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4 IN THE CIRCUIT COURT OF THE STATE OF OREGON  
5 FOR THE COUNTY OF LINN

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

8 Plaintiff,

9 v.

10 MAIN BLOCK INVESTMENTS, HUI, INC.,  
11 and WILLIAM A. RAUCH,

12 Defendants.

Case No. 25CV16122

CONSENT JUDGMENT  
*General Judgment*

**ORS 20.140 - State fees deferred at filing**

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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 Defendants Main Block Investments, HUI,  
5   Inc., and William A. Rauch, (“Defendants”) (collectively, the “Parties”) desire to resolve this  
6   action without litigation and have agreed to entry of the Consent Judgment without admission or  
7   adjudication of any issue of fact or law. The mutual objective of the Parties is to protect public  
8   health, safety, and welfare and the environment by the design and implementation of remedial  
9   measures in accordance with ORS 465.200 through 465.410, regulations promulgated thereto.

10   **Stipulations and Findings**

11           A.   Defendants stipulate:

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

20           B.   DEQ and Defendants stipulate:

- 21                   (1)   For the purposes of this Consent Judgment, the “Facility,” as defined in  
22   ORS 465.200(13), means: (a) 1220 South Main Street, Lebanon, Linn County, in Section 10 ,  
23   Range 2 West, Township 12 South, of the Willamette Meridian (the “Property”); and (b) the full  
24   extent of existing known or unknown contamination by hazardous substances of any media on,  
25   above, or below the Facility, or that has migrated, might have migrated, or hereafter migrates to  
26   anywhere from the Property, including but not limited to the LAWG Site (defined below).

1                   (2) For the purposes of this Consent Judgment, “Matters Addressed” means all  
2 investigation, removal, and remedial actions taken or to be taken and all remedial action costs  
3 incurred or to be incurred at or in connection with a release of hazardous substances at the  
4 Facility.

5           C. DEQ finds, and Defendants neither admits nor denies:

6                   (1) Defendant Main Block Investments is an Oregon partnership. HUI, Inc. was  
7 incorporated in Oregon and is currently in a liquidating trust. Mr. Rauch is the Trustee of the  
8 HUI, Inc. Liquidating Trust; was a shareholder in HUI, Inc.; and is a partner in Main Block  
9 Investments.

10                  (2) The Property was owned by HUI, Inc. from August 1978 to September 1982  
11 and is currently owned by Main Block Investments. The Property is an approximately 0.62 acre  
12 parcel located at 1220 South Main Street, Lebanon, Linn County, in Section 10, Range 2 West,  
13 Township 12 South, of the Willamette Meridian. This area is referred to in this Consent  
14 Judgment as the “Site.” The general location of the Site is shown on Exhibit A to this Consent  
15 Judgment.

16                  (1) The Site is developed with a strip mall consisting of a single-story  
17 commercial building containing several commercial and/or retail businesses. Historically, various  
18 dry cleaner shops including Union Cleaners operated in one of the tenant spaces at the Site,  
19 between 1953 and 1986. Tetrachloroethylene (PCE) was a dry cleaning solvent commonly used  
20 in the dry cleaning industry, and throughout Lebanon, during this time period.

21                  (2) In the late 1980s, PCE was detected in one of the City of Lebanon irrigation  
22 wells in Century Park. Between May 1990 and May 1991 the Oregon Department of Human  
23 Resources’ Health Division conducted a number of well sampling events at the Century Park  
24 well. PCE was detected in the water well samples ranging in concentration from 1.6 micrograms  
25 per liter (µg/L) to 15 µg/L.



1                   (3) The Site lies within the Oregon Department of Environmental Quality  
2 (DEQ)-designated Lebanon Area-Wide Groundwater contamination site in Lebanon, Oregon (the  
3 “LAWG Site”). Groundwater beneath an approximately 0.6 square mile area of downtown  
4 Lebanon is contaminated with PCE and trichloroethylene (TCE) utilized by the dry-cleaning  
5 industry, and other sources.

6                   (4) In 1996, DEQ conducted an Expanded Preliminary Assessment at the Site  
7 and PCE and TCE were detected in groundwater samples collected from the Site, suggesting a  
8 release of PCE and/or TCE had occurred at the Site. PCE and TCE are “hazardous substances”  
9 within the meaning of ORS 465.200(16). The presence of hazardous substances at the Site  
10 constitutes a “release” of hazardous substances within the meaning of ORS 465.200(22), and  
11 makes the Site a “facility” within the meaning of ORS 465.200(13).

12                  (5) The former Union Cleaners II facility and several other facilities are within  
13 the LAWG Site boundaries. Groundwater impacts have affected the beneficial use of domestic  
14 water wells that draw ground water from contaminated aquifers. DEQ and potentially responsible  
15 parties have taken actions to investigate and cleanup the ground water contamination since the  
16 early 1990s.

17                  (6) On October 10, 1994, DEQ declared the LAWG Site an Orphan Site,  
18 authorizing the use of the state’s Orphan Site Account to fund the initial investigations for the  
19 area-wide groundwater contamination problem, with the understanding that DEQ would seek  
20 reimbursement from responsible parties who contributed to groundwater contamination in the  
21 area.

22                  (7) On August 26, 2010 the Site was entered into the voluntary cleanup program  
23 to complete a remedial investigation. The purpose of remedial investigation is to identify the  
24 potential exposure of the public and environment to hazardous substances pending selection of a  
25 final remedial action for the Site.

1 (8) Groundwater samples collected from monitoring wells at the Site between  
2 September 2013 through June 2014 indicated that dissolved chlorinated VOCs including PCE and  
3 TCE were distributed broadly in all water bearing zones.

