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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 9

In the matter of: CARDINAL INDUSTRIAL FINISHES RESPONDENT(S) Proceeding Under Sections 104, 106, and 122 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9604, 9606, and 9622, as amended by the Superfund Amendments and Reauthorization Act of 1986.	U.S. EPA Docket No 95-19 Interim Remedial Investigation and Feasibility Study for the South El Monte Operable Unit

ADMINISTRATIVE CONSENT ORDER

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I. AUTHORITY

A. This Administrative Consent Order ("Consent Order") is entered into pursuant to the authority vested in the President of the United States by Sections 104, 106 and 122 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as amended by the Superfund Amendments and Reauthorization Act of 1986), 42 U.S.C. §§ 9604, 9606, and 9622, ("CERCLA"), and any subsequent amendment of CERCLA that comes into effect during the term of this Consent Order. The President delegated this authority to the Administrator of the United States Environmental Protection Agency ("U.S. EPA" or "Agency") by Executive Order 12580, 52 Fed. Reg. 2923, and further delegated to the Assistant Administrator for Solid Waste and Emergency Response and the Regional Administrators by U.S. EPA Delegation Nos. 14-8-A and 14-14-C. This authority has been redelegated to the Director, Hazardous Waste Management Division, U.S. EPA, Region 9.

B. Cardinal Industrial Finishes (hereinafter referred to as "Respondents" collectively or "Respondent" singularly), consent to and agree not to contest U.S. EPA's jurisdiction to enter into and enforce this Consent Order.

II. STATEMENT OF PURPOSE

A. In entering into this Consent Order, the mutual objectives of U.S. EPA and Respondents are:

1. To conduct the Remedial Investigation ("RI") described

in the Statement of Work ("Statement of Work"), a copy of which is attached as Attachment A and by this reference made a part of this Consent Order, in order to determine fully the nature and extent of contamination and the potential for harm to the public health or welfare or the environment caused by the release or threatened release of hazardous substances, pollutants, or contaminants at, under, or from the South El Monte Operable Unit, San Gabriel Valley Remedial Investigation Area 1 ("SEMOU"), as defined in Section III(A) below. The Statement of Work specifies work to be performed during the RI, including, among other things, collecting soil samples during monitoring well installation, monitoring well installation, groundwater monitoring, aquifer testing, well logging and depth specific sampling, developing a conceptual model. It also includes a list of reports, documents, and other deliverables that Respondents will provide for U.S. EPA review and comment or U.S. EPA review, comment and approval.

2. To conduct the Feasibility Study ("FS") described in the Statement of Work for evaluating remedial action alternatives to respond to the release or threatened release of hazardous substances, pollutants, or contaminants at or from the SEMOU.

3. To undertake all actions required by the terms and conditions of this Consent Order in accordance with the provisions of CERCLA and the National Contingency Plan ("NCP"), 40 C.F.R. Part 300 et seq., as amended.

III. FINDINGS OF FACT

A. Pursuant to Section 105 of CERCLA, the San Gabriel Valley Superfund Sites, Areas 1-4 have been listed on the National Priorities List.

B. U.S. EPA subsequently divided the San Gabriel Valley Superfund Sites, Areas 1-4, into seven areas for further evaluation and remediation purposes.

C. The SEMOU is one of the seven areas mentioned above. The SEMOU is bounded to the north by I-10, to the south by Highway 60, to the east by I-605, and to the west by a north-south line one mile west of Rosemead Blvd.

D. There have been releases or threatened releases from each of Respondents' facilities within the SEMOU. These releases or threatened releases of hazardous substances may have impacted or may threaten to impact groundwater. Certain such releases or threatened releases have migrated or may migrate beyond the boundaries of some individual facilities owned or operated by individual Respondents.

IV. CONCLUSIONS OF LAW

A. The SEMOU is a "facility" or "facilities" as defined in Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

B. The real property owned and/or operated by each Respondent in the SEMOU is a "facility" as defined in Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

C. Each Respondent is a "person" as defined in Section

101(21) of CERCLA, 42 U.S.C. § 9601(21).

D. The chemicals and their constituents at the SEMOU are "hazardous substances" as defined in Section 101(14) of CERCLA, 42 U.S.C. § 9601(14).

E. The past, present, and potential migration of hazardous substances at and from the SEMOU and/or the property owned and/or operated by each Respondent constitutes an actual or threatened "release" as defined in Section 101(22) of CERCLA, 42 U.S.C. § 9601(22).

F. Each Respondent is a potentially responsible party ("PRP") pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a).

V. DETERMINATIONS

A. The actual or threatened release(s) of hazardous substances from the SEMOU may present an imminent and substantial endangerment to the public health or welfare or the environment.

B. The actions required by this Consent Order are necessary to protect the public health, welfare and the environment.

VI. WORK TO BE PERFORMED

A. All response work performed pursuant to this Consent Order shall be under the direction and supervision of a qualified professional engineer or a certified geologist with expertise in hazardous waste site investigation. At least 30 days prior to initiation of site work, Respondents shall notify U.S. EPA in writing of the name, title, and qualifications of such engineer or geologist and of any contractors and/or subcontractors to be used in carrying out the terms of this Consent Order. The qualifications of the persons undertaking the work for Respondents shall be subject to U.S. EPA's review, for verification that such persons meet the minimum technical background and experience. If U.S. EPA disapproves the technical qualifications of any person(s), U.S. EPA shall notify Respondents of its disapproval. Within 30 days after receipt of any such disapproval, Respondents shall notify U.S. EPA of the identity and qualifications of the replacement(s). If U.S. EPA subsequently disapproves of the replacement(s), U.S. EPA reserves its right under CERCLA and the NCP to conduct a complete RI/FS, and to seek reimbursement for costs from Respondent(s).

