

NATURAL RESOURCES COMPENSATION PLAN
HOWS CORNER SUPERFUND SITE
PLYMOUTH, MAINE

Draft for Public Review and Comment
Revised 3/10/09

This Natural Resources Compensation Plan (Plan) is presented as a proposal for public comment. The Plan was drafted by the Hows Corner Group,¹ in coordination with the Natural Resource Trustees for the State of Maine and Plymouth Water District. The Department of Environmental Protection (DEP), as lead trustee for Maine's natural resources, coordinates natural resource damage compensation claims with Maine's co-trustees, the Departments of Conservation (DOC), Inland Fisheries & Wildlife (IF&W) and Marine Resources (together the Natural Resource Trustees or NRTs). The Maine Attorney General provides legal advice to these agencies. This Natural Resources Compensation Plan has been tentatively agreed to by the parties.

After a public meeting in Plymouth and the opportunity to submit written comments on the Plan, the Plan may be revised and adopted as final by the Hows Corner Group and the State of Maine. The Plan will be memorialized in a settlement agreement between the Hows Corner Group, NRTs, and the parties receiving the parcels. Through this settlement agreement the plan will be implemented according to its terms, in exchange for a release of Natural Resource Damage claims by the NRTs.

Public Comment Invited

The public is invited to comment on this proposed Natural Resources Compensation Plan. Public comment will be carefully considered. It is possible that changes may be made to the Compensation Plan in response to comments offered at the Public Meeting or written comments submitted to DEP.

A Public Meeting to discuss the Compensation Plan and to receive public comments will be held beginning at 7:00 PM on March 31, 2009 at the Plymouth Grange Hall in Plymouth, Maine.

¹ The Hows Corner Group is also known as the West Site/Hows Corner Remedial Investigation/Feasibility Study Potentially Responsible Party Group. The Hows Corner Group has participated in good-faith negotiations with the State of Maine and the NRTs without admission of fact or liability. This proposed Plan is also offered in good faith and in the spirit of cooperation to further potential settlement.

Written comments may be sent to DEP. To receive full consideration, comments must be submitted on or before April 15, 2009, to the following address:

David Wright
Division of Remediation
Maine DEP
17 SHS
Augusta, ME 04333-0017

Background

The Hows Corner Group has provided the DEP, as lead NRT, with an offer to settle the State's asserted claim for Natural Resource Damages (NRD) stemming from the Hows Corner Superfund Site in Plymouth, Maine. This site was formerly operated by George West Jr, doing business as Portland-Bangor Waste Oil.

The compensation is proposed to address NRD to groundwater stemming from activities at the Hows Corner Superfund Site, and for future damage to groundwater until completion of the groundwater cleanup remedy. The Hows Corner Superfund Site is located on an upland recharge area in a rural residential area, and because of its location within the watershed, water quality was very good prior to site activities. A portion of the Superfund Site is a mapped Sand and Gravel Aquifer, a highly desirable resource.

This compensation offer consists of purchasing and placing into conservation one approximately 650-acre (Figure 1), and one approximately 50-acre tract of land (Figure 2), both in Plymouth, Maine.

Description of the Two Compensation Parcels

The 650+/- acre parcel of land will have some public road frontage on Ridge Road, and a deeded easement to Ridge Road to the west, and is bordered by Martin Stream to the east. Based on a review by DEP of information pertaining to the site, the groundwater at the compensation site is not likely to be of as high value as the aquifer impacted by the Hows Corner site, but would likely yield more water. This compensation parcel is in a regional groundwater discharge area overlain by poorly drained Presumpscot formation marine sediments, while the Hows Corner aquifer is in an upland recharge area. The discharge area results in longer groundwater residence time, which reduces dissolved oxygen, increases dissolved minerals, and therefore generally results in somewhat poorer water quality. However, the compensation parcel is a large, undeveloped, intact parcel of land containing high-value waterfowl wading habitat, and other moderate value wildlife habitat. The parcel may also contain, and abuts, deer wintering areas. Further, the site contains a recreational trail for snowmobiles and other motorized off-road vehicles.

A second 50+/- acre parcel of land abuts the parcel containing the production well for the Plymouth Water District. This 50+/- acre parcel lies down gradient of the existing well, and, therefore, would not provide significant well-head protection. However, should the

existing well fail, the new parcel would provide for a potential area to locate a replacement well.

