

**THIS IS CERTIFIED AS A TRUE
AND CORRECT COPY**

SIGNATURE

David Wilkie

**VOLUNTARY CLEANUP CONTRACT
15-6239-RP**

**IN THE MATTER OF
FORMER CAROLINAS RECYCLING GROUP SITE, SPARTANBURG COUNTY
and
SPARTAN IRON & METAL CORPORATION OF SPARTANBURG, S.C.**

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Spartan Iron & Metal Corporation of Spartanburg, S.C., pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 through 760, as amended, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601 to 9675, as amended, and the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-200, with respect to the facility known as the Former Carolinas Recycling Group Site ("Site"). The Spartan Iron & Metal Corporation of Spartanburg, S.C. property is located at 3071 Howard Street, Spartanburg, South Carolina ("Property"). The Property includes approximately 7.67 acres and is bounded generally by Howard Street to the East, a Norfolk Southern Railway Company track to the West, California Avenue to the South, and Simuel Road to the North. The Property is identified by the County of Spartanburg as Tax Map Serial Number 6-13-11-079.00; and a legal description of the Property is attached to this Contract as Appendix A.

DEFINITIONS

1. Unless otherwise expressly provided, terms used in this Contract shall have the meaning assigned to them in CERCLA, the HWMA, and in regulations promulgated under the foregoing statutes, or the Brownfields/Voluntary Cleanup Program.

- A. "Spartan Iron" shall mean Spartan Iron & Metal Corporation of Spartanburg, S.C. Spartan Iron is a State of South Carolina Corporation with its principal place of business located at 3071 Howard Street, Spartanburg, SC.
- B. "Contract" shall mean this Responsible Party Voluntary Cleanup



Contract.

- C. "Pollutant" or "Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "contaminant" does not include petroleum, including crude oil or any fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14) of CERCLA, Section 101, 42 U.S.C. Section 9601, et seq. and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.
- D. "Contamination" shall mean impact by a Contaminant or Hazardous Substance.
- E. "Department" shall mean the South Carolina Department of Health and Environmental Control or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this Contract.
- F. "Hazardous Substance" shall have the same meaning as defined under subparagraphs (A) through (F) of Paragraph (14) of CERCLA, Section 101, 42 U.S.C. Section 9601(14).
- G. "Property" as described in the legal description attached as Appendix A, shall mean that portion of the Site, which is subject to ownership, prospective ownership, or possessory or contractual interest of Spartan Iron.
- H. "Response Action" shall mean any assessment, cleanup,

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inspection, or closure of a site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.

- I. "Site" shall mean all areas where a Hazardous Substance, Pollutant or Contaminant has been released, deposited, stored, disposed of, or placed, or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA.
- J. "Successors and assigns" shall mean new purchasers, lessees, and other parties acquiring an interest in any portion of the Property, but only to the extent that such parties have never been, are not currently, and do not in the future become affiliated with any parties that are independently potentially responsible parties at the Site.
- K. "Voluntary Cleanup" shall mean a Response Action taken under and in compliance with the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 to 760, as amended.
- L. "Work Plan" shall mean the plan for additional Response Actions to be conducted at the Site as described in Paragraph 3 of this Contract.

FINDINGS

2. Based on the information known by or provided to the Department, the following findings are asserted for purposes of this Contract:

- A. Owners and Operators: The historical owners and operators of the Site are as follows:

Owners

Southern Railway-Carolina Division

1918 – Late 1950's

(Was merged into Norfolk Southern Railway Company on July 1, 1996 with Norfolk Southern Railway Company being the surviving corporation)

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Spartan Iron & Metal Corporation of Spartanburg Late 1950's – Present

Operators

Southern Railway	1918- Late 1950's
Spartan Iron & Metal Corporation of Spartanburg	Late 1950's – 1998
Carolina Recycling Group	1998-2005

