

Environmental Covenant
K. Gene Hansen Revocable Trust Property
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**To be recorded with County
Recorder – Utah Code Ann § 57-25-108**

When Recorded Return To:
K. Gene Hansen Revocable Trust
c/o Gene Hansen
1976 Wasatch Drive
Salt Lake City, Utah 84108

12111014
08/12/2015 02:01 PM \$30.00
Book - 10352 Pg - 197-207
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
REBECCA STUDENKA
2410W CALIFORNIA AVE
SLC UT 84104
BY: CBP, DEPUTY - WI 11 P.

With Copy To:
Scott T. Anderson, Director
Division of Waste Management and Radiation Control
P.O. Box 144880
Salt Lake City, UT 84114-4880

ENVIRONMENTAL COVENANT

1. This Environmental Covenant is entered into by K. Gene Hansen Revocable Trust ("Owner") and the Director, Division of Waste Management and Radiation Control (Director), pursuant to Utah Code Ann. §§ 57-25-101 et seq. for the purpose of subjecting the Property described in paragraph 2, below, to the activity and use limitations set forth herein.

Site History

2. The K. Gene Hansen Revocable Trust property is located at 1235 East 3300 South in Salt Lake City and is further identified as Salt Lake County property tax assessor number: 16-29-427-048. The legal description of the property is "Beginning at a point on the Northeasterly line of the Jordan and Salt Lake City Canal, said point being South 89°47'10" West 314.51 feet from the Southeast corner of Lot 1, Block 27, 10 Acre Plat "A", Big Field Survey, and running thence South 89°47'10" West along the North line of 3300 South Street 58.23 feet to the Southwesterly line of said Jordan and Salt Lake City Canal (West 57.75 feet record); thence South 32°00'00" East along said Southwesterly line 38.82 feet to the centerline of said 3300 South Street, said point being West 656.60 feet (West 668.27 feet record) and South 1529.84 feet (South 92.1 rods record) from the East Quarter of Section 29, Township 1 South, Range 1 East, Salt Lake Base and Meridian; thence South 89°47'10" West along said centerline 137.79 feet (West 118.78 feet record); thence North 00°13'34" East 219.64 feet to said Southwesterly line of said Jordan and Salt Lake City Canal (North 191 feet record);

thence North 32°00'00" West along said Southwesterly line 16.09 feet, said point being West 499.94 feet (West 521.01 feet record) and South 375.30 feet (South 367.64 feet record) from the Northeast corner of Lot 1, Block 27, 10 Acre Plat "A", Big Field Survey; thence North 89°47'10" East 58.23 feet to said Northeasterly line of said Jordan and Salt Lake City Canal (East 57.75 feet record); thence South 32°00'00" East along said Northeasterly line 235.65 feet (South 32°00'00" East 235.65 feet record) to the point of beginning.

Less and Excepting therefrom the property conveyed to Salt Lake County for road dedication by Warranty Deed recorded March 17, 2009 as Entry No. 10649871 in Book 9698 at Page 6796 in the Salt Lake County Recorder's Office."

3. Brickyard Square LLC is the previous Owner of the property currently owned by K. Gene Hansen Revocable Trust. The K. Gene Hansen Revocable Trust property will be referred to as the Brickyard Square LLC property in this document when detailing previous investigations conducted on the property.
4. Wasatch was contracted by the owners of the adjoining west Tuxedo Junction property to review a Phase I Environmental Site Assessment (ESA) dated November 26, 2007, and a Limited Phase II Subsurface Investigation (LSI) dated January 8, 2008, conducted for the Tuxedo Junction property by Western Geologic, LLC. The Phase I ESA identified current and past dry cleaning activities conducted at the Tuxedo Junction property.
5. As part of the January 2008 Western Geologic LSI, three borings were advanced on the Brickyard Square LLC property east of the Tuxedo Junction property. Western Geologic collected soil samples from each boring at 5, 10, and 15 feet below ground surface (bgs). The total depth of investigation was 15 feet bgs and groundwater was not encountered. The highest concentration of tetrachloroethene (PCE) identified by Western Geologic was 690 µg/kg from boring location TJ-SE at a depth of 10 feet bgs. Boring TJ-SE was located on the western-central boundary of the Brickyard Square LLC property, approximately 5 feet from the Tuxedo Junction building.
6. To further define the horizontal and vertical extent of PCE impacts on the Brickyard Square LLC Property, Wasatch Environmental conducted additional investigation activities in April and May 2008. The Wasatch investigation included the completion of seven borings with depths ranging from 15 feet bgs to 33 feet bgs and the collection of 10 near surface samples. The results of this investigation are presented in Wasatch's "Limited Subsurface Investigation Results" report that was submitted to DSHW on June 11, 2008.

