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UNITED STATES DISTRICT OF COURT
NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION
MICHAEL W. DOBBINS
CLERK, U. S. DISTRICT COURT

UNITED STATES OF AMERICA and)	
PEOPLE OF THE STATE OF ILLINOIS,)	
)	
Plaintiffs,)	
)	CIVIL ACTION NO. 98C50026
v.)	
)	
CITY OF ROCKFORD, ILLINOIS,)	
)	
Defendant.)	
_____)	

NOTICE OF LODGING OF PROPOSED AMENDED CONSENT DECREE PENDING SOLICITATION OF PUBLIC COMMENT BY U.S. DEPARTMENT OF JUSTICE

Plaintiff, the United States of America, on behalf of the United States Environmental Protection Agency ("U.S. EPA"), hereby notifies the Court that the United States is lodging with the Court a proposed Amended Consent Decree under the Comprehensive Environmental Response, Compensation, and Liability Act, as amended ("CERCLA"), 42 U.S.C. §§ 9601 et seq. The Amended Consent Decree resolves certain claims of the United States and the State of Illinois against the City of Rockford, Illinois, under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9606(a) and 9607(a) at the Southeast Rockford Groundwater Contamination ("Site") located in Rockford, Winnebago County, Illinois. Under the proposed Amended Consent Decree, the City of Rockford reaffirms the term and provisions of the Original Consent Decree entered by the Court on or about April 9, 1998,

and the Plaintiffs will be paid approximately \$14.7 million. The Amended Consent Decree resolves claims of Plaintiffs against the City of Rockford, as set forth in the Amended Consent Decree, and resolves potential claims the Plaintiffs may have against the Covenant Beneficiaries, as set forth in the Amended Consent Decree. The City of Rockford and Covenant Beneficiaries will receive the covenants not to sue and contribution protection specified in the Amended Consent Decree.

The Court should not yet sign the proposed Amended Consent Decree. Instead, the proposed Amended Consent Decree should remain lodged with the Court while the United States provides an opportunity for public comment. See 42 U.S.C. § 9622(d). The Department of Justice will publish in the Federal Register a notice that the proposed Amended Consent Decree has been lodged with the Court, and solicit public comment for a period of 30 days.

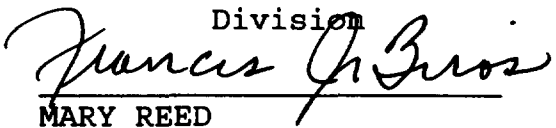
During the comment period, no action is required of the Court. After the close of the comment period, the United States will evaluate the comments received, if any, and advise the Court

whether or not the United States requests entry of the Amended Consent Decree.

Respectfully submitted,

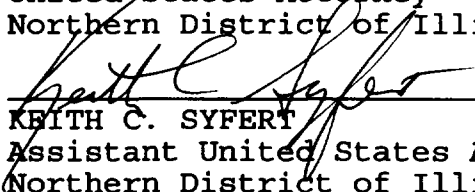
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UNITED STATES DISTRICT OF COURT
NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

UNITED STATES OF AMERICA and)
PEOPLE OF THE STATE OF ILLINOIS,)
)
Plaintiffs,)
) CIVIL NO. 98C50026
v.)
)
CITY OF ROCKFORD, ILLINOIS,)
)
Defendant.)
_____)

CERTIFICATE OF SERVICE

It is hereby certified that a copy of the foregoing Plaintiff United States' Notice of Lodging of Proposed Amended Consent Decree Pending Solicitation of Public Comment by the U.S. Department of Justice, and this Certificate of Service, were sent by first class mail, prepaid, this ____ day of October, 1998, to the City of Rockford, Illinois, and to counsel for the State of Illinois and U.S. EPA at the following addresses:

For the City -

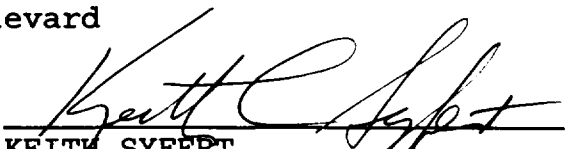
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KEITH SYFERT
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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

_____)	
UNITED STATES OF AMERICA and)	
PEOPLE OF THE STATE OF ILLINOIS,)	
)	
Plaintiffs,)	
)	
v.)	CIVIL ACTION NO.
)	98C50026
)	
CITY OF ROCKFORD, ILLINOIS)	
)	
Defendant.)	
_____)	

AMENDED CONSENT DECREE

I. BACKGROUND

A. The United States of America ("United States"), on behalf of the Administrator of the United States Environmental Protection Agency ("U.S. EPA"), filed a complaint in this matter against the City of Rockford ("City") pursuant to Sections 106 and 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §§ 9606, 9607.

B. The United States in its complaint seeks, inter alia: (1) reimbursement of costs incurred by U.S. EPA and the Department of Justice for response actions at the Southeast Rockford Groundwater Superfund Site in Rockford, Illinois, together with accrued interest, including at least \$5 million for extensions and improvements to the water distribution system of the City; and (2) performance of studies and response work at the Site consistent with the National Contingency Plan, 40 C.F.R. Part 300 (as amended) ("NCP").

C. The State of Illinois (the "State") on behalf of the Illinois Environmental Protection Agency ("Illinois EPA") is also a plaintiff pursuant to 415 ILCS 5/22.2 in the complaint and seeks, *inter alia*, reimbursement of costs incurred by Illinois EPA with respect to the Site, together with accrued interest.

D. On or about April 9, 1998, this Court entered a Consent Decree (the "Original Consent Decree") between the United States, the State and the City that provided for performance of certain work at the Site and reserved the rights of the United States and the State to seek additional relief from other liable parties.

E. The City has determined to receive contributions from certain property owners and businesses in the City to finance certain of its obligations and responsibilities under the Original Consent Decree and this Decree. These property owners and businesses have had, or in some instances will have, the opportunity to become Covenant Beneficiaries under this Consent Decree. The City has further determined to finance certain of its payment obligations under this Consent Decree by issuing at least \$3 million in Water Revenue Alternate Area bonds. The Alternate Area Bonds will be allocated towards reimbursement of response costs for extension and improvements to the water distribution system of the City.

F. The City does not admit any liability to the Plaintiffs arising out of the transactions or occurrences alleged in the complaint, nor does it acknowledge that the release or threatened release of hazardous substances at or from the Site constitutes

an imminent or substantial endangerment to the public health or welfare or the environment.

G. Pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, U.S. EPA placed the Site on the National Priorities List, set forth at 40 C.F.R. Part 300, Appendix B, by publication in the Federal Register on March 31, 1989, 54 Fed. Reg. 13,296.

H. In response to a release or a substantial threat of a release of hazardous substance(s) at or from the Site, U.S. EPA and Illinois EPA have incurred response costs with respect to the Site.

I. The Parties recognize, and the Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith and implementation of this Consent Decree will expedite the cleanup of the Site and will avoid prolonged and complicated litigation between the Parties, and that this Consent Decree is fair, reasonable, and in the public interest.

NOW, THEREFORE, it is hereby Ordered, Adjudged, and Decreed:

II. JURISDICTION

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1345, and 42 U.S.C. §§ 9606, 9607, and 9613(b). This Court also has personal jurisdiction over the City. Solely for the purposes of this Consent Decree and the underlying complaint, the City waives all objections and defenses that it may have to jurisdiction of the Court or to venue in this District. The City and the Covenant

Beneficiaries shall not challenge the terms of this Consent Decree or this Court's jurisdiction to enter and enforce this Consent Decree.

III. PARTIES BOUND

2. This Consent Decree applies to and is binding upon the United States and the State and upon the City. Portions of this Consent Decree apply to and are binding upon the Covenant Beneficiaries upon execution of a Covenant Beneficiary Election Form as provided in the Covenant Beneficiary Election Form.

IV. DEFINITIONS

3. Unless otherwise expressly provided herein, terms used in this Consent Decree which are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Consent Decree or in the appendices attached hereto and incorporated hereunder, the following definitions shall apply.

"ATSDR" shall mean the Agency For Toxic Substances and Disease Registry.

"ATSDR Costs" shall mean costs, including but not limited to direct and indirect costs, that ATSDR incurs in connection with Waste Material that is present in groundwater at the Site as of the date of lodging of this Consent Decree. ATSDR Costs shall include costs incurred in connection with the Rockford TCE Subregistry Project.

"Area 7 of the Site" shall mean the portion of the Site

depicted generally on the map attached as Appendix B hereto.

"Consent Decree" shall mean this Decree and all appendices attached hereto (listed in Section XIV). In the event of conflict between this Decree and any appendix, this Decree shall control.

"Covenant Beneficiaries" shall mean: the companies or persons listed in Appendix C hereto, which have contributed towards amounts to be paid pursuant to this Consent Decree and which have executed a Covenant Beneficiary Election Form, and provided an original copy to the United States Department of Justice and a copy to the City and the State at the addresses specified in Section XI (Notices and Submissions).

"Covenant Beneficiary Election Form" shall mean the form attached hereto as Appendix D.

"Day" shall mean a calendar day unless expressly stated to be a working day. "Working day" shall mean a day other than a Saturday, Sunday, or Federal holiday. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or Federal holiday, the period shall run until the close of business of the next working day.

"First Operable Unit ROD" or "ROD" shall mean the Record of Decision dated September 29, 1995 for response action for the First Operable Unit at the Southeast Rockford Groundwater Contamination Site.