- B. From 1918 to the late 1950's, the Site was used by Southern Railway/Norfolk Southern for railway purposes. From the late 1950's – 2005, the Site was used by Spartan Iron and Carolina Recycling Group as a facility for the delivery, sorting, packaging, and transport of scrap metal materials. Since 2005, no such operations have taken place on the Site until a new scrap metals processing facility was built on the Site in 2014.
- C. A Phase II Environmental Assessment, dated April 2004 and prepared by CEG Associates documented that various metals and organic compounds were discovered in shallow soils (4-feet or less in depth) at several locations across the Site. In one groundwater sample collected during the same investigation, the only organic compound detected above South Carolina and U.S. EPA Maximum Contaminant Levels (MCLs) was PCB (Aroclor 1248) at a concentration of 2.0 micrograms per liter. Three other groundwater samples were reported to contain no detectable concentrations of organic compounds.
- D. A subsequent Phase II Groundwater Assessment, dated April 2012 and prepared by EnviroSouth Environmental Consultants, was completed to re-sample groundwater across the site. Six (6) groundwater samples were collected and analyzed for PCBs, metals, and volatile organic compounds (VOCs). Data from one (1) groundwater sample indicated the presence of various chlorinated solvents and petroleum products. Trichloroethene ("TCE"), cis1,2-dichloroethene ("DCE") and vinyl chloride (the latter are chemical



breakdown products of TCE) were detected at concentrations above their respective MCLs. In addition, benzene, a compound most commonly associated with gasoline, was also detected above the MCL. Based on the location of a single well containing TCE, DCE and vinyl chloride and the absence of these compounds in all other groundwater samples, it appears that effluent disposed through the former septic drain field was the most likely source of the observed groundwater impact.

- E. A Remedial Investigation (RI) Report dated June 4, 2013 was prepared to include data from additional assessment of the chlorinated solvent plume described in the April 2012 report. Eight (8) permanent groundwater monitoring wells were installed and sampled during this phase of assessment. The RI identified a partially-defined area of groundwater impact. Delineation in the intermediate depth of the saprolite aquifer was identified as incomplete to the north and east of screening point GW-161.
- F. Spartan Iron initiated a voluntary soil removal action from the Site in November 2013. The removal involved the screen-separation of scrap metals from stockpiled soils that existed on the Site subsequent to cessation of operations in 2005. The resulting soil was impacted with lead at concentrations that warranted disposal at an approved landfill. A total of 311.11 tons of lead-impacted soil was properly manifested, transported from the Site, and disposed.

RESPONSE ACTIONS

- 3. Within ten (10) days of the execution of the Contract, Spartan Iron will submit its previous environmental investigation reports to the Department as the past investigation and reports were performed without the Department's oversight. The Department will review Spartan Irons' environmental investigation reports to determine whether Spartan Irons completed an equivalent Remedial Investigation (RI) and determined the source, nature and extent of Contamination in accordance with applicable federal and state

guidance and laws. The Department will notify Spartan Iron in writing if it determines that Spartan Irons' environmental investigation is not complete and/or if there are any deficiencies with Spartan Irons' previous investigation and/or reports.

A. If applicable, within thirty (30) days of the Department's notification that the environmental investigation is not complete, Spartan Iron agrees to submit to the Department for review and written approval a Work Plan for the Site that is consistent with the technical intent of the National Contingency Plan which addresses any deficiencies in Spartan Irons' past investigation and reports. The Work Plan shall be implemented upon written approval from the Department. The Work Plan shall include the names, addresses, and telephone numbers of the consulting firm, the analytical laboratory certified by the Department, and Spartan Iron contact person for matters relating to this Contract. Spartan Iron will notify the Department in writing of changes in the contractor or laboratory. The Department will review the Work Plan and will notify Spartan Iron in writing of any deficiencies in the Work Plan, and Spartan Iron will respond in writing within thirty (30) days to the Department's comments. The Work Plan and all associated reports shall be prepared in accordance with industry standards and endorsed by a Professional Engineer (P.E.) and/or Professional Geologist (P.G.) duly-licensed in South Carolina and shall set forth methods and schedules for accomplishing the following tasks:

- i. Conduct further investigation to complete the formal RI to determine the source, nature, and extent of Contamination at the Site.
- ii. Submit to the Department a RI Report (to include a Baseline Risk Assessment or other evaluation of risk to human health and the environment) in accordance with the schedule in the approved Work Plan. The Department shall review the

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report for determination of completion of the RI and sufficiency of the documentation. If the Department determines that the field investigation is not complete, it will send written notification of such to Spartan Iron, and Spartan Iron shall subsequently conduct additional field investigation to further determine the source, nature, and extent of Contamination. If the Department determines that the field investigation is complete but the report is incomplete, the Department shall send to Spartan Iron a letter indicating that revision of the report is necessary. Within thirty (30) days of receipt of such letter from the Department, Spartan Iron shall submit a revised report addressing the Department's comments.

