Plan that is beyond the scope of that routine
23 performance monitoring. To the extent Defendant proposes any excavation, drilling, sampling, or
24 other fieldwork outside the scope of the RD/RA Work Plan, Defendant will make every reasonable
25 effort to notify DEQ of at least five working days before such activity, but in no event less than 24
26 hours before such activity. Upon DEQ's verbal request, Defendant will make every reasonable

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1 effort to provide a split or duplicate sample to DEQ or allow DEQ to take a split or duplicate of
2 any sample taken by Defendant while performing work under this Consent Judgment. DEQ will
3 provide Defendant with copies of all analytical data from such samples as soon as practicable.

4 (2) If DEQ conducts any sampling or analysis in connection with this Consent
5 Judgment, DEQ will, except in an emergency, make every reasonable effort to notify Defendant of
6 any excavation, drilling, sampling, or other fieldwork at least 72 hours before such activity. Upon
7 Defendant's verbal request, DEQ will make every reasonable effort to provide a split or duplicate
8 sample to Defendant or allow Defendant to take a split or duplicate of any sample taken by DEQ,
9 and will provide Defendant with copies of all analytical data for such samples. Defendant will
10 provide DEQ with copies of all analytical data from such samples as soon as practicable.

11 G. Quality Assurance

12 (1) Defendant will conduct all sampling, sample transport, and sample analysis
13 in accordance with the Quality Assurance/ Quality Control (QA/QC) provisions approved by DEQ
14 as part of the SAP identified in the SOW. All plans prepared and work conducted as part of this
15 Consent Judgment must be consistent with DEQ's *Environmental Cleanup Quality Assurance*
16 *Policy* (DEQ10-LQ-0063-QAG). Defendant will make every reasonable effort to ensure that each
17 laboratory used by Defendant for analysis performs such analyses in accordance with such
18 provisions.

19 (2) If DEQ conducts sampling or analysis in connection with this Consent
20 Judgment, DEQ will conduct sampling, sample transport, and sample analysis in accordance with
21 the QA/QC provisions of the approved work plan. Upon written request, DEQ will provide
22 Defendant with copies of DEQ's records regarding such sampling, transport, and analysis.

23 H. Progress Reports

24 During each calendar quarter following entry of this Consent Judgment,
25 Defendant will deliver to DEQ, on or before the fifteenth working day of each quarter, a progress
26 report containing:

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1 (1) Actions taken by Defendant under this Consent Judgment during the
2 previous three months;

3 (2) Actions scheduled to be taken by Defendant in the next three months;

4 (3) A summary of sampling, test results, and any other data generated or
5 received by Defendant during the previous three months; and

6 (4) A description of any problems experienced by Defendant during the
7 previous three months and actions taken to resolve them.

8 DEQ may approve less frequent reporting by Defendant, if warranted. Progress
9 reports may be submitted in electronic form. If submitted in hard-copy written form, two copies
10 must be provided to DEQ.

11 I. Other Applicable Laws

12 (1) Subject to ORS 465.315(3), all activities under this Consent Judgment must
13 be performed in accordance with all applicable federal, state, and local laws.

14 (2) All activities under this Consent Judgment must be performed in accordance
15 with any applicable federal, state, and local laws related to archeological objects and sites and their
16 protection. If archeological objects or human remains are discovered during any investigation,
17 removal, or remedial activity at the Property, Defendant will, at a minimum: (a) stop work
18 immediately in the vicinity of the find; (b) provide any notifications required by ORS 97.745 and
19 ORS 358.920; (c) notify the DEQ Project Manager within 24 hours of the discovery; and (d) use
20 best efforts to ensure that Defendant and its employees, contractors, counsel, and consultants keep
21 the discovery confidential, including but not limited to refraining from contacting the media or any
22 third party or otherwise sharing information regarding the discovery with any member of the
23 public. Any project delay caused by the discovery of archeological object or human remains is a
24 Force Majeure under Subsection 4.L.

25 J. Reimbursement of DEQ Costs

26 (1) DEQ will submit to Defendant a monthly invoice of costs incurred by DEQ

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1 in connection with any activities related to the oversight and periodic review of Defendant's
2 implementation of this Consent Judgment on or after the date this Consent Judgment is entered by
3 the court. Each invoice must include a summary of costs billed to date.

4 (2) DEQ oversight costs payable by Defendant include direct and indirect costs.
5 Direct costs include site-specific expenses, DEQ contractor costs, and DEQ legal costs actually
6 and reasonably incurred by DEQ under ORS 465.200 *et seq.* DEQ's direct cost summary must
7 include a Land Quality Division ("LQD") direct labor summary showing the persons charging
8 time, the number of hours, and the nature of work performed. Indirect costs include those general
9 management and support costs of DEQ and of the LQD allocable to DEQ oversight under this
10 Consent Judgment and not charged as direct, site-specific costs. Indirect charges are based on
11 actual costs and applied as a percentage of direct personal services costs. DEQ will maintain work
12 logs, payroll records, receipts, and other documents to document work performed and expenses
13 incurred under this Consent Judgment and, upon request, will provide copies of such records to
14 Defendant.

15 (3) Within 30 working days of receipt of DEQ's invoice, Defendant will pay the
16 amount of costs billed by check payable to the "State of Oregon, Hazardous Substance Remedial
17 Action Fund," or invoke dispute resolution under Subsection 4.M. After 75 working days, any
18 unpaid amounts that are not the subject of pending dispute resolution, or that have been determined
19 owing after dispute resolution, become a liquidated debt collectible under ORS 293.250 or other
20 applicable law.

21 (4) Defendant will pay simple interest of 9% per annum on the unpaid balance
22 of any DEQ oversight costs, which interest will begin to accrue at the end of the 75-working-day
23 payment period, unless dispute resolution has been invoked. Interest on any amount disputed under
24 Subsection 4.M. will begin to accrue 90 working days from final resolution of any such dispute.

25 K. Financial Assurance

26 (1) Defendant will demonstrate its ability to perform the work required under

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1 this Consent Judgment by obtaining and submitting to DEQ for approval one or a combination of
2 the following: (a) trust fund; (b) a performance bond; (c) a letter of credit equaling the total
3 estimated cost of the work; (d) evidence of an escrow account dedicated to payment of or
4 reimbursement for remedial action costs; or (e) internal financial information (financial test or
5 corporate guarantee) sufficient to satisfy DEQ that its net worth is sufficient to make additional
6 financial assurances unnecessary. If internal financial information is relied upon, the standards
7 used to determine the adequacy of Defendant's resources must be substantially equivalent to those
8 set forth in 40 CFR Part 265, Subpart H. Financial assurance for the work required under this
9 Consent Judgment must be submitted within 60 days of the date that DEQ approves Defendant's
10 final enhanced reductive dichlorination system design report pursuant to the SOW. Until such
11 time, Defendant will continue to maintain its preexisting trust fund to the extent necessary to
12 demonstrate financial assurance as required under the 2001 Consent Order.

13 (2) Within 30 days of receipt of the financial assurance or other information,
14 DEQ will determine its adequacy and communicate that determination to Defendant. If DEQ
15 determines that such assurance or information is inadequate, Defendant will submit one of the
16 other forms of assurance to DEQ for approval. Defendant will annually update its financial
17 assurance documentation, not later than 60 days prior to the anniversary date of the approved
18 financial assurance mechanism, except that, if internal corporate information is relied upon,
19 Defendant will submit updated financial information within 30 days from the close of the
20 Defendant's fiscal year.

21 (3) During implementation of the remedial action, subject to dispute resolution
22 under Section 4.M., DEQ may require Defendant to revise the cost estimates used to demonstrate
23 Defendant's financial assurance, and Defendant at its own election may revise the cost estimate for
24 the required work from time to time. If a revised cost estimate is significantly higher or lower than
25 the original cost estimate, DEQ may require Defendant to submit revised financial assurance under
26 the terms and schedule set forth in the preceding paragraphs adequate to assure financial capability

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1 at the level of the revised cost estimate.

2 (4) Except as approved by DEQ, work required under this Consent Judgment
3 may not be delayed pending submission and/or approval of financial assurance under this
4 subsection.

5 L. Force Majeure

6 (1) If any event occurs that is beyond Defendant's reasonable control and that
7 causes or might cause a delay or deviation in performance of the requirements of this Consent
8 Judgment despite Defendant's reasonable efforts ("Force Majeure"), Defendant will promptly,
9 upon learning of the event, notify DEQ's Project Manager verbally of the cause of the delay or
10 deviation, its anticipated duration, the measures that have been or will be taken to prevent or
11 minimize the delay or deviation, and the timetable by which Defendant proposes to carry out such
12 measures. Defendant will confirm in writing this information within five working days of the
13 verbal notification. Failure to comply with these notice requirements precludes Defendant from
14 asserting Force Majeure for the event and for any additional delay caused by the event.