7. Based on the analytical results from all previous investigations, PCE was not identified in the soils at concentrations exceeding U.S. EPA Region 9 Industrial Preliminary Remediation Goals (PRGs). However, Wasatch identified PCE in groundwater at a concentration of 23 µg/L near Western Geologic boring TJ-SE, above its Federal Maximum Contaminant Level (MCL) of 5 µg/L, and at concentration of 3.1 µg/L farther to the east.

8. Due to the fact that PCE was identified in the groundwater at a concentration in exceedance of its federal MCL, Utah Division of Solid and Hazardous Waste recommended, and it was ultimately agreed, that soil be removed in the area where the highest concentration of PCE was identified on the Brickyard Square LLC property (isolated area at or near the Tuxedo Junction property boundary in the vicinity of TJ-SE).

9. On December 11, 2008, Wasatch initiated excavation activities to remove the PCE-impacted soil in the area of Western Geologic boring TJ-SE. Approximately 12 yards of soil were removed from the TJ-SE excavation. Confirmatory soil samples were collected from the base and sidewalls of the excavation. Analytical results indicated that PCE was reported at a concentration of 58 µg/kg in the north sidewall sample, 180 µg/kg in the east sidewall sample, 130 µg/kg in the south sidewall sample, and 960 µg/kg in both the west sidewall and excavation base samples.

10. Given the concentrations of PCE identified in the excavation base and west sidewall confirmatory soil samples (both reporting 960 µg/kg), additional excavation activities were conducted on December 19, 2008. The base of the excavation was extended to approximately 15 feet bgs. One confirmatory soil sample was collected from the base of the excavation. Laboratory results reported PCE at a concentration of 28 µg/kg. Approximately 8 cubic yards of soil were removed.

11. Once laboratory results confirmed that the limits of the excavation had been achieved on the Brickyard Square property, additional excavation was attempted extending west onto the adjacent property. However, dry cleaning sludge and debris were encountered on the adjacent property. Because the limits of the excavation had been achieved on the Brickyard Square property, excavation activities were discontinued and the Brickyard Square excavation was backfilled. Additional exploratory excavation, removal of the dry cleaning sludge and debris, and soil confirmatory samples were conducted on the adjacent property at a later date and under a separate agreement.

12. The environmental response project is referred to as the Brickyard Square LLC Property, 1235 East 3300 South, Salt Lake City, Utah. The project administrative records are maintained and managed by the Utah Department of Environmental Quality,

Division of Solid and Hazardous Waste. Based on the analytical results from all previous investigations, vertical and horizontal delineation has been completed on the Brickyard Square LLC Property. Based on site topography, groundwater flow direction at the site is expected to be towards the west.

13. The analytical results from all previous investigation documents that the highest identified concentration of PCE remaining on the Brickyard Square LLC property is 250 µg/kg reported from the soil sample collected from GP-1/SB-1A at 5 feet bgs located along the western edge of the property. At that time, this concentration was still above the U.S. EPA Residential Soil PRG, but below the U.S. EPA Industrial Soil PRG of 1,300 µg/kg. The highest concentration of PCE in water was 23 µg/L identified by Wasatch at boring SB-1A at 25 feet bgs, also located approximately 5 feet east of the Tuxedo Junction building, just south of boring TJ-SE.