4 (9) The sampling data to date show that the Site is a likely contributing source to  
5 the area-wide chlorinated VOC groundwater contamination.

6 (10) In August 2012, to address intrusion of soil vapors into indoor air,  
7 engineering controls were implemented as an Interim Remedial Action Measure and included  
8 installing and operating a sub slab depressurization system (SSD) beneath the existing Site  
9 building.

10 (11) In July 2019 a Remedial Action (RA) Work Plan was submitted to DEQ and  
11 subsequently approved by DEQ. The approved RA included targeted in-situ bioremediation to  
12 treat shallow groundwater contamination at the Site and in the vicinity of the Site, and the  
13 development of a Contaminated Media Management Plan (CMMP). The groundwater treatment  
14 activities were implemented between November 2020 and November 2022, including eight  
15 quarters of performance monitoring. The RA was effective in significantly reducing shallow  
16 groundwater VOC concentrations at, and in the immediate vicinity, of the Site.

17 (12) In February 2024 DEQ approved the CMMP and an Operation and  
18 Maintenance Plan (O&M Plan) for the Property. The CMMP describes the impacted media  
19 remaining at the site, details contractor and field personnel and permitting requirements, and  
20 provides requirements for managing impacted media in a manner that is protective of human  
21 health and the environment. The O&M Plan outlines the operation and maintenance required for  
22 the SSD system beneath the building at the Property.

23 (13) On November 1, 2017, DEQ published notice of the proposed remedial  
24 action for the LAWG Site and provided opportunity for public comment in accordance with  
25 ORS 465.320(1) and 465.325(4)(d). A public meeting was held on November 16, 2017. The  
26 comment period ended on November 30, 2017. No written comments were received. Comments

1 received during the public meeting were considered by DEQ, as documented in the administrative  
2 record.

3 (14) DEQ's Western Region Cleanup and Emergency Response Manager selected  
4 the remedial action for the LAWG Site set forth in a Record of Decision dated  
5 April 18, 2018 ("ROD"). The remedial action selected in the ROD requires the following:

- 6 • Periodic beneficial use evaluations
- 7 • Sampling of private water supply wells
- 8 • A provision of providing alternative water supplies to affected well owners
- 9 • Institutional Controls
- 10 • Monitored natural attenuation

11 (15) DEQ has accrued costs in excess of \$1.7 million associated with  
12 investigating the Lebanon Area-wide Groundwater Contamination project to date. The ROD  
13 estimates the long term costs for implementing the remedial action for the area-wide project at  
14 \$1.5 million.

15 (16) Defendants are each a "person" within the meaning of ORS 465.200(21), and  
16 a potentially liable person under ORS 465.255.

17 (17) Contaminants described in 2(C)(5) are "hazardous substances" within the  
18 meaning of ORS 465.200(16). The presence of these hazardous substances in soil and  
19 groundwater at the Site constitutes a "release" or "threat of release" to the environment within the  
20 meaning of ORS 465.200(22).

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

(19) On August 31, 2023, DEQ published notice of this proposed Consent Judgment and remedial action for the Site and provided opportunity for public comment in accordance with ORS 465.320(1) and 465.325(4)(d). The comment period ended October 2, 2023. One comment letter was received from the Oregon Department of Transportation (ODOT). ODOT raised concerns about added costs associated with handling of contaminated soils or groundwater they might encounter, the enforceability of the CMMP requirements in the right-of-way (ROW), and releasing the responsible party from liability for contamination in the ROW. To respond to ODOT's concerns, DEQ will work in good faith to negotiate an agreement with ODOT in which DEQ would reimburse ODOT for future costs associated with management of contamination in their ROW, up to an agreed upon amount.

**3. Work to be Performed**

**A. Institutional and Engineering Controls**

Defendants will institute the institutional and engineering controls, including site restrictions, and implementation of the CMMP and O&M Plan, which are further described in Section 3.D, below.

**B. Periodic Review**

At least once every five years, DEQ may 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.

**C. Additional Measures**

Defendants may elect at any time during the term of this Consent Judgment to undertake measures, beyond those required under this Consent Judgment and the Work Plan, necessary 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

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

3 D. Site Restrictions

4 (1) Site restrictions shall include:

- 5 1. Groundwater use restriction.
- 6 2. Vapor resistant construction for new buildings constructed at the Property
- 7 3. Adhering to the CMMP
- 8 4. Adhering to the O&M Plan for the SSD system

9 (2) Within 30 days of entry of this Consent Judgment, Defendants will record with  
10 the County Clerk, Linn County, an Easement and Equitable Servitude substantially in the form  
11 attached to this Consent Judgment as Exhibit B. Any alterations must be approved by DEQ.  
12 Defendants will provide DEQ a file-stamped copy of the Easement and Equitable Servitude  
13 within five working days of recording.

14 (3) Property subject to the Easement and Equitable Servitude may be freely  
15 alienated at any time after recording; provided, the deed or other instrument of conveyance from  
16 Defendants must refer to or incorporate the Easement and Equitable Servitude. Any deed, title, or  
17 other instrument of conveyance regarding real property owned by Defendants within the Site must  
18 reserve such access (by easement, right-of-way, or otherwise) as might be necessary to carry out  
19 Defendant's obligations under this Consent Judgment.

20 E. Payment of LAWG Site Remedial Action Costs

21 (1) Within 30 days of entry of this Consent Judgment by the Court, and so long as  
22 the Court's entry of the Consent Judgment is not appealed or otherwise set aside or vacated,  
23 \$500,000 will be paid to DEQ by or on behalf of Defendants in full and final settlement of DEQ's  
24 claims against Defendants in connection with the LAWG Site. Payment must be made payable to  
25 "Hazardous Substances Remedial Action Fund," and mailed to: DEQ at 700 NE Multnomah  
26

Street, Suite 600, Portland, Oregon 97232. The check(s) must reference: "Union Cleaners II Lebanon Area-Wide settlement."