15 (2) If Defendant demonstrates to DEQ's satisfaction that the delay or deviation
16 has been or will be caused by Force Majeure, DEQ will extend times for performance of related
17 activities under this Consent Judgment as appropriate. Circumstances or events constituting Force
18 Majeure might include but not be limited to acts of God, unforeseen strikes or work stoppages,
19 unanticipated site conditions, fire, explosion, riot, sabotage, war, and delays in receiving a
20 governmental approval or permit. Normal inclement weather, increased cost of performance or
21 changed business or economic circumstances may not be considered Force Majeure.

22 M. Dispute Resolution

23 (1) Except as provided in Paragraph 4.M.(4), if Defendant disagrees with DEQ
24 regarding any matter relating to this Consent Judgment, Defendant will promptly notify DEQ in
25 writing of its objection. DEQ and Defendant then will make a good-faith effort to resolve the
26 disagreement within 14 days of Defendant's written objection. At the end of the 14-day period,

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1 DEQ will provide Defendant with a written statement of its position from DEQ's Western Region
2 Cleanup Manager. If Defendant still disagrees with DEQ's position, then Defendant, within 14
3 days of receipt of DEQ's position from the Region Cleanup Manager, will provide Defendant's
4 position and rationale in writing to DEQ's Western Region Administrator. The Region
5 Administrator may discuss the disputed matter with Defendant and, in any event, will provide
6 Defendant with DEQ's final position in writing as soon as practicable after receipt of Defendant's
7 written position. If Defendant disagrees with DEQ's final position, Defendant may refer the
8 dispute to this Court.

9 (2) If Defendant refuses or fails to follow DEQ's final position pursuant to
10 Paragraph 4.M.(1), and DEQ seeks to enforce its final position, the Parties, subject to Subsection
11 2.A., are entitled to such rights, remedies, and defenses as are provided by applicable law.

12 (3) During the pendency of any dispute resolution under this subsection, the
13 time for completion of work or obligations affected by such dispute is extended for a period of
14 time not to exceed the actual time taken to resolve the dispute. Elements of work or obligations not
15 affected by the dispute must be completed in accordance with the applicable schedule.

16 (4) Dispute resolution under this subsection does not apply to: (a) DEQ
17 approval or modification of the remedial design/remedial action work plan required under the
18 SOW (which approval or modification is nonetheless subject to Subsection 4.C.); or (b) DEQ
19 assessment of stipulated penalties under Subsection 4.N. (after dispute resolution has been
20 exhausted, before assessment of a penalty, regarding the alleged violation).

21 N. Stipulated Penalties

22 (1) Subject to Subsections 4.C., 4.L., and 4.M., upon any violation by Defendant
23 of any provision of this Consent Judgment, and upon Defendant's receipt from DEQ of written
24 notice of violation and penalty assessment, Defendant will pay the stipulated penalties set forth
25 in the following schedule:

26 (a) \$5,000 for the first week of violation or delay and \$2,500 per day of

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violation or delay thereafter, for:

(i) failure to allow DEQ access to the Site under Subsection 4.D.

(ii) failure to provide notice and samples under Subsection 4.F.

(iii) failure to provide records under Subsection 4.E.

(b) \$2,500 for the first week of violation or delay and \$1,000 per day of violation or delay thereafter, for:

(i) failure to submit a final work plan in accordance with the SOW's schedule and terms;

(ii) failure to complete work in accordance with an approved work plan schedule and terms;

(iii) failure to submit a final report in accordance with an approved work plan schedule and terms; or

(iv) failure to record or comply with an Easement and Equitable Servitude.

(c) \$500 for the first week of violation or delay and \$500 per day of violation or delay thereafter, for:

(i) failure to submit a draft work plan in accordance with the SOW's schedule and terms;

(ii) failure to submit reports in accordance with the SOW's schedule and terms; or

(iii) any other violation of the Consent Judgment, SOW, or an approved work plan.

(2) Violations arising out of the same facts or circumstances or based on the same deadline are treated as one violation per day.

(3) Stipulated penalties do not begin to accrue under this subsection until Defendant receives a notice of violation from DEQ describing the violation and what is

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necessary to correct it. If the violation was not intentional, and is capable of cure, and Defendant corrects the violation within 30 days of receipt of such notice of violation or such other period as may be specified in the notice, DEQ in its sole discretion may waive in writing the stipulated penalties. This opportunity to cure does not apply to violations subject to Subparagraph 4.N.(1)(a).

(4) Defendant will, within 30 days of receipt of the notice, pay the amount of such stipulated penalty not waived by DEQ as provided in Paragraph 4.N.(3), by check made payable to the “State of Oregon, Hazardous Substance Remedial Action Fund.” Defendant will pay simple interest of 9% per annum on the unpaid balance of any stipulated penalties, which interest begins to accrue at the end of the 30-day payment period. Any unpaid amounts are a liquidated debt collectible under ORS 293.250 and other applicable law.

(5) If DEQ assesses stipulated penalties pursuant to this section for any failure of Defendant to comply with this Consent Judgment, DEQ may not seek civil penalties from Defendant for the same violation under ORS 465.900 or other applicable law.

O. Effect of Consent Judgment

(1) In addition to assessment of stipulated penalties under Subsection 4.N. or civil penalties under ORS 465.900, DEQ may seek enforcement of this Consent Judgment by this Court. If DEQ seeks enforcement of this Consent Judgment by this Court, DEQ may seek monetary sanctions, such as civil penalties, only if DEQ has not assessed and collected any civil penalties under ORS 465.900 regarding the same violation.

(2) Subject to Section 2, Defendant does not admit any liability, violation of law, factual or legal findings, conclusions, or determinations asserted in this Consent Judgment.

(3) Nothing in this Consent Judgment is intended to create any cause of action in favor of any person not a party to this Consent Judgment.

(4) Subject to Paragraph 2.A.(4), nothing in this Consent Judgment prevents DEQ, the State of Oregon, or Defendant from exercising any rights each might have against any

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1 person not a party to this Consent Judgment.

2 (5) If for any reason the Court declines to approve this Consent Judgment in the
3 form presented, this settlement is voidable at the sole discretion of any Party and the terms of the
4 settlement may not be used in evidence in any litigation among or against the Parties.

5 (6) DEQ and Defendant intend for this Consent Judgment to be construed as a
6 judicially-approved settlement, by which Defendant has resolved its liability to the State of
7 Oregon, within the meaning of Section 113(f)(2) of the Comprehensive Environmental Response,
8 Compensation and Liability Act (CERCLA), 42 U.S.C. § 9613(f)(2), regarding Matters
9 Addressed, and for Defendant not to be liable for claims for contribution regarding Matters
10 Addressed to the fullest extent provided by Section 113(f)(2) of CERCLA, 42 U.S.C. §§
11 9613(f)(2).

12 (7) Unless specified otherwise, the use of the term “days” in this Consent
13 Judgment means calendar days.

14 (8) This Consent Judgment is intended to replace and supersede in full the 2001
15 Consent Order, and entry of this Consent Judgment by the court will terminates the 2001 Consent
16 Order. For purposes of this Consent Judgment, the term “2001 Consent Order” refers to following:
17 the Order on Consent, DEQ No. WMCSR-WR-0019 (April 10, 2001), First Addendum to Order
18 on Consent, DEQ No. WMCSR-WR-0019 (June 23, 2006), Second Addendum to Order on
19 Consent, DEQ No. WMCSR-WR-0019 (July 25, 2008), Third Addendum to Order on Consent,
20 DEQ No. WMCSR-WR-0019 (March 24, 2010), Fourth Addendum to Order on Consent, DEQ
21 No. WMCSR-WR-0019 (February 6, 2013), and Fifth Addendum to Order on Consent, DEQ No.
22 WMCSR-WR-0019 (September 25, 2015).

23 (9) Nothing in this Consent Judgment alters defendant’s obligations under its Hazardous Waste
24 Post-Closure Care and Corrective Action Permit (ORD 009 023 466), as may be revised.

25 P. Indemnification and Insurance

26 (1) Defendant will indemnify and hold harmless the State of Oregon and its

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1 commissions, agencies, officers, employees, contractors, and agents from and against any and all
2 claims arising from acts or omissions related to this Consent Judgment of Defendant or its officers,
3 employees, contractors, agents, receivers, trustees, or assigns. DEQ may not be considered a party
4 to any contracts made by Defendant or its agents in carrying out activities under this Consent
5 Judgment.