14. Based on the results of the site investigations, the soil removal activities conducted, the completion of a Risk Assessment and Site Management Plan, and the proposed commercial use of the property, additional active remedial/cleanup activities were not required, and the Division of Solid and Hazardous Waste approved the use of institutional controls in the form of an Environmental Covenant for long-term management at the site.

The institutional controls recorded on the Brickyard Square LLC property include:

- The property shall not be developed for residential use or use as a day care.
- For the protection of construction workers, future subsurface earthwork shall require the implementation of appropriate health and safety precautions.
- The use of the groundwater on the property shall be prohibited for any purpose. There shall be no installation of any groundwater well, except those approved by Utah Department of Environmental Quality, on the subject property.

15. The Environmental Covenant was recorded at the Salt Lake County Recorder's office on October 16, 2009, in document 10818755, or Book 9771, Pages 5183 to 5192. Since the Environmental Covenant was recorded on the subject property in October 2009, the U.S. EPA has issued new Regional Screening Levels (RSLs). The current U.S. EPA RSL for PCE in Residential Soil is 100,000 µg/kg. The highest remaining PCE concentration in soil at the subject property is 250 µg/kg.

As part of ongoing monitoring activities associated with the adjoining west Tuxedo Junction property, in May 2008, one monitoring well (MW-4) was installed in the western portion of the subject property near former boring TJ-SE. PCE was detected in groundwater samples collected from monitoring well MW-4 in January 2009 and July

2009 at concentrations of 9.0 µg/L and 7.1 µg/L, respectively, above its federal MCL of 5 µg/L. PCE has not been detected in the groundwater samples collected from monitoring well MW-4 at concentrations exceeding its federal MCL since July 2009.

AGREEMENT

16. Now therefore, Owner K. Gene Hansen Revocable Trust and the Director agree to the following:

17. Environmental Covenant. This instrument is an environmental covenant developed and executed pursuant to Utah Code Ann. §§ 57-25-101 et seq.

18. Property. This Environmental Covenant concerns parcel number 16-29-427-048 owned by K. Gene Hansen Revocable Trust, located at 1976 Wasatch Drive, Salt Lake City, in Salt Lake County, Utah, and more particularly described in Paragraph 2 hereto and hereby incorporated by reference herein ("Property").

19. Owner. K. Gene Hansen Revocable Trust which is located at 1976 Wasatch Drive, Salt Lake City, Utah is the owner of the Property.

20. Holder. Owner, whose address is listed above, and which is located at 1976 Wasatch Drive, Salt Lake City, Utah is the holder of this Environmental Covenant.

21. Activity and Use Limitation. In accordance with the Amended Site Management Plan, Owner hereby imposes and agrees to comply with the following activity and use limitations:

- As part of ongoing monitoring activities associated with the adjoining west Tuxedo Junction property, it will be necessary that the Owner continue to allow access to monitoring well MW-4 during all subsequent sampling events as stipulated in paragraph 25.

22. If any event or action by or on behalf of a person or entity who owns an interest in or holds an encumbrance on the Property, identified in paragraph 18 above, constitutes a breach of the activity and use limitations, Owner or Transferee shall notify the Director within 30 days of becoming aware of the event or action, and shall remedy the breach of the activity and use limitations within 60 days of becoming aware of the event or action, or such other time frame as may be agreed to by the Owner or Transferee and Director.

23. Running with the Land. This Environmental Covenant shall be binding upon the Owner[s] and all assigns and successors in interest, including any Transferee, and shall run with the land, pursuant to Utah Code Ann. § 57-25-105, subject to amendment or termination as set forth herein. The term "Transferee," as used in this Environmental Covenant, shall mean any future owner of any interest in the Property or any portion thereof, including, but not limited to, owners of an interest in fee simple, mortgagees, easement holders, and/or lessees.