(2) In the event the Court's entry of this Consent Judgment is appealed but upheld, within 30 days of such final resolution, \$500,000 will be paid to DEQ as described in Section 3.F(1). Upon payment to DEQ, sole legal and equitable right, title, and interest in such money and interest earned on the money irrevocably vests in the State of Oregon, and Defendants waive, discharge, and release any claim to or recourse against the money.

(3) Upon receipt of payment from or on behalf of Defendants, DEQ will deposit the payment into an interest-bearing site-specific account within the Hazardous Substances Remedial Action Fund. All moneys paid by or on behalf of Defendants pursuant to this Consent Judgment, including interest earned, will be used by DEQ for reimbursement of past and future DEQ costs associated with remedial action at the LAWG Site. Any funds remaining after these uses may be used by DEQ at its sole discretion to address releases of hazardous substances at any other location,

#### **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:  
Donald E. Hanson, R.G.  
Department of Environmental Quality  
Western Region  
165 E. 7<sup>th</sup> Avenue, Suite 100  
Eugene, OR 97401  
Phone: 503-329-7391  
Email: don.hanson@deq.oregon.gov

Defendants Project Manager  
Lynn D. Green, C.E.G.  
Principal Engineering Geologist  
EVREN Northwest, Inc.  
P.O. Box 14888  
Portland, OR 97293  
Phone: 503-452-5562  
Email: [lynng@evren-nw.com](mailto:lynng@evren-nw.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 Work Plan.

1           B.   Supervising Contractor

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

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

15          (3) If, during the course of work required under this Consent Judgment,  
16 Defendants propose to change its supervising contractor, Defendants will notify DEQ in  
17 accordance with the provisions of the preceding paragraph. DEQ may disapprove such  
18 contractor, under the terms and schedule specified in the preceding paragraph.

19          C.   DEQ Approvals

20          (1) Where DEQ review and approval is required for any plan or activity under this  
21 Consent Judgment, Defendants may not proceed to implement the plan or activity until DEQ  
22 approval is received. Any DEQ delay in granting or denying approval correspondingly extends  
23 the time for completion by Defendants. Prior approval is not required in emergencies; provided,  
24 Defendants will notify DEQ immediately after the emergency and evaluate the impact of its  
25 actions.

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

5                   (3) In the event of DEQ disapproval or request for modification of a submission,  
6 Defendants will, within 30 days of receipt of the DEQ notice or such longer time as may be  
7 specified in the notice, correct the deficiencies and resubmit the revised report or other item for  
8 approval.

9                   (4) In the event of two deficient submittals of the same deliverable that are  
10 deficient for the same reasons due to Defendants' failure in good faith to cure the original  
11 deficiency, DEQ may modify the submission to cure the deficiency.

12                   (5) In the event of approval or modification of a submission by DEQ, Defendants  
13 will implement the action(s) required by the plan, report, or other item, as so approved or  
14 modified, or invoke dispute resolution under Subsection 4.M.

15           D. Access to Property

16                   (1) Defendants will allow DEQ to enter all portions of the Site owned by or under  
17 the control of Defendants at all reasonable times for the purpose of overseeing Defendants'  
18 performance under this Consent Judgment, including but not limited to inspecting records relating  
19 to work under this Consent Judgment, conducting such tests and taking such samples as DEQ  
20 deems necessary, verifying data submitted to DEQ by Defendants, conducting periodic review,  
21 and using camera, sound recording, or other recording equipment. DEQ will make available to  
22 Defendants, upon Defendants' request, any photographs or recorded or videotaped material taken.

23                   (2) Defendants will seek to obtain access to property not owned or controlled by  
24 Defendants as necessary to perform the work required in this Consent Judgment, including access  
25 by DEQ for purposes described in Paragraph 4.D.(1). DEQ may use its statutory authority to  
26



1 obtain access to property on behalf of Defendants if DEQ determines that access is necessary, and  
2 that Defendants have exhausted all good faith efforts to obtain access.

3 E. Records

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

9 (2) Defendants will preserve all records and documents in possession or control of  
10 Defendants or its employees, agents, or contractors that relate in any way to activities under this  
11 Consent Judgment for at least five years after certification of completion under Section 8. Upon  
12 DEQ's request, Defendants will provide to DEQ, or make available for copying by DEQ, copies  
13 of non-privileged records. For a period of 10 years after certification of completion, Defendants  
14 will provide DEQ 60 days' notice before destruction or other disposal of such records or  
15 documents. Ten years after certification of completion, Defendants have no further obligation to  
16 preserve documents or records.

17 (3) Subject to Paragraph 4.E.(4), Defendants may assert a claim of confidentiality  
18 under the Oregon Public Records Law regarding any documents or records submitted to or copied  
19 by DEQ pursuant to this Consent Judgment. DEQ will treat documents and records for which a  
20 claim of confidentiality has been made in accordance with ORS 192.410 through 192.505. If  
21 Defendants do not make a claim of confidentiality at the time the documents or records are  
22 submitted to or copied by DEQ, the documents or records may be made available to the public  
23 without notice to Defendants.

24 (4) Defendants will identify to DEQ (by addressor-addressee, date, general subject  
25 matter, and distribution) any document, record, or item withheld from DEQ on the basis of  
26 attorney-client or attorney work product privilege, except to the extent that such identifying

1 information is itself subject to a privilege. Attorney-client or work product privilege may not be  
2 asserted with respect to any records required to be submitted under Paragraph 4.E.(1). DEQ  
3 reserves its rights under law to obtain documents DEQ asserts are improperly withheld by  
4 Defendants.