6 (2) To the extent permitted by Article XI, Section 7, of the Oregon Constitution
7 and by the Oregon Tort Claims Act, the State of Oregon will indemnify and hold harmless
8 Defendant and its respective officers, employees, contractors, and agents, and indemnify the
9 foregoing, from and against any and all claims arising from acts or omissions related to this
10 Consent Judgment of the State of Oregon or its commissions, agencies, officers, employees,
11 contractors, or agents (except for acts or omissions constituting approval or disapproval of any
12 activity of Defendant under this Consent Judgment). Defendant may not be considered a party to
13 any contract made by DEQ or its agents in carrying out activities under this Consent Judgment.

14 (3) Within 90 days after entry of this Consent Judgment, Defendant must obtain
15 and maintain for the duration of this Consent Judgment comprehensive general liability and
16 automobile insurance with limits of \$1 million, combined single limit per occurrence, naming as
17 an additional insured the State of Oregon. Upon DEQ request, Defendant will provide DEQ a copy
18 or other evidence of the insurance. If Defendant demonstrates by evidence satisfactory to DEQ that
19 its contractor(s) or subcontractor(s) maintain equivalent coverage, or coverage for the same risks
20 but in a lesser amount or for a lesser term, then Defendant may provide only that portion of the
21 insurance that is not maintained by its contractor(s) or subcontractor(s).

22 Q. Parties Bound

23 This Consent Judgment is binding on the Parties and their respective successors,
24 agents, and assigns. The undersigned representative of each party certifies that he or she is fully
25 authorized to execute and bind such party to this Consent Judgment. No change in ownership,
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corporate, or partnership status in any way alters Defendant's obligations under this Consent Judgment, unless otherwise approved in writing by DEQ.

R. Modification

DEQ and Defendant may modify this Consent Judgment by written agreement, subject to approval by this Court. DEQ and Defendant may modify the SOW, the EES or any work plan without having to obtain court approval, provided the modification is consistent with the ROD.

S. Service

Each Party designates in Exhibit D the name and address of an agent authorized to accept service of process by mail on behalf of the Party with respect to any matter relating to this Consent Judgment. Each Party agrees to accept service in such manner, and waives any other service requirements set forth in the Oregon Rules of Civil Procedure or local rules of this Court. The Parties agree that Defendant need not file an answer to the complaint in this action unless or until the Court expressly declines to approve this Consent Judgment.

5. Contribution Actions

A. Pursuant to ORS 465.325(6)(b), Defendant is not liable for claims for contribution regarding Matters Addressed.

B. Subject to Paragraph 2.A.(4), nothing in this Consent Judgment prevents Defendant from exercising any rights of contribution or indemnification Defendant might have against any person regarding activities under this Consent Judgment.

6. Covenant Not to Sue by State of Oregon

A. Subject to Subsection 6.B., the State of Oregon covenants not to sue or take any other judicial or administrative action against Defendant concerning any liability to the State of Oregon under ORS 465.200 to 465.545 and 465.900, 466.640, or 468B.310 regarding Matters Addressed. This covenant not to sue is effective upon certification of completion under Section 8.

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B. The State of Oregon reserves all rights against Defendant with respect to any matter not expressly included in the covenant not to sue set forth in Subsection 6.A., including but not limited to:

(1) Failure of remedial action

(2) Information unknown to DEQ at the time of certification of completion

showing that the remedial action is not protective of public health, safety, and welfare or the environment;

(3) Claims based on failure by Defendant to meet any applicable requirement of this Consent Judgment;

(4) Liability arising from disposal of hazardous substances removed from the Site by Defendant;

(5) Claims based on criminal liability;

(6) Any matters as to which the State of Oregon is owed indemnification by the Defendant under Subsection 4.P.;

(7) Liability for violations of federal or state law by the Defendant occurring during implementation of the work required under this Consent Judgment; and

(8) Liability for oversight costs incurred by DEQ in connection with this Consent Judgment.

7. Liability Release by the State of Oregon

A. Subject to Subsection 7.B., the State of Oregon releases Defendant from liability under any federal or state statute, regulation, common law, order or agreement including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. § 9601 et seq., regarding the release or threatened release of hazardous substances at the Facility. This release from liability is effective upon certification of completion under Section 8.

B. DEQ reserves all rights against Defendant with respect to any matter not

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1 expressly included in the release from liability set forth in Subsection 7.A., including but not
2 limited to:

3 (1) Failure of remedial action;

4 (2) Information unknown to DEQ at the time of certification of completion
5 showing that the remedial action is not protective of public health, safety, and welfare or the
6 environment;

7 (3) Claims based on failure by Defendant to meet any applicable requirement of
8 this Consent Judgment;

9 (4) Liability arising from disposal of hazardous substances removed from the
10 Site by Defendant;

11 (5) Claims based on criminal liability;

12 (6) Any matters as to which the State of Oregon is owed indemnification by the
13 Defendant under Subsection 4.P.;

14 (7) Liability for violations of federal or state law by the Defendant occurring
15 during implementation of the work required under this Consent Judgment; and

16 (8) Liability for oversight costs incurred by DEQ in connection with this
17 Consent Judgment.

18 8. Certification of Completion

19 A. Upon Defendant's completion of work in accordance with the SOW Defendant
20 will submit a draft Project Completion (Construction Completion) Report ("Project Completion
21 Report") for DEQ review and comment. A final Project Completion Report containing the
22 information required by the SOW shall then be submitted for DEQ approval. The final Project
23 Completion Report shall be signed both by an Oregon-registered professional engineer and
24 Defendant's Project Manager certifying that, the remedial action for the Site has been completed
25 in accordance with this Consent Judgment.

26 B. DEQ will preliminarily determine whether the remedial action for the Site has,

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1 been performed in accordance with this Consent Judgment. Upon a preliminary determination
2 that the remedial action has been satisfactorily performed, DEQ will provide public notice and
3 opportunity to comment on a proposed certification decision in accordance with ORS 465.320
4 and 465.325(10)(b). After consideration of public comment, and within 90 days after receiving
5 Defendant's closeout report, the Director of DEQ will issue a final certification decision. The
6 certification decision will subsequently be submitted by DEQ to this Court. A certification of
7 completion of the remedial action does not affect Defendant's remaining obligations under this
8 Consent Judgment or for implementation of measures necessary to long-term effectiveness of the
9 remedial action.

10 C. This Court retains jurisdiction over the Parties and the subject matter of this
11 Consent Judgment regarding obligations under this Consent Judgment.

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1 IT IS SO ORDERED this ____ day of _____, 2020.

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Circuit Court Judge,
Benton County

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STATE OF OREGON, DEPARTMENT OF ENVIRONMENTAL QUALITY

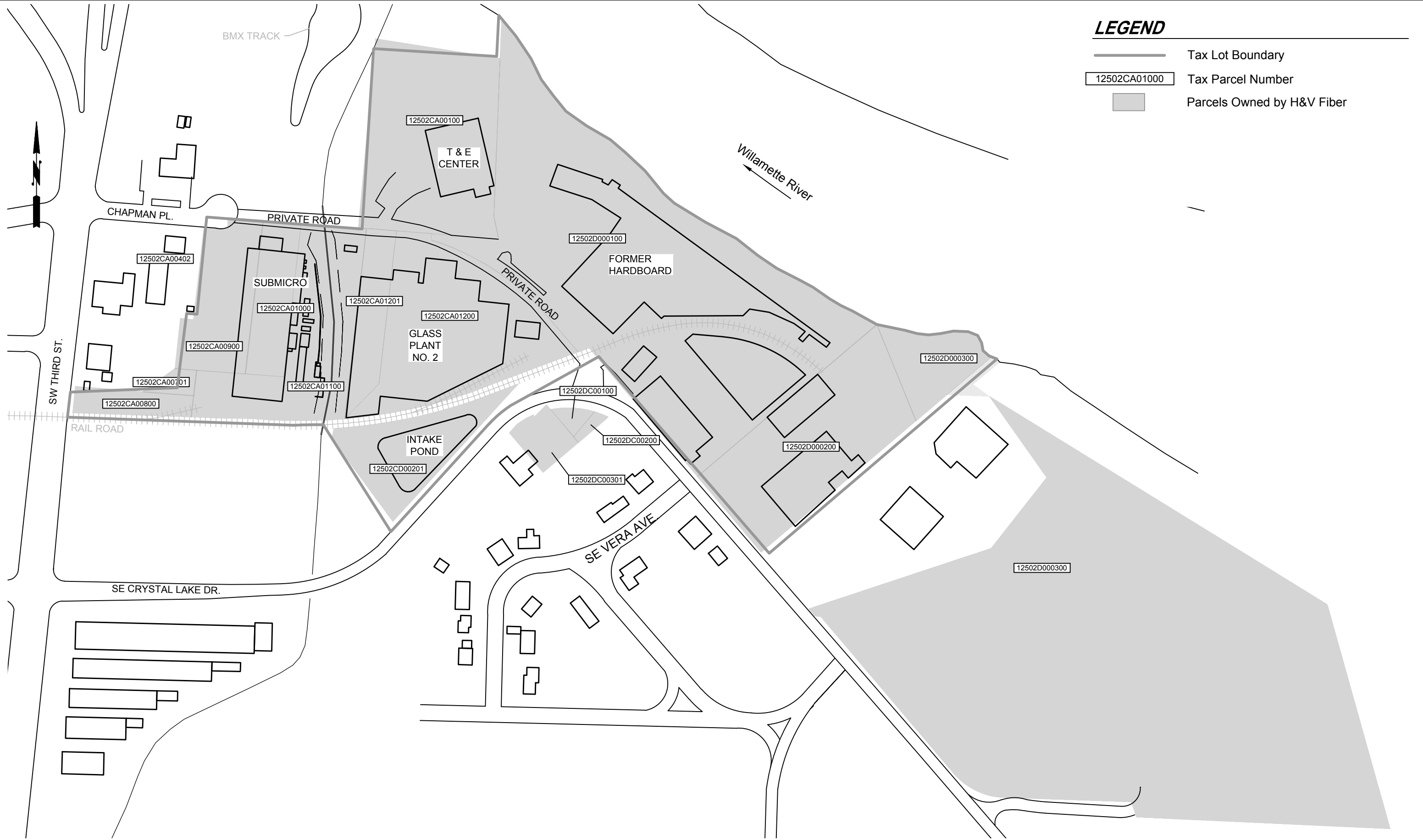
By: _____ Date: _____
Brad Shultz
Manager, Western Region Cleanup and Emergency Response Programs

