

VOLUNTARY CLEANUP CONTRACT 18-7428-RP

IN THE MATTER OF AVONDALE MILLS - WOODHEAD, LLC SITE, AIKEN COUNTY and WOODHEAD, LLC

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Woodhead, LLC, 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 Avondale Mills - Woodhead, LLC Site ("Site"). The Woodhead, LLC property is located at 511 Leitner Street, Graniteville, South Carolina ("Property"). The Property includes approximately 17.12 acres and is bounded generally by Leitner Street on the east; Swint Street on the north; Horse Creek on the west; and Ceastruck Street on the south. The Property is identified by the County of Aiken as Tax Map Serial Numbers 069-06-01-001 and 069-06-39-001. 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 pursuant to the Brownfields/Voluntary Cleanup Program, and if not set forth therein, shall have the meaning assigned to them pursuant to CERCLA, the HWMA, and in regulations promulgated under these statutes.
 - A. "Woodhead" shall mean Woodhead, LLC. Woodhead, LLC is a South Carolina Limited Liability Company with its principal place of business located at 2240 Sage Valley Drive, Graniteville, South Carolina.

- B. "Contamination" shall mean impact by a Pollutant or Contaminant, Petroleum and Petroleum Product, or Hazardous Substance.
- C. "Contract" shall mean this Responsible Party Voluntary Cleanup Contract.
- D. "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.
- E. "Hazardous Substance" shall have the same meaning as defined under subparagraphs (A) through (F) of Paragraph (14) of CERCLA § 101, 42 U.S.C. § 9601(14).
- F. "Petroleum" and "Petroleum Product" shall mean crude oil or any fraction of crude oil, which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds for each square inch absolute), including any liquid, which consists of a blend of petroleum and alcohol and which is intended for use as a motor fuel.
- G. "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 § 101, 42 U.S.C. §§ 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.
- H. "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 Woodhead, LLC.
- I. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.
- J. "Site" shall mean all areas where a Hazardous Substance, Petroleum, Petroleum Product, 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.
- 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. Conestoga-Rovers & Associates provided a Phase I Environmental Site Assessment (ESA) at the Property on behalf of Avondale Mills, Inc. Pursuant to the ESA report dated July 2006, the following information was provided:
 - i. The Site was reportedly originally developed in 1947 by the Graniteville Company. The Site was originally developed as part of the Graniteville Company's local mill complex and has

always been used for the coating of fabrics for specialty applications such as awnings, umbrellas, boat covers, etc. According to Avondale personnel, the original two (2) production lines installed in 1948 remain in use today along with three (3) similar lines installed during various plant extensions.

- ii. The Site, as identified in the ESA, is approximately 7.8 acres in size and is occupied by one (1) primary manufacturing/warehouse facility, an exterior bulk liquid storage area, parking areas, and limited landscaped areas.
- B. S&ME, Inc. provided a Phase II Environmental Site Assessment at the Property (S&ME Phase II). Pursuant to the ESA report dated March 30, 2018, the following information was provided:
 - i. Relatively low concentrations of some of the analyzed compounds were detected in soil and groundwater samples collected from the Graniteville Specialty Fabrics facility located on the Property. The most significant finding was the slight exceedances of regulatory levels for vinyl chloride in two (2) groundwater samples and PCB Aroclor 1254 in another groundwater sample.

RESPONSE ACTIONS

3. Woodhead agrees to submit to the Department for review and written approval within thirty (30) days of the execution date of this Contract a Work Plan for the Site that is consistent with the technical intent of the National Contingency Plan. 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 Woodhead's contact person for matters relating to this Contract. Woodhead will notify the Department in writing of changes in the contractor or laboratory. The Department will review the Work Plan and

will notify Woodhead in writing of any deficiencies in the Work Plan, and Woodhead will respond in writing to the Department's comments within thirty (30) days. 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:

- A. Conduct an Assessment Work Plan to determine the source, nature, and extent of Contamination at the Site.
- Submit to the Department an Assessment Report (to include a B. 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 report for determination of completion of the Assessment Report and sufficiency of the documentation. If the Department determines that the field investigation is not complete, it will send written notification of such to Woodhead, and Woodhead 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 will send to Woodhead a letter indicating that revision of the report is necessary. Within thirty (30) days of receipt of such letter from the Department, Woodhead shall submit a revised report addressing the Department's comments.
- C. If determined necessary by the Department, conduct an evaluation and identify cleanup alternatives for addressing Contamination at the Site.

