



September 14, 2012

Main Street Market
Harold Behling
P.O. Box 1247
Orem, Utah 84059

Attn: Mr. Harold Behling
P: 801-318-2840

**RE: Proposal for Soil and Groundwater Remediation Services
Main Street Market
15 West Main Street
Ferron, Utah
Facility Identification No. 5000296, Release ID MQC
Terracon Proposal No. P61120222**

Mr. Behling:

Terracon Consultants, Inc. (Terracon) appreciates the opportunity to submit this proposal to provide soil and groundwater remediation services for the site. An outline of the project, Terracon's scope of services, proposed schedule, and compensation are provided in the following sections. We encourage you to contact us if our proposed scope of services is not consistent with your goals for the project.

Terracon is providing this proposal in response to the Enforcement of Notice of Violation and Order, UDEQ v. Harold Behling, Civil No. 110700099 issued by the State of Utah Office of the Attorney General (dated February 16, 2012) indicating compliance with the court order will require the following items (Terracon has summarized the requirements below):

1. A work plan written by a certified Underground Storage Tank (UST) consultant shall be submitted by April 1, 2012 to address the items 2 through 5 listed below.
2. Collection of water samples from the culinary water line that was replaced by Castle Valley Special Services District (CVSSD). The Division of Drinking Water (DDW) will require further volatile organic compound (VOC) sampling (via EPA Method 524.2) at a minimum of the following sites in Ferron PWS#08004. The sampling will include first draw and a 5 minute flush protocol.
 - i) The Singleton home/trailer park at 50 South State Street. The June 18, 2010 sample was taken at trailer space #12 and had detectable levels below the MCL in the first draw sample.

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Geotechnical

Environmental

Construction Materials

Facilities

- ii) 25 East Molen Road. The June 28, 2010 sample had low level detects below the maximum contaminant level (MCL) for Benzene and Toluene in the first draw and after the 5 minute flush.
- iii) Hancock Residence at 35 South State Street, Ferron, Utah. Although the culinary water line was replaced by CVSSD, high levels of benzene were found in the soil and perched groundwater in excavations and borings in and near their driveway in October 2011.

DDW will evaluate the results to determine if additional sets of samples will be required and propose an on-going VOC monitoring schedule. This sampling must be coordinated with and supervised by the CVSSD.

3. Remove contaminated soil remaining at the Main Street Market dispenser line release point, under the adjacent side walk and street, and up to the replacement water main under State Street. Remaining contaminated soil must be removed from around the culinary water line in the utility corridor at least as far south as the Main Street property line, or until proven to occur at sufficient depth below the water line.
4. Petroleum and contaminated water collecting in the sump installed by CVSSD must be sampled and removed on a regular basis if petroleum contamination exceeding Division of Environmental Response and Remediation (DERR) Tier 1 standards is detected. A record of the volume removed must be maintained. A written agreement for services must be completed with CVSSD, or authorization for another party to access the CVSSD property to complete the task.
5. Remediation of Benzene and Total Petroleum Hydrocarbons (TPH) contaminated soil and perched groundwater in the Hancock driveway and southwest side of Ferron City Hall.

Further investigation and corrective action requirements may be needed depending on the results of these actions.

Terracon has prepared this proposal with the goal of complying with the requirements of the court order.

A. PROJECT INFORMATION

Terracon reviewed the following project documents at the DDW office. The release history is summarized as follows:

- Terracon reviewed a *Report of Emergency Response Actions – Ferron City Petroleum Impacts to Sewer Line* by IHI Environmental (IHI), dated July 20, 2010. According to IHI,

free product was encountered in soil boring, BH-2, located in the sewer excavation where free product was encountered by CVSSD personnel, and in BH-18, located immediately east of the Main Street Market in State Street. The highest concentrations of petroleum constituents in soil and groundwater were reported in boring BH-18, and BH-7, located southeast of Main Street Market along the west side of State Street in the suspected down-gradient groundwater flow direction. Concentrations of petroleum hydrocarbons in soil and groundwater up-gradient of Main Street Market were significantly lower and were well below Utah Initial Screening Levels (ISLs). Additional petroleum hydrocarbon impacted soil and groundwater samples were observed in borings located within the utility corridors on the west site of State Street and crossing State Street at the Hancock residence.

According to IHI, although some soil impacts were observed at the Gilly's property, the concentrations observed were much lower than those observed in the vicinity of Main Street Market, and, based on IHI's field observations, appeared to be from an older release.

Groundwater, where encountered, appeared to be perched above a shale layer that was generally encountered at a depth of 6.5 feet north of Main Street, and at depths ranging between 9 to 11 feet south of Main Street.

IHI concluded that based on the analytical results, field observations, and the presence of free product immediately east of the site, the release apparently originated from the Main Street Market property, and the utility corridors likely acted as conduits for contaminant migrations.