"Future Oversight Costs" shall mean all costs, including but not limited to direct and indirect costs, that the United States

and the State of Illinois incur in reviewing or developing plans, reports and other items pursuant to the Original Consent Decree, verifying the Remedial Action and O&M, or otherwise implementing, overseeing, or enforcing the Original Consent Decree, including, but not limited to, payroll costs, contractor costs, travel costs, and laboratory costs. Future Oversight Costs shall also include all costs, including direct and indirect costs, that the United States and the State of Illinois incur in connection with the lodging, public comment period, entry, or any court proceedings relating to the lodging and entry of this Consent Decree. Future Oversight Costs shall not include response costs incurred by U.S. EPA or Illinois EPA pursuant to Sections VII of the Original Consent Decree, XV of the Original Consent Decree, and Paragraph 85 of Section XXI of the Original Consent Decree, costs of Illinois EPA in routine regulation of the public water supply of the City pursuant to 415 ILCS 5/14 through 19, or any costs in connection with (1) Soil, Sediment, and Surface Response Action and Costs or (2) Reserved Source Containment Response Action and Costs.

"Groundwater-Related Response Action and Costs" shall mean response action to be taken and response costs incurred or to be incurred to address a release, or threat of release, of a hazardous substance in groundwater at the Site. Groundwater-Related Response Action and Costs does not include (1) Soil, Sediment, and Surface Response Action and Costs and (2) Reserved Source Containment Response Action and Costs.

"Illinois EPA" shall mean the Illinois Environmental Protection Agency and any successor departments or agencies of the State.

"Interest," shall mean interest at the rate specified for interest on investments of the Hazardous Substance Superfund established under Subchapter A of Chapter 98 of Title 26 of the U.S. Code, compounded on October 1 of each year, in accordance with 42 U.S.C. § 9607(a).

"National Contingency Plan" or "NCP" shall mean the National Oil and Hazardous Substances Pollution Contingency Plan promulgated pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, codified at 40 C.F.R. Part 300, and any amendments thereto.

"Original Consent Decree" shall mean the Consent Decree between the United States and the State and the City entered by this Court on or about April 9, 1998.

"Paragraph" or "subparagraph" shall mean a portion of this Consent Decree identified by an Arabic numeral or an upper case letter.

"Parties" shall mean the United States, the State of Illinois, and the City.

"Past Response Costs" shall mean all costs, including but not limited to direct and indirect costs and Interest and ATSDR Costs that the United States and the State of Illinois have incurred and paid with regard to the Site prior to the lodging of this Consent Decree (and Interest on such costs) except that Past Response Costs does not include any costs in connection with (1)

Soil, Sediment, and Surface Response Action and Costs or (2) Reserved Source Containment Response Action and Costs.

"Plaintiffs" shall mean the United States and the State of Illinois.

"RCRA" shall mean the Solid Waste Disposal Act, as amended, 42 U.S.C. §§ 6901 et seq. (also known as the Resource Conservation and Recovery Act).

"ROD" shall mean the First Operable Unit ROD.

"Remedial Action" shall mean those activities, except for Operation and Maintenance ("O&M"), to be undertaken by the City to implement the ROD, in accordance with the Original Consent Decree.

"Reserved Source Containment Response Action and Costs" shall mean response action to be taken and response costs incurred or to be incurred (and Interest thereon) for source containment at areas that are sources of contamination in the groundwater at the Site, excluding Area 7 of the Site, in order to contain or control releases or threats of releases of hazardous substances from such areas, including but not limited to containment or control by groundwater pump and treat. Any response costs of the United States or the State paid prior to September 1, 1997 and Interest thereon shall not be included within the definition of Reserve Source Containment Response Action and Costs.

"Second Operable Unit ROD" shall mean the Record of Decision dated June 14, 1991 for response action for the Second Operable Unit at the Southeast Rockford Groundwater Contamination Site.

"Section" shall mean a portion of this Consent Decree identified by a Roman numeral.

"Site" or "Southeast Rockford Site" shall mean the area in Rockford, Illinois depicted as the Southeast Rockford Groundwater Contamination RI Study Area on the map attached hereto as Appendix A, provided, however, that the Site does not include the Interstate Pollution Control Site, which is depicted on the map attached hereto as Appendix E.

"Soil, Sediment, and Surface Response Action and Costs" means response action to be taken and response costs incurred or to be incurred (and Interest thereon) to address a release, or threat of release, of a hazardous substance in soils, sediments, or surface media at the Site, excluding Area 7 of the Site. Any response costs of the United States or the State paid prior to September 1, 1997 and Interest thereon shall not be included within Soil, Sediment, and Surface Response Action and Costs.

"State" shall mean the State of Illinois.

"U.S. EPA" shall mean the United States Environmental Protection Agency and any successor departments or agencies of the United States.

"United States" shall mean the United States of America.

"Waste Material" shall mean (1) any "hazardous substance" under Section 101(14) of CERCLA, 42 U.S.C. § 9601(14) or 415 ILCS 5/3.14; (2) any pollutant or contaminant under Section 101(33), 42 U.S.C. § 9601(33); and (3) any "solid waste" under Section 1004(27) of RCRA, 42 U.S.C. § 6903(27)..

"Work" shall mean all activities the City is required to perform under the Original Consent Decree, except those required by Section XXV (Retention of Records) of the Original Consent Decree.

V. GENERAL PROVISIONS

4. Objectives of the Parties

The objectives of the Parties in entering into this Consent Decree are, without limitation, to retain in full without change the terms and provisions of the Original Consent Decree, to reimburse response costs of the Plaintiffs, to resolve the claims of Plaintiffs against the City set forth in the complaint as provided in this Consent Decree, to resolve potential claims the Plaintiffs may have against the Covenant Beneficiaries as provided in this Consent Decree, and to obtain the covenants not to sue and contribution protection referred to herein.

5. Commitments By the City

All terms and provisions of the Original Consent Decree are hereby reaffirmed and incorporated herein without change. The City shall comply with all requirements of the Original Consent Decree. The City shall make payments to the United States and the State as provided in this Consent Decree.

VI. ACCESS

6. Commencing upon the date of lodging of this Consent Decree, the City and all Covenant Beneficiaries agree, upon reasonable advance notice to the extent practicable based on the reason access is needed and site conditions, to provide the

United States, the State, and their representatives, including U.S. EPA and its contractors, access at all reasonable times to the portion(s) of the Site (and any other property in close proximity to the Site to which access is necessary for the implementation of this Consent Decree) that they respectively own or control to which access is necessary for implementation of the Original Consent Decree. Access under the Original Consent Decree is necessary for:

- a. Monitoring the Work;
- b. Verifying any data or information submitted to the United States or the State pursuant to the Original Consent Decree;
- c. Conducting investigations relating to contamination at or near the Site related to the ROD;
- d. Obtaining samples pursuant to the Original Consent Decree;
- e. Assessing the need for, planning, or implementing additional response actions at or near the Site with respect to the ROD;
- f. Inspecting and copying records, operating logs, contracts, or other documents maintained or generated by the City or their agents, consistent with Section XXIV of the Original Consent Decree; and
- g. Assessing the City's compliance with the Original Consent Decree.

7. Notwithstanding any provision of this Consent Decree, the United States and the State retain all of their access authorities and rights, including enforcement authorities related thereto, under CERCLA, RCRA and any other applicable statute or regulations.

VII. PAYMENTS

8. a. (i) Prior to the lodging of this Consent Decree, and after the issuance of a court order for the opening of a Court Registry account in this matter, the City and certain Covenant Beneficiaries shall cause to be deposited into the Court Registry \$6,100,000 for reimbursement of Past Response Costs. Within 30 days of the entry of this Consent Decree, the Clerk shall transmit the deposited amount plus accumulated interest to the EPA Hazardous Substances Superfund by FedWire Electronic Funds Transfer ("EFT" or wire transfer) to the U.S. Department of Justice account in accordance with current electronic funds transfer procedures, referencing U.S.A.O. file number 94CV9413, the EPA Region and Site/Spill ID #05DK, and DOJ case number 90-11-3-945. Payment shall be made in accordance with instructions provided to the City by the Financial Litigation Unit of the United States Attorney's Office for the Northern District of Illinois. The Clerk shall also send notice that such payment has been made to the United States and the State as specified in Section XI (Notices and Submissions). If this Consent Decree is disapproved by a final, non-appealable Order of this Court or if the Decree is withdrawn by the United States as provided in

Paragraph 34, the Clerk shall return the deposited amount, plus interest and less any applicable court fees, to the City for reimbursement to the parties contributing towards the payment. The Clerk shall mail such payment to the City at 425 East State St., Rockford, IL 61104, Attn: Legal Director.

