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DEPT. OF ENVIRONMENTAL QUALITY
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HARIE SCOTT
BONNER COUNTY RECORDER

CB DEPUTY

779484

SPACE ABOVE THIS LINE FOR RECORDERS USE ONLY

**THIS PROPERTY IS SUBJECT TO AN ENVIRONMENTAL COVENANT IMPOSING
ACTIVITY AND USE LIMITATIONS PURSUANT TO THE UNIFORM ENVIRONMENTAL
COVENANTS ACT, IDAHO CODE § 55-3001, et seq.**

ENVIRONMENTAL COVENANT

This instrument is an Environmental Covenant ("Environmental Covenant") executed by H&H Enterprises (H&H), L.D. McFarland Co., Limited (McFarland), and the Idaho Department of Environmental Quality ("Department") pursuant to the Uniform Environmental Covenants Act, Idaho Code §§ 55-3001 through 3015. This Environmental Covenant sets forth protective provisions, covenants, restrictions and conditions (collectively referred to as "Activity and Use Limitations") on the Property described below. The Activity and Use Limitations are designed to protect natural resources, human health and the environment. McFarland is a "holder" as defined in Idaho Code § 55-3002(6). H&H, as the current property owner grants this Environmental Covenant to all signatories to this instrument.

Property. This Environmental Covenant concerns real property at 975 Baldy Mountain Road, County of Bonner, State of Idaho, generally described as the southwest quarter of Section 15, Township 57N, Range 2W (hereafter referred to as "the Property"). The Property is legally described in the Attachment A.

Property Ownership. H&H hereby represents and warrants to the other signatories to this Environmental Covenant that it is the sole owner of the property, holds fee simple title to the property and has the power and authority to enter into this Environmental Covenant.

Reason for Activity and Use Limitations. The Property described above was previously used to operate a wood treatment and storage business, becoming contaminated with wood preservatives and petroleum contaminants. On March 3, 1999, L.D. McFarland Co. entered into a Voluntary Remediation Agreement with the Department to remediate the Property. MCFARLAND implemented a corrective action plan ("CAP") on the Property. This Environmental Covenant is required because the CAP resulted in residual concentrations of Polycyclic Aromatic Hydrocarbons and Pentachlorophenol in soil and/or groundwater underlying the Property. These concentrations may be at or above risk-based screening levels as determined by the Department and for which future use of the Property shall be limited to protect human health and the environment.

ENVIRONMENTAL COVENANT – Page 1 of 7

Name and Location of Administrative Record. A copy of the L.D. McFarland file can be found at the Coeur d'Alene Regional Office of DEQ, at 2110 Ironwood Parkway, Coeur d'Alene, Idaho.

Activity and Use Limitations. By acceptance and recordation of this Environmental Covenant, H&H, and any successors in interest, agree to the following activity and use limitations for the Property, now or at any time in the future, as specifically set forth below:

1. There shall be no extraction of groundwater under, the Property for any purpose, including, without limitation, drinking by animals or human beings, irrigation or an industrial or commercial use;
2. The Property, and any portion thereof, may be used for commercial and industrial uses only. The Property shall not be used for residential purposes, agricultural purposes, or any permanently occupied human habitation (including hotels or motels), school, day care or hospital use;
3. The Property is subject to the June 4 2009 Soil Management Plan for Revised C1, which is Attachment B to this Covenant;
4. Any activity on the Property that may result in the release or exposure to the environment of a wood treatment constituent that remains on the Property as part of the CAP is prohibited without prior written approval from the Department; and
5. The Department and/or MCFARLAND are granted an easement for the placement of groundwater monitoring or treatment wells within the Property. The easement shall entitle the Department and/or MCFARLAND, after notice and consultation with the current property owner at the time when this easement is exercised, to enter and utilize discrete wells in a manner that does not unreasonably interfere with the current property owner's use of the Property.

H&H, or its successors in interest, shall be solely responsible for demonstrating that use on the Property is in conformity with the Activity and Use Limitations.

Amendment by Consent. The Environmental Covenant may be amended by consent pursuant to Idaho Code § 55-3010. Except for an assignment undertaken pursuant to a governmental reorganization, assignment of the Environmental Covenant to a new holder is an amendment.

Termination by Consent. The Activity and Use Limitations shall apply to the Property, or any subdivided portion thereof, unless MCFARLAND or H&H, or their successors in interest, applies to the Department to have this Environmental Covenant terminated pursuant to Idaho Code § 55-3010 and demonstrates, consistent with the record before the Department, that:

1. the Property or any subdivided portion thereof is shown in a Department-approved document not to contain contaminated soils or groundwater; or
2. contaminated soils and groundwater are at levels the Department deems in writing to be adequate for the Property to be developed for unrestricted use.

Provisions to Run With the Land. Each and all of the Activity and Use Limitations shall run with the land, and pass with each and every portion of the Property, and shall apply to and bind the respective successors in interest thereof. Each and all of the Activity and Use Limitations are imposed upon the entire Property unless expressly stated as applicable to a specific portion of the Property.

Concurrence of Subsequent Owners Presumed. All purchasers, lessees, or possessors of any portion of the Property shall be deemed by their purchase, leasing, or possession of such Property, to be in accord with the foregoing and to agree for and among themselves, and their successors, that the Activity and Use Limitations as herein established must be adhered to and that their interest in the Property shall be subject to the Activity and Use Limitations contained herein.

Recording/Filing of Environmental Covenant. This Environmental Covenant and any amendment or termination of the Environmental Covenant shall be recorded in the county recorder's office of every county in which any portion of the Property subject to the Environmental Covenant is located. The Environmental Covenant or any amendment or termination shall be recorded by H&H, or its successors in interest, within ten (10) days of receipt of this Environmental Covenant signed by the Department. Within ten (10) days of the recording of this Environmental Covenant, or any amendment or termination, H&H, or its successors in interest, shall provide to the Department a copy of this recorded Environmental Covenant, or any amendment or termination of this Environmental Covenant. Upon receipt of the copy of the recorded Environmental Covenant, and any amendment or termination therein, the Department shall post the copy of the fully executed instrument in the Registry as required by Idaho Code Section 55-3012(1). In addition, a copy of the recorded Environmental Covenant, or any amendment or termination, shall be provided by H&H, or by its successors in interest, to the following persons: (a) each person that signed the Environmental Covenant; (b) each person holding a recorded interest in the Property; (c) each person in possession of the Property; (d) each municipality or other local government in which the Property is located; and (e) any other person the Department requires. The validity of the Environmental Covenant is not affected by failure to provide a copy of the Environmental Covenant as required under this section. The Activity and Use Limitations set forth herein shall be incorporated by reference in each and all deeds and leases of any portion of the Property.