Proposed Ownership, Maintenance, and Use of the 650+/- Acre Parcel

The Hows Corner Group and the NRTs believe that the two compensation parcels should be owned by entities that can take long-term ownership and stewardship for the properties, consistent with the goal of conservation of the parcels. After consultation with the NRTs and IF&W, the Hows Corner Group has proposed that the 650+/- acre parcel be owned by IF&W. IF&W has agreed to take title to the parcel, as outlined in this Plan.

The 650+/- acre parcel would be transferred with deed restrictions that would be enforceable by the Maine DEP. These deed restrictions would be a covenant running with the land and burden of title, would be stated in the deed transferring the property, and would include the following concepts, applicable to the entire parcel:

1. The premises shall be retained forever in its protected status as part of a State of Maine Owned Wildlife Management Area, guided by an area management plan prepared by the Maine Department of Inland Fisheries and Wildlife (hereinafter IF&W) Regional Wildlife Biologist, and reviewed and approved by the Supervisor of the Wildlife Management Section. The management plan shall be consistent with the IF&W land acquisition and management goal: to provide a statewide, ecological based system of land holdings for the protection and enhancement of important wildlife habitats, which also provide opportunities for public recreation. In addition, all wildlife habitat management activities shall be governed by the policies and guidelines of the Federal Aid in Wildlife Restoration Act. Prior to finalization, IF&W shall submit to the Maine Department of Environmental Protection (DEP) and the Town of Plymouth Board of Selectmen (Town), for a 30-day review and comment period, the area management plan, together with any subsequent updates.
2. The premises shall be managed in a manner that will maintain and enhance its wildlife habitat value and shall be preserved in perpetuity.
3. No permanent buildings shall be placed or constructed on the property other than minor structures that enhance the opportunity for low-impact outdoor recreation and that support the goals of the Wildlife Management Area Plan, such as small unlighted informational or interpretive signs, and bridges.
4. The existing recreational trail for snowmobiles and ATV's may continue to be used in accordance with the objectives outlined in the Wildlife Management Area Plan under the stewardship of an organized snowmobile and/or ATV club.
5. The DEP shall be allowed access to the parcel to inspect it generally, monitor the conservation activities or any other activities on the property, and inspect to determine whether enforcement of the deed restrictions is necessary. Any issues

pertaining to management shall be addressed through the Director of the Wildlife Division of IF&W, or its successor.

6. The restrictions shall be binding on all owners of the property, including future owners. Amendments to the deed restrictions may be agreed to by the DEP and IF&W.

Real Estate Pre-Transfer and Transfer Activities of the 650+/- acre parcel

Transfer of the 650+/- acre parcel (the Parcel) shall be subject to the following:

1. Boundary Survey. A standard boundary survey of the Parcel in recordable form will be carried out at the expense of the Hows Corner Group and is subject to the reasonable review and acceptance by IF&W prior to closing. The Hows Corner Group shall additionally furnish IF&W with ten (10) full-size paper copies of the recorded Survey, together with an electronic copy in form acceptable for State archive purposes. The corners of the Parcel shall be pinned and the lines blazed by Hows Corner Group's surveyor prior to closing.
2. Environmental Assessment. The Hows Corner Group, at its expense and prior to closing, shall furnish IF&W for IF&W reasonable review and approval, two (2) paper copies and an electronic copy in form acceptable for State archive purposes of a Phase I Environmental Assessment updated to within 30 days of the time of the transfer to IF&W (Phase I EA). The Hows Corner Group will obtain from the DEP No Action Assurances for the parcels under 38 M.R.S.A. § 343-E, in accordance with the Voluntary Remedial Action Program.
3. Mitigation Project. The Hows Corner Group shall furnish IF&W with a letter from MDEP that no further actions are required of IF&W as the owner of the Parcel other than the long term protection of the property, at least thirty (30) days prior to closing for IF&W review and acceptance.
4. Real Estate Taxes. Prior to closing, the Hows Corner Group shall pay all past and current real estate taxes, tree growth taxes, municipal assessments for water and sewer, and any other taxes assessed against the Parcel and any adjoining land of which it is a part, together with any taxes for pending assessments for which a tax bill has not been issued. If the closing occurs after April 1st, the Hows Corner Group shall pay (or escrow sufficient funds to pay) the entire tax bill (estimated based on the prior year's tax bill, if the bill for the current year is unavailable) for the new tax year. The purpose of this provision is to assure IF&W that all taxes are paid on the conveyed lands that are taxable as of April 1st of each tax year regardless of closing date, and that there will be no outstanding taxes on the Parcel after closing.