24. Compliance Enforcement. Compliance with this Environmental Covenant may be enforced pursuant to Utah Code Ann. § 57-25-111. Failure to timely enforce compliance with this Environmental Covenant or the activity and use limitations contained herein by any party shall not bar subsequent enforcement by such party and shall not be deemed a waiver of the party's right to take action to enforce any non-compliance. Nothing in this Environmental Covenant shall restrict the Director from exercising any authority under applicable law.

25. Rights of Access. Owner hereby grants to the Director, its agents, contractors, and Holders and employees the right of access to the Property for implementation or enforcement of this Environmental Covenant.

26. Compliance Reporting. Owner or any Transferee shall submit to the Director on an annual basis written documentation verifying that the activity and use limitations remain in place and are being complied with.

27. Notice upon Conveyance. Each instrument hereafter conveying any interest in the Property or any portion of the Property shall contain a notice of the activity and use limitations set forth in this Environmental Covenant, and provide the recorded location of this Environmental Covenant. The notice shall be substantially in the following form:

THE INTEREST CONVEYED HEREBY IS SUBJECT TO AN ENVIRONMENTAL COVENANT, DATED August 12, 2015, RECORDED IN THE DEED OR OFFICIAL RECORDS OF THE Salt Lake COUNTY RECORDER ON August 12, 2015, IN [DOCUMENT 21104 or BOOK 1552 PAGE 17-20]. THE ENVIRONMENTAL COVENANT CONTAINS THE FOLLOWING ACTIVITY AND USE LIMITATIONS:

- As part of ongoing monitoring activities associated with the adjoining west Tuxedo Junction property, it will be necessary that the Owner continue to allow access to monitoring well MW-4 during all subsequent sampling events as stipulated in paragraph 25.

28. Owner shall notify the Director within 10 days after each conveyance of an interest in any portion of the Property. Owner's notice shall include the name, address,

and telephone number of the Transferee, a copy of the deed or other documentation evidencing the conveyance, and an unsurveyed plat that shows the boundaries of the property being transferred.

29. Representations and Warranties. Owner hereby represents and warrants to the other signatories hereto:

- A. that the Owner is the sole owner of the Property;
- B. that the Owner holds fee simple title to the Property which is free, clear and unencumbered;
- C. that the Owner has the power and authority to enter into this Environmental Covenant, to grant the rights and interests herein provided and to carry out all obligations hereunder;
- D. that the Owner has identified all other persons that own an interest in or hold an encumbrance on the Property and notified such persons of the Owner's intention to enter into this Environmental Covenant; and
- E. that this Environmental Covenant will not materially violate or contravene or constitute a material default under any other agreement, document or instrument to which Owner is a party or by which Owner may be bound or affected;

30. Amendment or Termination.

The highest remaining PCE concentration in soil at the property is 250 µg/kg, below the current U.S. EPA RSL for PCE in Residential Soil of 100,000 µg/kg. This Environmental Covenant is an amendment to the Environmental Covenant that was recorded at the Salt Lake County Recorder's office on October 16, 2009, in document 10818755, or Book 9771, Pages 5183 to 5192 for the Brickyard Square LLC property. This Environmental Covenant removes the following institutional controls recorded on the Brickyard Square LLC property:

- The property shall not be developed for residential use or use as a day care.
- For the protection of construction workers, future subsurface earthwork shall require the implementation of appropriate health and safety precautions.

- The use of the groundwater on the property shall be prohibited for any purpose. There shall be no installation of any groundwater well, except those approved by Utah Department of Environmental Quality, on the subject property.

This Environmental Covenant may be amended or terminated by written consent of all of the following: the Owner or a Transferee; and the Director,¹ pursuant to Utah Code Ann. § 57-25-110 and other applicable law. The term, "Amendment," as used in this Environmental Covenant, shall mean any changes to the Environmental Covenant, including the activity and use limitations set forth herein, or the elimination of one or more activity and use limitations when there is at least one limitation remaining. The term, "Termination," as used in this Environmental Covenant, shall mean the elimination of all activity and use limitations set forth herein and all other obligations under this Environmental Covenant.