- A note in the DDW file indicated that on June 19, 2010, 21 tap water samples were collected from six sites and analyzed for VOCs using EPA method 524.2. The highest concentrations of Benzene, Toluene, Ethylbenzene, Total Xylenes and Naphthalene (BTEXN) were in the First Draw sample collected from the Hancock residence. The second highest contaminant concentrations were from the Second Draw sample collected from the Hancock residence. Five other samples reported BTEXN concentrations between 0.1 parts per billion (ppb) and 0.5 ppb.
- Terracon reviewed a *Response to Notice of Violation* letter, dated July 29, 2010, written by Rockwell Solutions, Inc. According to Rockwell Solutions, from June 7-13, 2010, reports were made of petroleum odors in sewer lines and in drinking water of a residence. Subsequent investigations encountered petroleum in and around nearby sewer lines and water lines. Upon learning of the presence of petroleum, Main Street Market shut down the fuel dispensing system on June 13, 2010.

On June 14, 2010, the DERR received notice of the apparent leak and a subsurface investigation was performed on June 17 and 18, 2010. On June 22-23, 2010, the product piping lines at the site were tested and found to be leaking immediately east of the store building. The soil below and around the leaking piping was excavated. According to Rockwell Solutions, the following actions were completed as part of the excavation activities. Upon identifying the location where the piping was leaking, Main

Street market immediately began emergency abatement work which included shutting down the AST system and excavating soil to access the leaking piping. The leaks were repaired and contaminated soil was removed from an area approximately 27 feet wide and 33 feet long on the east side of the building to a depth of approximately 8 feet. The soil was hauled from the site to a property southeast of Ferron for land farming. The land farm was prepared by spreading the soil out to a thickness of approximately 18 inches on an impermeable plastic layer. The land farm is surrounded by a dirt berm to contain potential runoff from the impacted soil.

Six confirmation soil samples were collected on the walls and floor of the excavation and analyzed for methyl tert-butyl ether (MTBE), BTEXN, total petroleum hydrocarbons-gasoline range organics (TPH-GRO) and total petroleum hydrocarbons-diesel range organics (TPH-DRO). A total of approximately 240 cubic yards of soil were removed from the excavation and thin-spread at the land farm. The confirmation soil samples indicated that five of the six soil samples contained petroleum hydrocarbons above DERR ISLs and Tier 1 Screening Criteria.

Rockwell Solutions concluded that based on the excavation results and the IHI subsurface investigation, areas of contamination that exceed ISLs exist at the Main Street Market property, the Hancock property east of the site, and in the sewer area near the intersection of Molen Road and State Street.

- Terracon reviewed a *Soil Sampling Results – Utility Lines* report, dated September 15, 2010, written by Rockwell Solutions, Inc. According to Rockwell Solutions, on August 19, 2010, the CVSSD severed the Hancock residential water line that originated at the water main on the west side of State Street directly east of the Main Street Market. Impacted soil was observed from a depth of 3 to 7 feet below ground surface (bgs). Free product was present within the excavation. A soil sample was collected approximately six inches below the water main. After the water line was severed, the contaminated soil and free product in the excavation were removed to a depth of 7.5 feet, where the soil appeared clean. A confirmation soil sample was collected. No groundwater or free product entered the excavation.

On August 24, 2010, the CVSSD performed repair work on the secondary water line that runs east-west under State Street at Molen Road by opening excavations on both the east and west sides of State Street. Rockwell Solutions reported several feet of water in the excavation on the west side of the road due to a leaking valve on the secondary water line. A trace of free product appeared on the water in the west excavation. On the east side of the road water was leaking out of the corrugated pipe that surrounds the secondary water line. The eight foot by nine foot excavation had approximately 18 inches of water in it and the water surface was covered with product. CVSSD used a vacuum truck to remove the water and product from the excavation. Once the water was removed from the two excavations, soil samples were collected and analyzed.

Also on August 24, 2010, Mr. Jim Behling dug three potholes next to the sidewalk on the east side of State Street to investigate if contamination was migrating around the

secondary water line. The secondary water line was exposed in two locations and soil samples were collected below the water line. There was no sign of contamination. A pot hole was dug in front of the office of the old hotel on the east side of State Street. Soil appeared clean until approximately eight feet bgs where the soil was stained and had a petroleum odor. Rockwell Solutions collected a soil sample from this location for analysis.

The seven soil samples were analyzed for MTBE, BTEXN, TPH-DRO and TPH-GRO. Soil samples SS-3 (located southeast of Main Street Market across State Street), SS-5 (located on the south side of Molen Road) and the Water Main sample (located on west side of State Street and east of the Main Street Market) had petroleum hydrocarbons above DERR ISLs and Tier 1 Screening Criteria.

Rockwell Solutions concluded that there does not appear to be a contiguous shallow aquifer in the study area. Neither does soil contamination appear to be in a contiguous soil contamination plume. Free product and soil contamination have been observed in "pockets" at different depths at different locations. Water from heavier precipitation or leaking utility lines appears to mobilize the contamination and transport it to the south and southwest.