B. It is hereby AGREED TO AND ORDERED that the following work shall be performed by Respondents:

1. Respondents shall perform the tasks and submit reports contained in the Statement of Work (Attachment A). All such work shall be conducted in accordance with the Statement of Work,

CERCLA, the NCP, and U.S. EPA guidance. U.S. EPA will prepare the groundwater Risk Assessment portion of the RI pursuant to U.S. EPA guidance. U.S. EPA will develop and release two or more risk assessment memoranda to Respondents, including one listing the chemicals of concern and their toxicity values, and the other listing potential exposure scenarios, exposure assumptions, and exposure point concentrations that EPA plans to use in the baseline risk assessment. Respondents may submit comments on the risk assessment memoranda to U.S. EPA. Such comments, if any, shall be submitted within thirty (30) days of receipt of the memoranda. After considering all submitted comments, U.S. EPA will prepare the baseline risk assessment report. Deliverables to be submitted by Respondents are listed below. This list includes the type of review that U.S. EPA will conduct (either "Review and Comment" or "Review and Approve"). Each deliverable should include the items listed with it, as well as items described in the Statement of Work. These specifics are meant as a framework for each deliverable's content. All draft deliverables must contain sufficient technical information to allow for U.S. EPA's detailed technical review and comment. Failure to submit sufficient technical information will be deemed a failure to submit that draft deliverable. Open discussions between Respondents and U.S. EPA will be necessary to assure that deliverables contain sufficient detail. For the purposes of this Consent Order, "day" means calendar day unless otherwise

specified in this Consent Order.

2. Deliverables:

a. Monthly Status Reports - U.S. EPA Review and Comment

(1) A description of progress made during the reporting period.

(2) A summary of items submitted to U.S. EPA under the Consent Order during the reporting period.

(3) A list of samples submitted to chemical laboratories, including those for which analyses have been returned, and those for which analyses have not been returned during the reporting period.

(4) A description of work planned for the next two months with schedules included.

(5) A description of all problems encountered, solutions developed and implemented for those problems, and problems anticipated within the next two months.

b. Interim RI/FS Work Plan

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

c. Project Management Plan

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

d. Data Management Plan

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

e. Sampling and Analysis Plan

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

f. Health and Safety Plan

U.S. EPA Review and Comment

g. Site Characterization and Pre-FS Activities Technical Memorandum

U.S. EPA Review and Comment

h. RI Report

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

i. Treatability Investigation Work Plan (if necessary)

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

j. Treatability Investigation Summary (if necessary)

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

k. Alternatives Development and Evaluation Summary Technical Memorandum

U.S. EPA Review and Comment

l. Detailed Analysis of Alternatives Summary Technical Memorandum

U.S. EPA Review and Comment

m. FS Report

Draft: U.S. EPA Review and Comment

Final: U.S. EPA Review and Approval

C. This work shall be consistent with all applicable requirements of CERCLA, any subsequent amendments that come into effect during the terms of this Consent Order, and the NCP and shall be conducted in accordance with U.S. EPA RI/FS guidance ("Guidance on Remedial Investigations Under CERCLA," June, 1985; "Guidance on Feasibility Studies Under CERCLA," June, 1985; and "Guidance for Conducting Remedial Investigations and Feasibility Studies Under CERCLA," October, 1988) and any U.S. EPA or Region IX updates, revisions, or additions to those guidance in effect at the time the relevant work is performed, and with the standards, specifications, and schedule contained in the Statement of Work. The Statement of Work is not subject to

Dispute Resolution (Section XI) procedures except with regard to any supplements to the Statement of Work provided by U.S. EPA pursuant to Section VI.E. or F.

D. U.S. EPA shall, as indicated above, review, comment upon, and approve or disapprove each report, document or other deliverable. Within the time period scheduled for review of Respondents' submittals, U.S. EPA shall notify Respondents in writing of U.S. EPA's approval or disapproval or if additional review time is required. In the event of any disapproval, U.S. EPA shall specify the reasons for such disapproval and recommended modifications.

1. Within 30 days, or more if needed, after receipt of Respondents' draft submittals pursuant to subparagraphs B.2.b, c, d, e, f, g, h, l, and m of this Section, U.S. EPA shall submit to Respondents its comments. Within 21 days, or more if needed, after receipt of Respondents' draft submittals pursuant to subparagraphs B.2.i, j, and k of this Section, U.S. EPA shall submit to Respondents its comments. Respondents shall submit their final deliverables pursuant to subparagraphs B.2.b, c, d, e, and f incorporating or adequately addressing U.S. EPA's comments within 21 days after receiving U.S. EPA's comments. Respondents shall submit their final deliverables pursuant to subparagraphs B.2.i and j incorporating or adequately addressing U.S. EPA's comments within 15 days after receiving U.S. EPA's comments. Respondents shall submit their final deliverable

pursuant to subparagraph B.2.h incorporating or adequately addressing U.S. EPA's comments within 30 days after receiving U.S. EPA's comments. Respondents shall submit their draft deliverable pursuant to subparagraph B.2.m incorporating or adequately addressing U.S. EPA's comments on deliverables pursuant to subparagraphs B.2.k and l within 30 days of receiving U.S. EPA's comments on deliverables pursuant to subparagraph B.2.l. Respondents shall submit their final deliverable pursuant to subparagraph B.2.m within 30 days after receiving U.S. EPA's comments on the draft deliverable made pursuant to subparagraph B.2.m.

