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December 11, 2024

RECEIVED

DEC 12 2024

SITE ASSESSMENT,
REMEDICATION, &
REVITALIZATION

Via FedEx and Email (sophia.owens@des.sc.gov)

Ms. Sophia Owens
Project Manager, Brownfields Program
Division of Site Assessment, Remediation and Revitalization
SC Department of Environmental Services
Bureau of Land and Waste Management
2600 Bull Street
Columbia, SC 29201

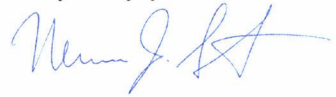
RE: Dolphin Cove Marina, Voluntary Cleanup Contract
QD Dolphin Cove, LLC
Charleston County
NMRS File No.: 062334.09000

Dear Sophia:

Thank you for sending the original execution copy of the VCC. Please find enclosed the original Voluntary Cleanup Contract signed by QD Dolphin Cove, LLC.

If there are any questions concerning this matter at any time, please let me know.

With best regards, I am

Very truly yours,

Newman Jackson Smith

NJS:cr
Enclosure

cc: *Via Email w/enclosure*
Mr. Michael Shuler (mike@32-north.com)

11

**VOLUNTARY CLEANUP CONTRACT
24-5315-NRP**

**IN THE MATTER OF
DOLPHIN COVE MARINA, CHARLESTON COUNTY
and
QD DOLPHIN COVE, LLC**

This Contract is entered into by the South Carolina Department of Environmental Services and QD Dolphin Cove, LLC, with respect to the Property located at 2079 Austin Avenue, Charleston, South Carolina. The Property includes approximately 13.1 acres identified by Tax Map Serial Number 466-00-00-022. In entering this Contract, the Department relies on the representations contained in the "Non Responsible Party Application for Voluntary Cleanup Contract" of November 5, 2024, and any amendments thereto, by QD Dolphin Cove, LLC, which is incorporated into this Contract and attached as Appendix A.

AUTHORITY

This Contract is entered into pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 et seq.; the South Carolina Hazardous Waste Management Act (SCHWMA), S.C. Code Ann. §§ 44-56-10 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601 et seq.; the State Underground Petroleum Environmental Response Bank Act, (SUPERB Act), S.C. Code Ann. §§ 44-2-10 et seq.; and the Pollution Control Act (PCA), S.C. Code Ann. §§ 48-1-10 et seq.

DEFINITIONS

1. Unless otherwise expressly provided in this Contract, terms used herein shall have the meaning assigned to them pursuant to the Brownfields/Voluntary Cleanup Program, and if not set forth therein, shall have the meaning assigned to them pursuant to the SCHWMA, the PCA, the SUPERB Act, or CERCLA.

A. "QDDC" means QD Dolphin Cove, LLC.

- B. "Beneficiaries" means QDDC's Non-Responsible Party lenders, signatories, parents, subsidiaries, and successors, including new purchasers, lessees, and other parties acquiring an interest in any portion of the Property, but only to the extent that such parties have never been a Responsible Party at the Site.
- C. "Contamination" means the presence of a contaminant, pollutant, hazardous substance, petroleum, or petroleum product.
- D. "Contract" means this Voluntary Cleanup Contract.
- E. "Department" means the South Carolina Department of Environmental Services, or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this Contract.
- F. "Existing Contamination" shall mean any Contamination present on, or under, the Site as of the execution date of this Contract.
- G. "Property" means the real property as described in the Non Responsible Party Application for Voluntary Cleanup Contract attached as Appendix A, and that is subject to the ownership, prospective ownership, or possessory or contractual interest of QDDC or its Beneficiaries.
- H. "Segregated Sources" means drums, tanks, or similar discrete containers that potentially hold substances that may cause Contamination upon release to the environment.
- I. "Site" means all areas where a contaminant, petroleum, or petroleum product has been released, deposited, stored, disposed of, or placed or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any

vessel.

- J. "Waste Materials" means any Contamination-causing solid, semi-solid, or liquid material discarded, buried, or otherwise present on the Property, and may include sludge, slag, or solid waste materials such as empty containers and demolition debris or materials containing asbestos, lead-based paint, or petroleum or other contaminants.