(ii) In addition to the payment under Paragraph 8(a)(i), by no later than March 1, 1999, the City shall pay to the EPA Hazardous Substance Superfund \$3,000,000 for additional reimbursement of Past Response Costs by FedWire Electronic Funds Transfer ("EFT" or wire transfer) to the U.S. Department of Justice account in accordance with current electronic funds transfer procedures, referencing U.S.A.O. file number 94CV9413, the EPA Region and Site/Spill ID #05DK, and DOJ case number 90-11-3-945. Payment shall be made in accordance with instructions provided to the City by the Financial Litigation Unit of the United States Attorney's Office for the Northern District of Illinois following lodging of the Consent Decree. Any payments received by the Department of Justice after 4:00 P.M. (Eastern Time) will be credited on the next business day. The City shall send notice that such payment has been made to the United States and the State as specified in Section XI (Notices and Submissions) and to the Chief, Program Accounting and Analysis Section, U.S. EPA -- Region 5, Mail Code MF-10J, 77 West Jackson Blvd., Chicago, Illinois 60604. In the event that this Consent Decree has not been entered by this Court by March 1, 1999, the City shall deposit the \$3,000,000 into the Court

Registry. Within 30 days of the entry of this Consent Decree, the Clerk shall transmit the deposited amount plus accumulated interest to the EPA Hazardous Substances Superfund by FedWire Electronic Funds Transfer ("EFT" or wire transfer) to the U.S. Department of Justice account in accordance with current electronic funds transfer procedures, referencing U.S.A.O. file number 94CV9413, the EPA Region and Site/Spill ID #05DK, and DOJ case number 90-11-3-945. Payment shall be made in accordance with instructions provided to the City by the Financial Litigation Unit of the United States Attorney's Office for the Northern District of Illinois. The Clerk shall also send notice that such payment has been made to the United States and the State as specified in Section XI (Notices and Submissions). If this Consent Decree is disapproved by a final, non-appealable Order of this Court or if the Decree is withdrawn by the United States as provided in Paragraph 34, the Clerk shall return the deposited amount, plus interest and less any applicable court fees, to the City. The Clerk shall mail such payment to the City at 425 East State St., Rockford, IL 61104, Attn: Legal Director.

b. Within 30 days of the entry of this Consent Decree, the City shall pay to the State \$206,000, in the form of a certified check or checks made payable to the Treasurer of the State of Illinois, designated to the Hazardous Waste Fund, and submitted to Illinois Environmental Protection Agency, Fiscal Services Section, 1021 North Grand Avenue East, P.O. Box 19276, Springfield, IL 62702. The name and number of this case and the

City's Federal Employer Identification Number shall appear on the face of the check. The City shall also send a copy of the check and transmittal letter to State as specified in Section XI (Notices and Submissions).

c. (i) Prior to the lodging of this Consent Decree, and after the issuance of a court order for the opening of a Court Registry account in this matter, the City and certain Covenant Beneficiaries shall cause to be deposited into the Court Registry \$5,000,000, plus Interest calculated from February 1, 1997. This deposit is in addition to and separate from the deposit required by Paragraph 8(a)(i). Within 30 days of the entry of this Consent Decree, the Clerk shall transmit the deposited amount plus accumulated interest to the EPA Hazardous Substances Superfund by FedWire Electronic Funds Transfer ("EFT" or wire transfer) to the U.S. Department of Justice account in accordance with current electronic funds transfer procedures, referencing U.S.A.O. file number 94CV9413, the EPA Region and Site/Spill ID #05DK, and DOJ case number 90-11-3-945. Payment shall be made in accordance with instructions provided to the City by the Financial Litigation Unit of the United States Attorney's Office for the Northern District of Illinois. The Clerk shall also send notice that such payment has been made to the United States and the State as specified in Section XI (Notices and Submissions). If this Consent Decree is disapproved by a final, non-appealable Order of this Court or if the Decree is withdrawn by the United States as provided in Paragraph 34, the Clerk shall return the

deposited amount, plus interest and less any applicable court fees, to the City for reimbursement to the parties contributing towards the payment. The Clerk shall mail such payment to the City at 425 East State St., Rockford, IL 61104, Attn: Legal Director.

(ii) The payment made under subparagraph 8.c(i) above shall be deposited in the Southeast Rockford Site Area 7 Special Account within the EPA Hazardous Substance Superfund and shall be retained and used by U.S. EPA, or by the Illinois EPA, pursuant to a cooperative agreement with U.S. EPA, to conduct or finance any response actions pursuant to CERCLA with respect to hazardous substances released at Area 7 of the Site. Any balance remaining in the Southeast Rockford Site Area 7 Special Account at the time of certification of completion of the work for Area 7 of the Site shall be transferred by U.S. EPA to the Hazardous Substance Superfund.

d. In the event that any payment required by Section VII is not made within the time required by this Consent Decree, the City shall pay additional Interest on the unpaid balance. Additional Interest shall accrue through the date of the City's payment. Payments of Interest made under this Paragraph shall be in addition to such other remedies or sanctions available to Plaintiffs by virtue of the City's failure to make timely payments under this Section.

VIII. COVENANTS NOT TO SUE BY PLAINTIFFS

9. In consideration of the City's implementation of the Work under the Original Consent Decree and the payments that will be made by the City pursuant to Paragraph 8 of this Consent Decree, and except as specifically provided in Paragraphs 10 and 13-18 of this Consent Decree, the United States and the State covenant not to sue or take administrative action against the City pursuant to sections 106 and 107(a) of CERCLA and section 7003 of RCRA and section 22.2 of the Illinois Environmental Protection Act for Groundwater-Related Response Action and Costs, Past Response Costs, Future Oversight Costs, and ATSDR Costs. Except with respect to liability for Groundwater-Related Response Action and Costs, Future Oversight Costs, and ATSDR Costs to be performed or incurred after the lodging of this Consent Decree, these covenants not to sue shall take effect upon the receipt by the United States and the State of the payments required by Paragraphs 8.a and 8.b of this Consent Decree. With respect to liability for Groundwater-Related Response Action and Costs, Future Oversight Costs, and ATSDR Costs to be performed or incurred after the lodging of this Consent Decree, these covenants not to sue shall take effect upon Certification of Completion of Remedial Action pursuant to Paragraph 45 of the Original Consent Decree and receipt by the United States and the State of the payments required by Paragraphs 8.a and 8.d. With respect to liability for Groundwater-Related Response Action and Costs, Future Oversight Costs and ATSDR Costs to be performed or

incurred after the lodging of this Consent Decree, these covenants not to sue are conditioned upon the complete and satisfactory performance by the City of its obligations under this Consent Decree. Except as provided in Paragraphs 11-12, these covenants not to sue extend only to the City and do not extend to any other person.

10. The covenants not to sue set forth in Paragraph 9 do not pertain to any matters other than those expressly specified in Paragraph 9. The United States and the State also reserve, and this Consent Decree is without prejudice to, all rights against the City with respect to the following:

(1) any liability for Soil, Sediment, and Surface Response Action and Costs;

(2) any liability for Reserved Source Containment Response Action and Costs;

(3) any liability under any federal or state laws other than section 106 and section 107(a) of CERCLA and section 7003 of RCRA and section 22.2 of the Illinois Environmental Protection Act, including but not limited to other sections of RCRA and other environmental statutes;

(4) any liability for damages for injury to, destruction of, or loss of natural resources;

(5) any liability for response costs that have been or may be incurred by trustees for natural resources and which have or may in the future spend funds relating to the Site;

(6) any criminal liability;

(7) any liability of the City arising from the City's future disposal of hazardous substances at the Site;

(8) any liability for costs incurred by ATSDR in the future for projects at the Site other than the Rockford TCE Subregistry Project with respect to Waste Material that is introduced into groundwater at the Site after the date of lodging of this Consent Decree; and

(9) any liability of the City based on a failure by the City to meet a requirement of this Consent Decree.

11. Except as specifically provided in Paragraphs 12-18 of this Consent Decree, the United States and the State covenant not to sue or take administrative action against the Covenant Beneficiaries pursuant to sections 106 and 107(a) of CERCLA and section 7003 of RCRA and section 22.2 of the Illinois Environmental Protection Act for Groundwater-Related Response Action and Costs, Past Response Costs, and Future Oversight Costs. These covenants not to sue shall take effect upon the receipt by the United States and the State of the payments required by paragraph 8.a and 8.b of this Consent Decree. The above covenants not to sue and reservations in Paragraphs 12-18 shall also apply to any successor in interest to a Covenant Beneficiary, but only to the extent that liability is sought to be imposed on such successor in interest derivatively solely based upon the acts or omissions of the Covenant Beneficiary as its predecessor in interest and only so long as the successor in interest is bound to comply with all requirements or obligations

of the Covenant Beneficiary pursuant to the Covenant Beneficiary Election Form. If a Covenant Beneficiary owning or operating property at the Site records a copy of its Covenant Beneficiary Election Form with the Winnebago County Recorder Of Deeds and provides a copy of the recordation to the United States and the State, with the effect that a subsequent purchaser, lessee, or mortgagee of the property is bound to comply with the Covenant Beneficiary Election Form, the above covenants not to sue and reservations in Paragraphs 12-18 shall also apply to the subsequent purchaser, lessee, or mortgagee of the Covenant Beneficiary's property, but only to the extent that liability is sought to be imposed based upon the subsequent purchaser's, lessee's, or mortgagee's alleged ownership or operation of the Covenant Beneficiary's property and only so long as the subsequent purchaser, lessee, or mortgagee complies with all requirements or obligations of the Covenant Beneficiary pursuant to the Covenant Beneficiary Election Form. Except as provided in Paragraph 9 with respect to the City, these covenants not to sue extend only to the Covenant Beneficiaries and their successors in interest to the extent set forth in this Paragraph and do not extend to any other person.

12. The covenants not to sue set forth in paragraph 11 do not pertain to any matters other than those expressly specified in paragraph 11. The United States and the State also reserve, and this Consent Decree is without prejudice to, all rights against the Covenant Beneficiaries with respect to the following:

(1) any liability for Soil, Sediment, and Surface Response Action and Costs;

(2) any liability for Reserved Source Containment Response Action and Costs;

(3) any liability under any federal or state laws other than section 106 and section 107(a) of CERCLA and section 7003 of RCRA and section 22.2 of the Illinois Environmental Protection Act, including but not limited to other sections of RCRA and other environmental statutes;

(4) any liability for damages for injury to, destruction of, or loss of natural resources;

(5) any liability for response costs that have been or may be incurred by trustees for natural resources and which have or may in the future spend funds relating to the Site;

(6) any criminal liability;

(7) any liability of a Covenant Beneficiary arising from that Covenant Beneficiary's future disposal of hazardous substances at the Site;

(8) any liability for ATSDR costs incurred after the date of lodging of this Consent Decree; and

(9) any liability of a Covenant Beneficiary based on a failure by the Covenant Beneficiary to comply with the Covenant Beneficiary Election Form.