5 F. Notice and Samples

6 (1) Defendants will make every reasonable effort to notify DEQ of any excavation,  
7 drilling, sampling, or other fieldwork to be conducted under this Consent Judgment at least five  
8 working days before such activity, but in no event less than 24 hours before such activity. Upon  
9 DEQ's verbal request, Defendants will make every reasonable effort to provide a split or  
10 duplicate sample to DEQ or allow DEQ to take a split or duplicate of any sample taken by  
11 Defendants while performing work under this Consent Judgment. DEQ will provide Defendants  
12 with copies of all analytical data from such samples as soon as practicable.

13 (2) If DEQ conducts any sampling or analysis in connection with this Consent  
14 Judgment, DEQ will, except in an emergency, make every reasonable effort to notify Defendants  
15 of any excavation, drilling, sampling, or other fieldwork at least 72 hours before such activity.  
16 Upon Defendants' verbal request, DEQ will make every reasonable effort to provide a split or  
17 duplicate sample to Defendants or allow Defendants to take a split or duplicate of any sample  
18 taken by DEQ and will provide Defendants with copies of all analytical data for such samples.  
19 Defendants will provide DEQ with copies of all analytical data from such samples as soon as  
20 practicable.

21 G. Quality Assurance

22 (1) Defendants will conduct all sampling, sample transport, and sample analysis in  
23 accordance with the Quality Assurance/ Quality Control (QA/QC) provisions approved by DEQ  
24 as part of the work plan. All plans prepared and work conducted as part of this Consent Judgment  
25 must be consistent with DEQ's *Environmental Cleanup Quality Assurance Policy* (DEQ10-LQ-  
26

0063-QAG). Defendants will make every reasonable effort to ensure that each laboratory used by Defendants for analysis performs such analyses in accordance with such provisions.

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

H. [Reserved]

I. Other Applicable Laws

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

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

J. [Reserved]

K. Reimbursement of DEQ Costs

(1) DEQ will submit to Defendants a monthly invoice of costs incurred by DEQ on or after December 1, 2021 in connection with development and approval of this Consent

1 Judgment and any activities related to the oversight and periodic review of Defendant's  
2 implementation of this Consent Judgment at the Site. Each invoice must include a summary of  
3 costs billed to date.

4 (2) DEQ oversight costs payable by Defendants 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  
12 work logs, payroll records, receipts, and other documents to document work performed and  
13 expenses incurred under this Consent Judgment and, upon request, will provide copies of such  
14 records to Defendant.

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

21 (4) Defendants will pay simple interest of 9% per annum on the unpaid balance of  
22 any DEQ oversight costs, which interest will begin to accrue at the end of the 30-day payment  
23 period, unless dispute resolution has been invoked. Interest on any amount disputed under  
24 Subsection 4.M. will begin to accrue 30 days from final resolution of any such dispute.

1           L.    Force Majeure

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

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

19           M.   Dispute Resolution

20                  (1) Except as provided in Paragraph 4.M.(4), if Defendants disagree with DEQ  
21 regarding any matter relating to this Consent Judgment, Defendants will promptly notify DEQ in  
22 writing of its objection. DEQ and Defendants then will make a good-faith effort to resolve the  
23 disagreement within 14 days of Defendants' written objection. At the end of the 14-day period,  
24 DEQ will provide Defendants with a written statement of its position from DEQ's Western  
25 Region Cleanup Manager. If Defendants still disagree with DEQ's position, then Defendants,  
26 within 14 days of receipt of DEQ's position from the Western Region Cleanup Manager, will

1 provide Defendants' position and rationale in writing to DEQ's Western Region Administrator.  
2 The Regional Administrator may discuss the disputed matter with Defendants and, in any event,  
3 will provide Defendants with DEQ's final position in writing as soon as practicable after receipt  
4 of Defendants' written position.

5 (2) If Defendants refuse or fail to follow DEQ's final position pursuant to  
6 Paragraph 4.M.(1), and DEQ seeks to enforce its final position, the Parties, subject to Subsection  
7 2.A., are entitled to such rights, remedies, and defenses as are provided by applicable law.

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

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

17 N. Stipulated Penalties

18 (1) Subject to Subsections 4.C., 4.L., and 4.M., upon any violation by Defendants  
19 of any provision of this Consent Judgment, and upon Defendants' receipt from DEQ of written  
20 notice of violation and penalty assessment, Defendants will pay the stipulated penalties set forth  
21 in the following schedule:

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

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

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

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

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

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

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

7 (iii) failure to record or comply with an Easement and Equitable  
8 Servitude.

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

11 (i) failure to submit reports in accordance with the WP's schedule and  
12 terms; or

13 (ii) any other violation of the Consent Judgment or approved WP.

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

16 (3) Stipulated penalties do not begin to accrue under this subsection until  
17 Defendants receive a notice of violation from DEQ describing the violation and what is necessary  
18 to correct it. If the violation was not intentional, and is capable of cure, and Defendants correct  
19 the violation within 30 days of receipt of such notice of violation or such other period as may be  
20 specified in the notice, DEQ in its sole discretion may waive in writing the stipulated penalties.  
21 This opportunity to cure does not apply to violations subject to Subparagraph 4.N.(1)(a).

22 (4) Defendants will, within 30 days of receipt of the notice, pay the amount of  
23 such stipulated penalty not waived by DEQ as provided in Paragraph 4.N.(3), by check made  
24 payable to the "State of Oregon, Hazardous Substance Remedial Action Fund." Defendants will  
25 pay simple interest of 9% per annum on the unpaid balance of any stipulated penalties, which  
26

1 interest begins to accrue at the end of the 30-day payment period. Any unpaid amounts are a  
2 liquidated debt collectible under ORS 293.250 and other applicable law.