2. Respondents may begin Dispute Resolution (Section XI) procedures, if appropriate, after receipt of U.S. EPA's approval or disapproval of the amended deliverable.

E. U.S. EPA may determine that additional remedial investigatory work or feasibility study work, as described under 40 C.F.R. § 300.430 and related U.S. EPA RI/FS guidance, are necessary as part of the RI/FS. Subject to the provisions of Section XI (Dispute Resolution), Respondents agree to implement any additional tasks which U.S. EPA determines in accordance with this paragraph are necessary as part of the RI/FS. The additional work shall be completed in accordance with the standards, specifications, requirements, and schedules determined or approved by U.S. EPA.

F. U.S. EPA may determine that additional remedial

investigatory work or feasibility study work is necessary as part of the RI/FS for the SEMOU in areas not within the geographic area described as the SEMOU. U.S. EPA will make such a determination based on its conclusion that contamination within the geographic area described as the SEMOU is migrating to areas outside the geographic area described as the SEMOU. Subject to the provisions of Section XI (Dispute Resolution) and the limitations stated in this paragraph, Respondents agree to implement any additional tasks which U.S. EPA determines in accordance with this paragraph are necessary as part of the RI/FS. The additional work shall be completed in accordance with the standards, specifications, requirements, and schedules determined or approved by U.S. EPA.

G. All documents, including progress and technical reports, approvals, disapprovals, notices and other correspondence to be submitted or provided pursuant to this Consent Order, shall be sent to the following addresses or to such other addresses as the parties hereafter may designate in writing, and shall be deemed submitted on the date received by U.S. EPA or Respondents.

Documents to be submitted to U.S. EPA shall be sent by courier, facsimile, or first class U.S. Mail to:

Glenn Kistner
Remedial Project Manager (H-6-5)
Hazardous Waste Management Division
U.S. EPA, Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 744-2252
(415) 744-2180 (facsimile)

Copies shall be sent by first class U.S. Mail to:

Greg Woodside
CH2M Hill
2510 Red Hill Avenue, Suite A
Santa Ana, CA 92705

Hank Yacoub
LA-RWQCB
101 Centre Plaza Drive
Monterey Park, CA 91754

Mike Sorenson
California Department of Toxic
Substances Control
P.O. Box 942732
Sacramento, CA 94234

Documents to be submitted to Respondents shall be sent to:

Mr. Larry Felix
Cardinal Industrial Finishes
1329 Potrero Ave.
South El Monte, CA 91733-3088
(818) 444-9274
(818) 444-0382 (facsimile)

VII. DESIGNATED PROJECT COORDINATORS

A. On or before the effective date of this Consent Order, U.S. EPA shall designate a Project Coordinator who shall have the authorities, duties, and responsibilities vested in the Remedial Project Manager by the NCP. Respondents shall also designate a Project Coordinator who shall be responsible for overseeing the implementation of this Consent Order. The U.S. EPA Project

Coordinator will be U.S. EPA's designated representative at the SEMOU. To the maximum extent possible, all oral communications between Respondents and U.S. EPA concerning the activities performed pursuant to this Consent Order shall be directed through the Project Coordinators. All documents, including progress and technical reports, approvals, and other correspondence concerning the activities performed pursuant to the terms and conditions of this Consent Order, shall be delivered in accordance with subsection VI.G. above.

B. U.S. EPA and Respondents may change their respective Project Coordinators. Such a change shall be accomplished by notifying the other party in writing at least one week prior to the change.

C. Consistent with the provisions of this Consent Order, the U.S. EPA Project Coordinator shall also have the authority vested in the On-Scene-Coordinator ("OSC") by the NCP, unless U.S. EPA designates a separate individual as OSC, who shall then have such authority. This includes, but is not limited to, the authority to halt, modify, conduct, or direct any tasks required by this Consent Order and/or undertake any response actions (or portions of the response action) when conditions present or may present a threat to public health or welfare or the environment as set forth in the NCP.

D. The absence of the U.S. EPA Project Coordinator or OSC from the Site shall not be cause for the stoppage of work.

VIII. SITE ACCESS

A. To the extent that Respondents require access to land or existing groundwater production or monitoring wells, Respondents will use their best efforts to obtain access agreements from the present owners or lessees within 60 days after (i) the effective date of this Consent Order or (ii) the date on which the land or wells to which access is required are identified, whichever date later occurs. For the purposes of this subsection, "best efforts" do not include the payment of an unreasonable amount of money in consideration of access and/or granting unreasonable indemnification to the owner of such property for damages or losses resulting to such property caused by Respondents' SEMOU-related activities. Such agreements shall provide access for U.S. EPA, its contractors and oversight officials, the state and its contractors, and Respondents or their authorized representatives to observe and inspect the work performed by Respondents and collect split and duplicate samples.

B. In the event that Respondents are not able to obtain access to property owned or controlled by persons or entities other than Respondents, Respondents shall notify U.S. EPA promptly regarding both the lack of, and efforts to obtain, such access. Such notification shall include the names of all persons contacted in order to procure access, copies of all correspondence regarding access, and the amount of money offered in consideration of access and the terms of any offered

indemnification. Failure to provide such information shall be deemed a failure to utilize "best efforts" to obtain access.

C. Nothing in this Consent Order shall be deemed a limit upon U.S. EPA's authority under federal law to gain access to the SEMOU or any individual Respondent's property within the SEMOU.