Enforcement. The Department and any party of the Environmental Covenant shall have authority to enforce the Activity and Use Limitations against H&H or its successors-in-interest, including subsequent owners of the Property and any other person using the Property. Failure of H&H, or its successor in interest, to comply with any of the Activity and Use Limitations set forth herein shall be grounds for the Department, or its successor, to require that the owner correct or remove any violations of this Environmental Covenant. Violation of this Environmental Covenant shall be grounds for the Department, or its successor, to file civil actions against the owner as provided by law or in equity, including without limitation, the Uniform Environmental Covenants Act, Idaho Code § 55-3011.

Property Access. The Department shall have a right of access to the Property for the purposes of ensuring compliance with this Environmental Covenant.

Notice of Conveyance of Property. Within thirty (30) days of the closing of any conveyance of the Property, or part thereof, the Conveyor of the Property, shall provide written notice to the Department and each municipality or other local government in which the Property is located,

the name and address of all the then Owners and/or Occupants of the Property, or part thereof, conveyed. The Department shall not, by reason of this Environmental Covenant, have authority to approve, disapprove, or otherwise affect any conveyance of the Property except as otherwise provided by law.

Notices. All notices required or permitted to be given hereunder shall be in writing and mailed in the United States Mail, postage prepaid, by certified or registered mail, return receipt requested, to the appropriate address indicated below or at such other place or places as either H&H, MCFARLAND or their successors, or the Department or its successors, may, from time to time, respectively, designate in a written notice given to the other. Notices which are deposited in the United States Mail in accordance with the terms of this provision shall be deemed received three (3) days after the date of mailing thereof.

MCFARLAND: L.D. McFarland Co., Limited
B. Corry McFarland
Box 1496
Tacoma, WA 98401

H&H: H&H Enterprises
Edward W. Hawkins, Jr.
P.O. Box 1969
Sandpoint, ID 83864

THE DEPARTMENT: Idaho Department of Environmental Quality
ATTN: Joe Nagel
1410 N. Hilton
Boise, ID 83706

Costs and Expenses. All costs of terminating this Environmental Covenant, including the cost of any remediation or abatement of any environmental condition related to Activity and Use Limitations pertaining to the Property, shall be borne by the party seeking such termination.

Partial Invalidity. If any portion of the Environmental Covenant or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such invalidated portion had not been included herein.

Headings. Headings at the beginning of each section of this Environmental Covenant are solely for the convenience of the parties and are not a part of the Environmental Covenant.

Idaho Code References. All references to the Idaho Code sections include successor provisions.

Reservation of Rights. Notwithstanding any provision of this Environmental Covenant, the Department retains all of its access and enforcement authorities under any applicable statute or rule. Nothing in this Environmental Covenant shall affect the Department's ability to enforce the terms of any voluntary consent order or other agreement relating to remediation of the Property entered into between the Department and MCFARLAND or any other responsible party. Nothing in this Environmental Covenant shall affect the obligations of MCFARLAND or any other responsible party under such voluntary consent order or other agreement. The Department's acceptance hereunder is based upon the information presently known or

available to the Department with respect to the environmental condition of the Property, and the Department reserves the right to take appropriate action under applicable authorities in the event the Department determines new information warrants such action.

Effective Date. The effective date of this instrument shall be the date the fully executed Environmental Covenant is recorded at the county recorder's office.

Signature and Acknowledgments

Accepted:

Idaho Department of Environmental Quality

Signature: 

Printed Name: Toni Hardesty

Title: Director, Idaho Department of Environmental Quality

Date: 8/24/09

State of Idaho)
) ss.
County of Ada)

On this 24 day of August, in the year 2009, before me, a Notary Public in and for said County and State, personally appeared Toni Hardesty, known or identified to me to be the Director of the Idaho Department of Environmental Quality that executed this Environmental Covenant, and acknowledged to me that the Idaho Department of Environmental Quality executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public for Idaho: Rosie M. Alonzo
Residing at: Nampa, Idaho
Commission Expires: 1/30/2015

Signature and Acknowledgments

Accepted:

Holder, L.D. McFarland Co., Limited

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Greg D. McFarland

Greg D. McFarland

Vice President

7-21-2009

State of Washington)

)ss.

County of Pierce)

On this 21st day of July, in the year 2009, before me, a Notary Public in and for said County and State, personally appeared Greg D. McFarland (Insert name of officer of corporation), known or identified to me to be the Vice President (Insert title) of the corporation that executed the instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

CYNTHIA A HARRIS
Notary Public
State of Washington
My Commission Expires
August 17, 2009

Notary Public for Washington: Cynthia A. Harris
Residing at: Gig Harbor
Commission Expires: 8-17-2009

Signature and Acknowledgments

Accepted:

Property Owner, H&H Enterprises

Signature:

Printed Name:

Title:

Date:

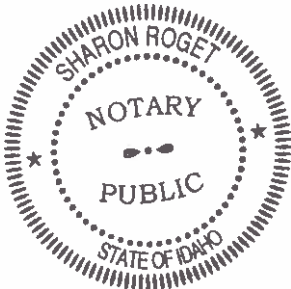
State of

State of Idaho)
)ss.
County of Bonner)

On this 4th day of August, in the year 2009, before me, a Notary Public in and for said County and State, personally appeared Edward W Hawkins Jr (Insert name of officer of corporation), known or identified to me to be the General Partner (Insert title) of the corporation that executed the instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho:

Residing at:**Commission Expires:**

ATTACHMENT A
LEGAL DESCRIPTION

PARCEL THREE, FORMERLY DESCRIBED AS:

Lots 1-6, Block 19; Lots 11 and 12, Block 20, plus vacated Walnut Street east of Ella Street between Lot 1, Block 19 and Lot 12, Block 20, all in Farmin's Sixth Addition to City of Sandpoint and west of Tax Lot 186;

Plus Lots 1-4, a portion of Lot 21 and all of Lots 22-24, Block 7, Whitaker's Addition; plus vacated alley between Lots 1-4 plus Lots 4-6 of Graham's Addition; and Lots 21-24, Block 7 Whitaker's Addition;

Plus a portion of Tax Lot 186.