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

6 O. Effect of Consent Judgment

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

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

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

16 (4) Subject to Paragraph 2.A.(4), nothing in this Consent Judgment prevents DEQ,  
17 the State of Oregon, or Defendants from exercising any rights each might have against any person  
18 not a party to this Consent Judgment.

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

22 (6) DEQ and Defendants intend for this Consent Judgment to be construed as a  
23 judicially-approved settlement, by which Defendants have resolved their liability to the State of  
24 Oregon, within the meaning of Section 113(f)(2) of the Comprehensive Environmental Response,  
25 Compensation and Liability Act (CERCLA), 42 U.S.C. § 9613(f)(2), regarding Matters  
26



1 Addressed, and for Defendants not to be liable for claims for contribution regarding Matters  
2 Addressed to the extent provided by Section 113(f)(2) of CERCLA, 42 U.S.C. §§ 9613(f)(2).

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

5 P. Indemnification and Insurance

6 (1) Defendants will indemnify and hold harmless the State of Oregon and its  
7 commissions, agencies, officers, employees, contractors, and agents from and against any and all  
8 claims arising from acts or omissions related to this Consent Judgment of Defendants or their  
9 officers, employees, contractors, agents, receivers, trustees, or assigns. DEQ may not be  
10 considered a party to any contracts made by Defendants or their agents in carrying out activities  
11 under this Consent Judgment.

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

20 (3) Before commencing any onsite work under this Consent Judgment, Defendants  
21 must obtain and maintain for the duration of this Consent Judgment comprehensive general  
22 liability and automobile insurance with limits of \$1 million, combined single limit per occurrence,  
23 naming as an additional insured the State of Oregon. Upon DEQ request, Defendants will provide  
24 DEQ a copy or other evidence of the insurance. If Defendants demonstrate by evidence  
25 satisfactory to DEQ that its contractor(s) or subcontractor(s) maintain equivalent coverage, or  
26 coverage for the same risks but in a lesser amount or for a lesser term, then Defendants may

1 provide only that portion of the insurance that is not maintained by its contractor(s) or  
2 subcontractor(s).

3 Q. Parties Bound

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

9 R. Modification

10 DEQ and Defendants may modify this Consent Judgment by written agreement, subject to  
11 approval by this Court. DEQ and Defendants may modify the WP or a work plan without having  
12 to obtain court approval.

13 S. Service

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

20 **5. Contribution Actions**

21 A. Pursuant to ORS 465.325(6)(b), Defendants are not liable for claims for contribution  
22 regarding Matters Addressed.

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

1     **Covenant Not to Sue by State of Oregon**

2             A.     Subject to Subsection 6.B., the State of Oregon covenants not to sue or take any  
3     other judicial or administrative action against Defendants concerning any liability to the State of  
4     Oregon under ORS 465.200 to 465.455 and 465.900 regarding Matters Addressed. This covenant  
5     not to sue is effective with regard to the Site upon certification of completion under Section 8.  
6     The covenant not to sue is effective with regard to the Facility, including but not limited to the  
7     LAWG Site, but excluding the Site, upon receipt of the \$500,000 payment by or on behalf of  
8     Defendants pursuant to Subsection 3.F.

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

12                (1)   Failure of remedial action;

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

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

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

20                (5)   Claims based on criminal liability;

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

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

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

1     **7. Liability Release by DEQ**

2             A. Subject to Subsection 7.B., DEQ releases Defendants from liability to DEQ under  
3 any federal or state statute, regulation, or common law, including but not limited to the  
4 Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C.  
5 § 9601 et seq., regarding the release or threatened release of hazardous substances at the Facility.  
6 This release from liability is effective with regard to the Site upon certification of completion  
7 under Section 8. The release is effective with regard to the Facility, including but not limited to  
8 the LAWG Site, but excluding the Site, upon receipt of the \$500,000 payment by or on behalf of  
9 Defendants pursuant to Subsection 4.A or B.


10            B. DEQ reserves all rights against Defendants with respect to any matter not expressly  
11 included in the release from liability set forth in Subsection 7.A., including but not limited to:

- 12                   (1) Failure of remedial action;
- 13                   (2) Information unknown to DEQ at the time of certification of completion  
14 showing that the remedial action is not protective of public health, safety, and welfare or the  
15 environment;
- 16                   (3) Claims based on failure by Defendants to meet any applicable requirement of  
17 this Consent Judgment;
- 18                   (4) Liability arising from disposal of hazardous substances removed from the Site  
19 by Defendant;
- 20                   (5) Claims based on criminal liability;
- 21                   (6) Any matters as to which the State of Oregon is owed indemnification by the  
22 Defendants under Subsection 4.P.;
- 23                   (7) Liability for violations of federal or state law by the Defendants occurring  
24 during implementation of the work required under this Consent Judgment; and
- 25                   (8) Liability for oversight costs incurred by DEQ in connection with this Consent  
26 Judgment.

A. Upon Defendants' completion of work at the Site in accordance with the Scope of Work, Defendants will submit a final closeout report to DEQ signed both by an Oregon-registered geologist and Defendants' Project Manager certifying that the remedial action for the Site has been completed in accordance with this Consent Judgment. The report must summarize the work performed and include all necessary supporting documentation.