IX. SAMPLING, ACCESS, AND DATA/DOCUMENT AVAILABILITY

A. Respondents shall provide U.S. EPA with all information obtained by Respondents pursuant to this Consent Order regarding hazardous substance contamination at, or released from, the Site, including:

1. The results and Quality Assurance/Quality Control ("QA/QC") documentation of all sampling and/or tests or other technical data generated by Respondents or on Respondents' behalf as part of the Statement of Work with regard to soil or groundwater contamination by hazardous substances, pollutants, or contamination at the SEMOU. Details and documentation of all sampling and analysis data collection completed during the previous month shall be presented in a monthly status report;

2. Within thirty (30) days after the effective date of this Consent Order, each individual Respondent shall provide to U.S. EPA a list of all technical reports and studies previously prepared by or on behalf of the individual Respondent concerning investigations of soil, soil gas, or groundwater at the property owned or operated by the individual Respondent within the SEMOU. This list shall indicate, at a minimum, the

following:

a. any privilege asserted pertaining to the report or study; and

b. whether the report or study has previously been submitted to U.S. EPA or the Regional Water Quality Control Board ("RWQCB") and the date of such submission, if any.

3. Within forty-five (45) days after the effective date of this Consent Order, each individual Respondent shall provide to U.S. EPA copies of all reports and studies previously prepared by or on behalf of the individual Respondent with regard to soil, soil gas, or groundwater investigation of the property owned or operated by the individual Respondent within the SEMOU that have not been previously submitted to U.S. EPA or the RWQCB and to which no privilege has been asserted pursuant to Subsection IX.A.2., above.

4. Respondents shall provide to U.S. EPA copies of any nonprivileged correspondence between Respondents and local, state or other federal authorities pertaining to Respondents' implementation of the Statement of Work and/or RI/FS Work Plan.

B. At the request of U.S. EPA, Respondents shall provide split or duplicate samples to U.S. EPA and/or its authorized representatives of any samples collected by Respondents as part of the Statement of Work. Respondents shall notify U.S. EPA of any such planned sample collection activity in the preceding monthly report.

C. Respondents shall use quality assurance, quality control, and chain of custody procedures described in the "U.S. EPA NEIC Policies and Procedures Manual," May 1978, revised November 1984, U.S. EPA-330/9-78-001-R, and "Interim Guidelines and Specifications for Preparing Quality Assurance Project Plans," December 1980, QAMS-005/80, and any U.S. EPA updates or revisions to these guidance in effect at the time the relevant work is performed, while conducting all sample collection and analysis activities required by this Consent Order. Respondents shall consult with U.S. EPA in planning for, and prior to, all sampling and analysis as detailed in the Statement of Work. To provide quality assurance and maintain quality control, Respondents shall:

1. Use a laboratory which has a documented Quality Assurance Program that complies with U.S. EPA guidance document QAMS-005/80.

2. Ensure that U.S. EPA personnel and/or U.S. EPA authorized representatives are allowed access to the laboratory and personnel utilized by Respondents for analysis.

3. Ensure that the laboratory used by Respondents for analysis performs according to a method or methods deemed satisfactory to U.S. EPA and submits all protocols to be used for analysis to U.S. EPA at least ten (10) days before beginning analysis.

D. Respondents shall permit U.S. EPA and its authorized

representative to have reasonable access to each parcel of property on which Respondents perform work as a part of the Statement of Work for the purpose of monitoring any activity conducted pursuant to the Statement of Work.

E. Respondents shall permit U.S. EPA and/or its authorized representative upon reasonable notice to inspect and copy all nonprivileged records, documents, and other writings within their possession or control that contain sampling and monitoring data for soil, soil gas, or groundwater contamination at the SEMOU. Nothing in this Consent Order shall be interpreted as limiting U.S. EPA's inspection authority under federal law.

F. Respondents may assert a confidentiality claim, pursuant to 40 C.F.R. § 2.203(b), covering part or all of the information requested by this Consent Order, including but not limited to any documents provided to U.S. EPA pursuant to this Section IX (Sampling, Access, and Data/Document Availability) or Section X (Record Retention). Analytical data and data covered by Section 104(e)(7)(F) of CERCLA, 42 U.S.C. § 9604(e)(7)(F), shall not be claimed as confidential by Respondents and shall be provided to U.S. EPA by Respondents. Information determined to be confidential by U.S. EPA shall be afforded the protection specified in 40 C.F.R. Part 2, Subpart B. If no such claim accompanies the information when it is submitted to U.S. EPA, it may be made available to the public by U.S. EPA without further notice to Respondents.

G. If, at any time during the RI/FS process, Respondents become aware of the need for additional data beyond the scope of the Statement of Work, Respondents shall have an affirmative obligation to submit to the U.S. EPA Project Coordinator within twenty (20) days a memorandum documenting the need for additional data.

H. Subject to the provisions of subsection F of this Section IX, all data, factual information, and documents submitted by Respondents to U.S. EPA pursuant to this Consent Order shall be subject to public inspection.

X. RECORD RETENTION

During the pendency of this Consent Order, and for a period of five years thereafter, Respondents shall preserve at least one legible copy of all records and documents, including computer-stored information and any computer models, in their possession which relate to technical studies or reports previously prepared by or on behalf of the Respondent(s) with regard to soil, soil gas, or groundwater at property owned or operated by Respondent(s) within the SEMOU; correspondence relevant to the matters covered by this Consent Order between Respondent(s) and local, state or federal authorities concerning property owned or operated by Respondent(s) in the SEMOU; any permits from local, state or federal authorities regarding hazardous substance use or contamination at the property owned or operated by Respondent(s) in the SEMOU or the performance of obligations under this Consent

Order. At the conclusion of this document retention period, Respondent(s) shall notify U.S. EPA at least ninety (90) days prior to the destruction of any such records or documents. Such notification shall include a list of the documents retained by Respondent(s) and their storage location or locations. Upon request by U.S. EPA, Respondent(s) shall deliver any requested non-privileged records or documents to U.S. EPA, at no cost to U.S. EPA.