According to Rockwell Solutions, the contamination does not appear to be solely following a certain utility line or other identified conduit. However, the corrugated steel pipe that surrounds the secondary water line and runs east below State Street in Molen Road has intercepted free product and transported it primarily to the east.

- Terracon reviewed a *Petroleum Impacts To Indoor Air Investigation* report, dated November 9, 2011, written by IHI. According to IHI, a subsurface investigation indicated that soils impacted with volatile organic compounds (VOCs) are predominately located on the south and east sides of the Ferron City Hall building. The concentrations of VOCs observed in the soils and groundwater in these areas may be the source of the vapors reported inside the building, especially if the impacts extend beneath the building pad. However, additional indoor and outdoor air sampling, and possibly sub-slab soil gas sampling, would be required to further define the source of the vapors.

IHI indicated that the most likely pathway for the vapors to enter the building is through breaches in the building slab or the crawlspace located beneath the building. Although no significant cracks or obvious points of entry were noted by IHI in the crawlspace during the site inspection, the building slab between the crawlspace could not be observed because the building is carpeted throughout.

Based on the analytical results, field observations, and the presence of high concentrations of petroleum hydrocarbons near the southwest corner of the building and in borings along the south of the building, the release that was discovered in 2010 originating from the Main Street Market property is likely one of the sources of impacts at the City Hall building, according to IHI. However, the presence of petroleum hydrocarbon impacts on the eastern side of the building and the analytical laboratory's observance of weathered fuels in the samples indicate there is a potential for other

sources to have contributed to the hydrocarbon impacts at the site over time. The City Hall property historically had an UST, located near the eastern portion of the current building, and low concentrations of soil and groundwater impacts were identified at the Gilly's fuel station, located north of the City Hall building, during the initial event in 2010. Additionally, historic petroleum releases originating from several other sources have been reported in the area.

Based on the analytical results from borings advanced further away from the building in the areas with the highest impacts, IHI concluded that it does not appear that significant petroleum impacts are present in soils beyond the perimeter of the building. The hydrocarbons likely migrated along utility corridors from the release points and may also have migrated beneath the building with engineered fill, which could provide long-term source of vapors.

IHI recommended the following Abatement Actions:

- Initial Response Actions
 - Option 1 – Active Venting
 - Option 2 – Air Sampling and Site-Specific Abatement Actions
- Source Abatement Actions
 - Option 1 – Soil Vapor Extraction (SVE) System
 - Option 2 – Limited Source Removal
- A December 1, 2011, *Petroleum Impacts to the Ferron City Water System Near the Main Street Market* report, written by the Utah Division of Water Quality (DWQ), indicated that the measured levels of TPH-GRO in the sewers and perched groundwater demonstrate that petroleum contamination still exists in and around utility corridors and may represent a threat to human health and the environment. The DWQ indicated that as of the issue of this report, there have not been any notifications made to CVSSD about petroleum fumes in homes since June 2010. Measured levels in the sewer are quite low away from the release site and do not represent an emergency situation. However there are no controls over when or where the contamination enters the sewer system, nor are the limits of contamination known, so it would be appropriate for Ferron residents to maintain full P-traps to prevent fugitive fumes from entering any homes or businesses.

Because of the elevated concentrations of petroleum constituents above DERR Tier 1 Screening Criteria and Initial Screening Levels and the presence of free product, corrective action is required by the DDW. Terracon has prepared this proposal to conduct corrective action with the goal of meeting the requirements from the Enforcement of Notice of Violation and Order.

Standard of Care

Terracon's services will be performed in a manner consistent with generally accepted practices of the professional undertaken in similar studies in the same geographic area during the same period. Terracon makes no warranties, express or implied, regarding its services, findings, conclusions or recommendations. Please note that Terracon does not warrant the work of laboratories, regulatory agencies or other third parties supplying information used in the preparation of the report.

No environmental site assessment can wholly eliminate uncertainty regarding the potential for the presence of environmental contaminants in connection with a property. The proposed Scope of Services is intended to reduce, but not eliminate, uncertainty regarding the existence of environmental contaminants in connection with the subject property, in recognition of reasonable limits of time and cost.

There are a number of unknown variables associated with environmental remediation activities. This proposal should therefore be considered a dynamic document to some degree. Modification of the scope of work and budget may be recommended by Terracon in response to the results of the research and/or conditions encountered in the field.

B. SCOPE OF SERVICES

Our proposed Scope of Services is designed to meet the requirements detailed in the Enforcement of Notice of Violation and Order, UDEQ v. Harold Behling, Civil No. 110700099 issued by the State of Utah Office of the Attorney General (dated February 16, 2012) indicating compliance with the court order will require the following work items:

Work Plan

Terracon participated in a Work Plan meeting with Harold and Stewart Behling, members of the Division of Water Quality and the Utah Office of Attorney General on April 2, 2012. Terracon initiated the meeting with the intention to discuss the Division of Water Quality Work Plan requirements outlined in the February 16, 2012 Enforcement of Notice of Violation and Order. This work plan was written to meet the work requirements outlined in the Enforcement of Notice of Violation and Order and items discussed in the meeting.