FINDINGS

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

- A. Owners and Operators: The owners and operators of the Property include the following:

| | |
|---|-----------------|
| Virginia-Carolina Chemical Company | Unknown to 1964 |
| Socony Mobil Oil Corporation (via merger) | 1964 to 1973 |
| Consolidated Services, Inc. | 1973 to 1982 |
| Ashley River Industries | 1982 to Present |

- B. Property and Surrounding Areas: The Property is bounded generally by Lanxess, a chemical manufacturer, to the north; to the east by a park; to the south by a tributary to the Ashley River and a Dominion Energy facility beyond; and to the west by the Ashley River.

The Property operated from the 1900s to the 1950s as a phosphate fertilizer manufacturer. The Property was developed as a marina in the 1970s. Currently, the Property is developed with offices, a boat repair building, a boat launch, boat storage, a fueling area, and docks along the Ashley River. A building formerly used as a restaurant is present in the southwestern portion of the Property.

C. Investigations / Reports; Regulatory Issues: Previous phosphate fertilizer manufacturing operations released slag and other process waste on-site. Exxon acquired the Property through merger with Mobil Oil in 1999. In 2005, the United States Environmental Protection Agency (USEPA) and Exxon entered into an Administrative Order on Consent subject to a Non-Time-Critical Removal Action (NTCRA) for the Property. The NTCRA required removal of impacted soil by Exxon in 2010 and 2011. According to the Removal Action Completion Report (August 20, 2013), 36,398 tons of arsenic and lead containing soil and 29 tons of polychlorinated biphenyl (PCB) impacted soil were removed from the Property and disposed of. Soil from the Property was excavated to twelve (12) inches below ground surface and an orange demarcation barrier was installed. Exposure barriers on the Property consist of twelve (12) inches of clean fill soil, non-woven geotextile fabric, 9 inches of aggregate base course, and a minimum 5.5-inch thick asphalt cap. Soil was not removed from beneath impervious surfaces, including building slabs and asphalt parking areas in place at the time.

Deed restrictions were recorded for the Property, which included engineering and institutional controls. Land use controls restricting residential use are present on the Property, and any disturbance of soil covers requires approval by the USEPA and the Department and notice to Exxon thirty (30) days prior to work.

The Property currently operates as a marina. The marina operates several aboveground storage tanks (ASTs): one (1) 3,000-gallon diesel AST, one (1) 3,000-gallon gasoline AST, and one (1) 1,000-gallon portable AST. Oils, fuels, caustic degreasers, paints, and lubricants are used as part of boat fueling and maintenance operations.

A Phase I Environmental Site Assessment Report (Phase I) was performed by SCS Engineers and dated September 19, 2023. Reconnaissance associated with the Phase I reported oil-stained soil on the northern perimeter of the Property,

adjacent to the portable AST near the northwest corner of the dry boat storage building and a drum stockpile, and oil-stained soil along the building's northwest exterior.

The Phase I identified the historical soil and groundwater impacts as controlled recognized environmental conditions due to their location under an exposure barrier. Releases to surface soil, including the oil-stained soil near the dry boat storage building, were considered recognized environmental conditions.

- i. An updated Phase I was performed by SCS Engineers and documented in a report dated December 2, 2024. The Phase I identified the following RECs on the Property: Oil-stained soil on the northern perimeter road adjacent to the 1,000-gallon AST near the dry stack building's northwest corner. Staining was also observed on the fill port and dispenser of a second 3,000-gallon AST.
- ii. Oil-stained soil near the drum stockpiles and waste oil tote along the dry stack building's northwest side.

The Phase I also identified a potential heating oil UST near the HVAC system on the Property, a potential 55-gallon AST located between the shop and dry stack, and solid waste requiring disposal as concerns on the Property.

D. Applicant Identification: QDDC is a Delaware limited liability company with its principal place of business located at 1209 Orange Street, Wilmington, Delaware, 19801.

E. Proposed Redevelopment: QDDC will acquire the Property and intends to operate the Property as a marina and restaurant.

CERTIFICATIONS

3. QDDC has certified upon application that: 1) QDDC is not a Responsible Party at the Site, or a parent, successor, or subsidiary of a Responsible Party at the Site and has not had any involvement with the Property in the past other than activities performed in anticipation of participation in the Voluntary Cleanup Program; 2) its activities will not aggravate or contribute to Existing Contamination on the Site or pose significant human health or environmental risks; and 3) it is financially viable to meet the obligations under this Contract.

