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November 12, 2008

CERTIFIED MAIL

James R. Berry, Director
Physical Plant Services
2414 Bull Street,
P.O. Box 485
Columbia, SC 29202

**Re: SCDMH – Bull Street Campus Site;
2100 Bull Street, Richland County, Columbia, South Carolina;
Voluntary Cleanup Contract 08-5789-RP, BLWM File # 57572**

Dear Mr. Berry:

Please find enclosed a Certified As True And Correct Copy of Voluntary Cleanup Contract 08-5789-RP which was executed on November 10, 2008.

Thank you so much for your patience and cooperation in this matter. The Department looks forward to working with the SCDMH to address this Site under the South Carolina Voluntary Cleanup Program. Should you wish to further discuss the terms of the contract, please telephone either Gary Stewart at (803) 896-4054, or myself at (803) 896-4168.

Yours very truly,

David Wilkie, Environmental Health Manager
State Remediation Section
Bureau of Land and Waste Management

Enclosure

cc: Mr. Keith Lindler, L&WM
Gary Stewart, L&WM
Harry Mathis, Director, EQC Region 3
File# - 57572

VOLUNTARY CLEANUP CONTRACT
08-5789-RP

SIGNATURE David Wilkie

IN THE MATTER OF
SCDMH BULL STREET CAMPUS SITE, RICHLAND COUNTY
and
S.C. DEPARTMENT OF MENTAL HEALTH

This Contract is entered into by the South Carolina Department of Health and Environmental Control and the South Carolina Department of Mental Health (SCDMH), pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710, et seq. (2002 and Supp. 2005), the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C., §§ 9601, et seq., and the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-200 (2002), with respect to the property located at 2100 Bull Street, Columbia, South Carolina. The property includes approximately 181 acres and is bounded generally by Bull Street on the west, Colonial Drive on the north, Harden Street on the east, and Calhoun Street on the south. The property is listed as Richland County Tax Map Number R11501-01-01. A legal description of the property is attached to the Contract as Appendix A.

1. Unless otherwise expressly provided, terms used in this Contract shall have the meaning assigned to them in CERCLA, 42 U.S.C., §§ 9601, et seq., pursuant to the HWMA, S.C. Code Ann. § 44-56-200 (2002), including any amendments, or in the regulations promulgated thereunder.

- A. "SCDMH" shall mean South Carolina Department of Mental Health.
- B. "Contract" shall mean this Voluntary Cleanup Contract.
- C. "Department" shall mean the South Carolina Department of Health and Environmental Control or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this contract
- D. "Hazardous Substance" means (A) any substance designated pursuant to section 311(b)(2)(A) of the Federal Water Pollution Control Act [33 U.S.C. 1321(b)(2)(A)], (B) any element, compound, mixture, solution, or substance

designated pursuant to section 9602 of this title, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act [42 U.S.C. 6921] (but not including any waste the regulation of which under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of the Federal Water Pollution Control Act [33 U.S.C. 1317(a)], (E) any hazardous air pollutant listed under section 112 of the Clean Air Act [42 U.S.C. 7412], and (F) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act [15 U.S.C. 2606]. The term does not include petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of this paragraph, and the term does not include natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas).

- E. "Oversight Costs" shall mean those costs, both direct and indirect, incurred by the Department in implementing the Voluntary Cleanup Program as related to this Contract and any future amendments thereto.
- F. "Pollutant or Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "contaminant" does not include petroleum, including crude oil or any fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14) of CERCLA, Section 101, 42 U.S.C. Section 9601, et seq. and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality

- or mixtures of natural gas and such synthetic gas.
- G. "Property" shall mean property as described in the legal description attached as Appendix A, and that is subject to ownership, prospective ownership, or possessory or contractual interest of the SCDMH.
- H. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.
- I. "Responsible Party" shall mean:
- a. The owner and operator of a vessel, as defined in CERCLA Section 101 (28), or a facility;
 - b. Any person who, at the time of disposal of any hazardous substance, owned or operated any facility at which such hazardous substances were disposed of;
 - c. Any person who, by contract, settlement, or otherwise, arranged for disposal or treatment or arranged with a transporter for transport for disposal or treatment of hazardous substances owned or possessed by such person, by any other party or entity, at any facility or incineration vessel owned or operated by such a party or entity and containing such hazardous substances; and/or
 - d. Any person who accepts or accepted any hazardous substances for transport to disposal or treatment facilities, incineration vessels, as defined in CERCLA Section 101 (38), or sites selected by such person from which there is a release, or a threatened release that causes the incurrence of response costs, of a hazardous substance.
- I. "The Site" shall mean all areas where a contaminant has been released, deposited, stored, disposed of, placed, or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA Section 101 (28).
- J. "Voluntary Cleanup" shall mean a response action taken under and in compliance with the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710, et seq. (2002 and Supp. 2005).
- K. "Work Plan" shall mean the plan for additional response actions to be

conducted at the Site as described in Paragraph 3 of this Contract.

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

A. OWNERSHIP HISTORY

The SCDMH's predecessors acquired different portions of the Property at various times from the 1820s to 1905. The Property was developed and operated as a mental health care and treatment facility for approximately 150 years. The Property consists of approximately 181 acres, which includes 52 separate structures. Approximately 18 of the 52 buildings on the Property are currently in use. In late 2007, SCDMH contracted S&ME, Inc. to perform a Phase I Environmental Site Assessment (ESA) at the Property. S&ME performed the ESA and submitted a Phase I ESA Report dated December 18, 2007, to SCDMH. In a letter to SCDHEC dated June 13, 2008 from SCDMH's James R. Berry, SCDMH requested a Voluntary Cleanup Contract for the Site.

B. ESA PHASE I REPORT FINDINGS

The S&ME ESA report noted, in part, the following information and Recognized Environmental Conditions (REC):

- i. The age of the buildings located on the Property range in age from 20 to approximately 150 years.
- ii. The structures located on the Property are a combination of single and multi-story patient residences, patient care facilities, campus support and service buildings.
- iii. Numerous aboveground and underground petroleum storage tanks have been or are currently located on the Property. The tanks were/are used to store gasoline, heating oil, diesel fuel, and waste oil. The tank storage capacities ranged from 110 to 30,000 gallons.
- iv. The "Pest Control Shed" is used to store various containers of pesticides, herbicides, and rodenticides. The chemicals include diazinon and cyanide. Numerous water softening agents and other

chemicals are stored/used in the Energy Plant.

- v. Building 49 was used to store chlorinated pesticides (i.e. DDT and Chlordane) up until the 1980s or 1990s. Pesticides were also stored in numerous other buildings, including the Grounds Shed, Lock Shop, Soiled Laundry Building, and a wood shed behind the Lock Shop.
- vi. A paint shop was located near the rear of the Physical Plant Services building. This shop, at one time, contained a sub-grade vat that was filled with a chemical paint stripper. The vat was used to strip large pieces of furniture. The vat was closed in the 1982 and filled in with concrete.
- vii. Coal ash from the old energy plant boilers was reportedly transported to the rear of the Property behind the Allen and Preston Buildings and buried or spread onto the ground. The coal ash was also subject to a cool down washing process in a silo that was located next to the former energy plant.
- viii. A 1916 site plan of the Babcock building and its surroundings, included in a 1995 Anderson and Associates report identified a "Dumping Grounds" to the west of the Mattress Shop.

3. The SCDMH agrees to submit to the Department for review and written approval within thirty (30) days of the execution date of this Contract a Remedial Investigation Work Plan (Work Plan) for the Site that is consistent with the technical intent of the National Contingency Plan. The Work Plan shall be implemented upon written approval from the Department. The Work Plan shall include the names, addresses, and telephone numbers of the consulting firm, the analytical laboratory certified by the Department, and the SCDMH's contact person for matters relating to this contract. The SCDMH will notify the Department in writing of changes in the contractor or laboratory. The Department will review the Work Plan and will notify the SCDMH in writing of any deficiencies in the Work Plan, and the SCDMH shall respond in writing within thirty (30) days to the Department's comments. The Work Plan and all associated reports shall be prepared in accordance with industry standards and endorsed by a Professional Engineer (P.E.) and/or Professional Geologist (P.G.) duly-licensed in South Carolina and shall set forth methods and schedules

for accomplishing the following tasks:

- A. Conduct a Remedial Investigation (RI) to determine the source, nature, and extent of contamination at the Site. The RI must include, but is not limited to, investigation of all on-site Recognized Environmental Conditions as noted in the S&ME Phase I Environmental Site Assessment dated December 18, 2007 and referenced in Part 2.B of this Contract.
- B. Submit to the Department an RI Report (to include a Baseline Risk Assessment or other evaluation of risk to human health and the environment) in accordance with the schedule in the approved RI Work Plan. Within a reasonable period of time, the Department shall review the report for determination of completion of the RI and sufficiency of the documentation. If the Department determines that the field investigation is not complete, it will send written notification of such to the SCDMH, and the SCDMH shall subsequently conduct additional field investigation to further determine the source, nature, and extent of contamination. If the Department determines that the field investigation is complete but the report is incomplete, the Department shall send to the SCDMH a letter indicating that revision of the report is necessary. Within thirty (30) days of receipt of such letter from the Department, the SCDMH shall submit a revised report addressing the Department's comments.
- C. If determined necessary by the Department, conduct a Feasibility Study to evaluate remedial alternatives for addressing contamination at the Site.

4. The SCDMH shall prepare and submit under separate cover from the Work Plan, a Health and Safety Plan that is consistent with Occupational Safety and Health Administration regulations. The SCDMH agrees that the Health and Safety Plan is submitted for informational purposes only to the Department and any liability that may result from implementation of the Health and Safety Plan shall rest solely with the SCDMH.

5. The SCDMH shall inform the Department at least five (5) working days in advance of all field activities pursuant to this Contract and shall allow the Department and its authorized representatives, if so desired, to take duplicates of any samples collected by

the SCDMH pursuant to this Contract.

6. Within 30 days of the execution date of this Contract and once a month thereafter, the SCDMH shall submit to the Department a written progress report that must include the following: (a) actions taken under this Contract during the previous reporting period; (b) actions scheduled to be taken in the next reporting period; (c) sampling, test results, and any other data, in summary form, generated during the previous reporting period, whether generated pursuant to this Contract or not; and (d) a description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them.

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

All correspondence, work plans, and reports (including four (4) copies of all work plans and reports) should be submitted to:

SCDHEC Keisha Long, Project Manager
SCDHEC
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201

SCDMH James R. Berry, Director
Physical Plant Services
2414 Bull Street,
P.O. Box 485
Columbia, SC 29202

8. Upon execution of this Contract, the Department will seek public participation in accordance with S.C. Code Ann. § 44-56-740 (2002) and the technical intent of the National Contingency Plan. Costs associated with public participation, [e.g., public notices(s), building and equipment rental(s) for public meetings, etc.] will be paid by the SCDMH.

9. As provided for by S.C. Code Ann. § 44-56-740(B) (2002) and S.C. Code Ann. § 44-56-200 (2002), the SCDMH shall, on a quarterly basis, reimburse the Department for oversight costs of activities required under this Contract. Oversight costs include but are not limited to the direct and indirect costs of negotiating the terms of this Contract, reviewing Work Plans and reports, supervising corresponding work, and public participation. Payments will be due within thirty (30) days of receipt of the Department's invoice. Invoices shall be submitted to:

SCDHEC
Bureau of Finance
2600 Bull Street
Columbia, South Carolina 29201

10. The terms and conditions of this Contract apply to and shall inure to the benefit of each signatory and its parents, successors, assigns, and subsidiaries, and upon the Department.

11. Subject to the provisions of Paragraph 16 of this Contract, nothing in this Contract is intended to be, or shall be construed as, a release or covenant not to sue for any claim or cause of action, past or future, that the Department may have against any person, firm, or corporation not a signatory of this Contract or a signatory's parent, successor, assign, or subsidiary.

12. Nothing in this Contract is intended to limit the right of the Department to undertake future response actions at the Site or to seek to compel parties to perform or pay for

response actions at the Site. Nothing in this Contract shall in any way restrict or limit the nature or scope of response actions that may be taken or be required by the Department in exercising its authority under State and Federal law.