By: _____ Date: _____
Gary Vrooman, OSB No. 075832
Assistant Attorney General
Oregon Department of Justice
100 SW Market St.
Portland, OR 97201-5702
Attorney for DEQ

Hollingsworth & Vose Fiber Company

By: _____ Date: _____
Cindy Frost, Site Manager

By: _____ Date: _____
Geoffrey Tichenor, OSB No. 050958
Stoel Rives LLP
760 SW Ninth Avenue, Suite 3000
Portland, OR 97205
Attorney for Hollingsworth & Vose Fiber Company

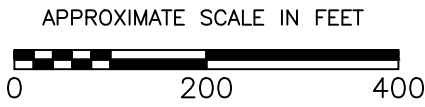


LEGEND

———— Tax Lot Boundary

12502CA01000 Tax Parcel Number

■ Parcels Owned by H&V Fiber



PNG ENVIRONMENTAL, INC. 6665 SW Hampton St., Ste. 101 Tigard, OR 97223	TEL (503) 620-2387 FAX (503) 620-2977	DATE: 10-20-20	H&V FIBER 1115 SE CRYSTAL LAKE DR CORVALLIS, OREGON	SITE LOCATION	Project No. 1122-03
		FILE NAME: 1122-03			Figure No.
		DRAWN BY: JJT APPROVED BY: SV			A

EXHIBIT B
REMEDIAL DESIGN/REMEDIAL ACTION
CONSENT JUDGEMENT SCOPE OF WORK

I. SCHEDULE AND OBJECTIVES

This Scope of Work (SOW) describes the actions to be taken to implement the remedial work for the former Evanite Fiber Corporation site located at 1115 SE Crystal Lake Drive in Corvallis, Oregon, ECSI #40 (the Site) pursuant to this Consent Judgment. The objectives of the remedial design and remedial action for the Site were selected in DEQ's September 21, 2015, Record of Decision (ROD). The Site's remedial action objectives (RAOs) are consistent with the requirements set forth in the Environmental Cleanup Rules, Oregon Administrative Rules (OAR) 340-122-0010 to 0110, and the Environmental Cleanup Laws, Oregon Revised Statutes (ORS), Chapter 465. The technical submittals required as part of this process outlined below, along with potential post-assessment actions, must be submitted in accordance with the deadlines in OAR 340-245-0030. However, DEQ may consider extensions to these deadlines provided that they meet the criteria in OAR 340-245-0030(3).

II. RISK ASSESSMENT

DEQ and Defendant agree that Defendant will perform a Risk Assessment in a manner that is consistent with the substantive requirements of the Cleaner Air Oregon (CAO) rules in division 245 based on emissions of Toxic Air Contaminants (TACs) from the SVE off-gas treatment system. Additionally, any required actions based on the results of this Risk Assessment (e.g., risk reduction) will need to be met as provided in II.D below. There are a number of technical submittals required as part of this process outlined below, along with post-assessment actions.

A. EMISSIONS INVENTORY

Submit to DEQ for review and approval an Emissions Inventory prepared in a manner that is consistent with OAR 340-245-0040 for the SVE off-gas treatment system within 90 days of the court's entry of the Consent Judgement. The Emissions Inventory should include all supplementary materials required to verify the calculated emissions as submitted, including documentation of stack flow rates and analytical data and calculations in native database format showing the emission factor derivation for all TACs and emission points.

B. MODELING PROTOCOL & RISK ASSESSMENT WORKPLAN

Submit to DEQ for review and approval a Modeling Protocol that is consistent with OAR 340-245-0210 for the SVE off-gas treatment system within 30 days of DEQ approval of the Emissions Inventory. If performing a Level 3 or 4 risk assessment, submit to DEQ for review and approval a

Risk Assessment Work Plan that is consistent with OAR 340-245-0210 for the SVE off-gas treatment system within 60 days of DEQ approval of the Emissions Inventory.

C. RISK ASSESSMENT

Submit to DEQ for review and approval a Risk Assessment of TAC emissions from the SVE off-gas treatment system that is consistent with the substantive requirements of OAR 340-245-0050 for existing sources as defined in OAR 340-245-0020(20). Submit a Level 1 or 2 Risk Assessment within 60 days of DEQ's approval of the Modeling Protocol. Submit a Level 3 or 4 Risk Assessment within 120 or 150 days, respectively, of DEQ's approval of the Risk Assessment Work Plan.

D. RISK ACTION LEVELS AND POST-ASSESSMENT REQUIREMENTS

Compare the results of the Risk Assessment with the Risk Action Levels for existing sources in OAR 340-245-8010 Table 1. For any Risk Action Level Exceeded, take any substantive actions that would be required under division 245.

III. REMEDIAL DESIGN AND REMEDIAL ACTION DELIVERABLES

A. IMPLEMENT RD/RA WORK PLAN

At DEQ's request, the Defendant developed an RD/RA Work Plan to further clarify the obligations set forth in the ROD and, as appropriate, EPA's "Superfund Remedial Design Remedial Action Guidance", OSWER Directive 9355.0-4A, 1986; "Guidance on Expediting Remedial Design and Remedial Action", OSWER Directive 9355.5-02". DEQ has approved, and the Defendant will implement, the RD/RA Work Plan for the Site prepared by PNG Environmental, Inc. dated May 5, 2020 that is included as Exhibit F to this Consent Judgment (the "RD/RA Work Plan").

As required, the RD/RA Work Plan includes, as applicable, the following items:

1. Description of proposed RD/RA tasks and activities to be performed.
2. Proposed schedule for submittal of RD/RA deliverables and implementation of all proposed RD/RA activities.
3. Identification and description of duties, responsibilities, authorities, and qualifications of the personnel involved in the remedial design and remedial action.
4. Project organization and identification of reporting relationships, lines of communication, and authorities.
5. Summary of the selected remedy and cleanup levels.

6. General description of remedial actions to be performed, as well as a description of the RAOs that have been met since DEQ approved the Site's ROD.
7. Identification and description of design objectives.
8. Identification and description of design criteria that shall be applied to the remedial activities to be conducted by Defendant.
9. Identification and listing of federal, state, or local laws, regulations, or guidance applicable to or associated with the remedial action and an explanation of how they will be incorporated into the design and implementation of the remedial action.
10. Assessment of permitting requirements, including identification of any permitting or procedural requirements exempted pursuant to ORS 465.315(3), and a plan for satisfying any applicable substantive or non-exempted permitting/procedural requirements. A description of permitting requirements shall be included in the specific design reports.
11. Identification of any off-site disposal facilities and requirements for disposal, if any.
12. Identification and description of any site access agreements required to implement RA activities.
13. Identification and description of institutional controls to be imposed during and/or after remedial action activities.

B. SAMPLING AND ANALYSIS PLAN (SAP)

It is assumed the current long-standing Sampling and Analysis Plan (PNG, 2009) and Performance Monitoring Plan (PNG, 2013) (SAP) shall be modified after installation, startup and optimization of the ERD system, and then submitted for DEQ review and comment. If required, a final SAP shall then be submitted for DEQ approval addressing DEQ's comments on the initial modified SAP.