RESPONSE ACTION

4. QDDC agrees to conduct the response actions specified in the sub-paragraphs below. An initial Work Plan shall be submitted by QDDC, or its designee, within thirty (30) days after the date of execution of this Contract by the Department, or such earlier or later date if approved by the Department's project manager. A report of the assessment results shall be submitted by QDDC, or its designee, in accordance with the schedule provided in the initial Work Plan. QDDC acknowledges that the assessment may find distributions of Existing Contamination requiring additional assessment and/or corrective action on the Property that cannot be anticipated with this Contract. QDDC agrees to perform the additional assessment and/or corrective action consistent with the intended uses of the Property under the purview of this Contract; however, QDDC may seek an amendment of this Contract to clarify its further responsibilities. QDDC shall perform all actions required by this Contract, and any related actions of QDDC's choosing not expressly required by this Contract, pursuant to Work Plans and/or Addenda approved by the Department.

A. Work Plan Logistics:

- 1). The Work Plan(s) shall set forth a schedule and methods for assessment and corrective action activities detailed herein.
- 2). The Work Plan(s) shall be submitted to the Department in the form of one hard copy and one electronic copy of the entire Work Plan on a compact disk (in

.pdf format).

- 3). All activities undertaken pursuant to this Contract shall be consistent with South Carolina statutes, regulations, and permitting requirements (e.g., stormwater management and waste disposal regulations). QDDC shall identify and obtain the applicable permits before beginning any action.
- 4). The Work Plan(s) shall be in accordance with accepted industry standards and shall be signed and sealed by a Professional Engineer or Professional Geologist duly-licensed in South Carolina.
- 5). The Work Plan(s) shall provide detailed information about the proposed sampling points, collection methods, analytical methods, quality assurance procedures, and other pertinent details of the assessment and/or corrective measures activities consistent with the following:
 - a). Sample collection methodologies shall be consistent with the US EPA Region IV Field Branches Quality System and Technical Procedures.
 - b). All monitoring wells and groundwater sampling points shall be constructed in accordance with Well Standards, S.C. Code Ann. Regs. 61-71. The Work Plan shall provide sufficient detail to support issuance of the well approvals by the Department.
 - c). The laboratory analyses for samples taken pursuant to the Work Plan are specified in the media-specific sub-paragraphs below, but may include any of the following:
 - i. the full EPA Target Analyte List with chromium speciation to analyze for hexavalent chromium (TAL);
 - i). EPA Target Analyte List excluding cyanide but with chromium speciation to analyze for hexavalent chromium (TAL-Metals);
 - ii. the full EPA Target Compound List (TCL);
 - i). EPA Target Compound List Volatile Organic Compounds (TCL-VOCs);
 - ii). EPA Target Compound List Semi-Volatile Organic Compounds (TCL-SVOCs);

- iii). EPA Target Compound List Pesticides (TCL-Pesticides);
 - iv). EPA Target Compound List Polychlorinated Biphenyls (TCL-PCBs).
- d). All analytical methods shall be capable of achieving appropriate reporting levels to allow comparison to the media-specific screening criteria listed in the "United States Environmental Protection Agency Regional Screening Levels for Chemical Contaminants at Superfund Sites" (EPA RSLs) in effect at the time of sampling. The applicable Protection of Groundwater Soil Screening Level (SSL) shall be the "MCL-Based SSL," if listed. If the applicable screening criteria are lower than achievable detection levels, the analytical method shall use the lowest achievable detection levels.
- 6). The Work Plan shall include the names, addresses, and telephone numbers of QDDC's consulting firm(s), analytical laboratories, and QDDC's contact person for matters relating to this Contract and the Work Plan.
 - a). The analytical laboratory shall possess applicable Certification defined in the State Environmental Laboratory Certification Program, S.C. Code Ann. Regs. 61-81, for the test method(s) and parameters specified in the Work Plan.
 - b). QDDC shall notify the Department in writing of any changes concerning the consulting firm(s), contact person(s), or laboratory identified in the Work Plan.
- 7). The Department will notify QDDC in writing of approvals or deficiencies in the Work Plan.
- 8). QDDC, or its designee, shall respond in writing within thirty (30) days of receipt of any comments on the Work Plan by the Department.
- 9). QDDC shall begin implementation of the Work Plan as soon as reasonably possible after receipt of written approval of the Work Plan by the Department.
- 10). QDDC shall inform the Department at least five (5) working days in advance of all field activities conducted pursuant to the Work Plan, and shall allow the Department, or its authorized representatives, to take duplicates of any

samples if desired.