13. Notwithstanding any other provision of this Consent Decree, the United States reserves, and this Consent Decree is without prejudice to, the right to institute proceedings in this

action or in a new action, or to issue an administrative order seeking to compel the City or Covenant Beneficiaries (1) to perform further Groundwater-Related Response Actions with respect to the Site other than Area 7 of the Site or (2) to reimburse the United States for future Groundwater-Related Response Costs other than for Area 7 of the Site if, prior to certification of completion of the Remedial Action by the City:

(i) conditions at the Site, previously unknown to U.S. EPA, are discovered, or

(ii) information, previously unknown to U.S. EPA, is received in whole or in part,

and these previously unknown conditions or information together with other relevant information indicate that Groundwater-Related Response Action is not protective of human health or the environment. The City and the Covenant Beneficiaries reserve all defenses to any action or claim against them pursuant to this Paragraph.

14. Notwithstanding any other provision of this Consent Decree, the United States reserves, and this Consent Decree is without prejudice to, the right to institute proceedings in this action or in a new action, or to issue an administrative order seeking to compel the City or Covenant Beneficiaries (1) to perform further Groundwater-Related Response Actions with respect to the Site other than Area 7 of the Site or (2) to reimburse the United States for future Groundwater-Related Response Costs other than for Area 7 of the Site if, subsequent to certification of

completion of the Remedial Action by the City:

(i) conditions at the Site, previously unknown to U.S. EPA are discovered, or

(ii) information, previously unknown to U.S. EPA is received in whole or in part,

and these previously unknown conditions or this information together with other relevant information indicate that Groundwater-Related Response Action is not protective of human health or the environment. The City and the Covenant Beneficiaries reserve all defenses to any action or claim against them pursuant to this Paragraph.

15. For purposes of Paragraph 13, the information and the conditions known to U.S. EPA shall include only that information and those conditions considered or possessed by employees of U.S. EPA or its authorized contractors as reflected in any information contained in U.S. EPA's file for the Southeast Rockford Groundwater Contamination Site (including the First and Second Operable Unit RODs and the source control operable units in progress) as of the date of lodging of this Consent Decree. For purposes of Paragraph 14, the information and the conditions known to U.S. EPA shall include only that information and those conditions considered or possessed by employees of U.S. EPA or its authorized contractors as reflected in any information contained in U.S. EPA's file for the Southeast Rockford Groundwater Contamination Site (including the First and Second Operable Unit RODs and the source control operable units in

progress) as of the date of Certification of Completion of the Remedial Action pursuant to the Original Consent Decree, and any information received by U.S. EPA pursuant to the requirements of this Consent Decree prior to Certification of Completion of the Remedial Action pursuant to the Original Consent Decree. Within 30 days of the filing of any action or written notice of a claim pursuant to Paragraph 13 or 14 against the City or a Covenant Beneficiary, the City or the Covenant Beneficiary may, by providing notice in writing, request the employment of a neutral mediator. Any mediation shall begin with the selection of a mediator and shall not last longer than forty-five (45) days unless extended by written agreement. The United States and the City, or the United States and the Covenant Beneficiary, as applicable, will divide equally the fees and costs of the mediator. Each party to the dispute will provide a list of five suggested mediators who shall have the qualifications of (a) demonstrated experience, (b) independence, (c) subject matter experience, and (d) lack of actual or apparent bias. The parties to the dispute shall inform the other party of all mediators that are acceptable and the parties to the dispute shall then select a mediator. Any report, findings, recommendations, written records, or notes prepared by the mediator shall not be binding on any party and shall not be part of the administrative record or admissible in dispute resolution proceedings or any other legal proceeding. Nothing in this Paragraph shall be interpreted to require obligation or payment of funds in violation of the

Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1511-1519.

16. Notwithstanding any other provision of this Consent Decree, the State reserves, and this Consent Decree is without prejudice to, the right to institute proceedings in this action or in a new action seeking to compel the City or Covenant Beneficiaries (1) to perform further Groundwater-Related Response Actions with respect to the Site other than Area 7 of the Site or (2) to reimburse the State for future Groundwater-Related Response Costs other than for Area 7 of the Site, to the extent that U.S. EPA has determined that such response actions required under (1) and (2) above in this Paragraph will not significantly delay or be inconsistent with the Remedial Action, and to the extent that U.S. EPA is not precluded from compelling such response actions by this Consent Decree, if, prior to certification of completion of the Remedial Action by the City:

- (i) conditions at the Site, previously unknown to the State, are discovered, or
- (ii) information, previously unknown to the State, is received in whole or in part,

and these previously unknown conditions or information together with other relevant information indicate that Groundwater-Related Response Action is not protective of human health or the environment. The United States reserves all rights it may have under applicable law, to oppose any determinations made or any actions taken, ordered or proposed by the State pursuant to this Paragraph. The City and the Covenant Beneficiaries reserve all

defenses to any action or claim against them pursuant to this Paragraph.

17. Notwithstanding any other provision of this Consent Decree, the State reserves, and this Consent Decree is without prejudice to, the right to institute proceedings in this action or in a new action seeking to compel the City or Covenant Beneficiaries (1) to perform further Groundwater-Related Response Actions with respect to the Site other than Area 7 of the Site or (2) to reimburse the State for future Groundwater-Related Response Costs other than for Area 7 of the Site if, to the extent that U.S. EPA has determined that such response actions required under (1) and (2) above in this Paragraph will not significantly delay or be inconsistent with the Remedial Action, and to the extent that U.S. EPA is not precluded from compelling such response actions by this Consent Decree, subsequent to certification of completion of the Remedial Action by the City:

(i) conditions at the Site, previously unknown to Illinois EPA are discovered, or

(ii) information, previously unknown to Illinois EPA is received in whole or in part,

and these previously unknown conditions or this information together with other relevant information indicate that Groundwater-Related Response Action is not protective of human health or the environment. The United States reserves all rights it may have under applicable law, to oppose any determinations made or any actions taken, ordered or proposed by the State

pursuant to this Paragraph. The City and the Covenant Beneficiaries reserve all defenses to any action or claim against them pursuant to this Paragraph.

18. For purposes of paragraph 16, the information and the conditions known to Illinois EPA shall include only that information and those conditions considered or possessed by employees of Illinois EPA or its authorized contractors as reflected in any information contained in Illinois EPA's file for the Southeast Rockford Groundwater Contamination Site (including the First and Second Operable Unit RODs and the source control operable units in progress) as of the date of lodging of this Consent Decree. For purposes of paragraph 17, the information and the conditions known to Illinois EPA shall include only that information and those conditions considered or possessed by employees of Illinois EPA or its authorized contractors as reflected in any information contained in Illinois EPA's file for the Southeast Rockford Groundwater Contamination Site (including the First and Second Operable Unit RODs and the source control operable units in progress) as of the date of the Certification of Completion of the Remedial Action pursuant to the Original Consent Decree, and any information received by Illinois EPA pursuant to the requirements of this Consent Decree prior to Certification of Completion of the Remedial Action pursuant to the Original Consent Decree. Within 30 days of the filing of any action or written notice of a claim pursuant to Paragraph 16 or 17 against the City or a Covenant Beneficiary, the City or the

Covenant Beneficiary may, by providing notice in writing, request the employment of a neutral mediator. Any mediation shall begin with the selection of a mediator and shall not last longer than forty-five (45) days unless extended by written agreement. The State and the City, or the State and the Covenant Beneficiary, as applicable, will divide equally the fees and costs of the mediator. Each party to the dispute will provide a list of five suggested mediators who shall have the qualifications of (a) demonstrated experience, (b) independence, (c) subject matter experience, and (d) lack of actual or apparent bias. The parties to the dispute shall inform the other party of all mediators that are acceptable and the parties to the dispute shall then select a mediator. Any report, findings, recommendations, written records, or notes prepared by the mediator shall not be binding on any party and shall not be part of the administrative record or admissible in dispute resolution proceedings or any other legal proceeding.

19. In consideration of the Area 7 Payment, which is to be deposited into the Court Registry, pursuant to Paragraph 8(c), and except as specifically provided in Paragraph 20 of this Consent Decree, the United States and the State covenant not to sue or take administrative action against the City and the Covenant Beneficiaries pursuant to sections 106 and 107(a) of CERCLA and section 7003 of RCRA and section 22.2 of the Illinois Environmental Protection Act with respect to Area 7 of the Site. These covenants not to sue shall take effect upon the receipt by

the United States of the monies plus interest from the Court Registry account pursuant to paragraph 8.c of this Consent Decree. The above covenants not to sue and reservations in Paragraph 20 shall also apply to any successor in interest to a Covenant Beneficiary, but only to the extent that liability is sought to be imposed on such successor in interest derivatively solely based upon the acts or omissions of the Covenant Beneficiary as its predecessor in interest and only so long as the successor in interest is bound to comply with all requirements or obligations of the Covenant Beneficiary pursuant to the Covenant Beneficiary Election Form. If a Covenant Beneficiary owning or operating property at the Site records a copy of its Covenant Beneficiary Election Form with the Winnebago County Recorder Of Deeds and provides a copy of the recordation to the United States and the State, with the effect that a subsequent purchaser, lessee, or mortgagee of the property is bound to comply with the Covenant Beneficiary Election Form, the above covenants not to sue and reservations in Paragraphs 20 shall also apply to the subsequent purchaser, lessee, or mortgagee of the Covenant Beneficiary's property, but only to the extent that liability is sought to be imposed based upon the subsequent purchaser's, lessee's, or mortgagee's alleged ownership or operation of the Covenant Beneficiary's property and only so long as the subsequent purchaser, lessee, or mortgagee complies with all requirements or obligations of the Covenant Beneficiary pursuant to the Covenant Beneficiary Election Form.