The modified SAP, if required, shall be prepared for proposed sampling and monitoring activities to be conducted during the ERD remedial design and remedial action phases, such as treatability studies, bench and pilot scale studies, and engineering evaluations. The modified SAP shall also address confirmation sampling to be conducted following excavation, treatment or other remedial activity, to verify that the remedial action requirements and specified cleanup levels have been attained. This SAP need not address long-term groundwater and surface water monitoring, which is addressed in Item F, Monitoring, Performance Evaluation, and Contingency Plan.

In preparation of the SAP, if required, the following guidance documents shall be utilized: DEQ Environmental Cleanup Program's Quality Assurance Policy # 760; and as appropriate, "Data Quality Objectives Process for Superfund", EPA 540-R-93-071, September, 1993; "Data Quality Objectives for Remedial Response Activities", EPA/540/G-87/004 (OSWER Directive 9355.0-7B),

March 1987; "Test Methods for Evaluating Solid Waste", SW-846; and "A Compendium of Superfund Field Operations Methods", EPA/540/P-87/001 (OSWER Directive 9355.0-14), December 1987.

The modified SAP, if required, shall include, as appropriate:

1. Proposed sampling locations, frequency, parameters, and rationale.
2. A description of sample collection techniques, sampling equipment, sample handling, and decontamination procedures.
3. A description of proposed analytical or test methods.
4. A description of quality assurance and quality control (QA/QC) procedures for both field and laboratory activities, including a data quality objectives plan. For each target compound, compare the method reporting limit and the remedial action standard established in the ROD, for each applicable environmental medium.
5. A description of documentation and data reporting, including a proposed schedule for data report submittals.
6. As applicable, a description of data analysis and interpretation methods, including statistical methods, sensitivity methods, or mathematical models for:
 - i. Evaluating attainment of remedial action cleanup levels.
 - ii. Evaluating bench or pilot scale tests for full-scale application of the technology.
7. A description of sample residuals management procedures.

C. RD/RA SITE HEALTH AND SAFETY PLAN

The current long-standing site-specific Health and Safety Plan (HASP) shall, to the extent DEQ's requests, be modified and submitted for DEQ. The modified HASP, if required, will address all field activities to be conducted during the remaining remedial design and remedial action phases and shall include construction hazards, chemical exposure hazards, on-site worker safety, and measurement of potential off-site impacts.

The modified HASP, if required, shall be modified in accordance with "Standard Operating Safety Guides", EPA, Office of Emergency and Remedial Response, 1988; and applicable standards promulgated by the U.S. Occupational Safety and Health Administration including Hazardous Waste Operations and Emergency Response, 29 CFR 1910.120; General Industry Standards, 29 CFR 1910; and the Construction Industry Standards, 29 CFR 1926.

The modified HASP, if required, shall include, as appropriate:

1. Scope and applicability of plan.
2. Identification and responsibilities of key health and safety personnel.
3. Task/operation safety and health risk analysis for each site task and operation, including a description of known hazards and risks and procedures for assessing risks.
4. Personnel training requirements.
5. Personal protective equipment to be used.
6. Medical surveillance requirements.
7. Air monitoring requirements, as applicable, including types and frequency, and a description of air monitoring methods to be used.
8. Site control measures, including communication, site security, and work zone delineation.
9. Decontamination plan for personnel, equipment, and facilities.
10. Emergency response/contingency plan.
11. Confined space entry procedures, if applicable.
12. Spill containment program.
13. Identification of potential construction hazards and precautionary measures to minimize hazards.

A copy of the modified HASP, if required, shall be provided to the Oregon Occupational Safety and Health Division.

D. DESIGN REPORTS AND IMPLEMENTATION (Plans and Specifications)

Construction plans and specifications and related design information, to accomplish the remedial action selected by DEQ, shall be submitted to DEQ for review and approval as specified in the RD/RA Work Plan. Design reports shall be submitted in the following phases:

1. EXISTING SYSTEM COMPONENTS

DEQ recognizes that substantive improvements to the existing remedial systems were performed concurrent with pilot testing conducted from 2010 through 2015. As built drawings and equipment specifications for existing remediation systems and any associated building and site systems or utilities shall be submitted to DEQ as specified in the RD/RA Work Plan to serve as the basis for the DEQ-selected remedial action design affecting the existing systems. This deliverable will be provided to DEQ for review within 45 days of finalization (i.e. court approval and entry) of the Consent Judgement. The existing systems include the groundwater extraction, air stripper, soil vapor extraction, subslab depressurization at the Submicro Building, optional water treatment polishing, and air/off-gas treatment.

2. ENHANCED REDUCTIVE DECHLORINATION SYSTEM DESIGN

The design report shall include, at a minimum, the following elements for the ERD component of the remedy, which is the major remedial system that remains to be constructed:

- a. ERD system design objectives, performance criteria, and standards.
- b. Description of design elements including hydrogeologic site conditions and groundwater chemical conditions that support ERD .
- c. Design calculations and analyses.
- d. Drawing index and design drawings.
- e. ERD equipment specifications
- f. ERD construction sequence and schedule.
- g. General description of ERD system activities to be performed.
- h. Description of underground injection permitting requirements, if any.
- i. ERD equipment startup and operator training requirements.
- j. Description of proposed control measures to minimize releases of hazardous substances to all environmental media during construction and installation activities.
- k. Description of any proposed surface water control measures during construction.
- l. Identification and description of dust control and noise abatement measures to minimize and monitor environmental impacts of construction or installation activities.

- m. Identification and description of any site security measures necessary to minimize exposure to hazardous situations during remedial action.
- n. Identification and description of any traffic control measures necessary to minimize exposure to hazardous situations during remedial action.

The draft ERD design report shall be submitted to DEQ for review and comments within 90 days of finalization of the Consent Judgement.

A final ERD design report shall incorporate required revisions resulting from DEQ's review and comments of the draft design. This final design shall provide the basis for the ERD system remedial actions undertaken at the facility. The final design report shall include elements described above as well as identify the construction contractors that will perform the work. This document will be submitted to DEQ within 30 days of the receipt of their comments on the draft plan.

3. IMPLEMENTATION

Upon DEQ's approval of the final ERD system design report, the ERD system installation shall be performed in accordance with the design plans.

The schedule for completion of the ERD remedial design construction phase will be finalized with DEQ concurrence after DEQ approval for the final ERD Design Report is provided.

E. MONITORING, PERFORMANCE EVALUATION, AND CONTINGENCY PLAN

Performance monitoring of the already established active remediation systems is ongoing. The current performance monitoring plan is presented each year in the Annual Performance Report and is optimized, as necessary, to reflect current remedial activities. Performance monitoring of the already established remedial system components will continue as described in the Annual Performance Report until the ERD in-situ groundwater remediation component of the remedy is installed, started up, and optimized consistent with the final ERD system design report.

After installation, startup and optimization of the ERD system, the performance monitoring program will be revised for long-term future remedial efforts. A draft Monitoring, Performance Evaluation, and Contingency Plan (MPECP) shall be submitted for DEQ's review and comment following installation, startup, and optimization of the ERD system. A draft MPECP will be submitted to DEQ within 45 days after Defendant notifies DEQ that the ERD system has been installed, started up, and optimized.

The objectives for the MPECP include, to the extent required by or consistent with the RD/RA Work Plan, 1) monitoring variations in groundwater and soil gas quality at or near target remediation areas, 2) monitoring contaminant concentrations and migration, 3) evaluating the effectiveness of source

removals and other remedial actions, 4) verifying results of fate and transport analyses, 5) and evaluating the effectiveness of operational soil vapor extraction, groundwater pump and treat, and enhanced reductive dechlorination systems in attaining the remedial action objectives, goals, requirements, and specified cleanup levels. The plan shall also propose response actions to occur in the event of statistically significant exceedance of the soil gas and groundwater remediation criteria during the long-term monitoring program.

A final MPECP shall be submitted for DEQ approval within 30 days of receipt of DEQ's comments on the draft MPECP. This MPECP, as supplemented by the SAP, shall include, as appropriate:

1. Proposed frequency and duration of monitoring periods.
2. Proposed monitoring locations and parameters.
3. A description of sample collection techniques, sampling equipment, and sample handling procedures.
4. Descriptions of proposed analytical or test methods.
5. A description of quality assurance and quality control (QA/QC) procedures for both field and laboratory activities, including a data quality objectives plan. For each target compound, compare the method reporting limit and the remedial action standard established in the RD/RA Work Plan.
6. Documentation and data reporting, including a proposed schedule for data report submittals.
7. A description of methods for data analysis, including modeling and statistical methodology, for evaluating changes and trends in groundwater and soil gas quality, contaminant migration, and attainment of remedial action objectives and criteria as specified in the RD/RA Work Plan.
8. Provide methods for evaluating the effectiveness of the various remedial action components and propose response actions to maintain protectiveness of the remedy.
9. Proposed trigger mechanisms and assessment criteria that would warrant evaluation of contingency measures.
10. A contingency plan to include identification of potential response actions and a description of the procedures and process for evaluating and implementing potential response actions.