- 11). QDDC shall preserve items on the Property that may: 1) provide evidence of a Potentially Responsible Party's involvement at the Site; 2) lead to the discovery of other areas of Contamination at the Site; or 3) contain environmental information related to the Site. Such items may include drums, bottles, labels, business and operating records, contracts, Site studies, investigations, and other physical or written materials relating to the Site. QDDC shall notify the Department of the location of any such items and provide the Department with an opportunity to inspect any materials or copy any documents at the Department's expense prior to destruction of said items.

B. Report Logistics

- 1). Report(s) shall be prepared in accordance with accepted industry standards and shall be certified by signature and seal of a Professional Engineer or Professional Geologist duly licensed in South Carolina.
- 2). The report(s) of assessment and/or corrective measures activities shall include a discussion of investigation methods and any deviations from the Department approved Work Plan. Report(s) shall also include tables and figures to summarize all data, a surveyed map documenting sampling locations, documentation of field observations including well core logs, sample descriptions, field screening results, and all laboratory analytical data.
- 3). All report(s) shall be submitted to the Department in the form of one hardcopy and one electronic copy of the entire report on a compact disk (in .pdf format).

C. Assess Waste Materials and Segregated Sources:

- 1). QDDC shall characterize all Waste Materials and Segregated Sources identified below. Assessment shall include an evaluation of contaminant concentrations and an estimation of the quantity or extent of each type of Waste Material or Segregated Source, as applicable, or as specified below.

- a). All ASTs on the Property.
 - b). All drums and totes associated with boat maintenance on the Property.
 - c). Slag and magenta-stained soil encountered during redevelopment activities.
- 2). QDDC shall also characterize for disposal any other Waste Material and Segregated Sources that may be discovered on the Property at any time during assessment, corrective action, or development activities in accordance with applicable regulations.
 - 3). Upon discovery of any Segregated Source that has not yet released all of its contents to the environment, QDDC shall expeditiously stabilize or remove the Segregated Source from the Property.
 - 4). QDDC shall immediately notify the Department if a release of Contamination occurs as a result of its assessment, stabilization, or removal actions. QDDC shall assess the impact of the release and take necessary action in accordance with a Department approved plan.

D. Conduct a well survey:

- 1). QDDC shall map all public and private wells used for drinking water supply within a one-half mile radius of the Property boundary, and wells used for irrigation or other non-drinking water use within a one-quarter mile radius of the Property boundary.
- 2). QDDC shall report sufficient information to the Department to allow the Department to secure permission to sample the wells. At a minimum, this information shall include the: 1) Location of the well; 2) Identity and mailing address of the well owner; and 3) Telephone number, if publicly available or otherwise known to QDDC, of the well owner or an occupant of the residence served by the well.

E. Assess soil quality across the Property:

- 1). QDDC shall collect and analyze a minimum of twenty-two (22) soil samples

from eleven (11) locations on the Property. QDDC shall collect one surface soil sample (0-1 foot below ground surface) and one subsurface soil sample (2-foot minimum depth) from each of the following locations. Samples shall be collected in areas if staining, if present.

- a). Two (2) locations along the north side of the building, near the drum storage and ASTs.
 - b). Two (2) locations along the west side of the building, between the dry storage building and the docks.
 - c). Two (2) locations along the south side of the building.
 - d). Two (2) locations in the eastern portion of the Property.
 - e). A location in the northeast corner of the Property, near the old AST containment.
 - f). Two (2) locations in the current building footprint upon its demolition.
- 2). Unless otherwise specified above, each surface soil sample shall be analyzed for TAL-Metals (with chromium speciation to analyze for hexavalent chromium) and TCL-SVOCs. Each subsurface sample shall be analyzed for TAL-Metals (with chromium speciation to analyze for hexavalent chromium), TCL-VOCs, and TCL-SVOCs. A minimum of two (2) surface and two (2) subsurface samples from the north side of the building and the location in the northeastern corner of the Property shall be analyzed for the full EPA-TAL (includes cyanide) and EPA-TCL.
 - 3). Soil quality results shall be compared to the EPA RSL Resident and Industrial Screening Levels and to the applicable Protection of Groundwater SSL.
 - 4). All analytical methods shall be capable of achieving appropriate reporting levels as specified in Paragraph 4.A.5.d. of this Contract.