5. Purchase and Sales Agreement. Execution by Hows Corner Group of an IF&W purchase and sales agreement prior to commencement of IF&W review of the Parcel acquisition.
6. Deed and Title. The Hows Corner Group, or its assigns, shall convey marketable title by good and sufficient Maine short form quitclaim with covenant deed (Deed). The deed will incorporate a perimeter description based on the survey commissioned by the Hows Corner Group. The Hows Corner Group shall at its expense furnish IF&W with an owner's title insurance commitment (followed by title insurance policy, hereafter the Title Policy) that a) does not take exception to title, except as may be permitted under the terms of the parties' Purchase and Sale Agreement; b) and insures access to the Parcel from Ridge Road.
6. Easement. The Deed shall include an easement for (or fee to) parking adequate for four vehicles, adjacent to the public road at the entrance to the right-of-way to the Parcel. IF&W has the right to reasonable review and approval of such parking and access provisions prior to the closing.
7. IF&W Pre-Closing Approval. The Hows Corner Group shall furnish IF&W with copies (in paper and electronic form) of the Survey, Phase I EA, Deed (with legal description in word format), Title Commitment, at least 30 days prior to the transfer. All of the foregoing shall be performed at Hows Corner Group's expense.
8. Transfer and Recording. Upon approval of the foregoing by IF&W, and final approval of all federal, state and local permits, if any, the Hows Corner Group shall deliver to IF&W the following original documents at closing: an underground tank notice pursuant to 38 M.R.S. § 563(6) confirming that to the seller's knowledge no underground oil storage facility exists on the Parcel; a standard Owner's title insurance affidavit concerning parties in possession and mechanic's liens, a Maine REW-3 Residency Affidavit and a FIRPTA Certificate of Nonforeign Status, IRS form W-9, certificate of corporate authority to enter into this transaction, certificate of good standing, such other documentation as may be required by the Title Insurance company issuing title insurance for this conveyance, a Real Estate Transfer Tax Declaration and the amount due for transfer taxes, the executed Deed, and Survey (stamped and signed and with two stamped signed copies) to IF&W along with funds sufficient to cover the cost of recording them in the applicable County Registry of Deeds; and shall cause the Title Policy to be issued to IF&W within thirty (30) days of closing.
9. Materials to be Removed. The Hows Corner Group shall remove any trash identified by the Phase I EA from the Parcel, as well as any trash or other refuse not previously identified on the Parcel, prior to closing.

10. Condition Precedent. The agreement outlined above is subject to the reasonable review and approval by IF&W of all documents described herein at least thirty (30) days prior to closing.

Proposed Ownership, Maintenance, and Use of the 50+/- Acre Parcel

As stated earlier, the Hows Corner Group and the NRTs believe that the two compensation parcels should be owned by entities that can take long-term ownership and stewardship for the properties, consistent with the goal of conservation of the parcels. After consultation with the NRTs and the Plymouth Water District, the Hows Corner Group has proposed that the 50+/- acre parcel should be owned by the Plymouth Water District, for potential additional water sources and for any additional well-head protection that ownership of the parcel might provide. The Plymouth Water District has agreed to take the title for the property, consistent with this Plan.

The 50+/- acre parcel abutting the property currently used by the Plymouth Water District would be transferred with deed restrictions that would be enforceable by the Maine DEP. These deed restrictions would be deemed a covenant running with the land and burden of title, would be stated in the deed transferring the property, and would include the following concepts, applicable to the entire parcel:

1. The premises shall be retained forever in its protected status as part of the Water Supply for the Plymouth Water District (the Water District), guided by modifications to the Water District's Wellhead and Source Protection Plan. The Water District shall revise its Wellhead and Source Protection plan to include the 50+/- parcel, consistent with the goals of protecting the existing water supply well, and protecting reserves for future water supplies. The Wellhead and Source Protection Plan shall be modified by the Water District using the Maine Department of Health and Human Services, Best Management Practices for Groundwater Protection, as revised. Prior to finalization, the Water District shall submit to the Town and the Maine Department of Health and Human Services – Drinking Water Program, for a 30-day review and comment period, the draft Wellhead and Source Protection Plan, together with any subsequent updates.
2. The owner will take reasonable efforts, such as clearly posting access points, to prevent motorized recreational vehicles from being used on the property.
3. Petroleum products, hazardous materials or wastes may not be stored or disposed of on the property
4. No permanent or temporary buildings shall be placed or constructed on the property except as necessary for groundwater monitoring and groundwater extraction, as deemed appropriate by the Plymouth Water District and as approved by the Maine Department of Health and Human Services – Drinking Water Program or its successor.