Currently recorded as per Plat #773914, recorded June 12, 2009

and

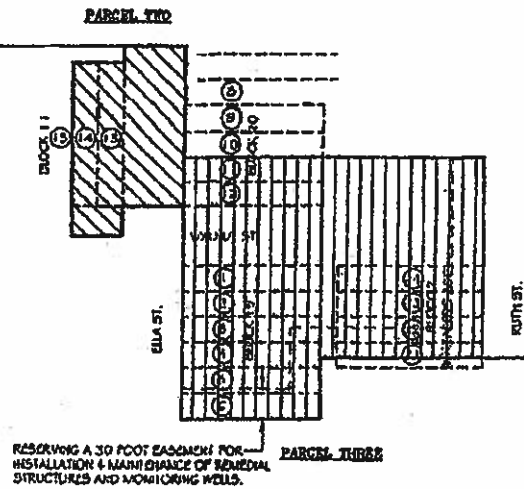
PARCEL TWO, FORMERLY DESCRIBED AS:

Lots 13 and 14 in Block 11 of Farmin's Sixth Addition to Sandpoint, Idaho, according to the plat thereof, recorded in Book 1 of Plats, Page 76, records of Bonner County, Idaho.

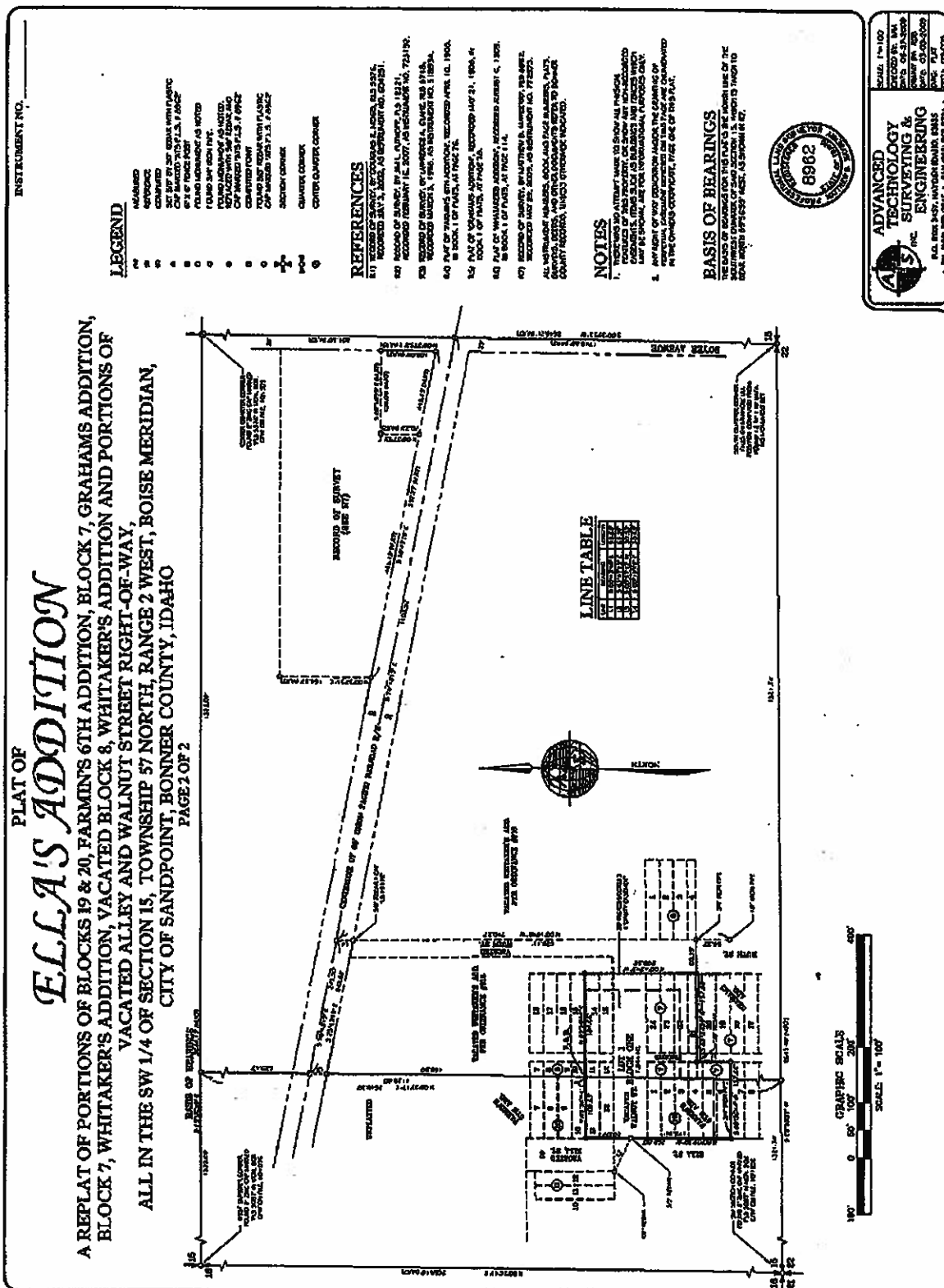
Together with those portions of Walnut Street and Ella Avenue as vacated that would pass by operation of law.

Currently recorded as Record of Survey #772325, recorded June 4, 2009

SW 1/4 OF SECTION 15, TOWNSHIP 57 NORTH, RANGE 2 WEST, B.M.,
CITY OF SANDPOINT, BONNER COUNTY, IDAHO



	ADVANCED TECHNOLOGY SURVEYING & ENGINEERING, INC.		SCALE: 1"=50'
	P.O. BOX 3451, SANDPOINT, IDAHO 83863		DATE: 12-27-2008
	TEL: (208) 772-2711 • FAX: (208) 762-7131		BY: [Signature]
			DATE: 02-27-2009
			BY: [Signature]



ATTACHMENT B

L.D. MCFARLAND COMPANY, LTD.
FORMER WOOD TREATING SITE
SANDPOINT, IDAHO
SOIL MANAGEMENT PLAN FOR
REVISED AREA C1



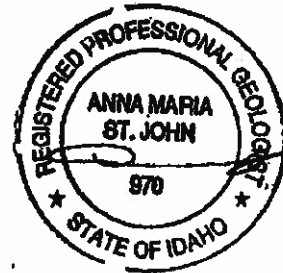
Prepared for
L.D. MCFARLAND COMPANY, LTD.
June 4, 2009
Project No. 9061.01.07

Prepared by
Maul Foster & Alongi, Inc.
3121 SW Moody Avenue, Suite 200
Portland, OR 97239

L.D. MCFARLAND COMPANY, LTD.
FORMER WOOD TREATING SITE
SANDPOINT, IDAHO
SOIL MANAGEMENT PLAN FOR REVISED AREA C1

*The material and data in this plan were prepared
under the supervision and direction of the undersigned.*

MAUL FOSTER & ALONGI, INC.