13. Subject to the provisions of Paragraph 16, nothing in this Contract is intended to be or shall be construed as a release or covenant not to sue for any claim or cause of action that the Department may have against the SCDMH for any matter not expressly included in this Contract.

14. The Department, its authorized officers, employees, representatives, and all other persons performing response actions will not be denied access to the Site during normal business hours or at any time work under this Contract is being performed or during any environmental emergency or imminent threat situation, as determined by the Department (or as allowed by applicable law). The SCDMH and subsequent owners of the Property shall ensure that a copy of this Contract is provided to any lessee or successor or other transferee of the property, and to any owner of other property that is included in the Site.

15. If hazardous substances in excess of residential standards exist at the Site after the SCDMH has completed the actions required under this Contract, the SCDMH shall enter and file a restrictive covenant. Upon the Department's approval of the items outlined therein, the restrictive covenant shall be signed by the Department and representatives of the SCDMH and witnessed, signed, and sealed by a notary public. The SCDMH shall file this restrictive covenant with the Register of Mesne Conveyance or Deeds in Richland County. The signed covenant shall be incorporated into this contract as an Appendix. With the approval of the Department, the restrictive covenant may be modified in the future if additional remedial activities are carried out which meet appropriate clean up standards at that time or circumstances change such that the restrictive covenant would no longer be applicable. The Department may require the SCDMH or subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. The SCDMH or subsequent owners of the Property shall file an annual report with the Department by May 31st of each year detailing the current land uses and compliance with the restrictive covenants for as long as the restrictive covenant

remains in effect on the Property. The report may be submitted in a manner prescribed by the Department.

16. Upon successful completion of the terms of this Contract and the approved Work Plan as referenced in Paragraphs 3 and 15 above, the SCDMH shall submit to the Department a written notice of completion. Once the Department determines satisfactory completion of the Contract terms, the Department, pursuant to S.C. Code Ann. § 44-56-740(B)(1) (2002), will give the SCDMH a Certificate of Completion that provides a covenant not to sue the SCDMH, its parents, successors, subsidiaries, or assigns for the matters satisfactorily completed and specifically covered in this Contract. In consideration of the Department's covenant not to sue, the SCDMH its parents, successors, assigns, and subsidiaries agree not to assert any claims or causes of action against the Department arising out of activities undertaken at the Site or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Site, ~~except~~ for those claims or causes of action resulting from the Department's intentional or grossly negligent acts or omissions.

17. The SCDMH or subsequent owners of the Site and the Department each reserve the right to unilaterally terminate this Contract. Termination may be accomplished by giving a thirty (30) day advance written notice of the election to terminate this Contract to the other party. Should the SCDMH or subsequent owners of the Site elect to terminate, it must submit to the Department all data generated pursuant to this Contract, and certify to the Department's satisfaction that any environmental or physical hazard shall be stabilized and/or mitigated such that the Site does not pose a hazard to human health or the environment that did not exist prior to any initial response action addressing contamination identified in this Contract.

18. The Department may terminate this Contract only for cause, which may include but is not limited to the following: (a) events or circumstances at the Site that are inconsistent with the terms and conditions of this Contract; (b) failure to complete the terms of this Contract or the Work Plan; (c) failure to submit timely payment for oversight costs as defined in Paragraph 9 above, or (d) additional contamination or releases or consequences

at the Site caused by the SCDMH its parents, successors, assigns, and subsidiaries; (e) providing the Department with false or incomplete information or knowing failure to disclose information; or (f) change in the SCDMH or its parents', successors', assigns', and subsidiaries' business activities on the Property or use of the Property that are inconsistent with the terms and conditions of this Contract.