31. Severability. If any provision of this Environmental Covenant is found to be unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

32. Governing Law. This Environmental Covenant shall be governed by and interpreted in accordance with the laws of the State of Utah.

33. Recordation. Within 30 days after the date of the final required signature upon this Environmental Covenant, Owner shall file this Environmental Covenant for recording, in the same manner as a deed to the Property, with the Salt Lake County Recorder's Office.

34. Effective Date. The effective date of this Environmental Covenant shall be the date upon which the fully executed Environmental Covenant has been recorded as a document of record for the Property with the Salt Lake County Recorder.

35. Distribution of Environmental Covenant. The Owner shall distribute a file- and date-stamped copy of the recorded Environmental Covenant to: the Director; the city of Salt Lake, Salt Lake County, any "Holder," any lessee, each person who signed the Environmental Covenant, each person holding a recorded interest in the Property; and any other person designated by the Director; see Utah Code Ann. §§ 57-25-107].

¹ See Utah Code Ann § 57-35-104 (2) (e), which allow for "limitations on amendment or termination."

36. Notice. Unless otherwise notified in writing by or on behalf of the current owner or the Director, any document or communication required by this Environmental Covenant shall be submitted to:

Mr. Scott T. Anderson, Director
Division of Waste Management and Radiation Control
Salt Lake City, Utah 84114-4880

The undersigned representative of the Owner represents and certifies that he is authorized to execute this Environmental Covenant.

IT IS SO AGREED:

[NAME OF OWNER/S]

K. G. Hansen
Signature of Owner[s]

K. Gene Hansen
Printed Name and Title

7/14/15
Date

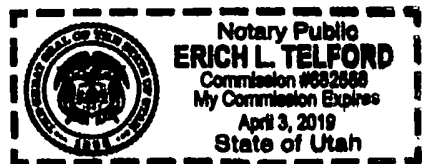
State of Utah)
County of Salt Lake)

ss:


Before me, a notary public, in and for said county and state, personally appeared K. Gene Hansen, a duly authorized representative of _____, who acknowledged to me that he [he/she] did execute the foregoing instrument on behalf of _____.

IN TESTIMONY WHEREOF, I have subscribed my name and affixed my official seal this 14 day of July, 2015

[Signature]
Notary Public



Division of Waste Management and Radiation Control



Scott T. Anderson, Director

10 August 2015

Date

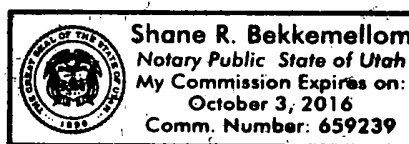
State of Utah)
) ss:
County of Salt Lake)

Before me, a notary public, in and for said county and state, personally appeared Scott T. Anderson, Director of the Division of Waste Management and Radiation Control, who acknowledged to me that he did execute the foregoing instrument.

IN TESTIMONY WHEREOF, I have subscribed my name and affixed my official seal this 10th day of August, 2015.

Shane R. Bekkemellom

Notary Public



[NAME OF HOLDER]

K. Gene Hansen

Signature of Holder
K. Gene Hansen

Printed Name and Title

7/14/15

Date

State of Utah)
) ss:
County of Salt Lake)

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Before me, a notary public, in and for said county and state, personally appeared K. Gene Hansen, a ~~duly authorized representative of _____~~, ~~(who acknowledged~~ to me that ~~(he/she)~~ did execute the foregoing instrument on behalf of _____

IN TESTIMONY WHEREOF, I have subscribed my name and affixed my official seal this 14 day of July, 2015



Notary Public

This instrument prepared by:

Wasatch Environmental, Inc.
2410 West California Avenue
Salt Lake City, Utah 84104