5. The DEP shall be allowed access to the parcel to inspect it generally, monitor the conservation activities or any other activities on the property, and inspect to determine whether enforcement of the deed restrictions is necessary. Any issues pertaining to management shall be addressed through the Director of the Plymouth Water District.
6. The restrictions shall be binding on all owners of the property, including future owners. Amendments to the deed restrictions may be agreed to by the DEP and the Plymouth Water District.
7. If the Plymouth Water District is dissolved and the parcel, or the adjacent parcel, will continue to be owned by an entity providing drinking water, the deed shall provide that the parcel may be conveyed to that entity. In the event that the Plymouth Water District is dissolved and neither the parcel nor the adjacent parcel will be used for drinking water purposes, then the deed shall contain a provision requiring the Plymouth Water District to transfer the property to the Town of Plymouth or to another non-profit organization that would be willing to accept the property for conservation purposes.

Real Estate Pre-Transfer and Transfer Activities of the 50+/- acre parcel

Transfer of the 50+/- acre parcel (the Parcel) shall be subject to the following:

1. Boundary Survey. A standard boundary survey of the Parcel in recordable form will be carried out at the expense of the Hows Corner Group and is subject to the reasonable review and acceptance by the Plymouth Water District (the District) prior to closing. The Hows Corner Group shall additionally furnish the District with two (2) full-size paper copies of the recorded survey. The corners of the Parcel shall be pinned by Hows Corner Group's surveyor prior to closing.
2. Environmental Assessment. The Hows Corner Group, at its expense and prior to closing, shall furnish the District for its reasonable review and approval, two (2) paper copies of a Phase I Environmental Assessment updated to within 30 days of the time of the transfer to the District (Phase I EA). The Hows Corner Group will obtain from the DEP No Action Assurances for the Parcel under 38 M.R.S.A. § 343-E, in accordance with the Voluntary Remedial Action Program.
3. Mitigation Project. The Hows Corner Group shall furnish the District with a letter from MDEP that no further actions are required of the District as the owner of the Parcel other than the long term protection of the property, at least thirty (30) days prior to closing for the District's reasonable review and acceptance.
4. Real Estate Taxes. Prior to closing, the Hows Corner Group shall pay all past and current real estate taxes, tree growth taxes, municipal assessments for water and sewer, and any other taxes assessed against the Parcel and any adjoining land of which it is a part, together with any taxes for pending assessments for which a tax

- bill has not been issued. If the closing occurs after April 1st, the Hows Corner Group shall pay (or escrow sufficient funds to pay) the entire tax bill (estimated based on the prior year's tax bill, if the bill for the current year is unavailable) for the new tax year. The purpose of this provision is to assure the District that all taxes are paid on the conveyed land that is taxable as of April 1st of each tax year regardless of closing date, and that there will be no outstanding taxes on the Parcel after closing.
5. Purchase and Sale Agreement. The Hows Corner Group and the District shall execute a purchase and sale agreement consistent with this plan.
 6. Deed and Title. The Hows Corner Group, or its assigns, shall convey marketable title by good and sufficient Maine short form quitclaim with covenant deed (Deed). The deed will incorporate a perimeter description based on the survey commissioned by the Hows Corner Group. The Hows Corner Group shall at its expense furnish the District with an owner's title insurance commitment (followed by title insurance policy, hereafter the Title Policy) that a) does not take exception to title, except as may be permitted under the terms of the parties' Purchase and Sale Agreement; b) and insures access to the Parcel from small Road.
 7. Pre-Closing Approval. The Hows Corner Group shall furnish the District with paper copies of the Survey, Phase I EA, Deed, Title Commitment, at least 30 days prior to the transfer. All of the foregoing shall be performed at Hows Corner Group's expense.
 8. Transfer and Recording. Upon approval of the foregoing by the District, the Hows Corner Group shall deliver to the District the following original documents at closing: an underground tank notice pursuant to 38 M.R.S. § 563(6) confirming that to the seller's knowledge no underground oil storage facility exists on the Parcel; a standard Owner's title insurance affidavit concerning parties in possession and mechanic's liens, a Maine REW-3 Residency Affidavit and a FIRPTA Certificate of Nonforeign Status, IRS form W-9, certificate of corporate authority to enter into this transaction, certificate of good standing, such other documentation as may be required by the Title Insurance company issuing title insurance for this conveyance, a Real Estate Transfer Tax Declaration and the amount due for transfer taxes, the executed Deed, and Survey (stamped and signed and with two stamped signed copies) to the District along with funds sufficient to cover the cost of recording them in the applicable County Registry of Deeds; and shall cause the Title Policy to be issued to the District within thirty (30) days of closing.
 9. Materials to be Removed. The Hows Corner Group shall remove any trash identified by the Phase I EA from the Parcel, as well as any trash or other refuse not previously identified on the Parcel, prior to closing.