These covenants not to sue extend only to the City and the Covenant Beneficiaries and their successors in interest to the extent set forth in this Paragraph and do not extend to any other person.

20. The covenants not to sue set forth in Paragraph 19 do not pertain to any matters other than those expressly specified in Paragraph 19. The United States and the State also reserve, and this Consent Decree is without prejudice to, all rights against the City and the Covenant Beneficiaries, with respect to the following:

(1) any liability for damages for injury to, destruction of, or loss of natural resources relating to Area 7 of the Site;

(2) any liability for response costs that have been or may be incurred by trustees for natural resources and which have or may in the future spend funds relating to Area 7 of the Site;

(3) any criminal liability;

(4) any liability of a Covenant Beneficiary arising from that Covenant Beneficiary's future disposal of hazardous substances at Area 7 of the Site;

(5) any liability of the City arising from the City's future disposal of hazardous substances at Area 7 of the Site;

(6) any liability of the City based on a failure by the City to meet a requirement of this Consent Decree with respect to Area 7 of the Site; and

(7) any liability of a Covenant Beneficiary based on a failure by the Covenant Beneficiary to comply with its Covenant

Beneficiary Election Form with respect to Area 7 of the Site.

21. Notwithstanding any other provision of this Consent Decree, the United States and the State retain all authority and reserve all rights to take any and all response actions authorized by law. Notwithstanding any provision of this Consent Decree, the United States and the State hereby retain all of their information gathering and inspection authorities and rights, including enforcement actions related thereto, under CERCLA, RCRA and any other applicable statutes or regulations.

IX. COVENANTS BY THE CITY AND COVENANT BENEFICIARIES

22. Covenant Not to Sue. Subject to the reservations in Paragraph 23, the City and the Covenant Beneficiaries covenant not to sue and agree not to assert any claims or causes of action against the United States or the State with respect to the Work, Groundwater-Related Response Action and Costs, Past Response Costs, Future Oversight Costs, Area 7 of the Site, the contributions of Covenant Beneficiaries to the City, or this Consent Decree, including, but not limited to:

a. any direct or indirect claim for reimbursement from the Hazardous Substance Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. § 9507) through CERCLA Sections 106(b)(2), 107, 111, 112, 113 or any other provision of law;

b. any claims against the United States or the State, including any department, agency or instrumentality of the United States or the State under CERCLA Sections 107 or 113 related to the Site, or

c. any claims arising out of response activities at the Site, including claims based on U.S. EPA's and the State's selection of response actions, oversight of response activities or approval of plans for such activities.

23. The City's and Covenant Beneficiaries' covenant not to sue and agreement in Paragraph 22 shall not apply in the event that the United States or the State brings a cause of action against them pursuant to subparagraphs 10(1-8), 12(1-8), 13-15, 16-18, and 20(1-5) of this Consent Decree, but only to the extent arising from the same cause of action asserted by the United States or the State pursuant to those subparagraphs. The City also reserves, and this Consent Decree is without prejudice to, claims against the United States, subject to the provisions of Chapter 171 of Title 28 of the United States Code, for money damages for injury or loss of property or personal injury or death caused by the negligent or wrongful act or omission of any employee of the United States while acting within the scope of his office or employment under circumstances where the United States, if a private person, would be liable to the claimant in accordance with the law of the place where the act or omission occurred. However, any such claim shall not include a claim for any damages caused, in whole or in part, by the act or omission of any person, including any contractor, who is not a federal employee as that term is defined in 28 U.S.C. § 2671; nor shall any such claim include a claim based on U.S. EPA's selection of response actions, or the oversight or approval of the City's

plans or activities. The foregoing applies only to claims which are brought pursuant to any statute other than CERCLA and for which the waiver of sovereign immunity is found in a statute other than CERCLA.

24. Nothing in this Consent Decree shall be deemed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.90.700(d).

X. EFFECT OF SETTLEMENT; CONTRIBUTION PROTECTION

25. Nothing in this Consent Decree shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Consent Decree (except as specifically provided in this Consent Decree with respect to Covenant Beneficiaries). The preceding sentence shall not be construed to waive or nullify any rights that any person not a signatory to this decree may have under applicable law. Each of the Parties and the Covenant Beneficiaries expressly reserves any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action which each Party or Covenant Beneficiary may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a Party hereto or a Covenant Beneficiary.

26. The Parties and the Covenant Beneficiaries agree, and by entering this Consent Decree this Court finds, that the City and the Covenant Beneficiaries are entitled, as of the effective date

of this Consent Decree, to protection from contribution actions or claims as provided by CERCLA Section 113(f)(2), 42 U.S.C. § 9613(f)(2) for the matters addressed in this Consent Decree. The City agrees not to sue any Covenant Beneficiary and each Covenant Beneficiary agrees not to sue the City or any other Covenant Beneficiary for the matters addressed in this Consent Decree. The above protection from contribution actions or claims shall also apply to any successor in interest to a Covenant Beneficiary, but only to the extent that liability is sought to be imposed on such successor in interest derivatively solely based upon the acts or omissions of the Covenant Beneficiary as its predecessor in interest and only so long as the successor in interest complies with all requirements or obligations of the Covenant Beneficiary pursuant to the Covenant Beneficiary Election Form. If a Covenant Beneficiary owning property at the Site records a copy of its Covenant Beneficiary Election Form with the Winnebago County Recorder Of Deeds and provides a copy of the recordation to the United States and the State, with the effect that a subsequent purchaser, lessee, or mortgagee of the property is bound to comply with the Covenant Beneficiary Election Form, the above protection from contribution actions or claims shall also apply to the subsequent purchaser, lessee, or mortgagee of the Covenant Beneficiary's property, but only to the extent that liability is sought to be imposed based upon the subsequent purchaser's, lessee's, or mortgagee's alleged ownership or operation of the Covenant Beneficiary's property and

only so long as the subsequent purchaser, lessee, or mortgagee complies with all requirements or obligations of the Covenant Beneficiary pursuant to the Covenant Beneficiary Election Form. For purposes of this Paragraph, "the matters addressed" in this Consent Decree are Groundwater-Related Response Action and Costs, Past Response Costs, and Future Oversight Costs, incurred or to be incurred by the United States, the State, or any other entity with respect to the Site, and any response costs incurred or to be incurred by the United States, the State, or any other entity with respect to Area 7 of the Site.

27. The City agrees that with respect to any suit or claim for contribution brought by it for matters related to this Consent Decree it will notify the United States and the State in writing no later than 60 days prior to the initiation of such suit or claim.

28. The City also agrees that with respect to any suit or claim for contribution brought against it for matters related to this Consent Decree it will notify in writing the United States and the State within 10 days of service of the complaint on it. In addition, the City shall notify the United States and the State within 10 days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any order from a court setting a case for trial.

29. In any subsequent administrative or judicial proceeding initiated by the United States or the State for injunctive relief, recovery of response costs, or other appropriate relief

relating to the Site, the City and the Covenant Beneficiaries shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States or the State in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the covenants not to sue set forth in Section VIII (Covenants Not to Sue by Plaintiffs).

XI. NOTICES AND SUBMISSIONS

30. Whenever, under the terms of this Consent Decree, written notice is required to be given or a report or other document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. All notices and submissions shall be considered effective upon receipt, unless otherwise provided. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of the Consent Decree with respect to the United States, U.S. EPA, the State, and the City, respectively.

As to the United States:

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Ben Franklin Station
Washington, D.C. 20044
Re: DJ # 90-11-3-945

As to the State: (one copy only)

Susan Horn and Beth Wallace
Assistant Attorneys General
Office of the Illinois Attorney General
100 West Randolph St.
Environmental Bureau, 11th Floor
Chicago, IL 60601

As to U.S. EPA:

Tom Turner
U.S. EPA, Region 5, Mail Code C-14J
77 West Jackson Boulevard
Chicago, Illinois 60604

As to Illinois EPA:

Paul Takacs
Project Manager
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62702

As to the City:

Robert Nimmo
Water Superintendent
425 E. State St.
Rockford, IL 61104

XII. EFFECTIVE DATE

31. The effective date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court, except as otherwise provided herein.

XIII. RETENTION OF JURISDICTION

32. This Court retains jurisdiction over both the subject matter of this Consent Decree and the City for the duration of the performance of the terms and provisions of this Consent Decree for the purpose of enabling any of the Parties to apply to the Court at any time for such further order, direction, and relief as may be necessary or appropriate for the construction or modification of this Consent Decree, or to effectuate or enforce compliance with its terms.

XIV. APPENDICES

33. The following appendices are attached to and incorporated into this Consent Decree:

Appendix A: Map of the Site

Appendix B: Map of Area 7 of the Site

Appendix C: List of Covenant Beneficiaries

Appendix D: Covenant Beneficiary Election Form

Appendix E: Map of Interstate Pollution Control Site

XV. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

34. This Consent Decree shall be lodged with the Court for a period of not less than 30 days for public notice and comment in accordance with Section 122(d)(2) of CERCLA, 42 U.S.C. § 9622(d)(2), and 28 C.F.R. § 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations which indicate that the Consent Decree is inappropriate, improper, or inadequate. The City and the Covenant Beneficiaries

consent to the entry of this Consent Decree without further notice.