Health & Safety Plan Preparation

Terracon will prepare a Health and Safety Plan (HASP) in accordance with, and to satisfy the requirements as set forth in 29 CFR 1910.120. At this time, we anticipate that a Level D work uniform consistent with 29 CFR 1910.120, consisting of hard hats, safety glasses, protective gloves, and steel-toed boots will be required by all personnel in the work area. It may become necessary to upgrade this level of protection, at additional cost, while sampling activities are being conducted in the event that chemical constituents which present an increased risk for personal exposure are encountered in soils or groundwater.

Collection of Water Samples from the Culinary Water Line

The DWQ requires that water samples be collected from the culinary water line that was replaced by Castle Valley Special Services District (CVSSD). The Division of Drinking Water (DDW) will require further volatile organic compound (VOC) analysis by EPA Method 524.2. (at a minimum) from these sites in Ferron PWS#08004:

1. The Singleton home/trailer park at 50 South State Street
2. 25 East Molen Road
3. Hancock Residence at 35 South State Street

This sampling must be coordinated with and supervised by the CVSSD. A Terracon Project Manager will collect two tap water samples (a first draw and five minute flush) from the above mentioned locations by the following methods:

The first sample (first draw sample) will be collected from the tap after the water within the facilities have not been used for several hours.

Following the collection of the first draw sample, the water will be allowed to run for approximately five minutes, at which time the second water sample will be collected.

Water samples will be analyzed for VOCs by EPA Method 524.2 and compared to EPA Drinking Water requirements. The tap water samples will be collected and placed in laboratory prepared containers, labeled, and placed on ice in a cooler. The samples and completed chain-of-custody forms will be transported to an independent State-certified analytical laboratory for analysis on a standard (7-day) turnaround time.

DDW will evaluate the results to determine if additional sets of samples will be required and propose an on-going VOC monitoring schedule, at an additional cost.

Remove Contaminated Soil Remaining at the Main Street Market

This activity will involve several subtasks as discussed below.

A. Environmental Soil Borings

Prior to removing contaminated soil near the product line release point at the Main Street Market (located east of the building), Terracon proposes to advance six soil borings at the site to assess the vertical and horizontal extent of the release originating from the product line. It is Terracon's understanding that the product line is connected to the ASTs located west of the Main Street Market building and runs along the southern end of the market and turns north along the east side of the building and connects to the dispensers north of the building.

A subcontract drilling crew and a Terracon employee will be used to conduct the subsurface assessment. Prior to drilling, the public utility location service (Blue Stakes) will be notified at least 48 hours prior to drilling as required by law. In addition, a subcontracted private utility location service will be used to identify subsurface utilities including the product line on the site.

Based on the information collected during the previous IHI investigation, groundwater at the site is anticipated to be encountered at depths of approximately 6 to 8 feet bgs.

Terracon proposes to advance six vertical soil borings on the site in the area of the product line release point (east of the building in the parking/drive area) in an effort to assess the extent of soil and groundwater contamination. The exact locations of the borings will be dictated by the presence of existing surface features, location of the product line, and underground utilities. The soil borings will be advanced using a truck or track-mounted direct-push drilling rig to a maximum depth of approximately 15 feet bgs or until refusal, whichever occurs first. These subcontract drilling services will be supervised by a licensed monitoring well driller. The proposed total boring depths will not be exceeded without verbal approval from the client.

After sample collection is completed, each boring will be properly abandoned by backfilling with bentonite clay pellets, adding water to hydrate the bentonite clay, and restoring the surface with native soil, asphalt or concrete patch as appropriate to match the surrounding area.

Drilling equipment will be cleaned using a high-pressure washer prior to beginning the project and before beginning each boring. Non-dedicated sampling equipment will be cleaned using an Alconox® detergent wash and potable water rinse prior to commencement of the project and between the collection of each sample.

B. Environmental Sampling Program

Terracon's sampling program will consist of the following:

- Soils will be cored continuously using core barrel samplers to document lithology, color, and relative moisture content, and to allow field screening with a photoionization detector (PID) to evaluate the presence of volatile organic vapors. Terracon will collect one soil sample from each of the soil borings from the interval of most likely environmental impact as determined in the field by the sampling professional (as indicated by visual staining, changes in lithology, noticeable odors, and PID readings). If contaminants are detected in the field, one additional soil sample will be collected from the bottom of the boring or from the lower interval that appears to be free of contaminants in order to assess the vertical extent of contaminants. These samples will be put on hold at the laboratory for additional analysis if the initial soil samples are reported above regulatory limits. The additional soil analysis can be conducted for an additional fee with the client's permission.

The soil samples will be collected and placed in laboratory prepared containers, labeled, and placed on ice in a cooler. The samples and completed chain-of-custody forms will be transported to an independent State-certified analytical laboratory for analysis on a Rush (2-day) turnaround time.