19. Upon termination of the Contract, the covenant not to sue will be null and void.

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

THE SOUTH CAROLINA DEPARTMENT OF HEALTH
AND ENVIRONMENTAL CONTROL


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

DATE: 11/10/08

Jacqueline J. Dutton
Approved by Office of General Counsel

DATE: November 5, 2008

SOUTH CAROLINA DEPARTMENT OF MENTAL HEALTH



Signature

DATE: 10/08/08

Brenda L. Hart, Deputy Director
Division of Administrative Services
South Carolina Department of Mental Health

Appendix A

LAND DESCRIPTION

Beginning at the intersection of the Eastern right-of-way margin of Bull Street (S.C. Hwy. No. 277) and the Southern right-of-way margin of Colonial Drive at a PK Nail (n), this being the POINT OF BEGINNING (P.O.B.); thence turning and running along the Southern right-of-way margin of Colonial Drive for the following bearings and distances:

N 49°24'22" E for a distance of 955.94 feet to a 5/8" Rebar (o); N 49°38'57" E for a distance of 1054.93 feet to a 1/2" Rebar (n) (a 15' Reference); N 49°38'57" E for a distance of 15.00 feet to a Point; S 39°32'48" E for a distance of 21.83 feet to a Point; a curved line of length 627.19 feet (curve of radius 2331.77 feet, chord bearing of N 46°33'32" E, chord distance of 625.30 feet) to a 1/2" Rebar (n); N 39°57'52" E for a distance of 7.99 feet to a 1/2" Rebar (n); a curved line of length 71.27 feet (curve of radius 2586.45 feet, chord bearing of N 39°05'02" E, chord distance of 71.27 feet) to a 1/2" Rebar (n); S 40°18'38" E for a distance of 32.17 feet to a 1/2" Rebar (n); S 40°18'38" E for a distance of 32.70 feet to a 1/2" Rebar (n); N 23°31'29" E for a distance of 166.30 feet to a 1/2" Rebar (n); a curved line of length 184.83 feet (curve of radius 1475.47 feet, chord bearing of N 26°07'50" E, chord distance of 184.71 feet) to a 1/2" Rebar (n); a curved line of length 45.92 feet (curve of radius 22598.45 feet, chord bearing of N 28°36'58" E, chord distance of 45.92 feet) to a 1/2" Rebar (n); a curved line of length 78.29 feet (curve of radius 42.00 feet, chord bearing of N 75°30'22" E, chord distance of 67.44 feet) to a 5/8" Rebar (o);

thence turning and running along the Western right-of-way margin of Harden Street for the following bearings and distances:

S 48°32'49" E for a distance of 8.78 feet to a 5/8" Rebar (o); a curved line of length 390.28 feet (curve of radius 1138.05 feet, chord bearing of S 39°04'28" E, chord distance of 388.37 feet) to a 5/8" Rebar (o); S 20°01'38" E for a distance of 2271.34 feet to a Fencepost (o);

thence turning and running in a curved line of length 390.92 feet along the Southern Railway R/W (curve of radius 1484.03 feet, chord bearing of S 24°01'59" W, chord distance of 389.79 feet) to a 5/8" Rebar (o); thence turning and running S 69°51'55" W along the Southern Railway R/W and the property of now or formerly Charlotte Columbia for a distance of 194.33 feet to a 1/2" Rebar (o); thence turning and running S 20°04'08" E along the Southern Railway R/W and the property of now or formerly Charlotte Columbia for a distance of 417.97 feet to a 5/8" Rebar (o);

thence turning and running along the Northern right-of-way margin of Calhoun Street for the following bearings and distances:

S 70°21'47" W for a distance of 565.92 feet to a 3/4" Rebar (o); S 69°58'43" W for a distance of 92.19 feet to a Conc. mon. (o); S 69°48'10" W for a distance of 462.72 feet to a 5/8" Rebar (o); S 16°32'02" E for a distance of 13.17 feet to the Corner of a Wall; S 70°01'09" W for a distance of 1009.74 feet to a Point on Face of Wall (Witnessed by a 1" Pinch Top (o) @ 2.26'); thence turning and running N 20°20'24" W along the property of now or formerly The State of S.C. for a distance of 431.77 feet to a 1" Pinch top (o); thence turning and running S 69°55'11" W along the property of now or formerly The State of S.C. for a distance of 443.49 feet to a 1/2" Rebar (n); thence turning and running N 20°17'34" W along the Eastern right-of-way margin of Bull Street (S.C. Hwy. No. 277) for a distance of 1735.72 feet to a PK Nail (n), the POINT OF BEGINNING (P.O.B.).

APPENDIX A

NOV 1 2008