XI. DISPUTE RESOLUTION

A. If Respondents object to any U.S. EPA decision pursuant to Section VI (Work to Be Performed), except a U.S. EPA decision that additional monitoring wells are necessary as a part of this RI/FS, or pursuant to Section XIII (Force Majeure), or pursuant to Section XV (Reimbursement of Oversight Costs), or pursuant to the Statement of Work, Respondents shall notify U.S. EPA in writing of their objections within ten (10) calendar days of receipt of the decision. U.S. EPA and Respondents will then have an additional fourteen (14) calendar days from receipt by U.S. EPA of the notification of objection to resolve the dispute. At the end of the fourteen (14) day period, U.S. EPA shall provide a written statement of its decision from the Section Chief, South Coast Enforcement Section ("Section Chief") documenting the resolution reached by the parties or, in the event the parties have not resolved the dispute, U.S. EPA's decision. Respondents shall either implement U.S. EPA's decision or, within five (5)

days after Respondents' receipt of U.S. EPA's decision, submit a written appeal from the decision to the Section Chief. Respondents' written appeal shall include a presentation of the basis of the appeal, either legal or technical, and any impact on implementation of the Statement of Work. The Section Chief shall then refer any appeals on disputes regarding technical matters to the Deputy Director, Superfund Programs ("Deputy Director"), and on disputes involving legal issues to the Chief, Hazardous Waste Branch Office of Regional Counsel ("Regional Counsel Chief"). The Deputy Director or Regional Counsel Chief shall, within ten (10) days after receipt of the referral, provide a written statement of the U.S. EPA decision reached with respect to the dispute in question. Respondents shall then implement U.S. EPA's decision in accordance with the determination of the Deputy Director or Regional Counsel Chief as the case may be. Use of this dispute resolution provision will not relieve Respondents' duty to complete other tasks in a timely manner in accordance with the schedule. This dispute resolution provision and/or U.S. EPA's decisions pursuant to this provision does not grant or imply jurisdiction to any court to review U.S. EPA's decisions pursuant to this Consent Order. Except for subsection XI.B., below, this is the only dispute resolution provision applicable to this Consent Order. Sections of this Consent Order not addressed in this subsection XI.A. or in subsection XI.B. are not subject to dispute resolution.

B. If Respondents object to any U.S. EPA decision requiring the installation of additional monitoring wells pursuant to subsection VI.E. or F., Respondents shall notify U.S. EPA in writing of their objections within ten (10) calendar days of receipt of the proposed supplement to the Statement of Work. U.S. EPA and Respondents will then have an additional thirty (30) calendar days from receipt by U.S. EPA of the notification of objection to resolve the dispute. At the end of the thirty (30) day period, U.S. EPA shall provide a written statement of its decision from the Section Chief documenting the resolution reached by the parties or, in the event the parties have not resolved the dispute, U.S. EPA's decision. Respondents shall either implement U.S. EPA's decision or, within five (5) days after Respondents' receipt of U.S. EPA's decision, submit a written appeal from the decision to the Section Chief. Respondents' written appeal shall include a presentation of the basis of the appeal, either legal or technical; proposed alternatives to the additional work required by U.S. EPA; an estimated cost of both the work proposed by U.S. EPA and Respondents' proposed alternatives; and any impact on implementation of the Statement of Work. The Section Chief shall then refer any appeals on disputes regarding technical matters to the Deputy Director, and on disputes involving legal issues to the Regional Counsel Chief. The Deputy Director or Regional Counsel Chief shall, within ten (10) days after receipt of the

referral, provide a written statement of the U.S. EPA decision reached with respect to the dispute in question. Respondents shall then implement U.S. EPA's decision in accordance with the determination of the Deputy Director or Regional Counsel Chief as the case may be. Use of this dispute resolution provision will not relieve Respondents' duty to complete tasks set forth in any supplement to the Statement of Work or other tasks in a timely manner in accordance with the schedule, except for RI/FS tasks that are dependent on data or other information to be obtained pursuant to the supplemental Statement of Work. If Respondents invoke the dispute resolution provisions of this subsection XI.B. with regard to the performance of any additional work required by U.S. EPA pursuant to subsection VI.E or F., then the schedule for performance of the additional work shall not commence until after U.S. EPA provides a written statement of its decision from the Section Chief documenting the resolution of the dispute reached by the parties, or in the event the parties have not resolved the dispute, U.S. EPA's decision. This dispute resolution provision and/or U.S. EPA's decisions pursuant to this provision does not grant or imply jurisdiction to any court to review U.S. EPA's decisions pursuant to this Consent Order. Except for subsection XI.A., above, this is the only dispute resolution provision applicable to this Consent Order. Sections of this Consent Order not addressed in this subsection XI.B. or in subsection XI.A. are not subject to dispute resolution.

XII. STIPULATED PENALTIES

A. Except with respect to any extensions allowed by U.S. EPA in writing, or excused by the provisions of Section XIII (Force Majeure), for each and every day after Respondents' receipt of written notice from U.S. EPA that Respondents have failed to submit a report or document, or otherwise failed to achieve the requirements of this Consent Order, Respondents agree to pay the following stipulated penalties per day per violation of this Consent Order: 1) days 1-5, $750; 2) days 6-15, $1,500; 3) days 16-30, $5,000; and 4) day 31 and thereafter, $10,000. U.S. EPA may, in its sole discretion, reduce or waive any accrued penalties. Dispute Resolution shall not stay the accrual of these stipulated penalties, but resolution of any dispute in favor of Respondents shall vacate any accrued penalties.