F. Assess groundwater quality:

- 1). QDDC shall assess groundwater quality and flow direction across the Property. Assessment shall include samples from existing wells on the Property.
- 2). Samples from all groundwater monitoring wells shall be analyzed for TAL-

Metals with speciation to analyze for hexavalent chromium, TCL-VOCs, and TCL-SVOCs. In addition, a well from the south-central portion of the Property shall have its sample analyzed for the full EPA-TAL (includes cyanide), with chromium speciation to analyze for hexavalent chromium, and EPA-TCL.

- 3). Groundwater quality results shall be compared to the primary maximum contaminant level (MCL) standards in the State Primary Drinking Water Regulations, S.C. Code Ann. Regs. 61-58, or, if not specified in R.61-58, to the EPA RSL for "Tapwater."
- 4). All analytical methods shall be capable of achieving appropriate reporting levels as specified in Paragraph 4.A.5.d. of this Contract.

G. Assess surface water and sediment quality:

- 1). QDDC shall collect and analyze two (2) sediment and two (2) water samples from water bodies on the Property. The samples shall be collected as:
 - a). One (1) sediment and corresponding water sample from the Ashley River.
 - b). One (1) sediment and corresponding water sample from the marsh south of the Property.
- 2). All surface water and sediment samples shall be analyzed for the TAL-Metals with chromium speciation to analyze for hexavalent chromium, TCL-VOCs, and TCL-SVOCs. Sediment samples from the marsh pond east of the Property shall be analyzed for the full EPA TAL (includes cyanide) with chromium speciation to analyze for hexavalent chromium and EPA-TCL.
- 3). Surface water quality results shall be compared to the values in the Water Classifications and Standards, S.C. Code Ann. Regs. 61-68, based on consumption of either "water and organisms" or "organisms only" as applicable for the water body. Sediment samples shall be compared to the Ecological Screening Values in EPA Region 4 Ecological Risk Assessment – Supplement to Risk Assessment Guidance for Superfund (RAGS).
- 4). All analytical methods shall be capable of achieving appropriate reporting levels as specified in Paragraph 4.A.5.d. of this Contract.

H. Evaluate and control potential impacts to indoor air:

- 1). QDDC shall evaluate potential impacts to indoor air if the Department determines that the concentrations of VOCs present in the subsurface pose a threat to indoor air quality based on EPA "OSWER Technical Guide for Assessing and Mitigating the Vapor Intrusion Pathway from Subsurface Vapor Sources to Indoor Air" dated June 2015 and supplemental EPA guidance ("Vapor Intrusion Technical Guide"). The Department's decision will be constrained towards predicting commercial exposures consistent with the building construction that is proposed to be used on the Property.
- 2). If a vapor intrusion assessment is required, QDDC shall submit a Vapor Intrusion Assessment Work Plan followed by a report of the results.
 - a). For future buildings, QDDC's evaluation of vapor intrusion risk shall, unless otherwise agreed to by the Department, consist of collection and analysis of a representative number of soil gas samples from the proposed footprint of buildings to be constructed on the Property over areas potentially subject to vapor intrusion.
 - b). For existing buildings, QDDC's evaluation of vapor intrusion risk shall, unless otherwise agreed to by the Department, consist of collection and analysis of a representative number of indoor air, soil gas, and sub-slab soil gas samples over areas potentially subject to vapor intrusion. Assessment activities shall also include evaluation of other factors that may affect vapor intrusion as discussed in the Vapor Intrusion Technical Guide.
 - c). Indoor air samples shall be collected from within the building during a minimum of two (2) separate sampling events approximately six (6) months apart. One sampling event shall be in the winter. The samples collected for laboratory analysis may use either active or passive collection methods provided the same protocol is used for both sampling events.
 - d). All indoor air, soil gas, and sub-slab soil gas samples shall be analyzed for all site related volatile compounds by appropriate methods capable of

detecting concentrations at screening levels indicative of a 10^{-6} cancer risk or a hazard quotient of 1 (or 0.1 as applicable) for non-carcinogens and using appropriate attenuation factors for soil gas and sub-slab soil gas.