*Anna Maria St. John, PG
Project Manager*

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ACRONYMS AND ABBREVIATIONS

BaP	benzo(a)pyrene
bgs	below ground surface
BNSF RR	Burlington Northern-Santa Fe Railroad
COC	chemical of concern
DEQ	Idaho Department of Environmental Quality
LDM	L. D. McFarland Company, Ltd.
LNAPL	light nonaqueous-phase liquid
MFA	Maul Foster & Alongi, Inc.
mg/kg	milligrams per kilogram
OSHA	federal Occupational Safety and Health Administration
PAH	polycyclic aromatic hydrocarbon
PCP	pentachlorophenol
PPE	personal protective equipment
PRG	preliminary remediation goal
RI	remedial investigation
SMP	soil management plan

1 INTRODUCTION

This Soil Management Plan (SMP) applies to Revised Area C1, part of L.D. McFarland Company, Ltd.'s (LDM) former wood treatment plant at 1300 North Ella Street in Sandpoint, Idaho (see Figure 1). Figure 2 shows the location of Revised Area C1 relative to the rest of the site and the surrounding properties.

This SMP establishes precautions, procedures, and maintenance requirements to protect human health and the environment from hazardous substances before and during localized excavation work in Revised Area C1. Note that the SMP does not evaluate the geotechnical and physical requirements regarding the suitability of soil for development purposes.

2 BACKGROUND

2.1 Site Overview

LDM has owned and operated the property since 1916. Wood treating operations ceased in July 1998. The LDM facility treated cedar poles with creosote before the mid-1960s, using an open tank thermal method, in an area north of the Burlington Northern-Santa Fe Railroad (BNSF RR) tracks. Beginning around 1921 and continuing through 1948, Western Cedar Pole Preservers operated a pole-treating plant (including vats, boiler, and tanks) south of the BNSF RR tracks. After the mid-1960s, LDM treated cedar poles with pentachlorophenol (PCP) instead of creosote.

LDM continues to operate a peeler and to store white wood in part of Area C south of the BNSF RR (see Figure 2). The southern part of Area C is used for parking by Lighthouse Foods, Inc. The site's zoning designation is light industrial. Reasonably anticipated future land use of Revised Area C1 is industrial, commercial, or a mixture of industrial and commercial. Use of Area C for commercial and industrial purposes in the future has been ensured by institutional controls (i.e., a Declaration of Restrictive Covenant or deed restriction), consistent with IDAPA 58.01.18.027.03.b.

2.2 Previous Investigations and Risk Evaluations

Site characterization activities began in 1985 with a site inspection investigation performed by a U.S. Environmental Protection Agency (USEPA) contractor, Ecology and Environment, between 1985 and 1986 (E & E, 1986). The following chemicals were detected: PCP and creosote constituents (e.g., polycyclic aromatic hydrocarbons [PAHs]) were detected in soil, sediment, surface water, and groundwater samples collected on site; and dioxins and furans were detected in the surface and subsurface soil samples, a sludge sample, and a sample collected near the former woodwaste burner.

In 1998, a remedial investigation (RI) was conducted to assess the nature and extent of wood-treating chemicals in soil and groundwater in and around the LDM site (Maul Foster & Alongi, Inc. [MFA], 2000). Based on historical operations and site characterization data, the site was divided into three segregable areas, A, B, and C. Area C was subdivided into Areas C1, C2, and C3 because of the possible future sale of portions of Area C. Area C1 has been revised to include the area to be sold by LDM. Figure 2 shows Areas A, B, and C (C1 through C3). Chlorinated phenolics and PAHs were considered to be representative constituents of the former wood-treating solutions. Specifically, PCP and benzo(a)pyrene (BaP) were the wood-treating chemicals most frequently detected in soil during the RI and are considered to be the most toxic members of their chemical groups. Light nonaqueous-phase liquid (LNAPL) consisting of diesel-range petroleum hydrocarbons (containing

PAHs) and PCP has been observed in shallow groundwater under parts of Area C (see Figure 3). Dense nonaqueous-phase liquid has been observed intermittently in a well south of the property (MW-5) (see Figure 4).

Based on the data collected during the RI, a soil removal action was performed in the fall of 1998 to reduce potential threats to human health and the environment posed by wood-treating chemicals in soil in and around the LDM site (MFA, 1998). Table 1 summarizes remediation standards for on-site soil. Remediation standards for soil in Area C have generally been achieved, except for small pockets of visibly impacted soil adjacent to the BNSF RR tracks, subsurface soil in a test pit in the southwest part of Area C1 (TP-2 at 8 feet below ground surface [bgs]), and unsaturated soil above the water table in Areas C2 and C3 that may have been impacted with residual LNAPL during seasonal fluctuations in the water table. Thus, subsurface soil in these areas may pose a threat to human health (e.g., that of construction workers).

MFA's 2002 voluntary remediation work plan update included an evaluation of the potential risk to human health and the environment posed by residual concentrations of wood-treating chemicals in on-site soil and groundwater (based on data collected during the RI and soil removal action) (MFA, 2002). Remediation standards for on-site soil have generally been achieved, as noted above. The remediation standards for chlorinated phenolics and PAHs in on-site groundwater are listed in Table 1. The remediation standards are based on a cumulative potential excess cancer risk equivalent to 10^{-5} , which is consistent with the DEQ's target risk level for the remediation of shallow groundwater at other impacted sites in Sandpoint. These standards are appropriate for the following reasons: the site and the area within 0.5 mile downgradient and crossgradient of the site are supplied with drinking water by the city of Sandpoint; shallow groundwater is currently not being used and is not anticipated to be used for beneficial purposes in the future; and shallow groundwater is not considered potable, given its low yield (i.e., less than 5 gallons per minute).

MFA submitted a human health risk assessment (HHRA) to IDEQ for Area C1 in October 2005 (MFA, 2005). The 2005 HHRA included a substantial amount of background information, including characterization of the exposure setting; site stratigraphy and hydrogeology; contaminant sources, releases, and migration mechanisms; a detailed data evaluation; and an exposure pathways analysis. IDEQ provided comments on the HHRA in a December 13, 2005, letter and MFA responded to the comments on February 15, 2006. IDEQ and MFA had subsequent discussions via electronic mail and phone in April 2006 and March through June 2009 to clarify any remaining IDEQ concerns.

LDM is considering selling Revised Area C1 (see Figure 4). IDEQ requested additional data, and additional risk assessment, to complete the HHRA for Revised Area C1. Additional data and evaluations requested by IDEQ include the following: Collection of additional subsurface soil samples from the northwest corner of the proposed sale area and inclusion of these data in the risk evaluation; evaluation of potential groundwater migration to surface water; and evaluation of a potential vapor intrusion pathway.