B. With regard to any additional work required by U.S. EPA pursuant to subsection VI.E. or F., that requires the submission of a supplement to the Statement of Work, stipulated penalties shall not accrue during the period of Dispute Resolution until Respondents receive the written statement of U.S. EPA's decision from the Section Chief. Should Respondents appeal from the Section Chief's decision, stipulated penalties shall accrue until a written statement is provided from the Deputy Director or Regional Counsel Chief. Only fifteen (15) days (maximum of one violation per day) of stipulated penalties shall be assessed during this appeal process. Should Respondents implement the

decision of the Deputy Director or Regional Counsel Chief and comply with the time frame established for the first deliverable of the supplement to the Statement of Work, the Deputy Director or Regional Counsel Chief may reduce or waive any accrued stipulated penalties. Should Respondents not implement the decision of the Deputy Director or Regional Counsel Chief, stipulated penalties shall continue to accrue after the appeal process.

C. Respondents' payment of stipulated penalties shall be due upon demand by the Director, Hazardous Waste Management Division, U.S. EPA, Region 9, by certified check made payable to the United States Treasury and addressed to:

U.S. Environmental Protection Agency
Region 9, Attn: Superfund Accounting
P.O. Box 360863M
Pittsburgh, PA 15251

Respondents shall send a cover letter with any check and the letter shall identify the SEMOU, San Gabriel Valley Superfund Sites by name and make reference to this Consent Order. Respondents shall send simultaneously to the U.S. EPA Project Coordinator a notification of any penalty paid, including a photocopy of the check.

D. The stipulated penalties provisions do not preclude U.S. EPA from pursuing any other remedies or sanctions which are available to U.S. EPA because of Respondents' failure to comply with this Consent Order. U.S. EPA will notify Respondents of its

determination to pursue other remedies or sanctions.

E. Respondents are jointly and severally liable for the payment of stipulated penalties accruing under this Consent Order.

XIII. FORCE MAJEURE

A. If an event occurs which causes delay in the achievement of the requirements of this Consent Order, Respondents shall have the burden of proving that the delay was caused by circumstances beyond the control of Respondents, their contractors, and agents and that the delay cannot be overcome by their due diligence. In the event of a force majeure, the time for performance of the activity delayed by the force majeure shall be extended for the time period of the delay attributable to the force majeure. The time for performance of any activity dependent on the delayed activity shall be similarly extended, except to the extent that the dependent activity can be implemented in a shorter time. U.S. EPA shall determine whether subsequent requirements are to be delayed and the time period granted for any delay. Respondents shall adopt all reasonable measures to avoid or minimize any delay caused by a force majeure.

B. When an event occurs or has occurred that may delay or prevent the performance of any obligation under this Consent Order, which Respondents believe to be a force majeure event, Respondents shall notify by telephone the U.S. EPA Project

Coordinator, or, in his/her absence, the Director of the Hazardous Waste Management Division of U.S. EPA, Region 9, within two (2) business days after Respondents knew or should have known of the event causing delay or anticipated delay. Oral notification shall be followed by written notification, made within five (5) business days after Respondents knew or should have known of the event causing the delay or anticipated delay. The written notification shall fully describe: the reasons for the delay; the reasons the delay is beyond the control of Respondents, their contractors, and agents; the anticipated duration of the delay; actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to mitigate the effect of the delay; and any aspects of the event which may cause or contribute to an endangerment to public health, welfare, or the environment.

C. Failure of Respondents to comply with the force majeure notice requirements will be deemed an automatic forfeiture of their right to request a delay.

D. If U.S. EPA and Respondents cannot agree that any delay in compliance with the requirements of this Consent Order has been or will be caused by circumstances beyond the control of Respondents, their contractors, and agents, or on the duration of any delay necessitated by a force majeure event, the dispute shall be resolved according to the dispute resolution provisions in Section XI. Respondents shall have the burden of proving by a

preponderance of the evidence: that the delay was caused by circumstances beyond the control of Respondents, their contractors, and agents; that reasonable measures were taken to avoid or minimize delay; and the necessity of the duration of the delay.

XIV. RESERVATION OF RIGHTS

A. Notwithstanding compliance with the terms of this Consent Order, including the completion of a U.S. EPA approved RI/FS, Respondents are not released from liability, if any, for any actions beyond the terms of this Consent Order taken by U.S. EPA respecting the SEMOU or any parcel of property owned or operated or previously owned or operated by Respondents or an individual Respondent within the SEMOU. U.S. EPA reserves the right to take any enforcement action pursuant to CERCLA and/or any other legal authority, including, but not limited to, the right to seek response costs (except with respect to oversight costs paid by Respondents pursuant to Section XV (Reimbursement of Oversight Costs) of this Consent Order), injunctive relief, monetary penalties (except with respect to matters covered by the stipulated penalties provisions of this Consent Order as to which such penalties are due and have been paid), and punitive damages for any violation of law or this Consent Order. U.S. EPA expressly reserves all rights and defenses that it may have, including U.S. EPA's right both to disapprove of work performed by Respondents and to request that Respondents perform tasks in

addition to those detailed in the Statement of Work or RI/FS Work Plan, as provided in subsection VI.E. or F. of this Consent Order. U.S. EPA reserves the right to undertake removal actions and/or remedial actions at any time. U.S. EPA reserves the right to seek reimbursement from Respondents for such costs incurred by the United States.