- iii. Within 60 days of execution of this contract Spartan Iron will submit to the Department a Groundwater Monitoring Plan for completion of monitoring until any necessary soil and/or groundwater remediation is accomplished and the Department determines that groundwater monitoring is no longer needed.
- iv. If determined necessary by the Department, conduct a Feasibility Study or other evaluation of remedial and/or removal alternatives for addressing contamination at the Site.

4. Spartan Iron shall prepare and submit under separate cover from the Work Plan, a Health and Safety Plan that is consistent with Occupational Safety and Health Administration regulations. The Health and Safety Plan is submitted to the Department for information purposes only. The Department expressly disclaims any liability that may result from implementation of the Health and Safety Plan by Spartan Iron.

5. Spartan Iron shall inform the Department in writing at least five (5) working days

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in advance of all field activities pursuant to this Contract and, if deemed necessary by the Department, shall allow the Department and its authorized representatives to take duplicates of any samples collected by Spartan Iron pursuant to this Contract.

6. Within sixty (60) days of the execution date of this Contract and once a quarter thereafter, Spartan Iron shall submit to the Department a written progress report that must include the following: (A) actions taken under this Contract during the previous reporting period; (B) actions scheduled to be taken in the next reporting period; (C) sampling, test results, and any other data, in summary form, generated during the previous reporting period, whether generated pursuant to this Contract or not; and (D) a description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them. Given satisfactory progress and compliance with this Contract, the Department will consider reducing the reporting frequency of progress reports based on the schedule of upcoming actions required under this Contract.

7. All correspondence which may or are required or permitted to be given by either party to the other hereunder shall be in writing and deemed sufficiently given if delivered by (A) regular U.S. mail, (B) certified or registered mail, postage prepaid, return receipt requested, (C) or nationally recognized overnight delivery service company, or (D) by hand delivery to the other party at the address shown below or at such place or to such agent as the parties may from time to time designate in writing.

Unless otherwise directed in writing by either party, all correspondence, work plans, and reports should be submitted to:

The Department: Jan Trent
South Carolina Department Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201
trentjc@dhec.sc.gov

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Spartan Iron

Thomas F. Donn, PG
EnviroSouth, Inc.
3440 Augusta Road
Greenville, South Carolina 29605
tdonn@envirosouth.com

All final work plans and reports shall include two (2) paper copies and one (1) electronic copy on compact disk.

PUBLIC PARTICIPATION

8. Upon execution of this Contract, the Department will seek public participation in accordance with S.C. Code Ann. § 44-56-740(D), and not inconsistent with the National Contingency Plan. Spartan Iron will reimburse the Department's cost associated with public participation (e.g., publication of public notice(s), building and equipment rental(s) for public meetings, etc.).

RESPONSE COSTS

9. Spartan Iron shall, within thirty (30) days of the execution date of this Contract, pay to the Department by certified or cashier's check the sum of one thousand nine hundred three dollars and sixty-five cents (\$1,903.65) to reimburse estimated past response cost incurred by the Department ("Past Costs") relating to the Site. Spartan Iron's payment for Past Costs should be submitted to:

The Department: John K. Cresswell
South Carolina Department of Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, SC 29201

In accordance with §§ 44-56-200 and 44-56-740, Spartan Iron shall, on a quarterly basis, reimburse the Department for Oversight Costs of activities required under this Contract. Oversight Costs include, but are not limited to, the direct and indirect costs of negotiating the terms of this Contract, reviewing Work Plans and reports, supervising corresponding work and activities and costs associated with public participation. Payments will be due within thirty (30) days of the Department's invoice date. The Department shall provide documentation of its Oversight Costs in sufficient

detail so as to show the personnel involved, amount of time spent on the project for each person, expenses, and other specific costs. Invoices shall be submitted to:

Spartan Iron: Spartan Iron & Metal Corporation
Attention: Marvin Siegel
Post Office Box 170187
Spartanburg, South Carolina 29301

All of Spartan Iron's payments should reference the Contract number on page 1 of this Contract and be made payable to:

The South Carolina Department of Health & Environmental Control

If complete payment of the Past Costs or of the quarterly billing of Oversight Costs is not received by the Department by the due date, the Department may bring an action to recover the amount owed and all costs incurred by the Department in bringing the action including, but not limited to, attorney's fees, Department personnel costs, witness costs, court costs, and deposition costs.