A risk evaluation for the proposed sale area was performed in April 2009 and updated in June 2009 based on DEQ's comments (MFA, 2009). Four additional soil samples (SS-1 through SS-4) were collected from the northwest part of the proposed sale area (see Figure 4). Conclusions were similar to the 2005 HHRA. Based on the updated risk evaluation results, risk management actions are recommended for subsurface soil at or below 8 feet bgs in Revised Area C1 (see Figure 4). Subsurface soil at or below 8 feet bgs may pose unacceptable risks to future construction workers. Recommended risk management actions for subsurface soil at or below 8 feet bgs included adherence to a soil management plan, and implementation of additional institutional controls¹ and/or engineering controls. The HHRA update noted that institutional controls to protect construction workers could involve requirements that construction workers implement special precautions such as use of personal protective equipment when excavating soil at 8 feet bgs near TP-2 (e.g., chemical-resistant gloves), if work is conducted in the area where COC concentrations were above RATL-1 levels.

2.3 Chemicals of Concern

Chemicals of concern (COCs) include site-related chemicals that exceed remediation standards in subsurface soil and groundwater, specifically PCP and BaP. Subsurface soil concentrations exceed remediation standards for PCP and/or BaP in unsaturated soil in test pit TP-2 at 8 feet bgs (see Figure 4).

¹ Current institutional controls on Area C1 include land use and water use restrictions. Specifically, future activities and uses of Area C1 are limited to industrial and commercial uses, excluding child day care-type and similar uses; Area C1 will not be used for residential development; and no water supply well of any kind including, but not limited to, drinking water supply will be drilled, installed or located in Area C1.

3 HEALTH AND SAFETY REQUIREMENTS

This section summarizes protocols for handling and management of potentially contaminated subsurface soil at and below 8 feet bgs generated during future construction and/or redevelopment of Revised Area C1. Site development may include excavation for building foundations, utilities, and other infrastructure, and contaminated soil may be encountered during these activities. Although it is not expected that contamination will be encountered during excavation as part of development (because the water table is generally shallower than 8 feet bgs in this area), these protocols are included as a precaution.

3.1 Health and Safety Requirements

During excavation of subsurface soil (at and below 8 feet bgs), activities must be conducted by qualified workers and according to federal Occupational Safety and Health Administration (OSHA) regulations (Standards 1910.120 and 1926.65). These regulations require that general site workers (such as equipment operators, general laborers, and supervisory personnel) engaged in hazardous-substance removal or other activities that expose or potentially expose workers to hazardous substances and health hazards have completed 40 hours of initial OSHA-approved training before entering the site and have at least three days of actual field experience under a trained, experienced supervisor.

Managers and supervisors directly responsible for work in the restricted area must have an additional eight hours of specialized training in hazardous-waste management. Medical surveillance examinations for site workers may be required annually as well as in cases where workers are exposed to any particular hazardous substance at or above established exposure levels and/or to unexpected or emergency releases. Each worker must be familiar with the site-specific health and safety plan, which is designed to identify, evaluate, and control safety and health hazards and provide for emergency response.

3.2 Personal Protective Equipment

Workers performing drilling or excavation activities at and below 8 feet bgs will wear appropriate personal protective equipment (PPE), which includes, at a minimum, a hard hat, steel-toed (leather or chemical-resistant) work boots, safety glasses with side shields, and nitrile gloves.

When drilling or excavating is conducted in these areas, engineering controls (such as soil wetting) will be implemented and additional PPE will be worn to reduce the risk of exposure to PCP and BaP. During performance of activities in which inhalation

of soil dust is of concern, a half- or full-face respirator equipped with high-efficiency particulate cartridges will be worn, as needed (Modified Level C PPE).

3.3 Personal Hygiene Protocols

When work is conducted where there is a potential for direct contact with subsurface soil at or below 8 feet bgs, used gloves and other PPE will be placed in a sealed bag and properly discarded. Work boots, hard hats, safety glasses, and respirators will be thoroughly cleaned.

Soap and washwater will be available on site and workers will be required to wash their hands and face before breaks and before leaving the property.

4 SOIL SAMPLING AND ANALYSES

As part of redevelopment, interim actions, or cleanup actions in Revised Area C1, sampling of potentially impacted subsurface soil at and below 8 feet bgs is necessary. This section provides guidance on soil sampling and analyses during construction or other activities that occur at or below 8 feet bgs.

Soil produced during construction or excavation at and below 8 feet bgs will be sampled using the protocol listed in Table 2.

During excavation for development of the property, representative subsurface soil samples between 8 feet bgs and the water table will be field screened for petroleum-like odor, staining, sheen, and residual free product. If a petroleum-like odor or staining is observed, this soil will be placed in separate 100-cubic-yard or smaller, lined, and bermed stockpiles. Each stockpile will be sampled using a five-point composite sampling approach. Specifically, five samples from roughly equally-spaced locations will be collected from 6 to 12 inches below the stockpile's surface. These samples will be combined and thoroughly mixed to produce one sample. The number of composite samples will be based on the volume of excavated material (see Table 2).

The composite samples will be analyzed for PCP and BaP by USEPA Method 8270C by a certified laboratory. Detected concentrations will be compared to the remediation standards in Table 1. If the detected concentrations do not exceed the remediation standards, the soil will be reused as fill in Revised Area C1. If detected concentrations exceed the remediation standards, the soil will be disposed of off site within 90 days at the appropriate disposal facility or landfill. The receiving facility (e.g., landfill) must be contacted regarding specific soil analyses/waste profiling and permitting procedures that will be necessary for waste acceptance. Shipping manifests documenting disposal will be included in a report prepared to document construction activities.

5 SITE CONTROLS

5.1 Stormwater

Surface water run-on and runoff will be controlled with hay bales, silt fencing, and/or plastic sheeting. Run-on and runoff shall be controlled so that contaminated soil or water does not leave the work area (e.g., excavation, transport routes, and/or soil stockpile areas) consistent with National Pollutant Discharge Elimination System requirements for construction projects.

5.2 Dust Control

Dust control measures will be implemented during future construction activities as necessary to reduce dust generation and prevent off-site migration of visible dust. During dry weather, water trucks may be used to sprinkle the access road and other areas that could generate traffic-induced dust. Site construction vehicle speed may also be limited to 10 miles per hour as a dust-control measure. Heavily traveled areas and haul roads may be covered with gravel as necessary.

5.3 Construction Equipment Decontamination

Equipment or vehicles used in the work area (excavators, truck tires, etc.) will be cleaned or washed before leaving the site to prevent migration of soil to public streets. Temporary wheel-wash stations may be used to clean the tires and exteriors of vehicles leaving the site.