35. If for any reason the Court should decline to approve this Consent Decree in the form presented, this agreement is voidable at the sole discretion of any Party and the terms of the agreement may not be used as evidence in any litigation between the Parties.

XVI. SIGNATORIES/SERVICE

36. Each undersigned representative of the City, the State, and the Assistant Attorney General for Environment and Natural Resources of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind such Party to this document.

37. The City and the Covenant Beneficiaries agree not to oppose entry of this Consent Decree by this Court or to challenge any provision of this Consent Decree unless the United States has notified the City in writing that it no longer supports entry of the Consent Decree.

38. The City shall identify, on the attached signature page, the name, address and telephone number of an agent who is authorized to accept service of process by mail on behalf of the City with respect to all matters arising under or relating to this Consent Decree.

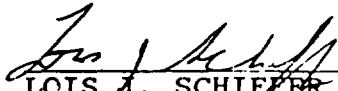
SO ORDERED THIS 13th DAY OF JANUARY, 1999.



United States District Judge


THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. City of Rockford, relating to the Southeast Rockford Superfund Site.

FOR THE UNITED STATES OF AMERICA

Date: Sept. 14, 1998


LOIS J. SCHIFFER
Assistant Attorney General
Environment and Natural Resources
Division
U.S. Department of Justice
Washington, D.C. 20530


MARY REED
Environmental Enforcement Section
Environment and Natural Resources
Division
U.S. Department of Justice
Washington, D.C. 20530


KEITH SEYFERT
Assistant United States Attorney
Northern District of Illinois
308 West State Street
Room 300
Rockford, IL 61101

- 41 -

United States v. City of Rockford
Consent Decree Signature Page



WILLIAM E. MUNO
Director, Superfund Division
Region 5
U.S. Environmental Protection
Agency
77 West Jackson Blvd.
Chicago, IL 60604



TOM TURNER
Assistant Regional Counsel
U.S. Environmental Protection
Agency
Region 5
77 West Jackson Blvd.
Chicago, IL 60604


United States v. City of Rockford
Consent Decree Signature Page

FOR THE STATE OF ILLINOIS

PEOPLE OF THE STATE OF ILLINOIS,
ex rel. JAMES E. RYAN,
Attorney General of the State of Illinois


MATTHEW J. DUNN, Chief
Environmental Enforcement/
Asbestos Litigation Division

Date: 9/25/98

By: 
WILLIAM D. SEITH
Chief, Environmental Bureau
100 W. Randolph St., 11th Fl.
Chicago, IL 60601

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

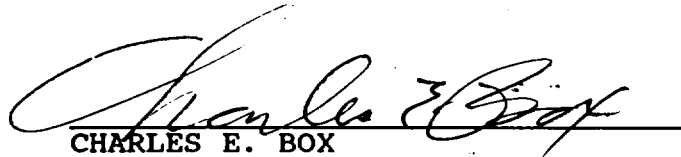
Date: 9/22/98

By: 
JOSEPH E. SVOBODA
General Counsel
1021 North Grand Avenue East
P.O. Box 19276
Springfield, IL 62702

THE UNDERSIGNED PARTY enters into this Consent Decree in the matter of United States v. City of Rockford, relating to the Southeast Rockford Superfund Site.

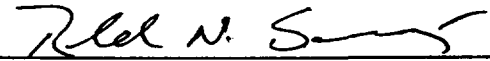
FOR THE CITY OF ROCKFORD

Date: 8/4/98



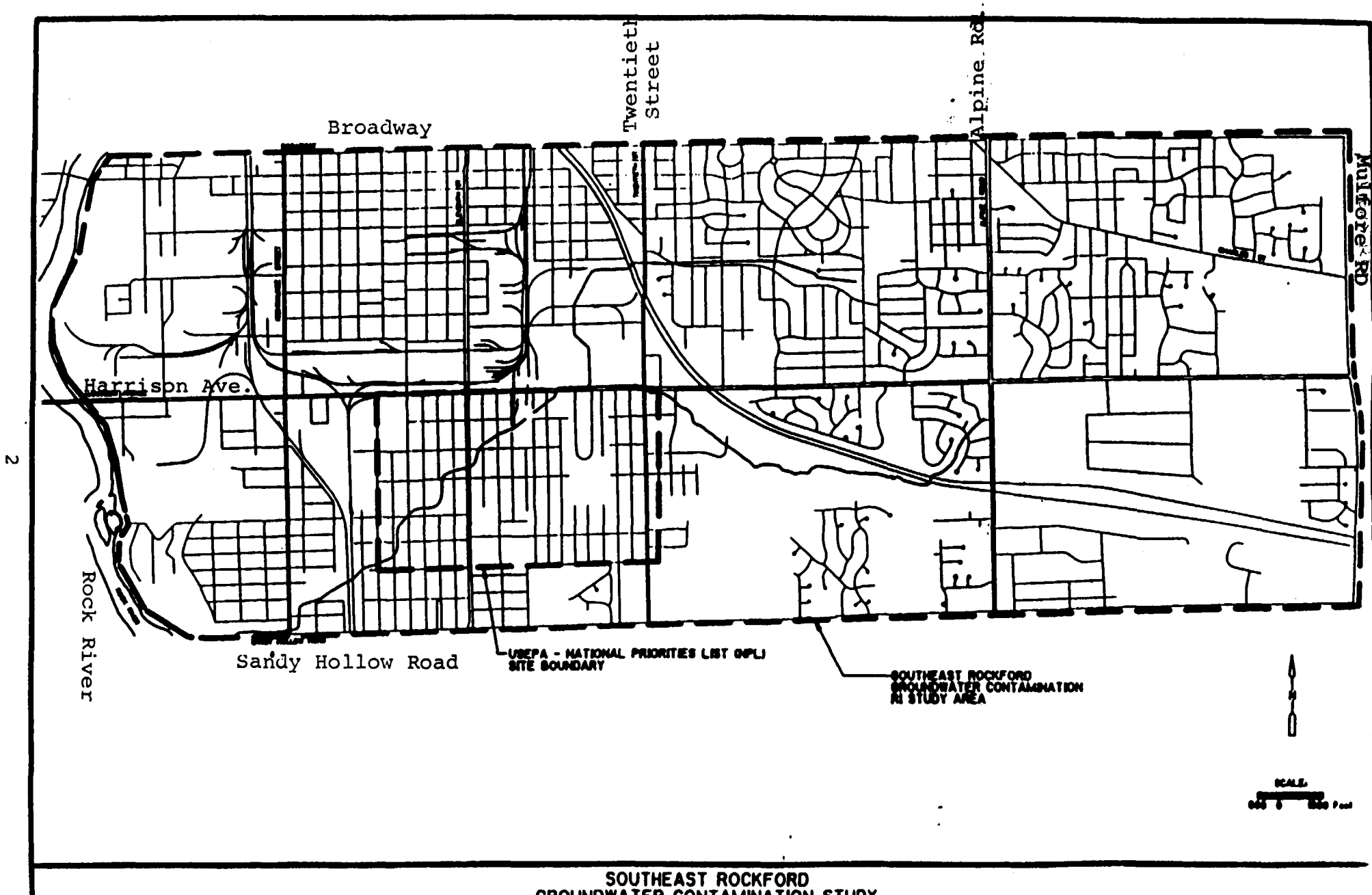
CHARLES E. BOX
Mayor
425 E. State Street
Rockford, IL 61104

Attest:


RONALD N. SCHULTZ, Legal Director

Agent Authorized to Accept Service on Behalf of Above-signed Party:

Name: Ronald N. Schultz
Title: Legal Director
Address: 425 E. State Street
Rockford, IL 61104
Tel. Number: (815) 987-5551



2

SOUTHEAST ROCKFORD
GROUNDWATER CONTAMINATION STUDY

the Hazardous Substance Superfund (established pursuant to the Internal Revenue Code, 26 U.S.C. § 9507) through Sections 106(b)(2), 107, 111, 112, 113 of the Comprehensive Environmental Response, Compensation and Liability Act, as amended ("CERCLA"), 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, 9613, or any other provision of law;

b. any claims against the United States or the State, including any department, agency or instrumentality of the United States or the State under Sections 107 or 113 of CERCLA, 42 U.S.C. §§ 9607 or 9613 related to the Site, or

c. any claims arising out of response activities at the Site, including claims based on U.S. EPA's and the State's selection of response actions, oversight of response activities or approval of plans for such activities.

3. The Covenant Beneficiary agrees, as provided in Paragraphs 1 and 34 of the Consent Decree, not to oppose entry of the Consent Decree or to challenge the terms of the Consent Decree or this Covenant Beneficiary Election Form and the Court's jurisdiction to enter and enforce the Consent Decree and the Covenant Beneficiary Election Form. Failure of the Covenant Beneficiary to abide by this paragraph renders the rights, covenants and protections applicable to it under the Consent Decree null and void.

4. The Covenant Beneficiary agrees not to sue the City or any other Covenant Beneficiary for matters addressed in the Consent Decree, as defined in Paragraph 26 of the Consent Decree.

The Covenant Beneficiary does not admit any liability arising out of the transactions or occurrences alleged in the complaints, nor does the Covenant Beneficiary acknowledge that a release or threatened release of hazardous substances at or from the Site constitutes an imminent or substantial endangerment to the public health or welfare or environment.