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

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



**Circuit Court Judge, Thomas A. McHill**

1 STATE OF OREGON, DEPARTMENT OF ENVIRONMENTAL QUALITY

2  
3 By: Keith Andersen Date: 01/29/2025  
4 Keith Andersen  
5 Western Region Administrator


6 By: Gary Vrooman Date: 03/17/2025  
7 Gary Vrooman, OSB No. 075832  
8 Assistant Attorney General  
9 Oregon Department of Justice  
10 100 SW Market St.  
11 Portland, OR 97201-5702  
12 Attorney for DEQ


13  
14 MAIN BLOCK INVESTMENTS

15 By: William Rauch Date: 01/29/2025  
16 William A. Rauch


17 By: Christopher R. Hermann Date: 02/24/2025  
18 Christopher R. Hermann, OSB No. 872520  
19 Carl Mackie Power Ross LLP  
20 300 Oswego Pointe Drive, Suite 103  
21 Lake Oswego, OR 97034  
22 Attorney for Main Block Investments  
23  
24  
25  
26


HUI, INC.

By:   
William A. Rauch Date: 01/29/2025

By:   
Christopher R. Hermann, OSB No. 872520  
Carl Mackie Power Ross LLP  
300 Oswego Pointe Drive, Suite 103  
Lake Oswego, OR 97034  
Attorney for Main Block Investments

WILLIAM A. RAUCH

By:   
William A. Rauch Date: 01/29/2025

By:   
Christopher R. Hermann, OSB No. 872520  
Carl Mackie Power Ross LLP  
300 Oswego Pointe Drive, Suite 103  
Lake Oswego, OR 97034  
Attorney for Main Block Investments

1  
2 CERTIFICATE OF COMPLIANCE with UTCR 5.100  
3

4 The Parties to this to this action have stipulated to and approved of the Consent Judgment  
5 pursuant to ORS 465.325 and ORS 465.327.

6 This proposed order or judgment is ready for judicial signature because:

7 1. ☒ Each opposing party affected by this order or judgment has stipulated to the order  
8 or judgment, as shown by each opposing party's signature on the document being submitted.

9 2. ☒ Each opposing party affected by this order or judgment has approved the order or  
10 judgment, as shown by signature on the document being submitted or by written confirmation of  
11 approval sent to me.

12 3. ☐ I have served a copy of this order or judgment on all parties entitled to service and:

13 a. ☐ No objection has been served on me.

14 b. ☐ I received objections that I could not resolve with the opposing party despite  
15 reasonable efforts to do so. I have filed a copy of the objections I received and indicated which  
16 objections remain unresolved.

17 c. ☐ After conferring about objections, [role and name of opposing party] agreed to  
18 independently file any remaining objection.

19 4. ☐ The relief sought is against an opposing party who has been found in default.

20 5. ☐ An order of default is being requested with this proposed judgment.

21 6. ☐ Service is not required pursuant to subsection (3) of this rule, or by statute, rule, or  
22 otherwise.

23 ///

24 ///

25 ///

26 ///



7. [ ] This is a proposed judgment that includes an award of punitive damages and notice has been served on the Director of the Crime Victims' Assistance Section as required by subsection (4) of this rule.

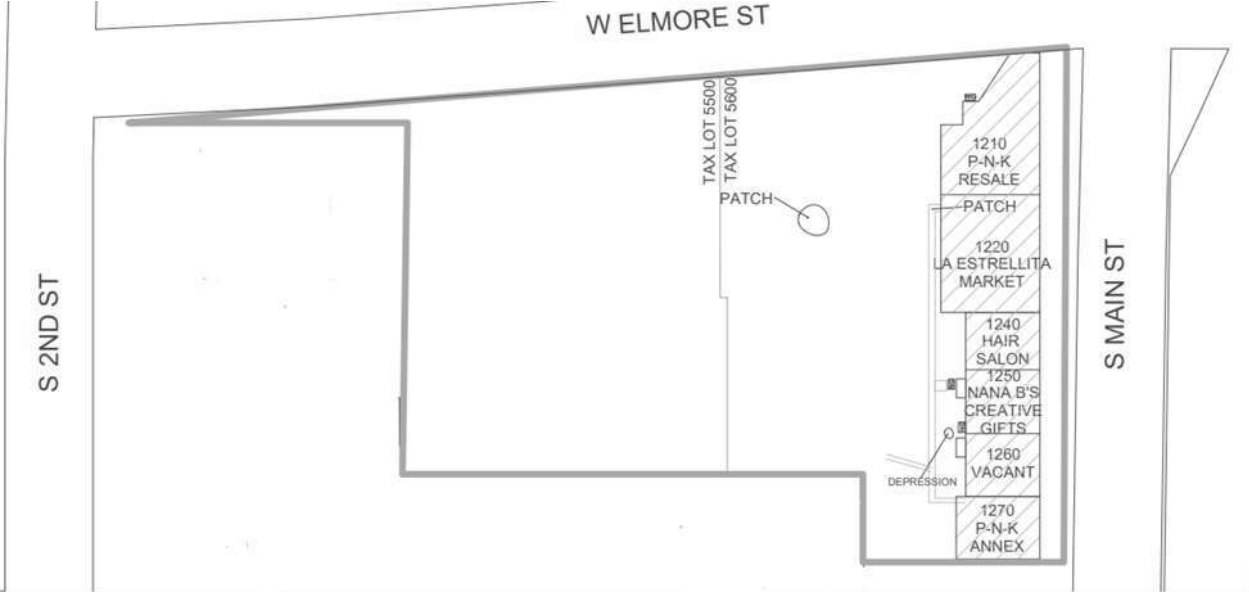
DATED this 17<sup>th</sup> day of March, 2025

DAN RAYFIELD  
Attorney General

*Gary Vrooman*

Gary L. Vrooman, #075832  
Assistant Attorney General  
Of Attorneys for Department of Revenue,  
State of Oregon, Defendant  
Gary.L.Vrooman@doj.oregon.gov

EXHIBIT A  
FACILITY MAP



## EXHIBIT B

### EASEMENT AND EQUITABLE SERVITUDES

*After recording, return to:*

**Grantee**

Oregon DEQ  
165 E. 7<sup>th</sup> Avenue, Suite 100  
Eugene, OR 97401  
Attention: Don Hanson

**Grantor**

Main Block Investments  
884 Park Street  
Lebanon, Oregon 97355  
Attention: William A. Rauch

### EASEMENT AND EQUITABLE SERVITUDES

This grant of Easement and acceptance of Equitable Servitudes (“EES”) is made on [date], 2024 between Main Block Investments (“Grantor”) and the State of Oregon, acting by and through the Oregon Department of Environmental Quality (“DEQ” or “Grantee”).