5.4 Site Security

Access to the site during future construction will be restricted to authorized subcontractors, utility workers, trucking agencies, and representatives of city and state agencies. A fence will be erected around the site perimeter to discourage unauthorized entry during construction. Access to the site will be limited to designated entryways that will be monitored. Access gates will be secured during off hours.

6 NOTIFICATION AND REPORTING

The owner of the property will notify the DEQ of any project that will disturb soil in the property at least seven days before starting the activity. The notification will include a general description of the activity, the location of the activity, the project schedule, and the anticipated, approximate volumes of contaminated soil that will require management. The notification will describe the intended disposition of any excavated soil (i.e., whether it will be managed on site or transported off site).

Within 60 days following completion of each project involving soil disturbance, the management of contaminated soil and groundwater will be documented in a report submitted to the DEQ's Remediation Section at 2110 Ironwood Parkway, Coeur d'Alene, Idaho 83814-2648.

The report will include:

- A description of the activities that resulted in management of contaminated soil and/or groundwater, including excavation locations
- Estimated quantities of contaminated soil managed
- Results of soil sampling and analysis, if any
- Volumes and locations of soil managed off site and bills of lading and/or hazardous-waste manifests
- Photographic documentation to show the location of the disturbed area and adequate cap restoration

7 RECORDKEEPING

The property owner shall maintain records documenting: (1) the disposition of excavated soil placed on site, including identification of the areas and estimated volumes where excavated soil has been placed; and (2) off-site disposal of excavated soil, product, and/or groundwater, including waste characterization, shipping manifests, and disposal certificates. Such documentation shall be maintained in the permanent records for the property, provided to the DEQ, and disclosed to any subsequent property owner(s).

LIMITATIONS

The services undertaken in completing this plan were performed consistent with generally accepted professional consulting principles and practices. No other warranty, express or implied, is made. These services were performed consistent with our agreement with our client. This plan is solely for the use and information of our client unless otherwise noted. Any reliance on this plan by a third party is at such party's sole risk.

Opinions and recommendations contained in this plan apply to conditions existing when services were performed and are intended only for the client, purposes, locations, time frames, and project parameters indicated. We are not responsible for the impacts of any changes in environmental standards, practices, or regulations subsequent to performance of services. We do not warrant the accuracy of information supplied by others, or the use of segregated portions of this plan.

REFERENCES

E & E. 1986. Site inspection report for L.D. McFarland Company/Division Street wood treating site, Sandpoint, Idaho. Submitted to J. E. Osborn, USEPA Region 10. Ecology and Environment. September.

MFA. 1998. Remedial investigation report, L.D. McFarland Company, Ltd., pole treating facility, 1300 North Ella Avenue, Sandpoint, Idaho. Prepared for L.D. McFarland Company, Ltd. Maul Foster & Alongi, Inc., Vancouver, Washington. August 3.

MFA. 2000. Soil removal action report, L.D. McFarland Company, Ltd., former pole treating facility, 1300 North Ella Avenue, Sandpoint, Idaho. Prepared for L.D. McFarland Company, Ltd. Maul Foster and Alongi, Inc., Vancouver, Washington. August 20.

MFA. 2002. Updated voluntary remediation work plan, L.D. McFarland Company, Ltd., former pole treating facility, 1300 North Ella Avenue, Sandpoint, Idaho. Prepared for L.D. McFarland Company, Ltd. Maul Foster and Alongi, Inc., Vancouver, Washington. January 24.

MFA. 2005. Memorandum (re: human health risk assessment for area C1, L.D. McFarland Company, Ltd. former pole-treating plant, Sandpoint, Idaho) to K. Beck, Idaho Department of Environmental Quality, Coeur d'Alene, Idaho, from M. Novak and J. Peterson, Maul Foster & Alongi, Inc., Portland, Oregon. October 19.

MFA. 2009. Memorandum (re: human health risk assessment for part of area C1, L.D. McFarland Company, Ltd. former pole-treating plant, Sandpoint, Idaho) to K. Beck, Idaho Department of Environmental Quality, Coeur d'Alene, Idaho, from M. Novak and J. Peterson, Maul Foster & Alongi, Inc., Portland, Oregon. April 30, 2009.

TABLES



Table 1
Remediation Standards for On-Site Soil and Groundwater
L.D. McFarland Company, Ltd.
Sandpoint, Idaho

Location	Medium	Remediation Standard		Exceeds Standards	Action
		Standard	Concentration		
Area A	Unsaturated Soil	USEPA Region 9 PRGs for soil at industrial sites (USEPA, 1996)	BaP = 0.26 mg/kg PCP = 7.9 mg/kg	No	None required.
	Groundwater	Values less than a cumulative PECR of 10^{-5} based on the USEPA Region 9 PRGs for tap water for PAHs and chlorinated phenolics (USEPA, 2000)	BaP = 0.09 µg/L PCP = 5.6 µg/L	Yes	The standards are consistent with the DEQ's target risk level for other sites with impacted groundwater in Sandpoint. The site is supplied with drinking water by the City of Sandpoint. No wells are located on the site. Shallow groundwater is not currently being used or anticipated to be used in the future. The yield of the shallow groundwater at and near the site is estimated to be less than 5 gpm. The sources of impacts have been removed. Deed restrictions prohibiting the drilling of water wells and the use of groundwater on the site were placed on Area A. Fate and transport modeling demonstrated achievement of the remediation standards in off-site groundwater downgradient of Area A.

Table 1
Remediation Standards for On-Site Soil and Groundwater
L.D. McFarland Company, Ltd.
Sandpoint, Idaho

Location	Medium	Remediation Standard		Exceeds Standards	Action
		Standard	Concentration		
Area B	Unsaturated Soil	USEPA Region 9 PRGs for soil at industrial sites (USEPA, 1996)	BaP = 0.26 mg/kg PCP = 7.9 mg/kg	No	None required.
	Groundwater	Values less than a cumulative PECR of 10^{-5} based on the USEPA Region 9 PRGs for tap water for PAHs and chlorinated phenolics (USEPA, 2000)	BaP = 0.09 µg/L PCP = 5.6 µg/L	Yes	The standards are consistent with the DEQ's target risk level for other sites with impacted groundwater in Sandpoint. The site is supplied with drinking water by the City of Sandpoint. No wells are located on the site. Shallow groundwater is not currently being used or anticipated to be used in the future. The yield of the shallow groundwater at and near the site is estimated to be less than 5 gpm. The sources of impacts have been removed. Deed restrictions prohibiting the drilling of water wells and the use of groundwater on the site were placed on Area B. Fate and transport modeling demonstrated achievement of the remediation standards in off-site groundwater downgradient of Area B.