C. Laboratory Analytical Program

The soil samples collected from the borings on the Main Street Market site will be analyzed by laboratory test methods as appropriate for the type(s) of contaminants most likely to be encountered at each boring location. Samples will be analyzed using the following methods:

Analysis	Sample Type	No. of Samples	Laboratory Method
MTBE, BTEXN, TPH-GRO	Soil	*6	EPA Method 8260
TPH-DRO	Soil	*6	EPA Method 8015

*One additional soil sample from each boring will be placed on hold for additional analysis if needed, for additional cost.

D. Soil Excavation and Disposal

Terracon's work scope will involve the excavation and disposal of petroleum impacted soils in the vicinity of the product line on the Main Street Market site, under the adjacent side walk and State Street, and up to the replacement water main under State Street. The DDW indicated that the remaining contaminated soil must be removed from around the culinary water line in the utility corridor at least as far south as the Main Street property line, or until proven to occur at sufficient depth below the water line.

The soil excavation and disposal services for this project will generally consist of the following:

The soils will be disposed by land farming on the Behling property located 3 miles south of Ferron. Because land farming will include aeration resulting in hydrocarbon emissions to the atmosphere, the Utah Division of Air Quality (DAQ) will be notified prior to treatment. Using the analytical results from the previous IHI and Rockwell Solutions reports, Terracon will calculate the potential air emissions that will be created from land farming. In accordance with Utah Rule R307-401-9 (Small Source Exemption), if the amount of total hydrocarbon emissions is less than 5 tons per year, the DAQ generally will not require an air quality permit or submittal of an Approval Order. If the estimated air emissions exceed the 5 ton per year limit, an Approval Order will be filed for DAQ approval, for an additional fee.

E. State Street Right-of-Way Excavation

Terracon will retain the services of a qualified environmental contractor that is licensed, insured and bonded to conduct construction and remediation services in the UDOT right-of-way. For

the purposes of this proposal we have assumed that the maximum dimensions of the excavation (starting from the back of sidewalk and continuing east to the western edge of the water line located in State Street, for the entire width of the Main Street Market property) will be approximately 222 feet x 17 feet x 8 feet deep. Terracon has estimated that contaminated soils above Utah Initial Screening Levels within this area extend from approximately 3 to 8 feet bgs (see attached Figure 1 for the proposed excavation area). Terracon will direct the environmental contractor to remove and set aside the top 3 feet of clean soil from the excavation area for reuse as backfill on the Main Street Market property (approximately 670 tons). Upon removal of the clean soil, Terracon will direct the contractor to remove approximately 5 feet of impacted soil (approximately 1,118 tons) from the excavation area for land farming at the Behling property located south of town. Excavated soil will be field screened using a photoionization detector, along with olfactory and visual indications, to assist with segregating contaminated soils from uncontaminated soils.

F. Main Street Market Dispenser Line Release Area Excavation

Terracon's onsite soil investigation will be conducted prior to the soil excavation to allow us to have a more accurate estimation of the area of impact. For the purposes of this proposal we have assumed that the maximum dimensions of the excavation Main Street Market excavation to be an area of approximately 80 feet x 30 feet x 8 feet deep, between the back of the sidewalk along State Street and the east side of the building. Terracon has estimated that contaminated soils above Utah Tier 1 Screening Criteria within this area extend from approximately 3 to 8 feet bgs (see attached Figure 1 for the proposed excavation area). Terracon will direct the environmental contractor to remove and set aside the top 3 feet of clean soil from the excavation area for reuse as backfill on site (approximately 426 tons). Upon removal of the clean soil, Terracon will direct the contractor to remove approximately 5 feet of impacted soil (approximately 711 tons) from the excavation area for land farming at the Behling property located south of town. Excavated soil will be field screened using a photoionization detector, along with olfactory and visual indications, to assist with segregating contaminated soils from uncontaminated soils.

G. Hancock Driveway and Southwestern Portion of City Hall Excavation

The DDW has requested that soil and groundwater in the area of the Hancock driveway and the southwest side of the Ferron City Hall be remediated. For the purposes of this proposal we have assumed that the maximum dimensions of the excavation will include the following area: starting from the back of curb along the east side of State Street continuing east 75 feet towards the Hancock residence for the width of the drive way (approximately 75 feet x 24 feet x 8 feet) and an area directly west of the west side of City Hall to the back of curb for approximately half the southern width of City Hall (20 feet x 15 feet x 8 feet). Terracon has estimated based on previous soil data collected by IHI that contaminated soils above DERR Initial Screening Levels within this area extend from approximately 3 to 8 feet bgs (see attached Figure 1 for the proposed excavation area). Terracon will direct the environmental contractor to remove and set aside the top 3 feet of clean soil from the excavation area for reuse as backfill on site

(approximately 658 tons). Upon removal of the clean soil, Terracon will direct the contractor to remove approximately 5 feet of impacted soil (approximately 1,097 tons) from the excavation area for land farming at the Behling property located south of town. Excavated soil will be field screened using a photoionization detector, along with olfactory and visual indications, to assist with segregating contaminated soils from uncontaminated soils.