ACCESS

10. The Department, its authorized officers, employees, representatives, and all other persons performing Response Actions will not be denied access to the Site during normal business hours or at any time work under this Contract is being performed or during any environmental emergency or imminent threat situation, as determined by the Department (or as allowed by applicable law). Spartan Iron and subsequent owners of the Property shall ensure that a copy of this Contract is provided to any lessee or successor or other transferee of the Property, and to any owner of other property that is included in the Site. If Spartan Iron is unable to obtain access from the Property owner, the Department may obtain access and perform Response Actions. All of the Department's costs associated with access and said Response Actions will be reimbursed by Spartan Iron.

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RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after Spartan Iron has completed the actions required under this Contract, Spartan Iron shall enter and file a restrictive covenant. Upon the Department's approval of the items outlined therein, the restrictive covenant shall be signed by the Department and representatives of Spartan Iron and witnessed, signed, and sealed by a notary public. Spartan Iron shall record this restrictive covenant with the Register of Deeds or Mesne Conveyances in Spartanburg County. The signed covenant shall be incorporated into this Contract as an Appendix. A Certificate of Completion shall not be issued by the Department until the restrictive covenant, if required, is executed and recorded. With the approval of the Department, the restrictive covenant may be modified in the future if additional remedial activities are carried out which meet appropriate clean-up standards at that time or circumstances change such that the restrictive covenant would no longer be applicable. The Department may require Spartan Iron or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. Spartan Iron or subsequent owners of the Property shall file an annual report with the Department by May 31st of each year detailing the current land uses and compliance with the restrictive covenants for as long as the restrictive covenant remains in effect on the Property. The report must be submitted in a manner prescribed by the Department.

OBLIGATIONS AND BENEFITS

12. Nothing in this Contract is intended to be or shall be construed as a release or covenant not to sue for any claim or cause of action, past or future, that the Department may have against a responsible party who is not a signatory to the Contract and who is not a signatory's parent, subsidiary, successor and assign.

13. Subject to Paragraph 15, nothing in this Contract is intended to limit the right of the Department to undertake future Response Actions at the Site or to seek to compel parties to perform or pay for costs of Response Actions at the Site. Nothing in this Contract shall in any way restrict or limit the nature or scope of Response Actions that

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may be taken or be required by the Department in exercising its authority under State and Federal law.

14. Subject to the provisions of Paragraph 15, nothing in this Contract is intended to be or shall be construed as a release or covenant not to sue for any claim or cause of action that the Department may have against Spartan Iron for any matters not expressly addressed by and settled through this Contract.

15. Upon successful completion of the terms of this Contract and the approved Work Plan as referenced in Paragraph 3 above, Spartan Iron shall submit to the Department a request for a Certificate of Completion.

Once the Department determines that Spartan Iron has successfully and completely complied with this Contract, the Department, pursuant to S.C. Code Ann. § 44-56-740(A)(5) and (B)(1), will give Spartan Iron a Certificate of Completion that provides a covenant not to sue to Spartan Iron, its signatories, parents, subsidiaries, successors and assigns, for the work done in completing the Response Actions specifically covered in the Contract and completed in accordance with the approved work plans and reports. The covenant not to sue is contingent upon the Department's determination that Spartan Iron successfully and completely complied with the Contract.

In consideration of the Department's covenant not to sue, Spartan Iron its signatories, parents, subsidiaries, successors and assigns agree not to assert any claims or causes of action against the Department arising out of activities undertaken at the Site or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Site, except for those claims or causes of action resulting from the Department's intentional or grossly negligent acts or omissions.

16. Spartan Iron and the Department each reserve the right to unilaterally terminate this Contract. Termination may be accomplished by giving a thirty (30) day advance written notice of the election to terminate this Contract to the other party. Should Spartan Iron elect to terminate, it must submit to the Department all data generated pursuant to this Contract, and certify to the Department's satisfaction that any



environmental or physical hazard shall be stabilized and/or mitigated such that the Site does not pose a hazard to human health or the environment that did not exist prior to any initial Response Action addressing Contamination identified in this Contract.