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- 4. Woodhead 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 Woodhead.
- 5. Woodhead shall inform the Department in writing at least five (5) working days 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 Woodhead pursuant to this Contract.
- 6. Within sixty (60) days of the execution date of this Contract and once a quarter thereafter, Woodhead 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.
- 7. All correspondence by either party to the other 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) nationally recognized overnight delivery service company, or (D) 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:

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SIGNATURE WALL VIMOUNT

The Department:

Greg Cassidy

South Carolina Department Health & Environmental Control

Bureau of Land and Waste Management

2600 Bull Street

Columbia, South Carolina 29201

cassidga@dhec.sc.gov

Woodhead:

Chip Goforth

2240 Sage Valley Drive Graniteville, SC 29829

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 by Woodhead, 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. Woodhead will reimburse the Department's costs associated with public participation (e.g., publication of public notice(s), building and equipment rental(s) for public meetings, etc.).

RESPONSE COSTS

9. In accordance with S.C. Code Ann. §§ 44-56-200 and 44-56-740, Woodhead 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 will 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:

Woodhead:

Chip Goforth

2240 Sage Valley Drive Graniteville, SC 29829 All of Woodhead'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). Woodhead 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 Woodhead 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 Woodhead.

RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after Woodhead has completed the actions required under this Contract, Woodhead 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 Woodhead and witnessed, signed, and sealed by a notary public. Woodhead shall record this restrictive covenant with the Register of Deeds or Mesne Conveyances in

Aiken 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 Woodhead or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. Woodhead 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. Upon execution of this Contract by the Department, Woodhead, its signatories, parents, subsidiaries, successors, and assigns shall be deemed to have resolved their liability to the State in an administrative settlement for purposes of, and to the extent authorized under 42 U.S.C. § 9613(f)(2), S.C. Code Ann. § 44-56-200, for the matters addressed in this Contract. "Matters addressed" are all Response Actions taken or to be taken at or in connection with this Site under this Contract and any subsequent amendments to this Contract, and all response costs incurred or to be incurred under this Contract and any subsequent amendments to this Contract. Further, by resolving its liability to the State for some or all of a Response Action in this administrative settlement, Woodhead may seek contribution to the extent authorized under 42 U.S.C. § 9613(f)(3)(B), S.C. Code Ann. § 44-56-200 from any person who is not a party to this administrative settlement. A thirty (30) day comment period shall be required prior to the Department's execution of this Contract, and shall commence upon publication of the notice of this proposed Contract in the South Carolina State Register.

- 13. 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 this Contract and who is not a signatory's parent, subsidiary, successor, or assign.
- 14. Subject to the provisions of Paragraph 16, 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 may be taken or be required by the Department in exercising its authority under State and Federal law.
- 15. Subject to the provisions of Paragraph 16, 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 Woodhead for any matters not expressly addressed by and settled through this Contract.
- 16. Upon successful completion of the terms of this Contract, Woodhead shall submit to the Department a request for a Certificate of Completion.

Once the Department determines that Woodhead 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 Woodhead a Certificate of Completion that provides a covenant not to sue to Woodhead, its signatories, parents, subsidiaries, successors, and assigns for the work done in completing the Response Actions specifically covered in this Contract and completed in accordance with the approved work plans and reports. The covenant not to sue and administrative settlement for purposes of contribution protection are contingent upon the Department's determination that Woodhead successfully and completely complied with this Contract.

In consideration of the Department's covenant not to sue, Woodhead, 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.

- 17. Woodhead 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 Woodhead 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.
- 18. The Department may terminate this Contract only for cause, which may include, but is not limited to, the following:
 - 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;
 - 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 Woodhead, its parents, subsidiaries, successors, and assigns;
 - E. Providing the Department with false or incomplete information or knowingly failing to disclose material information;
 - F. Change in Woodhead'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

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- G. Failure by Woodhead to obtain the applicable permits from the Department for any Response Action or other activities undertaken at the Property.
- 19. Upon termination of this Contract under Paragraphs 17 or 18, the covenant not to sue and administrative settlement for purposes of contribution protection shall be null and void. Termination of this Contract by Woodhead or the Department does not end the obligations to reimburse Oversight Costs already incurred by the Department and payment of such costs shall become immediately due.
- 20. The signatories below hereby represent that they are authorized to enter into this Contract on behalf of their respective parties.

THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

BY. 26 3/26	DAIL
Henry J. Porter, Chief Bureau of Land and Waste Management S.C. Department of Health & Environmenta	al Control
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Reviewed by Office of General Counsel	DATE: 2-/28/19
2	
WOODHEA	D, LLC
Signature	DATE: 12-18-18
Weldon Wyaff Manager Printed Name and Title	- *

APPENDIX A

Legal Description of the Property

County of Aiken

Tax Map Serial Number 069-06-01-001 & 069-06-39-001

ALL that certain piece, parcel or lot of land being in the City of Graniteville, Aiken County, South Carolina being located at the intersection of Newton-Woodhead Ro S-2-48) and Horse Creek as shown as **TRACT A and TRACT C** on a plat of Woodhead Tract prepared for Avondale Mills by Davis & Floyd, Inc. on July 26, 2006 with final revision on March 28, 2007 and recorded March 29, 2007 in Plat Book 52 at page 525, in the Office of the RMC for Aiken County, South Carolina.

As to TRACT A:

Commencing at a PK nail at the Centerline Intersection of Newton-Woodhead Road (S-2-48) and Horse Creek, the said point being the POINT OF COMMENCEMENT. Thence running S58°29'19"E for a distance of 37.60 feet to a traverse point on the Right of Way of Newton-Woodhead Road being the POINT OF BEGINNING; thence running along the said Right of Way S14°01'52"E for a distance of 51.68 feet to a #5 rebar set; thence running along an arc 269.13 feet to the left having a radius of 3667.00 feet, the chord bearing of S16°08'01" E for a chord distance of 269.07 feet to a PK nail set; thence running S18°14'11"E for a distance of 1396.88 feet to a #5 rebar set; thence leaving the Right of Way of Newton-Wood head Road and running S71o 45'49"W for a distance of 95.08 feet to a #5 rebar set; thence running S4o 40'08"E for a distance of 66.23 feet to a #5 rebar set; thence running S85°19'52"W for a distance of 54.05 feet to a #5 rebar set; thence running S82°33'42"W for a distance of 215.74 feet to a #5 rebar set; thence running S85°11'11 "W for a distance of 99.34 feet to a #5 rebar set; thence running S84°05'24"W for a distance of 252.89 feet to a #5 rebar set on a traverse line along Horse Creek, the centerline of Horse Creek being the property boundary line to the West; thence along said traverse line running N1r12'06"E for a distance of 185.22 feet; thence running N49°30'22"E for a distance of 137.52 feet; thence running N6°30'24"E for a distance of 170.70 feet, thence running N6°37'53"W for a distance of 187.10 feet; thence running N68°31'03"W for a distance of 94.20 feet; thence running N12°39'32"W for a distance of 64.67 feet; thence running N 13°37'25"W for a distance of 243.01 feet; thence running N2°01'09" E for a distance of 134.13 feet; thence running N1°39'29"W for a distance of 190.33 feet; thence running N31°06'35"E for a distance of 98.01 feet; thence running N4°15'41"E for a distance of 79.87 feet; thence running N 2r48'08"W for a distance of 73.00 feet; thence running N13°38'15"W for a distance of 172.36 feet; thence running N58°29'19"E for a distance of 234.21 feet, to the POINT OF BEGINNING, thus defining Tract A, containing 15.88 acres, more or less.

As to TRACT C:

Commencing at a PK Nail at the Centerline Intersection of Newton-Woodhead Road (S-2-48) and Horse Creek. The said point being the POINT OF COMMENCEMENT; thence running S58°29'19"E for a distance of 37.60 feet to a traverse point on the Western Right of Way of Newton-Wood head Road; thence running along said Right of Way S14°01'52"E for a distance of

51.68 feet to a #5 rebar set; thence running along an arc 269.13 feet to the left, having a radius

of 3667.00 feet, the chord bearing of S16°08'01"E for a chord distance of 269.07 feet to a #5 rebar set; thence, being the POINT OF BEGINNING, running S18°14'11"E for a distance of

407.76 feet to a traverse point on said Right of Way; thence running along a tie line between Tract A and Tract C, N71°45'49"E for a distance of 66.00 feet to a PK nail set on the Eastern Right of Way of Newton-Woodhead Road; thence running S81°27'36"E for a distance of 235.42 feet to a PK nail set along Mill Street; thence running along Mill Street S8°51'14"W for a distance of 435.38 feet to a nail set along Mill Street; thence running S71°45'49"W for a distance of 11.91 feet to a #5 rebar set on the Right of Way of Newton-Woodhead Road; thence running along said Right of Way N18°14'11"W for a distance of 493.67 feet to the POINT OF BEGINNING, thus defining Tract C, containing 1.24 acres, more or less.

This being the same property conveyed to Woodhead, LLC, a South Carolina limited liability company by Deed of Avondale Mills, Inc., an Alabama corporation dated August 4, 2006 and recorded August 17, 2006 in Record Book 4083 at page 1499, in the Office of the RMC for Aiken County, South Carolina.