The undersigned representative of the Covenant Beneficiary named herein certifies that he/she is fully authorized to agree to the terms and conditions applicable to Covenant Beneficiaries herein and in the Consent Decree and to execute and legally bind the Covenant Beneficiary to these terms and conditions. This form shall be filed with:

United States Department of Justice
Environment and Natural Resources Division
Environmental Enforcement Section
P.O. Box 7611, Ben Franklin Station
Washington, D.C. 20044-7611
DOJ # 90-11-3-945

copy to:

Office of the Illinois Attorney General
100 West Randolph Street
Environmental Bureau, 11th Floor
Chicago, Illinois 60604

and:

City of Rockford, Illinois
Department of Law
425 East State Street
Rockford, Illinois 61104

This Covenant Beneficiary Election Form may be recorded with respect to any property owned or operated by a Covenant Beneficiary within the Site (as defined in the Consent Decree). If a Covenant Beneficiary owning or operating property at the Site records a copy of its Covenant Beneficiary Election Form with the Winnebago County Recorder of Deeds and provides a copy of the recordation to the United States and the State, with the effect that a subsequent purchaser, lessee, or mortgagee of the property is bound to comply with the Covenant Beneficiary Election Form, the benefits and responsibilities contained in the Consent Decree with respect to Covenant Beneficiaries shall be binding upon and inure to the benefit of the subsequent purchaser, lessee, or mortgagee of the Covenant Beneficiary's property, but only to the extent that liability is sought to be imposed based upon the subsequent purchaser's, lessee's, or mortgagee's alleged ownership or operation of the Covenant Beneficiary's property and only so long as the subsequent purchaser, lessee, or mortgagee complies with all requirements or obligations of the Covenant Beneficiary pursuant to this the Covenant Beneficiary Form.

OWNER:

BY: _____

Attest (if applicable):

BY: _____

If this Form is to be recorded by an individual:

STATE OF ILLINOIS)	
)	SS
COUNTY OF WINNEBAGO)	

I, _____, a Notary in and for and residing in said County of Winnebago, State of Illinois, DO HEREBY CERTIFY that _____ personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this _____ day of _____, 19____, and acknowledged that he/she signed, sealed and delivered said instrument as his/her free and voluntary act for the purposes therein set forth.

GIVEN under my hand and notarial seal this _____ day of _____, 19____.

NOTARY PUBLIC

If this Form is to be recorded by a Corporation:

STATE OF ILLINOIS)
) SS
COUNTY OF WINNEBAGO)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that _____ personally known to me to be the _____ of said Corporation, and _____, personally known to me to be the _____ of said Corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such _____ and _____ of said Corporation, and caused the corporation seal to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act, and as the free and voluntary act of said corporation, for the purposes therein set forth.

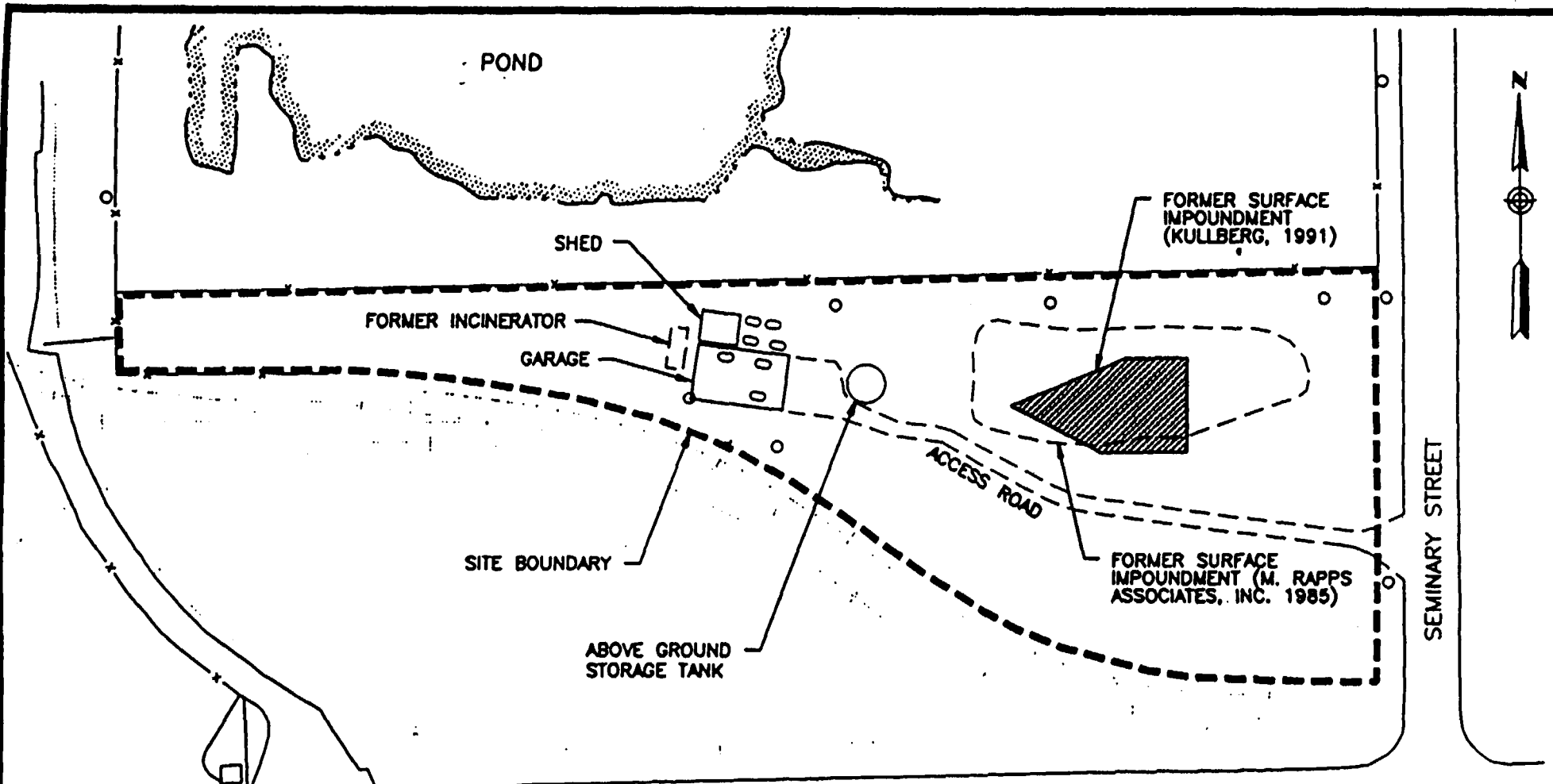
GIVEN under my hand and Notarial Seal this _____ day of _____, 19__.

Notary Public

My Commission Expires:

PREPARED BY:

RETURN TO:




LEGEND:

- FENCE
- RAILROAD TRACKS
- UTILITY POLE
- APPROXIMATE SITE BOUNDARY
- VISIBLE OPENINGS TO UNDERGROUND STORAGE TANKS

NOTES:
 1. LOCATIONS OF SITE FEATURES ARE APPROXIMATE.



CLIENT/PROJECT IPC/RI-FS/IL			 Golder Associates Chicago, Illinois			FILE IPC FACILITIES AS OF JANUARY 1991		
DRAWN TPK	CHECKED	REVIEWED	DATE 10-25-94	SCALE AS SHOWN	FILE NAME 8065283	JOB NO. 903-8065	DWG NO.	FIGURE 4

APPENDIX C

1. ABBOTT PLASTICS & SUPPLY CO., INC.
2. ABRASIVE MACHINING, INC./ROBERT W. HALLSTROM
3. ACME GRINDING, INC.
4. AMCORE BANK, N.A. ROCKFORD, AS TRUSTEE UNDER TRUST NO. 78-6929
5. AMCORE INVESTMENT GROUP, N.A. AS TRUSTEE OF TRUST NO. 5956
6. AMCORE INVESTMENT GROUP, N.A. AS TRUSTEE OF TRUSTS NO. 84-8599 AND 75-6091
7. ANDERSON'S GARAGE, INC.
8. ANDERSON, ERIC J.
9. ANDERSON, LAVERNE E.
10. ANDREWS CHARLES PARTNERSHIP
11. AREA ERECTORS, INC.
12. ATWOOD INDUSTRIES, INC.
13. BAILEY, PATRICIA A.
14. BANK ONE TRUST CO. TRUSTEE OF TRUST #7297
15. BANNER BUILDING TRUST 766460, RICHARD FAERBER, TRUSTEE
16. BARBER-COLMAN COMPANY
17. BARTHOLOMEW, TIMOTHY J. AND JUELY K.
18. BEECHNER HEAT TREATING CO., INC.
19. BENCK FAMILY LIMITED PARTNERSHIP
20. BORG WARNER AUTOMOTIVE, INC.
21. BOURN & KOCH MACHINE TOOL CO./LAWRENCE W. BOURN/LOYD L. KOCH
22. BOWERS, RICHARD J. /JUDITH A. BOWERS
23. BROWNING-FERRIS INDUSTRIES OF ILLINOIS, INC.
24. CALDWELL GROUP, INC., THE
25. CAMCAR DIVISION OF TEXTRON, INC.
26. CAMKEN, INC./TONY CURATOLO
27. CARLSON CAPITOL MFG. CO.
28. CARLSON, GERALD D. TRUST
29. CATERPILLAR, INC.
30. CENTRO-METALCUT, INC.
31. CHERRY VALLEY TOOL & MACHINE
32. CHRYSLER CORPORATION
33. CINCINNATI TOOL STEEL CO./RONALD F. CINCINNATI
34. CLARCOR, INC. AND ITS SUBSIDIARY J.L. CLARK, INC.
35. CLINTON ELECTRONICS CORPORATION
36. COLTEC INDUSTRIES, INC.
37. COMMONWEALTH EDISON
38. CRESCENT REALTY CORPORATION
39. CUTTING & GRINDING FLUIDS/EUGENE F. BERTHUSEN
40. DANA CORPORATION
41. DANFOSS ELECTRONIC DRIVES/DANFOSS, INC.
42. DASCO PRO, INC./BLACKHAWK INVESTMENT CORP.
43. DDDJ, INC.
44. NELSON, KEN TRUSTEE
45. DIAL MACHINE, INC./MALCOLM ANDERBERG
46. DIXON AUTOMATIC TOOL, INC.
47. ECLIPSE, INC.
48. ELCO TEXTRON
49. ELITE FASTENERS, INC.
50. ERHARDT & LEIMER, INC.
51. ESTWING
52. FACTORY SUPPLIES COMPANY
53. FIBERGLASS INNOVATIONS, L.L.C./DRP, L.L.C.