Table 1
Remediation Standards for On-Site Soil and Groundwater
L.D. McFarland Company, Ltd.
Sandpoint, Idaho

Location	Medium	Remediation Standard		Exceeds Standards	Action
		Standard	Concentration		
Area C	Unsaturated Soil	Values less than a PECR of 1×10^{-5} based on USEPA Region PRGs for soil at industrial sites (USEPA, 1996)	BaP = 2.6 mg/kg PCP = 79 mg/kg	No	Remediation standards for soil in Area C have generally been achieved, except for small pockets of visibly impacted soil adjacent to the Burlington Northern-Santa Fe Railroad and for unsaturated soil that may be reimpacted during seasonal fluctuations in the water table. Institutional controls will preclude contact with this material.
	Groundwater	Values less than a cumulative PECR of 10^{-5} based on the USEPA Region 9 PRGs for tap water for PAHs and chlorinated phenolics (USEPA, 2000)	BaP = 0.09 µg/L PCP = 5.6 µg/L	Yes	The standards are consistent with the DEQ's target risk level for other sites with impacted groundwater in Sandpoint. The site is supplied with drinking water by the City of Sandpoint. No wells are located on the site. Shallow groundwater is not currently being used or anticipated to be used in the future. The yield of the shallow groundwater at and near the site is estimated to be less than 5 gpm. The sources of impacts have been removed. The standards will be achieved through deed restrictions prohibiting the drilling of water wells and the use of groundwater on the site. Remedial measures will be implemented to mitigate off-site migration of free product in groundwater.

NOTES:

BaP = benzo(a)pyrene.
 DEQ = Idaho Department of Environmental Quality.
 gpm = gallons per minute.
 mg/kg = milligrams per kilogram.
 µg/L = micrograms per liter.
 PAH = polycyclic aromatic hydrocarbon.
 PCP = pentachlorophenol.
 PECR = percent excess cancer risk.
 PRG = preliminary remediation goal.
 USEPA = U.S. Environmental Protection Agency.

Table 2
Subsurface Soil Excavation Sampling Program

Cubic Yards of Soil	Number and Type of Samples
0-100	One one-point composite
101-1,000	One four-point composite
1,001-5,000	Two four-point composites
5,001-9,000	Three four-point composites
9,001-15,000	Four four-point composites
>15,000	Determined on a case-by-case basis

FIGURES





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Figure 1
Site Location

0 2000 4000
FEET

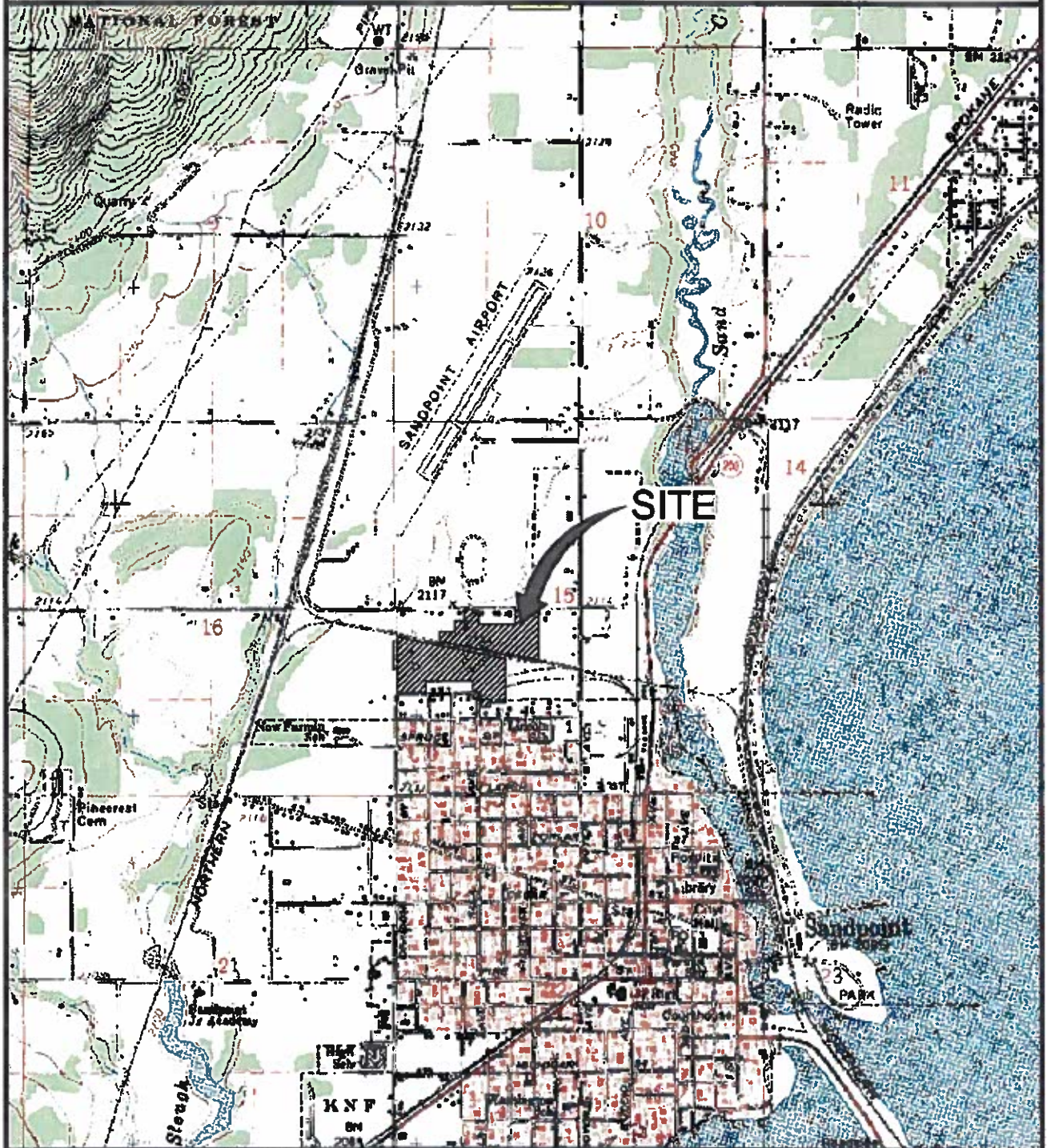


L.D. McFarland Company, Ltd.
Sandpoint, Idaho

Source: DeLorme 3-D TopoQuads (1999)

Site Address: 1300 North Ella, Sandpoint, Banner County, Idaho

Section: 15 Township: 57 N Range: 2 W of Boise Meridian Latitude 48°17'10" Longitude 116°33'44.5"



G:\9081.01 LD McFarland Company Ltd\07_Contaminated Media Mgmt Plan\Fig 1_Site Location.dwg, 4/22/2009 9:36:25 AM, PDF 8x11 P.03