11. A description of assessment criteria for modifications to the long-term groundwater and soil gas monitoring program.
12. A description of performance evaluations to be conducted for soil vapor extraction, groundwater pump and treat, and enhanced reductive dechlorination systems, including performance criteria, methodology, schedule, and system termination criteria.
13. A description of periodic reviews of local land uses and beneficial water uses to be conducted, including procedures, reporting, and schedule.
14. A description of how investigation-derived waste will be managed.

F. MONITORING AND PERFORMANCE EVALUATION REPORTS

Currently, a Bi-Monthly Summary and an Annual Performance Report are submitted to DEQ. Bi-Monthly Summary and an Annual Performance Reports will continue to be submitted until the ERD in-situ groundwater remediation component of the remedy is installed and started up consistent with the final ERD system design report. At that time, groundwater and soil gas monitoring reports, performance evaluation reports, and periodic land and water use reports shall be submitted in accordance with the terms and schedule set forth in the DEQ-approved MPECP (Item E).

G. FLUX MONITORING PLAN

As the long-term remedial objectives are obtained and the active remedial system is transitioned to polishing with ERD, cessation of active pumping in targeted plume areas, and passive maintenance of ERD conditions, a Flux Monitoring Plan will be prepared, on a schedule to be finalized later with DEQ concurrence, for review by DEQ and subsequent implementation. Trigger concentrations and critical decision points will be defined using the latest EPA guidance on Mass Flux monitoring combined with recent scientific literature. This plan will be focused to Site conditions existing at that time of the plan's development, with the goal of providing data necessary to make remedial decisions regarding reduction or termination of active remedial elements. The Flux Monitoring Plan will address monitoring related to the remedy's transition from active pumping to passive maintenance of ERD conditions and decision-making regarding reduction, termination, or resumption of active pumping. The goal of flux monitoring will be to protect against discharge of the TCE plume to the Willamette and Mary's Rivers at mass that creates unacceptable risk as defined in the RD/RA Work Plan.

H. OPERATIONS AND MAINTENANCE PLAN

Defendant will prepare an Operations and Maintenance (O&M) Plan following installation, startup and optimization of the ERD system, which could be in the range of two to four months after the ERD system is fully constructed. The schedule for submittal of the O&M Plan will be finalized with DEQ concurrence after the ERD system is fully constructed. The O&M Plan will detail the specific

operation and maintenance requirements for each constructed or installed component of the active remedy.

The O&M Plan shall include, at a minimum:

1. Description of equipment and monitoring components and equipment replacement schedule.
2. Description of normal O&M tasks, prescribed treatment or operation conditions, and frequency schedule of O&M tasks.
3. Description and analysis of potential operating problems, sources of information for trouble-shooting, and common remedies.
4. Description of routine monitoring, inspection, and laboratory testing requirements, associated QA/QC requirements, and monitoring locations, parameters, and frequency.
5. Description of alternate O&M to prevent undue hazard in the event of system failure.
6. Description of safety procedures and equipment required for operators during normal operations and in the event of system failure.
7. A records management plan to include operating logs, laboratory results, and maintenance activities.
8. Reporting procedures to address emergencies.
9. Proposed schedule for submittal of O&M reports to DEQ.

I. PROJECT COMPLETION (CONSTRUCTION COMPLETION) REPORT

At the completion of the remedial action construction phases following installation, startup, and optimization of remedy components, Respondent shall conduct a final inspection and prepare a draft Project Completion (Construction Completion) Report for DEQ review and comment. A final Project Completion Report shall be submitted for DEQ approval addressing DEQ's comments on the draft report. The Project Completion Report shall include, at a minimum:

1. Results of the final inspection, including a brief description of any problems discovered during the final inspection and the resolution of those problems, as necessary.
2. A detailed description of all work conducted in accordance with the approved final design plans and specifications, and certification by an Oregon-Registered Professional

Engineer and Respondent's Project Coordinator that the work was performed in accordance with all approved plans and specifications.

3. Explanation of any modifications to the approved plans and specifications and why these modifications were necessary.
4. Final, as-built drawings, if different from final design drawings previously submitted under Item D.
5. Copy of final permits, as applicable.
6. Results of verification sampling, including data validation, and certification that the required remedial action criteria have been attained, and/or sampling results verifying that the remediation performs according to design specifications, as appropriate.
7. Explanation of any additional inspections, operation, and maintenance activities (including monitoring) to be undertaken at the site.

The long-term goal with remedy progression is to reach a condition where either low-level substrate augmentation (EMNA) or MNA is sufficient to maintain VOC concentrations at levels such that the mass flux to the river wells and sediment pore water does not represent an unacceptable risk.

Exhibit C

Space above this line for Recorder's use.

After recording, return to:

Grantee

Oregon DEQ
4026 Fairview Industrial Dr. SE
Salem, Oregon 97302
Attention: Nancy Sawka

Grantor

Hollingsworth & Vose Fiber Company
1115 Crystal Lake Drive
Corvallis, Oregon 97333
Attention: Cindy Frost

EASEMENT AND EQUITABLE SERVITUDES

This grant of Easement and acceptance of Equitable Servitudes ("**EES**") is made on [DATE] between Hollingsworth & Vose Fiber Company ("**Grantor**") and the State of Oregon, acting by and through the Oregon Department of Environmental Quality ("**DEQ**" or "**Grantee**").

RECITALS

A. Grantor is the owner of certain real property located at 1115 SE Crystal Lake Drive in Corvallis, Oregon, Township 12 South, Range 5 West, Section 2, Benton County with a latitude of 44°33'13"N and longitude of -123°15'38.5"W identified as ten tax lots described in Exhibit A and illustrated in the groundwater restriction area illustrated on Exhibit B (the "**Property**"). Further restrictions are placed on two of these tax lots relating to soil contamination (Exhibit C). The Property is referenced under the name Evanite Fiber Corporation, ECSI #40 in the files of DEQ's Environmental Cleanup Program at the Western Region office located at 165 East 7th Avenue, Suite 100, Eugene, Oregon, and telephone 541-686-7838. Interested parties may contact the Western Region office to review a detailed description of the risks from contamination remaining at the Property and described in the 2015 Staff Report and other site documents.

B. On September 21, 2015, the Director of the Oregon Department of Environmental Quality or delegate selected the remedial action for the Property set forth in the Record of Decision (ROD) for the Property.

C. Thereafter, on [insert], Grantor entered into Consent Judgment No. [Insert] with Grantee, under which Grantor agreed to implement the selected remedial action, including the required institutional controls. The Consent Judgment requires, among other things:

1. Prohibiting wells for consumption (drinking water) and other beneficial uses in ten Tax Lots currently owned by Grantor. Tax Lots include: 12502CA01000, 12502CA01100, 12502CD00201, 12502DC00100, 12502DC00200, 12502DC00301, 12502CA00100, 12502CA01200, 12502CA01201, and 12502D000100.

2. An engineering control, consisting of a concrete, pavement, or clean soil cap shall be maintained on portions of the Property, in the area consisting of Tax Lots 12502CA01000 and 12502CA01100, as illustrated in Exhibit C. A contaminated media management plan shall be prepared to manage how material removed from the Property will be handled in accordance with State and Federal laws.
3. Prohibiting residential use of the portions of the Property associated with the cap (i.e., Lots 12502CA01000, 12502CA01100).

D. This EES is intended to further the implementation of the selected remedial action and protect human health and the environment.

E. Nothing in this EES constitutes an admission by Grantor of any liability for the contamination described in the Easement and Equitable Servitude.

1. DEFINITIONS

- 1.1 "Beneficial use" has the meaning set forth in OAR 340-122-0115.
- 1.2 "DEQ" means the Oregon Department of Environmental Quality, and its employees, agents, and authorized representatives. "DEQ" also means any successor or assign of DEQ under the laws of Oregon, including but not limited to any entity or instrumentality of the State of Oregon authorized to perform any of the functions or to exercise any of the powers currently performed or exercised by DEQ.
- 1.3 "Engineering control" has the meaning set forth in OAR 340-122-0115
- 1.4 "Hazardous substance" has the meaning set forth in ORS 465.200
- 1.5 "Owner" means any person or entity, including Grantor, who at any time owns, occupies, or acquires any right, title, or interest in or to any portion of the Property or a vendee's interest of record to any portion of the Property, including any successor, heir, assign or holder of title or a vendee's interest of record to any portion of the Property, but excluding any entity or person who holds such interest solely for the security for the payment of an obligation and does not possess or control use of the Property.
- 1.6 "Remedial Action" has the meaning set forth in ORS 465.200 and OAR 340-122-0115.