B. Respondents expressly reserve all rights and defenses that they may otherwise have to any such claims or actions set forth in subsection XIV.A.

C. Except as otherwise provided in Section XXV (Contribution Actions and Additional PRPs), nothing in this Consent Order is intended as a release or covenant not to sue for any claim or cause of action, past or future, in law or equity, which Respondents may have against another person, firm, corporation, or other entity not a signatory to this Consent Order.

D. U.S. EPA and Respondents agree that signing this Consent Order and any action undertaken by Respondents in accordance with this Consent Order do not constitute an admission of any liability or a waiver of any defense by Respondents. Respondents do not admit, and retain the right to controvert, any findings of fact, conclusions of law or determinations contained in this Consent Order in any subsequent proceedings except in any proceeding for the enforcement of this Consent Order.

XV. REIMBURSEMENT OF OVERSIGHT COSTS

A. Commencing three months after the effective date of this Consent Order, and during the term of this Consent Order, U.S. EPA shall provide to Respondents, on a quarterly basis, copies of the Monthly Work Assignment Status Reports for the previous three (3) months. Prior to providing such Monthly Work Assignment Reports to Respondents, U.S. EPA may delete from the Monthly Work Assignment Reports any information that Respondents would not be able to obtain by filing a request for information under the Freedom of Information Act, 5 U.S.C. § 552 et seq. The failure of U.S. EPA to provide Monthly Work Assignment Reports to Respondents shall not affect or impact Respondents' obligation to comply with subsection B. of this Section XV.

B. No more often than annually, U.S. EPA shall submit to Respondents a Demand for Payment for all oversight costs incurred after the effective date of this Consent Order by the U.S. Government with respect to this Consent Order together with documentation for all such costs. U.S. EPA's Agency Financial Management System summary data shall serve as the documentation for payment demands. Subject to subsection C. of this Section XV, Respondents shall, within sixty (60) calendar days after receipt of each Demand for Payment, remit a check for the amount stated in the Demand for Payment made payable to the Hazardous Substance Response Trust Fund. Checks should specifically reference the identity of the site and be addressed to:

U.S. Environmental Protection Agency
Region 9, Attn: Superfund Accounting
P.O. Box 360863M
Pittsburgh, PA 15251

A copy of the transmittal letter shall be sent simultaneously to the U.S. EPA Project Coordinator. U.S. EPA reserves the right to bring an action against Respondents pursuant to Section 107 of CERCLA, 42 U.S.C. § 9607, for recovery of all response and oversight costs incurred by the United States related to this Consent Order and not reimbursed by Respondents as well as any other unreimbursed past and future costs incurred by the United States in connection with response activities conducted pursuant to CERCLA at the SEMOU.

C. Interest at the rate specified in Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), shall accrue on any unpaid sums due to U.S. EPA beginning thirty (30) days after Respondents' receipt of each Demand for Payment thereof.

D. Respondents may object to payment of any oversight costs for which U.S. EPA seeks reimbursement pursuant to subsection XV.B. based on one or both of the following grounds: 1) accounting errors, or 2) one or more cost items that are not oversight costs that Respondents are obligated to pay under subsection B. of this Section XV. Respondents shall provide notice of any such objection to U.S. EPA in writing within sixty (60) days after receipt of the Demand for Payment. Any such objection shall specifically identify the contested costs items

and the basis for objection. In the event of any such objection the Respondents shall, within the sixty (60) day period provided in subsection XV.B., pay all uncontested oversight costs to the United States in the manner described in subsection XV.B. Simultaneously with the filing of any objection to payment under this subsection XV.D., Respondents shall initiate the dispute resolution procedures of Section XI (Dispute Resolution) with respect to the cost items described in the notice of objection. Unless Respondents prevail with respect to any cost items in the dispute, within thirty (30) days after resolution of the dispute, Respondents shall pay the sum due to U.S. EPA, plus accrued interest, in accordance with the provisions of subsection XV.B.

XVI. OTHER CLAIMS

A. This Consent Order does not release Respondents from any claim, cause of action, or demand in law or equity except claims for civil penalties and oversight costs paid as specified herein.

B. In entering into this Consent Order, Respondents waive any right to seek reimbursement or to present any claim under Sections 106, 111, or 112 of CERCLA, 42 U.S.C. §§ 9606, 9611, or 9612, for any work performed pursuant to this Consent Order and any modifications thereto.

C. Respondents shall bear their own attorneys' fees and costs with respect to all matters associated with this Consent Order.

XVII. OTHER APPLICABLE LAWS

Respondents shall undertake all actions required by this Consent Order in accordance with the requirements of all applicable local, state, and federal laws and regulations unless an exemption from such requirement is specifically provided in this Consent Order or is provided in Section 121 of CERCLA, 42 U.S.C. § 9621, as interpreted by U.S. EPA.

XVIII. INDEMNIFICATION OF THE UNITED STATES GOVERNMENT

Respondents agree to indemnify and hold the United States Government, its agencies, departments, agents, contractors, and employees, harmless from any and all claims or causes of action arising from or on account of acts or omissions of Respondents, their respective officers, employees, receivers, trustees, agents, or assigns, in carrying out the work to be performed pursuant to this Consent Order. U.S. EPA is not a party in any contract involving the Respondents at the SEMOU. This section shall not be deemed part of the Order issued under Section 106 of CERCLA in this Consent Order but shall be a legally binding agreement between the parties.

XIX. COMMUNITY RELATIONS/PUBLIC COMMENT

U.S. EPA will implement a Community Relations Program in accordance with Agency policies, guidance documents, and public comment policy. Respondents shall participate in the community relations activities when deemed appropriate by U.S. EPA. This section shall not be deemed part of the Order issued under

Section 106 of CERCLA in this Consent Order but shall be a legally binding agreement between the parties.