Layout: 1

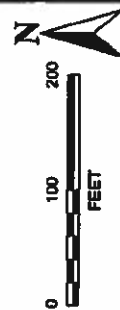
Project: 9081.01.07

Drawn By: J. Fisher

Approved By: A. St. John

Figure 3
Distribution of Light
Nonaqueous-Phase Liquid
in Groundwater (20 Feet bgs)
L.D. McFarland Company, Ltd.
Sandpoint, Idaho

- LEGEND:**
- ◆ GEOPROSE
 - ⊕ MONITORING WELL
 - PIEZOMETER
 - LOCATIONS WHERE PRODUCT OR GLOBULES WERE OBSERVED AT THE TOP OF THE WATER TABLE DURING FIELD INVESTIGATIONS
 - A EXPOSURE AREA DESIGNATION
 - EXPOSURE AREA DESIGNATION BOUNDARY
 - FORMER C1 EXPOSURE AREA DESIGNATION BOUNDARY
 - REVISED C1 EXPOSURE AREA DESIGNATION BOUNDARY



MAUL FOSTER ALONG



Approved By: J. R. Jones

Checked By: J. R. Jones

Project: 88111111

Layout: 3

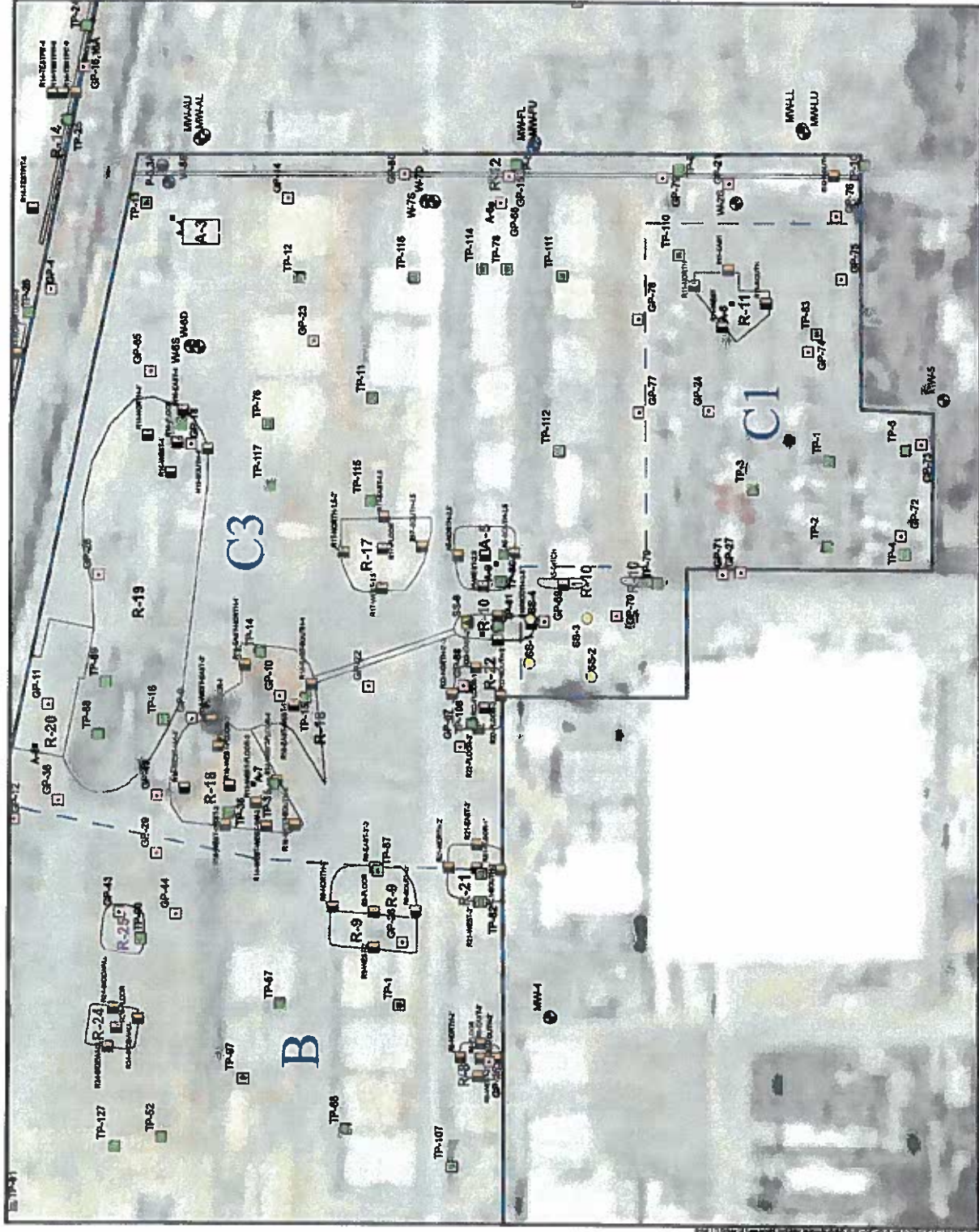
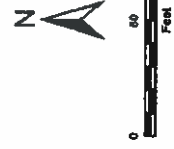
Figure 4
Soil and Groundwater
Sample Locations
in Area C1

L. D. McFarland Company, Ltd.
 Sandpoint, Idaho

Legend

- Recovery Pump
- Soil Boring
- Piezometer
- Monitoring Well
- Geoprobe
- Sediment Sample
- Surface Soil Sample
- Test Pit
- Sample Area Boundary
- Trailing Area
- Excavation Area
- Approximate Property Boundary

Site Location: 1200 N. East Street, Sandpoint, Idaho
 Source: Aerial photo obtained from ESRI/MapInfo
 Wind Earth





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March 10, 2008

KEVIN J. BEATON
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kjbeaton@stoel.com

VIA HAND DELIVERY

Susan Hamlin
Department of Environmental Quality
1410 N. Hilton
Boise, ID 83706

Re: Sandpoint Site, Coeur d'Alene, Idaho

Dear Susan:

Enclosed please find the original Environmental Covenant which has been executed by Greg McFarland on behalf of the L.D. McFarland Company, Limited and Edward W. Hawkins, Jr. on behalf of H&H Enterprises. Please obtain the signature of Toni Hardesty on behalf of the Idaho Department of Environmental Quality. Once the Declaration has been signed, please provide me with the original for recording by H&H.

Thank you in advance for your assistance. If you have any questions or comments, please feel free to contact me.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Kevin Beaton".

Kevin J. Beaton

KJB:ww
Enclosure

cc: Greg McFarland
Les Lonning
Joe Nagel