2. GENERAL DECLARATION

2.1 Grantor, in consideration of Grantee's entry into the Consent Judgment, grants to DEQ an Easement for access and accepts the Equitable Servitudes described in this instrument and, in so doing, declares that the Property is now subject to and must in future be conveyed, transferred, leased, encumbered, occupied, built upon, or otherwise used or improved, in whole or in part, subject to this EES.

2.2 Each condition and restriction set forth in this EES touches and concerns the Property and the equitable servitudes granted in Section 3 and easement granted in Section 4 below, runs with the land for all purposes, is binding upon all current and future owners of the Property as set forth in this EES, and inures to the benefit of the State of Oregon. Grantor further conveys to DEQ the perpetual right to enforce the conditions and restrictions set forth in this EES.

3. EQUITABLE SERVITUDES (REQUIRED ACTIONS AND RESTRICTIONS ON USE)

3.1. **Groundwater Use Restrictions.** Owner may not extract through wells or by other means or use the groundwater at the Property as is specifically provided in Section C.1 for the specified parcels

and uses. This prohibition does not apply to extraction of groundwater associated with groundwater treatment or monitoring activities approved by DEQ or to temporary dewatering activities related to construction, development, or the installation of sewer or utilities at the Property. Owner must conduct a waste determination on any groundwater that is extracted during such monitoring, treatment, or dewatering activities and handle, store and manage waste water according to applicable laws.

3.2. **Cap Engineering Control.** Except upon prior written approval from DEQ, Owner may not conduct or allow operations or conditions on the Property or use of the Property in any way that might penetrate the surface cap (Section C.2) at the Property or jeopardize the cap's protective function as an engineering control that prevents exposure to contaminated soil, including without limitation any excavation, drilling, scraping, or uncontrolled erosion. Owner will inspect and maintain the cap in accordance with a cap monitoring, maintenance and contaminated media management plan approved by DEQ.

3.3. **Land Use Restrictions.** Residential use of any type is restricted on the two lots within the cap engineering control (i.e., Lots 12502CA01000, 12502CA01100).

3.4 **Use of the Property.** Owner may not occupy or allow other parties to occupy the Property unless the controls listed in this Section 3 are maintained.

4. EASEMENT (RIGHT OF ENTRY)

During reasonable hours and subject to reasonable security requirements, DEQ may enter upon and inspect any portion of the Property to determine whether the requirements of this EES have been or are being complied with. Except when necessary to address an imminent threat to human health or the environment, DEQ will use its best efforts to notify the Owner 72 hours before DEQ entry to the Property. DEQ may enter upon the Property at any time to abate, mitigate, or cure at the expense of the Owner the violation of any condition or restriction contained in this EES, provided DEQ first gives written notice of the violation to Owner describing what is necessary to correct the violation and Owner fails to cure the violation within the time specified in such notice. Any such entry by DEQ to evaluate compliance or to abate, mitigate, or cure a violation may not be deemed a trespass.

5. RELEASE OF RESTRICTIONS

5.1. Owner may request release of any or all of the conditions or restrictions contained in this EES by submitting such request to the DEQ in writing with evidence that the conditions or restrictions are no longer necessary to protect human health and the environment. The decision to release any or all of the conditions or restrictions in this EES will be within the sole discretion of DEQ.

5.2. Upon a determination pursuant to Subsection 5.1, DEQ will, as appropriate, execute and deliver to Owner a release of specific conditions or restrictions, or a release of this EES in its entirety.

6. GENERAL PROVISIONS

6.1. **Notice of Transfer/Change of Use.** Owner must notify DEQ within 10 days after the effective date of any conveyance, grant, gift, or other transfer, in whole or in part, of Owner's interest in or occupancy of the Property. Such notice must include the full name and address of the Party to whom Owner has transferred an interest or right of occupancy.

6.2. **Zoning Changes.** Owner must notify DEQ no less than 30 days before Owner's petitioning for or filing of any document initiating a rezoning of the Property that would change the base zone of the Property under the City of Corvallis and Benton County zoning codes or any successor code. As of the date of this EES, the base zone of the Property is Mixed Use Transitional.

6.3. **Cost Recovery.** Owner will pay DEQ's costs for review and oversight of implementation of and compliance with the provisions in this EES, including but not limited to periodic review and tracking of actions required by this EES. This EES constitutes the binding agreement by the Owner to reimburse DEQ for all such eligible review and oversight costs. DEQ will establish a cost recovery account for tracking and invoicing DEQ project costs. DEQ will provide the Owner with a monthly statement and direct labor summary. DEQ costs will include direct and indirect costs. Direct costs include site-specific expenses and legal costs. Indirect costs are those general management and support costs of the State of Oregon and DEQ allocable to DEQ oversight of this EES and not charged as direct site-specific costs. Indirect charges are based on actual costs and are applied as a percentage of direct personal services costs.

6.4. **Reference in Deed.** A reference to this EES, including its location in the public records, must be recited in any deed conveying the Property or any portion of the Property. Each condition and restriction contained in this EES runs with the land so burdened until such time as the condition or restriction is removed by written certification from DEQ, recorded in the deed records of the County in which the Property is located, certifying that the condition or restriction is no longer required to protect human health or the environment.

6.5. **Effect of Recording.** Upon the recording of this EES, all future Owners are conclusively deemed to have consented and agreed to every condition and restriction contained in this EES, whether or not any reference to this EES is contained in an instrument by which such person or entity occupies or acquires an interest in the Property.

6.6. **Enforcement and Remedies.** Upon any violation of any condition or restriction contained in this EES, the State of Oregon, in addition to the remedies described in Section 4, may enforce this EES as provided in the Judgment or seek available legal or equitable remedies to enforce this EES, including civil penalties as set forth in ORS 465.900.

6.7. **In Witness Whereof** Grantor and Grantee have executed this Easement and Equitable Servitude as of the date and year first set forth above.

BY SIGNATURE BELOW, THE STATE OF OREGON APPROVES AND ACCEPTS THIS CONVEYANCE PURSUANT TO ORS 93.808.

GRANTOR: Hollingsworth & Vose Fiber Company

By: _____
Kevin Schmidt, President

Date: _____

STATE OF OREGON)

County of _____) ss.

The foregoing instrument is acknowledged before me this _____ day of _____, 20____, by Kevin Schmidt of Hollingsworth & Vose Fiber Company, on its behalf.

NOTARY PUBLIC FOR OREGON

My commission expires: _____

GRANTEE: State of Oregon, Department of Environmental Quality

By: _____
Brad Shultz, Manager
Western Region Environmental Cleanup and Emergency Response Program

Date: _____

STATE OF OREGON)

County of _____) ss.

The foregoing instrument is acknowledged before me this _____ day of _____, 20____, by, by Brad Shultz, Western Region Cleanup and Emergency Response Manager of the Oregon Department of Environmental Quality, on its behalf.

NOTARY PUBLIC FOR OREGON

My commission expires: _____

EXHIBIT A

Legal Description of the Property

The property is located at 1230 SE Crystal Lake Drive in Corvallis, Benton County, Oregon and includes Tax Lots 12502CD00201, 12502DC00100, 12502DC00200, 12502DC00301, 12502CA00100, 12502CA01000, 12502CA01100, 12502CA01200, 12502CA01201, 12502D000100, as are more specifically described below:

TRACT 1, TAX LOT 12502CA00100

A tract of land lying in Section 2, Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, more particularly described as follows:

Beginning at the Southeast corner of that tract conveyed to Charles Sommers per Book 52, Page 543, Benton County Deed Records, said corner lying South 89°55'00" West, 3108.55 feet, North 4°30'00" East, 1311.06 feet, and South 87°31'18" East 921.51 feet from a brass capped monument at the Southeast corner of the J.C. Avery Donation Land Claim No. 41, said township and range; thence along the Sommers Easterly line North 13°29'16" West 51.13 feet to an angle point; thence North 0°14'36" East 388.64 feet to a 5/8 inch iron rod at the Southeast corner of that tract conveyed as 'Parcel 1' to the City of Corvallis per Book 151, Page 242, said Deed Records; thence leaving the Sommers Easterly line, along the Southerly line of said 'Parcel 1', North 83°00'00" West 285.12 feet to a 5/8 inch iron rod at the Southwest corner thereof, lying on the Westerly line of said Sommers tract; thence along said Westerly line, and a projection thereof, South 3°03'33" West 460.00 feet to a 5/8 inch iron rod; thence South 87°31'18" East 318.12 feet to the point of beginning.

TRACT 4, TAX LOTS 12502DC00100 AND 12502DC00200

A portion of Lot 1, Block 1, Minty Acres Subdivision in Section 2, Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, being more particularly described as follows:

Beginning at a 5/8 inch iron rod at the most Southerly corner of said Lot 1; thence along the Southwesterly line thereof North 42°23'38" West 97.79 feet to the Southerly right of way line of that tract conveyed to City of Corvallis per Microfilm No. 70323-85, Benton County Deed Records; thence along said right of way line, on the arc of a 200.00 foot radius curve right (long chord: South 89°43'44" East 132.46 feet) 135.01 feet to a 5/8 inch iron rod on the Southeasterly line of said Lot 1; thence along said Southeasterly line South 47°41'20" West 89.21 feet to the point of beginning.