Terracon anticipates not being able to excavate all of the impacted soils during the excavation process due to the close proximity of several features including Main Street Market, State Street, Ferron City Hall, the Hancock residence and the vacant adjacent building south of the Hancock driveway. As a result, the proposed excavation is expected to remove most, but not all, of the contaminated soil. Additional remedial action may be required to address the remaining contamination at a future date for an additional cost.

In the event that contaminated soil extends laterally or vertically beyond the limits described above (State Street Excavation - approximately 222 feet x 17 feet x 8 feet; Main Street Market - approximately 80 feet x 30 feet x 8 feet, ; Hancock Driveway – 75 feet x 24 feet x 8 feet; and Southwest corner of Ferron City Hall – 20 feet x 15 feet x 8 feet), Terracon will contact Harold Behling to attain verbal permission to continue with excavation beyond these limits at additional cost, if appropriate.

Upon completion of excavation activities, Terracon will collect up to 8 discrete confirmation soil samples along the sides and bottom of the excavation from the State Street excavation, 6 samples from the Main Street Market excavation, and 10 soil samples from the Hancock driveway/Ferron City Hall excavation to determine MTBE, BTEXN, TPH-DRO and TPH-GRO concentrations left in place. All environmental samples will be collected by a Utah-Certified Underground Storage Tank Soil and Groundwater Sampler.

The soil samples will be collected in pre-cleaned containers provided by the laboratory, labeled, sealed, and preserved on ice through the time of delivery to a Utah-certified analytical laboratory using chain-of-custody protocols. The soil samples will be submitted for a RUSH 2-day analysis for TPH-DRO by EPA method 8015 and MTBE and BTEXN by EPA method 8260.

Following receipt of laboratory sample analysis, the excavations will be backfilled with the clean soils set aside from the excavations and clean imported backfill material, which will be placed in lifts, compacted and density tested by a certified construction materials technician. In the areas of the UDOT right-of-way, UDOT and CVSSD specifications for fill placement will be met.

The surface will be restored with either concrete (in the areas of the sidewalks and driveway approaches) or asphalt (on the Main Street Market Property and State Street). As part of the scope of services, Terracon will provide a certified concrete technician to collect a representative concrete sample during the pour and analyze the concrete for proper temperature, slump and structural strength.

H. Petroleum and Contaminated Water Collection From Molen Street Sump

The DDW requested that petroleum and contaminated water be sampled and subsequently removed on a regular basis if petroleum contamination exceeding DERR Tier 1 standards is detected within the sump. Written authorization from the CVSSD to access the property to complete the task is required before work is allowed to start. A record of the volume of water and petroleum product removed will be maintained.

A Terracon Project Manager will collect one water sample from the sump for analysis. If petroleum or impacted water above DERR Tier 1 standards is detected, additional sampling and product removal will be scheduled, at additional cost.

The water samples will be collected in pre-cleaned containers provided by the laboratory, labeled, sealed, and preserved on ice through the time of delivery to a Utah-certified analytical laboratory using chain-of-custody protocols. The water sample will be submitted for a standard 7-day analysis for TPH-DRO by EPA method 8015 and MTBE, BTEXN and TPH-GRO by EPA method 8260.

I. Vacuum Enhanced Fluid Recovery (VEFR)

If free product is discovered during the excavation services and sump water collection event, Terracon will direct a subcontractor with an environmental vacuum truck to remove accumulated free product and/or impacted groundwater from the open excavation and sump. Terracon has budgeted four VEFR events and up to 2,000 gallons of liquids to be removed and disposed at a permitted facility as part of these services.

C. COMPENSATION

The Scope of Services outlined in this proposal will be performed on a **Time and Materials basis for an estimated fee of** . If, as a result of these services, additional work is required outside the scope of this proposal, you will be contacted, and upon request, estimated costs for additional work will be provided. Client authorization will be obtained prior to commencement of any additional work outside the scope of this proposal. This estimate includes all Terracon professional labor costs, travel and direct expenses required to complete this scope of work using the project assumptions and costs described herein. Work will be invoiced monthly in accordance with the attached Agreement for Services.

Terracon provides these costs for the remediation work with a minor contingency fee (10%) to offset any unforeseen conditions that may be encountered or unanticipated subcontractor or materials costs incurred during remediation and sampling activities. A summary breakdown of estimated project costs for this proposal is provided below.

MAIN STREET MARKET SAMPLING AND REMEDIATION SERVICES

Water Sample Collection – Culinary Water Lines

Estimate: \$

Main Street Market Limited Soil Sampling

Estimate: \$

State Street Soil Excavation

Estimate: \$

Main Street Market Soil Excavation

Estimate: \$

Hancock Residence Soil Excavation

Estimate: \$

City Hall Soil Excavation

Estimate: \$

Molen Street Sump Water Collection

Estimate: \$

Report Writing and Submittal

Estimate: \$

Project Management

Estimate: \$

Total Estimated Remediation Cost: *\$

*A discount was provided from the original cost based on the assumption that Terracon’s subcontractor will be allowed to use the client’s front-end loader and dump truck as part of the excavation activities.