17. The Department may terminate this Contract only for cause, which may include but is not limited to, the following:

- A. Events or circumstances at the Site that are inconsistent with the terms and conditions of this Contract;
- B. Failure to complete the terms of this Contract or the Work Plan;
- C. Failure to submit timely payments for Past Costs and/or for Oversight Costs as defined in Paragraph 9 above;
- D. Additional Contamination or releases or consequences at the Site caused by Spartan Iron its signatories, parents, subsidiaries, successors and assigns;
- E. Providing the Department with false or incomplete information or knowingly failing to disclose material information;
- F. Change in Spartan Iron's or its parents', subsidiaries', successors' and assigns' business activities on the Property or uses of the Property that are inconsistent with the terms and conditions of this Contract; or
- G. Failure by Spartan Iron to obtain the applicable permits from the Department for any Response Action or other activities undertaken at the Property.

18. Upon termination of the Contract, the covenant not to sue will be null and void. Termination of this Contract by Spartan Iron or the Department does not end the obligations of Spartan Iron to reimburse Oversight Costs already incurred by the Department and payment of such costs shall become immediately due.

19. The signatories below hereby represent that they are authorized to and enter into this Contract on behalf of their respective parties.

THIS IS CERTIFIED AS A TRUE
AND CORRECT COPY

SIGNATURE



THE SOUTH CAROLINA DEPARTMENT OF HEALTH
AND ENVIRONMENTAL CONTROL

BY: *Daphne G. Neel for*
Daphne G. Neel, Chief
Bureau of Land and Waste Management
Environmental Quality Control

DATE: 7/29/2015

Clair H. Price
Reviewed by Office of General Counsel

DATE: 7/28/15

SPARTAN IRON & METAL CORPORATION OF SPARTANBURG, S.C.

Marvin Siebel
Signature

DATE: 7/21/15

MARVIN SIEBEL - PRESIDENT
Printed Name and Title



APPENDIX A

Legal Description of the Property

County of Spartanburg

Tax Map Serial Number 6-13-11-079.00

All that strip, piece, or parcel of land situate, lying and being in Spartanburg County, South Carolina, situate, lying and being on the western side of Howard Street, and being shown and described on Norfolk Southern Railway Company Drawing Number RM-98-0001 dated February 3, 1998, last revised March 17, 1998, entitled "Property to be Conveyed to Spartan Iron and Metal, Corp. [sic]", attached hereto and being more particularly described with reference thereto, as follows:

To find the point of beginning, commence at a point, being the intersection of the centerline of Howard Gap Road and the centerline of White Avenue, said point bearing North 82°59'29" East, 31.23 feet from an iron pin marking the northwesterly corner of United Parcel Service property as shown on a plat prepared by Neil R. Philips (No. 2903), dated October 24, 1985, and recorded November 15, 1985, in the office of R.M.C. Spartanburg County, South Carolina; then go, North 34°41'55" West along said centerline of Howard Gap Road a distance of 60.73 feet to a point; then go, South 55°18'05" West, a distance of 21.95 feet to a point, said point being the TRUE POINT OF BEGINNING for the herein described parcel of land; thence, North 78°46'35" West, a distance of 259.36 feet to a point being 100.00 feet northeastwardly from, as measured normal to the original centerline of Norfolk Southern Railway Company's main track, as it runs between Spartanburg, South Carolina and Asheville, North Carolina; thence, South 34°23'35" East, along a line at all points being 100.00 feet northeastwardly from, as measured normal to, said original centerline of main track, a distance of 2,064.02 feet to a point; thence, North 55°36'25" East, a distance of 183.54 feet to a point; thence, North 34°27'29" West, a distance of 1,878.66 feet to the POINT OF BEGINNING. Said piece or parcel of land containing 8.26 acres, more or less; and

LESS that portion of the above described property, CONTAINING 0.590 ACRES, more or less, and being shown and described on a survey for Piedmont Farm & Garden Supply prepared by Neil R. Phillips & Company, Inc., Surveyors, dated July 12, 2001, recorded at Plat Book 150, page 930, in the Office of the Register of Deeds for Spartanburg County, South Carolina and which portion was conveyed to Piedmont Farm & Garden Supply by deed to Spartan Iron & Metal Corporation of Spartanburg, SC dated August 13, 2001, recorded October 12, 2001, in Deed Book 74-Q, page 663, Register of Deeds Office for Spartanburg County, South Carolina.

SAID piece or parcel of land CONTAINING 7.67 ACRES, more or less.