TRACT 5, TAX LOT 12502DC00301

A portion of Lot 4, Block 1, Minty Acres Subdivision in Section 2, Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, being more particularly described as follows:

Beginning at a 5/8 inch iron rod on the Northeasterly line of said Lot 4, being also the most Southerly corner of Lot 1, said Block 1; thence crossing said Lot 4, South 47°41'20" West 104.82 feet to a 5/8 inch iron rod on the Southwesterly line of said Lot 4; thence along said line North 42°31'04" West 116.87 feet to a 5/8 inch iron rod at the most Westerly corner of said Lot 4, lying on the Southeasterly right of way line of S.E. Crystal Lake Drive; thence along said right of way line North 40°16'11" East 29.68 feet to a 5/8 inch iron rod; thence along the arc of a 200.00 foot radius curve right (long chord: North 64°31'59" East 79.06 feet)

79.58 feet to the intersection with said Northeasterly line of Lot 4; thence leaving said right of way line South 42°23'38" East 97.79 feet to the point of beginning.

TRACT 6, TAX LOTS 12502CA01200 AND 12502D000100

A tract of land lying in Section 2, Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, more particularly described as follows:

Beginning at the most Southerly corner of 'Parcel 1' of Book 164, Page 609, Benton County Deed Records as conveyed to Evans Products Company, said Southerly corner lying South 89°55'00" West 971.65 feet, North 42°22'50" West 978.68 feet, and North 47°37'50" East 25.00 feet from a brass capped monument at the Southeast corner of the J.C. Avery Donation Land Claim No. 41, said township and range; thence along the Northeasterly right of way line of S.E. Crystal Lake Drive North 42°22'50" West 376.27 feet to the intersection with the Northerly line of a 20 foot right of way for the Southern Pacific Railroad; thence along said railroad right of way line, South 71°03'24" West 139.58 feet; thence South 67°11'46" West 115.80 feet to a 5/8 inch iron rod; thence along the arc of a 1136.28 foot radius curve right (long chord: South 75°07'04" West 322.29 feet) 323.38 feet; thence leaving said right of way line, North 41°47'34" East 108.74 feet to the Southeast corner of that tract conveyed to D.B. Irvin per Book 'S', Page 169, said Deed Records; thence along the Irvin East line, and projection thereof, North 4°26'58" East 349.83 feet to the South line of that tract conveyed to Charles Sommers per Book 52, Page 543, said Deed Records; thence along the Sommers South line South 87°31'18" East 235.49 feet to the Southeast corner thereof; thence along the Sommers East line North 13°29'16" West 51.13 feet to an angle point; thence North 0°14'36" East 388.64 feet to a 5/8 inch iron rod at the Southeast corner of that tract conveyed as 'Parcel 1', to the City of Corvallis per Book 151, Page 242, said Deed Records; thence continuing North 0°14'36" East 40 feet, more or less, to Mary's River; thence down Mary's River, and up the Willamette River, on the low water line on said River's left bank, 1112 feet, more or less, to the most Easterly corner of said 'Parcel 1'; thence leaving said river bank, along the Easterly line thereof, South 47°37'50" West 197 feet, more or less, to a 1/2 inch iron pipe; thence continuing South 47°37'50" West 399.00 feet to the point of beginning.

TRACT 9, TAX LOT 12502CA01000

A tract of land lying in Section 2, Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, more particularly described as follows:

Beginning at the Southwest corner of that tract conveyed to Joseph G. and Munda E. Conn per Book 99, Page 485, Benton County Deed Records, lying South 89°55'00" West 3108.55 feet, North 4°30'00" East 960.84 feet, South 87°35'58" East 274.31 feet to a 5/8 inch iron rod, and South 87°31'18" East 111.48 feet from a brass capped monument at the Southeast corner of the J.C. Avery Donation Land Claim No. 41, said township and range; thence along the Conn West line and projection thereof, North 4°26'58" East 349.83 feet; thence South 87°31'18" East 86.05 feet; thence South 4°26'58" West 20.01 feet to the Conn Northeast corner; thence continuing along the Conn East line South 4°26'58" West 329.82 feet to the Southeast corner thereof; thence North 87°31'18" West 86.05 feet to the point of beginning.

TRACT 10, TAX LOT 12502CA01100

A tract of land lying in Section 2, Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron rod on the South line of tract conveyed to Jesse G. Huffman per Book 'O', Page 381, Benton County Deed Records, at the Northeast corner of that tract conveyed to Edith M. Archibald per Book 177, Page 286, said Deed Records, and lying South 89°55'00" West 3108.55 feet,

North 4°30'00" East 960.84 feet, and South 87°35'58" East 274.31 feet from a brass capped monument at the Southeast corner of the J.C. Avery Donation Land Claim No. 41, said township and range; thence along the Huffman South line South 87°31'18" East 197.53 feet to the Southeast corner of that tract conveyed to Joseph G. and Munda E. Conn per Book 99, Page 485, said Deed Records; thence along the Conn East line, and projection thereof, North 4°26'58" East 349.83 feet; thence South 87°31'18" East 148.50 feet; thence South 4°26'58" West 20.01 feet to the Northeast corner of said Huffman tract; thence along the Huffman East line continuing South 4°26'58" West 329.82 feet to the Southeast corner thereof; thence continuing South 4°26'58" West 84.18 feet to the Northerly line of a 20 foot wide right of way for the Southern Pacific Railroad; thence along said right of way line, on the arc of a 1136.28 foot radius curve right (long chord: South 86°37'05" West 126.29 feet) 126.36 feet to a 1 1/4 inch iron pipe; thence South 89°55'02" West 221.70 feet to the Southeast corner of 'Tract 3' conveyed to Evanite Fiber Corporation per Microfilm No. 57723-84, said Deed Records; thence along the East line thereof, and also the East line of said Archibald tract, North 4°36'29" East 107.00 feet to the point of beginning.

TRACT 11, TAX LOT 12502CA01201

A tract of land lying in Section 2, Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, more particularly described as follows:

Beginning at the southeast corner of that tract conveyed to D.B. Irvin per Book 'S', Page 169, Benton County Deed Records; lying South 87°31'18" East 412.03 feet from a 5/8 inch iron rod, which lies South 89°55'00" West 3108.55 feet. North 4°30'00" East 960.84 feet; and south 87°35'58" East 274.31 feet from a brass capped monument at the Southeast corner of the J.C. Avery Donation Land Claim No. 41, said township and range; thence along the Irvin East line, and projection thereof, North 4°26'58" East 349.83 feet; thence North 87°31'18" West 66.00 feet; thence South 4°26'58" West 20.01 feet to the Irvin Northwest corner, being also the Northeast corner of that tract conveyed to Jesse G. Huffman per Book 'O', Page 381, said Deed Records; thence along the Huffman East line continuing South 4°26'58" West 329.82 feet to the Southeast corner thereof; thence continuing South 4°26'58" West 84.18 feet to the Northerly line of a 20 foot wide right of way for the Southern Pacific Railroad; thence leaving said right of way line North 41°47'34" East 108.74 feet to the point of beginning.

TRACT 12, TAX LOT 12502CD00201

A portion of that tract conveyed to Evans Products Company per Microfilm No. 6403, Benton County Deed Records, lying in Section 2. Township 12 South, Range 5 West, Willamette Meridian, City of Corvallis, Benton County, Oregon, more particularly described as follows:

Beginning at a 3/4 inch iron pipe at the most Easterly corner thereof, lying at the intersection of the Southerly line of a 20 foot wide right of way for the Southern Pacific Railroad with the Northwesterly line of S.E. Crystal Lake Drive, South 89°55'00" West 971.65 feet, North 42°22'50" West 1423.76 feet, and South 40°16'11" West 148.08 feet from a brass capped monument at the Southeast corner of the J.C. Avery Donation Land Claim No. 41, said township and range; thence along said railroad right of way line South 67°11'46" West 76.34 feet to a 3/4 inch iron pipe; thence along the arc of a 1156.28 foot radius curve right (long chord: South 75°49'07" West 355.94 feet) 357.36 feet to a 5/8 inch iron rod; thence leaving said right of way line South 9°58'42" West 23.46 feet to a 5/8 inch iron rod on the Evans Products Southwesterly line; thence along said line South 38°37'30" East 234.06 feet to a 5/8 inch iron rod at the most Southerly corner thereof, on the Northwesterly right of way line for said S.E. Crystal Lake Drive; thence North 40°16'11" East 423.00 feet to the point of beginning.