Contingency Fee (10% built into cost)

The fee is valid for 60 days from the date of this proposal and is based on the assumption that all field services will be performed under safety Level D personal protective procedures. If these assumptions are not valid, there will be additional charges.

Drilling, laboratory, and other direct costs include a 15% handling fee. The project cost summary is based on the scope of services outlined in this proposal. If the client would like to avoid the 15% handling fee, subcontractor invoices could be paid directly by the client.

ASSUMPTIONS AND CONDITIONS

- Terracon is prepared to commence work following receipt of written notification to proceed (a signed Agreement for Services attached). The client will provide to Terracon, prior to mobilization, legal right of entry to the site (and off site areas impacted by the release as required) to conduct the scope of services.
- The client agrees to provide Terracon with all existing as-built plans in its possession including underground utilities and structures prior to commencement of field activities.
- The client will notify Terracon, prior to mobilization, of any restrictions or special site access requirements.
- Terracon will contract a private utility location company to locate utilities on private land that are not located by public utility companies.
- The site is readily accessible by truck.
- This proposed scope of work assumes the completion of the scope of work as described herein using Level D personal protective equipment (PPE).
- Terracon's contractor will be able to use the client's front-end loader and dump truck (free of charge) during the excavation activities.
- Findings, conclusions, and recommendations resulting from these services will be based upon information derived from on-site activities and other services performed under this scope of work; such information is subject to change over time. Certain indicators of the presence of hazardous substances, petroleum products, or other constituents may have been latent, inaccessible, unobservable, non-detectable or not present during these services, and we cannot represent that the site contains no hazardous substances, toxic substances, petroleum products, or other latent conditions beyond those identified during the subsurface investigation. Subsurface conditions may vary from those encountered at specific borings or wells or during other surveys, tests, assessments, investigations or exploratory services; the data, interpretations, findings and our recommendations are based solely upon data obtained at the time and within the scope of these services.
- Terracon's fees are due within thirty days following receipt of each invoice.
- Due to the close proximity of the Ferron City Hall, State Street, Hancock residence, the vacant commercial structure south of the Hancock residence and the Main Street Market building and underground utilities, Terracon anticipates not being able to excavate all of the impacted soils during the excavation process. Therefore, the excavation effort is expected to remove most, but not all, of the contaminated soils.

If these assumptions and conditions are not accurate or change during the course of the project, the stated fee may be subject to change. Please contact us immediately if you are aware of any inaccuracies in these assumptions and conditions, so we may revise the proposal or fee.

D. PROJECT SCHEDULE

We are prepared to initiate work on this project immediately upon written notification to proceed (NTP). For the purposes of scheduling for this proposal, the Main Street Market subsurface investigation is anticipated to be completed in one day. Water sampling from the three residences and from the Molen Street Sump will be completed in one day. The State Street and Hancock residence excavations will be completed in approximately 10 business days. The Main Street Market and Ferron City Hall excavation services will be completed in approximately 7 business days. The final written report will be submitted within three weeks of receiving the final analytical reports.

E. RELIANCE

This proposal has been prepared for Mr. Harold Behling. The report prepared as part of the services herein shall be for the exclusive use and reliance of Mr. Harold Behling and the Utah DDW.

If the client is aware of additional parties that will require reliance on the reports, the names, addresses and relationship of these parties should be provided for Terracon approval prior to the time of authorization to proceed. Terracon will grant reliance on the reports to those approved parties upon receipt of a fully executed Reliance Agreement (available upon request) and receipt of information requested in the Reliance Agreement. If, in the future, the client and Terracon consent to reliance on the remediation reports by a third party, Terracon will grant reliance upon receipt of a fully executed Reliance Agreement, requested information and receipt of an additional fee of \$250.00 per relying party.

Reliance on the reports by the client and all authorized parties will be subject to the terms, conditions and limitations stated in the Reliance Agreement, and the reports.

F. AUTHORIZATION

This proposal may be accepted by executing the attached Agreement for Services and returning it to Terracon. This Proposal and the attached Agreement for Services shall constitute the exclusive terms and conditions and services to be performed for this project. This proposal is valid only if authorized within sixty days from the listed proposal date.

Proposal for Groundwater and Soil Remediation Services
Main Street Market ■ Ferron, Utah
September 14, 2012 ■ Terracon Proposal No. P61120222

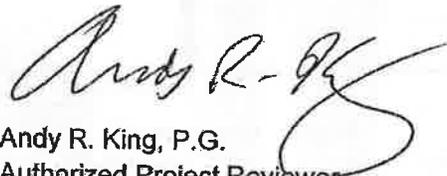
Terracon

We appreciate the opportunity to provide this proposal and look forward to working with you on this project. If you should have any questions or comments regarding this proposal, please contact either of the undersigned.

Sincerely,
Terracon Consultants, Inc.