### RECITALS

1. Grantor is the owner of certain real property located in 1220 South Main Street in Lebanon, Linn County (the “Property”), the location of which is more particularly described in Exhibit A to this EES and is generally illustrated on Exhibit B. The Property is referenced under the name Union Cleaners II, ECSI# 1699 in the files of DEQ’s Environmental Cleanup Program at the Western Region office located at 165 E. 7<sup>th</sup> Avenue, Suite 100, Eugene Oregon. 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 Remedial Action Work Plan (RAWP), Former Union Cleaners II Property, 1220 South Main Street, Lebanon, Oregon, dated July 23, 2019 (“RAWP”).

2. On May 18, 2021, the Director of the Oregon Department of Environmental Quality or delegate selected the remedial action for the Property set forth in the RAWP. The remedial action selected requires, among other things, compliance with a contaminated media management plan.

3. On [REDACTED], 2024, Grantor entered into a Consent Judgment (in the circuit court of Oregon, County of Linn, [Docket Number]) ("Consent Judgment") with DEQ, under which Grantor agreed to implement the selected remedial action, including the required institutional controls.

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

5. Nothing in this EES constitutes an admission by Grantor of any liability for the contamination described herein.

## **1. DEFINITIONS**

- 1.1. "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.
- 1.2. "Owner" means any person or entity, including Grantor, who at any time owns fee simple title 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 fee simple 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 security for the payment of an obligation and does not possess or control use of the Property.

## **2. GENERAL DECLARATION**

- 2.1. Grantor, in consideration of Grantee entering 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. The equitable servitudes granted in Section 3 and easement granted in Section 4 below run with the land for all purposes, are binding upon all current and future owners of the Property as set forth in this EES and inure 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 for consumption or other beneficial use. 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 wastewater according to the approved Contaminated Media Management Plan (CMMP) (Section 3.2) and applicable laws.
- 3.2. **Contaminated Media Management Plan.** Owner shall ensure that the DEQ-approved CMMP is followed during all ground disturbing activities at the site to prevent unacceptable exposure to contaminated soil, groundwater and vapors. DEQ approved the CMMP on September 11, 2024. The Owner shall maintain the CMMP and convey the plan to future owners. The CMMP may be amended from time to time with DEQ's written approval. The CMMP can be viewed at [insert URL].
- 3.3. **Vapor Mitigation Engineering Control.** Except upon prior written approval from DEQ, Owner must maintain vapor mitigation engineering controls consisting of a passive sub-slab ventilation system (SSV) at the Property, in accordance with the DEQ-approved Operation and Maintenance Plan that began operation in March 2013, to prevent unacceptable risks to people using the building. If new buildings are constructed at the site, a new vapor mitigation system will be needed to replace the original, unless further investigation demonstrates that a system is not required to protect human health and the environment, with approval by the DEQ. DEQ approved the SSV Operation and Maintenance Plan on September 11, 2024. The Owner shall maintain the SSV Operation and Maintenance Plan and convey the plan to future owners. The SSV Operation and Maintenance Plan may be amended from time to time with DEQ's written approval. The SSV Operation and Maintenance Plan can be viewed at [insert URL].
- 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 privacy and 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. DEQ may enter upon the Property 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. Except when necessary to address an imminent threat to human health or the environment, DEQ will notify the Owner 72 hours before DEQ entry to the Property. 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 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 fee interest in 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 Linn County zoning code or any successor code. As of the date of this EES, the base zone of the Property is highway commercial.
- 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 and recorded in the deed records of Linn County, 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 Consent Judgment or seek available legal or equitable remedies to enforce this EES, including civil penalties as set forth in ORS 465.900.

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: Main Block Investments**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
William A. Rauch, [Title]

STATE OF OREGON)

) ss.

County of Linn )

The foregoing instrument is acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by \_\_\_\_\_ of Main Block Investments, on its behalf.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON

My commission expires: \_\_\_\_\_

**Grantee:** State of Oregon, Department of Environmental Quality

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Brad Shultz, Cleanup and Emergency Response Manager, Western Region

STATE OF OREGON )

) ss.

County of Lane )

The foregoing instrument is acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by \_\_\_\_\_ of the Oregon Department of Environmental Quality, on its behalf.