10. Condition Precedent. The agreement outlined above is subject to the reasonable review and approval by the District of all documents described herein at least thirty (30) days prior to closing.

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Figure 1: Approximate Location of the proposed 650+/- Natural Resources Compensation Parcel, Plymouth Maine

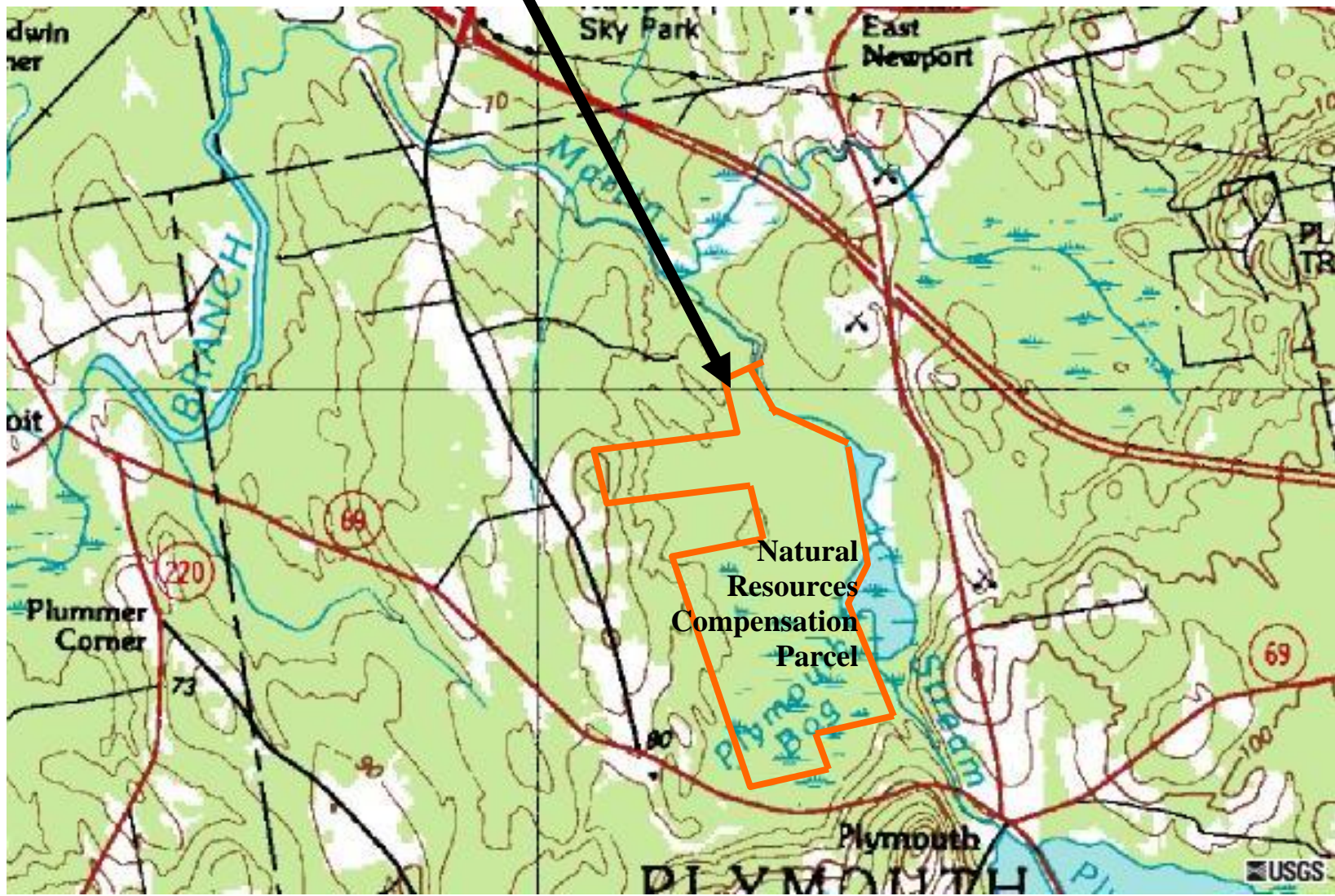


Figure 2: Approximate Location of the proposed 50+/- Natural Resources Compensation Parcel, Plymouth Maine