54. FIVE COMPANIES, INC.
55. FOURTH CO., INC.
56. G.D. & R.L. ENTERPRISES, INC.
57. GATES CORPORATION, THE D/B/A THE GATES RUBBER COMPANY
58. GAUBAS, CHARLOTTE M.
59. GENERAL MOTORS CORPORATION
60. GORDON BARTELS
61. GOSS GRAPHICS SYSTEMS, INC./P & H PARTNERS, INC.
62. GREENLEE TEXTRON, INC.
63. GREGORY ANDERSON CO.
64. GRINDSTONE TOOL CO./DONALD R. BUNK
65. GTE COMMUNICATION SYSTEMS CORPORATION
66. GUNITE CORP./KELSEY HAYES COMPANY
67. GYPSUM SUPPLY CO.
68. HALDEX BARNES CORP.
69. HEALY, FRANCES L. - DAWN M. HEALY
70. HMF PROPERTIES, L.L.C.
71. HOLM PAGE PARTNERSHIP
72. HONEYWELL, INC.
73. IKON OFFICE SOLLUTIONS, INC. ON BEHALF OF IPSEN COMMERCIAL HEAT TREATING
74. INTERSTATE POLLUTION CONTROL, INC.
75. J & M PLATING
76. KELLEY WILLIAMSON COMPANY
77. KEYSTONE CONSOLIDATED INDUSTRIES, INC.
78. LEEK, R.L. IND., INC.
79. LINDENBERG, RICHARD
80. LSP INDUSTRIES, INC.
81. MAGGIO, KATHERINE
82. MASTERS PLATING CO., INC.
83. MATEIKA, PETER
84. MECHANICAL TOOL & ENGINEERING/AMERICAN SHAFT COMPANY
85. METAL CUTTING TOOLS CORPORATION BY BARBER-COLMAN CO.
86. MICRO PUNCH & DIE CO.
87. MICRO SCREW MACHINE CO., INC.
88. MID-STATES FORGING DIE & TOOL CO.
89. MID-STATES SCREW CORPORATION
90. MILLER, GALE R., INC.
91. MOBIL OIL CORPORATION
92. MODERN DROP FORGE
93. MODERN SUSPENSION SYSTEMS, INC.
94. MULFORD TRUST REAL ESTATE CORPORATION
95. MULFORD TRUST, THE
96. NATIONAL MACHINERY COMPANY, THE
97. NELSON & STORM TOOL SUPPLY CO.
98. NELSON MANUFACTURING CO., INC.
99. NEUMANN, ARTHUR M.
100. NEWELL CO./BEROL USA-CORPORATION/COUNSELOR (BREARLY) CO./AMEROCK CORPORATION
101. NICOR GAS
102. NYLINT CORPORATION
103. OLSON, DONALD AND RAYLIN OLSON/AMCORE INVESTMENT GROUP AS TRUSTEE OF ROY OLSON TRUST/OLSON/OLSON/OLSON/OLSON, INC.
104. OWENS CORNING
105. PACIFIC BEARING COMPANY
106. KARSTEN, BETTY

107. PATKUS MACHINE COMPANY/TERRY L. PATKUS
108. PATTEN INDUSTRIES, INC.
109. PIERCE CHEMICAL CO.
110. PRECISION GROUP, INC. (FOR ILLINOIS MACHINE PRODUCTS)
111. PRECISION HEADER TOOLING, INC.
112. QUALITY METAL FINISHING CO.
113. QUEBECOR PRINTING MT. MORRIS, INC.
114. RB&W CORPORATION
115. READETTE & DUNN PLATTERS, INC.
116. REG-ELLEN MACHINE TOOL CORP.
117. REGAL PRINTING CO. OF ROCKFORD
118. RINNAN, ROBERT D. AND PATRICIA A. RINNAN REVOCABLE TRUST B DATED 8-22-1989
119. RMB REALTY CORPORATION
120. ROCKFORD BLACKTOP CONSTRUCTION CO.
121. ROCKFORD BOLT & STEEL CO.
122. ROCKFORD CEMENT PRODUCTS CO./ROBERT M. BEALE & ROBERT C. BEALE, TRUSTEE OF BEALE GARAGE TRUST #79 AND OF THE BEALE LAND COMPANY LAND TRUST
123. ROCKFORD CO., THE
124. ROCKFORD DROP FORGE CO.
125. ROCKFORD ELECTRIC EQUIPMENT CO., INC./DONALD AND BERUTA BEISHIR
126. ROCKFORD HEADED PRODUCTS, INC.
127. ROCKFORD MOLDED PRODUCTS
128. ROCKFORD OIL COMPANY
129. ROCKFORD PARK DISTRICT
130. ROCKFORD PROCESS CONTROL, INC.
131. ROCKFORD PRODUCTS CORPORATION/AMCORE TRUST COMPANY, TRUST NO. 95-12329 AND 96-12592
132. ROCKFORD SPRING COMPANY
133. RODENSTOCK PRECISION OPTICS, INC.
134. RODIX, INC.
135. ROGERS BROTHERS INC. AND RCP PARTNERSHIP
136. S & S PROPERTY MANAGEMENT/STANLEY R. MURASKI/SANDRA L. MURASKI
137. SAWS INTERNATIONAL, INC.
138. SCHMELING, ROGER E.
139. SHARON SCREW PROD., INC.
140. SHOP UNIFORM SERVICES, INC. dba IDEAL UNIFORM SERVICE
141. SJOSTROM & SONS, INC.
142. SMITH INDUSTRIAL RUBBER
143. SMITH OIL CORPORATION
144. STENSTROM, ROBERT
145. STIEG, KENNETH E.
146. RENEHAN, RAYMOND
147. STUHR COMMERCIAL
148. SUNDSTRAND CORPORATION AND ITS WHOLLY OWNED SUBSIDIARIES
149. SUNTEC INDUSTRIES INCORPORATED
150. SWEBCO MANUFACTURING, INC.
151. SZMYDT, STANLEY
152. TESTOR CORPORATION, THE
153. TEXTRON, INC./TEXTRON PROPERTIES, INC.
154. THOMAS INDUSTRIES, INC.
155. TIOGA COATINGS CORPORATION
156. TOMERMO PARTNERSHIP
157. TWIN DISC, INC.
158. UNISON INDUSTRIAL

- 159. VALSPAR CORPORATION, THE
- 160. VIKING CHEMICAL COMPANY/THE VIKING GROUP, LTD./VIKING REALTY
COMPANY
- 161. WARNER LAMBERT COMPANY
- 162. WBC CORPORATION
- 163. WESTLUND, ROBERT
- 164. WILSON TOOL CORPORATION/DAVE WILSON
- 165. WISCONSIN LIFT TRUCK CORP.
- 166. WOODWARD GOVERNOR COMPANY
- 167. WORLD EQUITIES

APPENDIX D

**COVENANT BENEFICIARY
ELECTION FORM**

The following entity, by its undersigned representative, elects to become a Covenant Beneficiary in the Consent Decree entered into by the United States, State of Illinois and City of Rockford, Illinois in the action filed in the United States District Court for the Northern District of Illinois, Western Division (the "Court") entitled United States and the State of Illinois v. City of Rockford, Illinois, Civ. No. _____ (N.D. Ill.):

Name: _____
Address: _____

The undersigned hereby acknowledges that he/she has been informed that the Consent Decree executed by the attorneys of record for the parties in this action is available for public inspection at the Rockford Public Library, and that he/she has had opportunity to review it or seek legal advice regarding its terms, and in return for the rights, covenants and protections provided to Covenant Beneficiaries in the Consent Decree agrees, on behalf of the Covenant Beneficiary, to the following:

1. The Covenant Beneficiary agrees, upon reasonable advance notice to the extent practicable based on the reason access is needed and site conditions, to provide the United States, the State, the City and their representatives, including U.S. EPA and its contractors, access at all reasonable times to the portion(s) of the Site (and any other property in close proximity to the Site to which access is required for the implementation of the Consent Decree), that it owns or controls to which access is necessary, as provided in Section VI of the Consent Decree.

2. Except as otherwise provided in Paragraph 23 of the Consent Decree, the Covenant Beneficiary covenants not to sue and agrees not to assert any claims or causes of action against the United States or the State, with respect to the Work, Groundwater-Related Response Action and Costs, Past Response Costs, Future Oversight Costs, Area 7 of the Site (all as defined in the Consent Decree), the Consent Decree or contributions of Covenant Beneficiaries to the City with respect to the Consent Decree, including, but not limited to:

a. any direct or indirect claim for reimbursement from