NOTARY PUBLIC FOR OREGON

My commission expires: \_\_\_\_\_



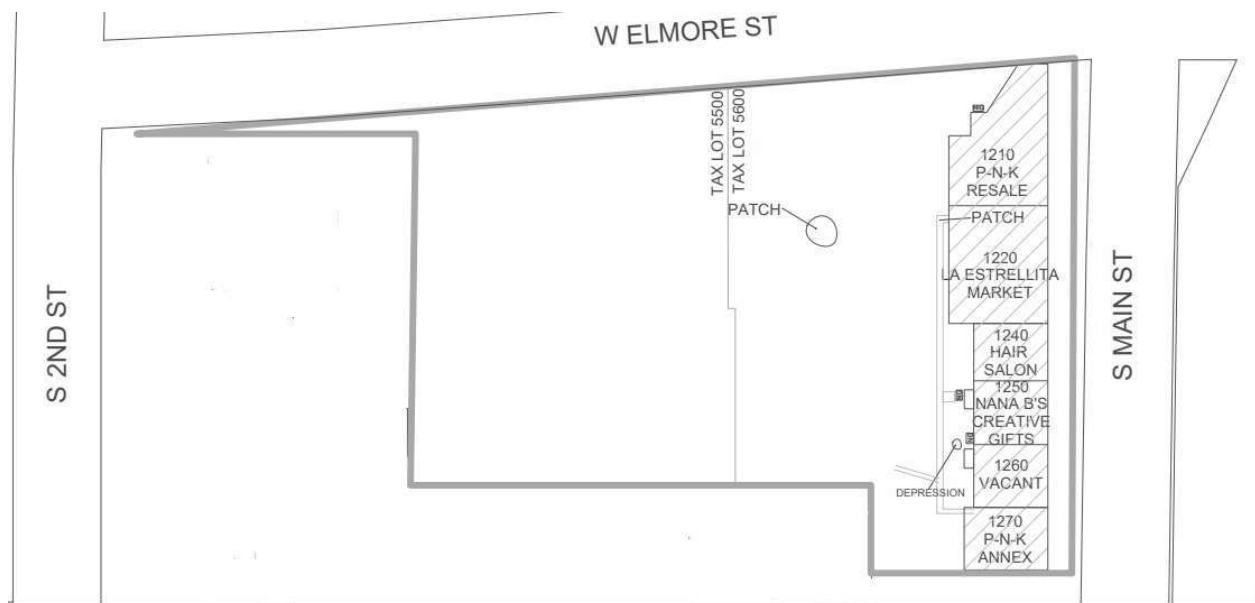
## **EXHIBIT A (to EES)**

### **Legal Description of the Property**

Part of Sections 10 and 15 in Township 12 South, Range 2 West of the Willamette Meridian in Linn County, Oregon more particularly described as: Beginning at a point 60 feet West and 560 feet North of the Southwest corner of Block 24 in William Ralston's Addition to Lebanon, Linn County, Oregon, as the same appears from the plat of said Addition now recorded in the Office of the Recorder of said County, said point being the Northeast corner of land heretofore sold and conveyed by William Ralston to Polly A. Morris; thence North 89°50' West 10 feet to the West line of that tract of land conveyed to the City of Lebanon, by deeds recorded December 10, 1947 in Book 197, Page 815 and Book 197, Page 613, Deed Records, Linn County, Oregon; thence North along the said West line of the said City of Lebanon tract 68 feet, more or less, to the most Southerly North line of that tract of land conveyed to Walter James Gazeley, et ux by deed recorded January 4, 1951, in Book 216, Page 857, Deed Records Linn County, Oregon and the true point of beginning; thence West along the North line of the said Gazeley tract 60 feet; thence North 32 feet to the most Westerly Northeast corner of the said Gazeley tract; thence West along the North line of the said Gazeley tract 165 feet, more or less to the East line of that tract of land conveyed to O.D. Swanson, et ux, by deed recorded June 5, 1950 in Book 215, Page 196, Deed Records, Linn County, Oregon; thence North along the East lines of the said Swanson tract and those tracts conveyed to Thomas Gazeley, et ux, by deed recorded August 6, 1954 in Book 238, Page 826, Deed Records, Linn County, Oregon and to Mabel Wells by deed recorded February 25, 1946 in Book 176, Page 515 Deed Records, to the Northeast corner of the said Wells tract; thence West along the said North line of the said Wells. tract to an iron pipe on the East line of Second Street; thence North 85°35' East along the South line of Elmore Street as established by that tract conveyed to the City of Lebanon by Deed recorded March 21, 1955 in Book 242, Page 112, Deed Records, Linn County, Oregon to the west line of that tract of land conveyed to Thomas H. Gazeley, et ux by deed recorded May 8, 1950 in Book 214, Page 669, Deed Records, Linn County, Oregon; thence South along the West line of the said Gazeley tract to the southwest corner thereof; thence East along the South line of the said Gazeley tract 50 feet, more or less to the West line of the City of Lebanon tract described in deeds recorded in Book 197, Page 813 and Book 197, Page 815, Deed Records; thence South along the West line of the said City of Lebanon tract to the true point of beginning, Linn county, Oregon.

**EXHIBIT B (to EES)**

**Drawing Generally Depicting the Property**



**Exhibit C**  
**Service List**

For Plaintiff:

Gary Vrooman, OSB No. 075832  
Assistant Attorney General  
Oregon Department of Justice  
100 SW Market St.  
Portland, OR 97201-5702

For Defendants:

Christopher R. Hermann, OSB No. 872520  
Carl Mackie Power Ross LLP  
300 Oswego Pointe Drive, Suite 103  
Lake Oswego, OR 97034

1  
2 **CERTIFICATE OF SERVICE**

3 I certify that on March 17, 2025, I served a true copy of the foregoing of COMPLAINT  
4 and CONSENT JUDGMENT in MAIN BLOCK INVESTMENTS, HUI, INC., and WILLIAM  
5 A. RAUCH, upon the party hereto by the method indicated below, and addressed to the  
6 following:

7  
8 Mr. Christopher R. Hermann  
9 Carle Mackie Power & Ross LLP  
10 300 Oswego Pointe, Suite 103  
Lake Oswego, OR 97034  
Attorney for Defendants

☐ Hand Delivery  
☒ Mail Delivery  
☐ Overnight Mail  
☐ E-Mail

11  
12  
13  
14 *Gary Vrooman*

15 Gary Vrooman, OSB #075832  
16 Assistant Attorney General  
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