Benjamin B. Bowers
Environmental Department Manager
UST Consultant #CC0195



Andy R. King, P.G.
Authorized Project Reviewer
UST Consultant #CC0033



Charles R. Clymer Jr., P.G.
Senior Principal

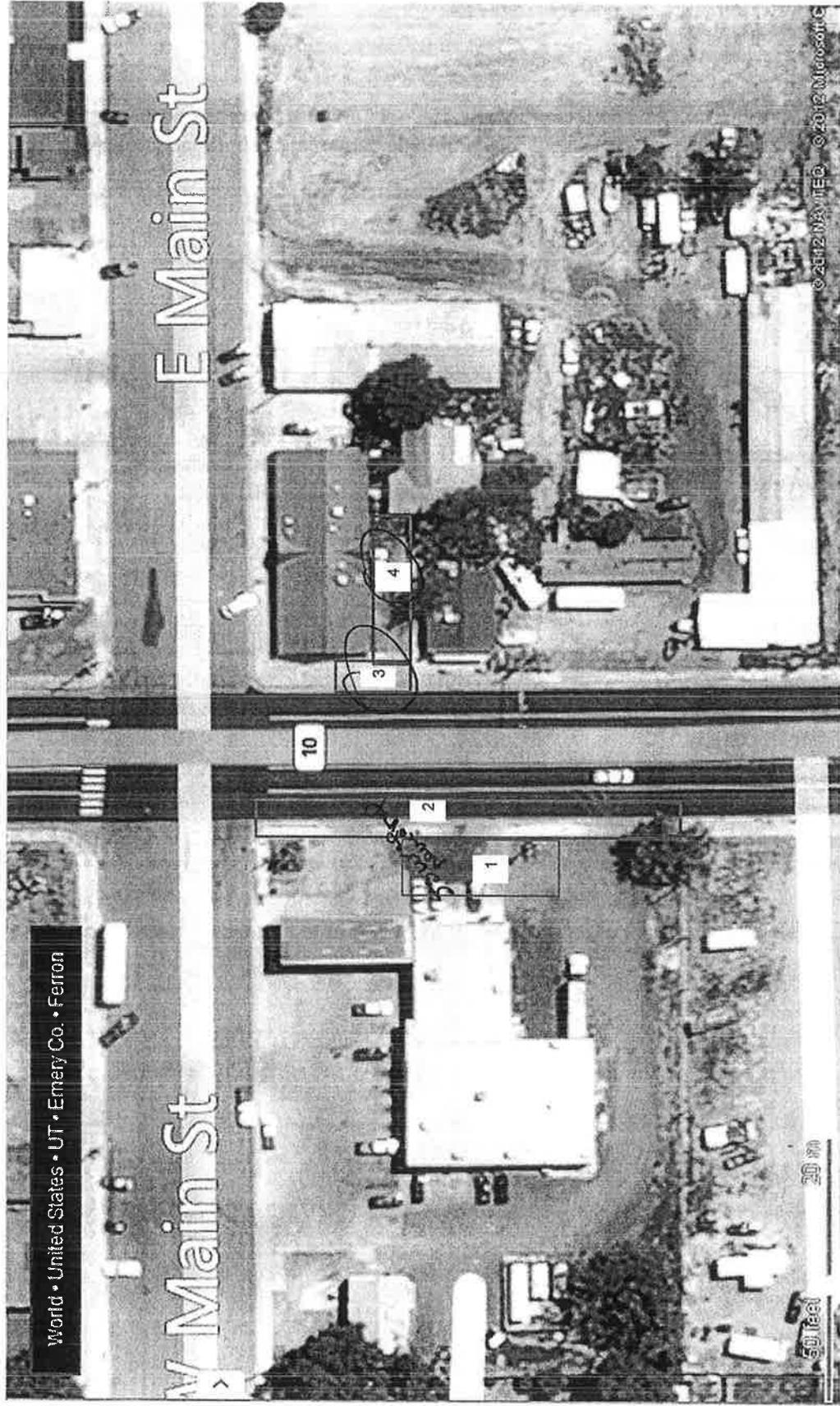
BBB/ARK/CRC/ca

Attachments: Agreement For Services
Exhibit 1

Copies: Addressee (Electronic)

N:\Proposal Documents\2012\P61120222\Main Street Market.docx

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Notes:

- 1 – Main Street Market Excavation, 2 – State Street Excavation, 3 – Ferron City Hall Excavation and 4 – Hancock Residence Excavation

Proposed Excavation Areas

DIAGRAM IS FOR GENERAL LOCATION ONLY, AND IS NOT INTENDED FOR CONSTRUCTION PURPOSES

Project Mgr:	BBB
Drawn By:	BBB
Checked By:	ARK
Approved By:	ARK

Project No.	P611202224
Task No.	NA
Scale:	As Shown
Date:	8/24/2012

Terracon
 Consulting Engineers & Scientists
 14850 S. Pony Express Road, Ste 150N
 Bluffdale, Utah 84005

Proposed Excavation Diagram
MAIN STREET MARKET
 15 West Main Street
 Mr. Harold Behling

Exhibit
1