XX. EFFECTIVE DATE AND SUBSEQUENT MODIFICATION

A. This Consent Order is effective on the date signed by U.S. EPA. The schedule set forth in the Statement of Work is effective on August 1, 1995.

B. No informal advice, guidance, suggestions, or comments by U.S. EPA regarding reports, plans, specifications, schedules, and any other writing submitted by Respondents will be construed as relieving Respondents of their obligation to obtain such formal approval as may be required by this Consent Order.

C. Any deliverables, plans, technical memoranda, reports (other than progress reports), specifications, schedules and attachments required by this Consent Order are, upon approval by U.S. EPA, incorporated into this Consent Order. Any non-compliance with such U.S. EPA approved reports, plans, specifications, schedules, and attachments shall be considered a failure to achieve the requirements of this Consent Order and may subject the Respondents to the penalties set forth in Section XII (Stipulated Penalties).

D. The parties, by agreement, or as otherwise required by law, may modify this Consent Order, the Statement of Work and any schedule, workplan or report hereunder. Respondents may, for cause, request a modification of any schedule established pursuant to this Consent Order and U.S. EPA shall not

unreasonably withhold approval of such modification(s).

XXI. PARTIES BOUND

This Consent Order shall apply to and be binding upon each Respondent which signs the Consent Order and U.S. EPA, and their respective agents, successors, and assignees. No change in ownership or corporate or partnership status will alter Respondents' obligations under this Consent Order. The signatories to this Consent Decree certify that they are authorized to execute and legally bind the parties they represent to this Consent Order. Respondents shall provide a copy of this Consent Order to all principal contractors retained to conduct any portion of the work performed pursuant to this Consent Order within 14 calendar days of the effective date of this Consent Order or date of such retention. Each individual Respondent which owns or operates real property in the SEMOU shall provide a copy of this Consent Order to any immediate successor in Respondent's interest in the real property prior to any transfer of the Respondent's interest in the real property.

XXII. NOTICE TO THE STATE

U.S. EPA is notifying the State of California pursuant to the requirements of Section 106(a) of CERCLA, 42 U.S.C. § 9606(a), by providing to the State a copy of this Consent Order and the Statement of Work.

XXIII. TERMINATION AND SATISFACTION

The provisions of this Consent Order shall be deemed satisfied upon Respondents' receipt of written notice from U.S. EPA that Respondents have demonstrated, to the satisfaction of U.S. EPA, that all of the terms of this Consent Order, including any additional tasks which U.S. EPA has determined to be necessary pursuant to Section VI subsections E. and F., have been completed.

XXIV. CONTRIBUTION PROTECTION

A. With regard to claims for contribution against Respondents for matters addressed in this Consent Order, the Parties hereto agree that the Respondents are entitled, as of the effective date of this Consent Order, to such protection from contribution actions or claims as is provided in CERCLA Section 113(f)(2), 42 U.S.C. § 9613(f)(2).

B. Respondents agree that, with respect to any suit or claim for contribution brought by them during the term of this Consent Order for matters related to this Consent Order, they will notify the United States in writing no later than thirty (30) days prior to the initiation of such suit or claim.

C. Respondents agree that, with respect to any suit or claim for contribution brought against them during the term of this Consent Order for matters related to this Consent Order, they will notify the United States in writing within fourteen (14) business days of service of the complaint on them. In

addition, Respondents shall notify the United States within fourteen (14) business days of service or receipt of any Motion for Summary Judgment and within fourteen (14) business days of receipt of any order from a court setting a case for trial during the term of this Consent Order.

XXV. CONTRIBUTION ACTIONS AND ADDITIONAL PRPS

A. U.S. EPA is continuing to investigate the potential that additional entities not parties to this Order may have contributed to a release or a threatened release in the SEMOU. Respondents agree not to bring contribution actions against any entities that U.S. EPA has not notified of potential liability in accordance with this paragraph. U.S. EPA will provide Respondents with a list of any and all entities that U.S. EPA identifies as potentially responsible parties for purposes of this paragraph.

B. If any person joins Respondents in performing response actions pursuant to this Consent Order, the Consent Order may be amended to add each such person as a respondent. Such new respondent(s) shall be entitled to the benefits of Section XXIV (Contribution Protection).

C. Neither the failure of U.S. EPA to complete its investigation of additional entities nor the determination by U.S. EPA that no such additional entities should be included in response actions pursuant to this Consent Order or in the SEMOU shall create any rights in or obligations to such entities or

Respondents, or other persons or entities.

XXVI. COUNTERPARTS

This Consent Order may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, but such counterparts shall together constitute one and the same document.

XXVII. INTERPRETATION

This Consent Order shall be construed as follows: It shall be construed so as to require Respondents in all respects to act consistently with the NCP. In the event of a conflict between any provision of this Consent Order and the NCP, the NCP shall control. In the event of a conflict between any provision of this Consent Order and the provisions of any document attached to this Consent Order, the provisions of this Consent Order shall control. The principles stated in this Section XXVII shall be applied in any Dispute Resolution under Section XI (Dispute Resolution).

IT IS SO AGREED AND ORDERED:

UNITED STATES

ENVIRONMENTAL PROTECTION AGENCY

By: _____ Date: 7-25-95

Nathan Lau, Acting Chief
Remedial Action Branch
Hazardous Waste Management Division
Region IX

RESPONDENT

By: _____ Date: 7/25/95

Name Cardinal Industrial Finishes

Title Director of Corporate Affairs