- e). Indoor air quality results shall be compared to the current EPA RSL Resident Air and Industrial Air Screening Levels. The Department shall give reasonable consideration of data or other demonstration that shows unacceptable exposures inside the building do not result from the subsurface conditions.
 - f). Soil gas and sub-slab soil gas sampling results shall be compared to screening levels indicative of a 10^{-6} cancer risk or a hazard quotient of 1 (or 0.1 as applicable) for non-carcinogens for the proposed use of the Property. Comparison criteria shall be based on the Vapor Intrusion Technical Guide.
- 3). All analytical methods shall be capable of achieving appropriate reporting levels as specified in Paragraph 4.A.5.d. of this Contract.
 - 4). Should the results of the Vapor Intrusion Assessment indicate that contaminant concentrations exceed levels indicative of a 10^{-6} cancer risk or a hazard quotient/hazard index of 1 for non-carcinogens for the proposed use of the Property, QDDC shall evaluate options for corrective measures and engineering controls to ensure acceptable indoor air quality. At a minimum, QDDC shall propose and implement engineering controls to mitigate contaminant vapor intrusion to meet acceptable levels in accordance with Paragraph 4.I of this Contract.
 - 5). The Department may allow QDDC to implement pre-emptive vapor intrusion mitigation measures in lieu of the above Vapor Intrusion Assessment. Vapor intrusion mitigation measures shall be completed and evaluated in accordance with Paragraph 4.I of this Contract.

I. Institute reasonable Contamination control measures:

- 1). QDDC shall remove from the Property and properly dispose of all Waste Materials and Segregated Sources of Contamination in accordance with

applicable regulations based on characterization results.

- a). Waste Materials and Segregated Sources known to be present on the Property and that require removal include, but may not be limited to, the following:
 - i. All ASTs on the Property that do not meet the requirements outlined in paragraph 4.I.1.d.
 - ii. All drums and totes associated with boat maintenance on the Property.
 - iii. Slag and magenta-stained soil encountered during redevelopment activities.
 - b). QDDC shall document the characterization results and ultimate disposition of the materials to the Department within sixty (60) days of removal of any material from the Property.
 - c). Subject to Department approval, buried Waste Materials, if present, may be stabilized in place on the Property in a manner that will effectively limit or prevent human exposure and release of contaminants to the environment. If any Waste Materials are to be stabilized in place, QDDC shall propose plans for stabilization of the Waste Materials in a Corrective Measures Plan in accordance with Paragraph 4.I.2 below. QDDC shall also enter into a Declaration of Covenants and Restrictions to document the area of stabilization, and to maintain the stabilization measures in accordance with Paragraph 9 of this Contract.
 - d). Future fueling operations will require ASTs with secondary containment, aboveground double-walled piping, and dispensers with secondary containment.
- 2). QDDC shall take reasonable measures to effectively limit or prevent human exposure to Existing Contamination in any media on the Property. QDDC shall evaluate options for corrective measures in an Analysis of Brownfields Cleanup Alternatives (ABCA). Upon Department approval of the corrective measures selected in the ABCA, QDDC shall prepare a Corrective Measures

Plan. The Corrective Measures Plan shall be approved by the Department prior to implementation and shall be consistent with the intended future use of the Property.

- a). Corrective measures shall be required for Contamination present in any media on the Property with concentrations in excess of appropriate human-health risk-based exposure standards with plausibly complete routes of exposure. Known media that require Corrective Measures include, but may not be limited to, the following:
 - i. Soil.
 - ii. Groundwater.
- b). QDDC may request Department approval to conduct a site-specific risk assessment to determine levels of Contamination that are acceptable for the intended use of the Property. The risk assessment shall be conducted in accordance with EPA Risk Assessment Guidance for Superfund. Prior to conducting the risk assessment, QDDC shall submit for Department approval, an overview of risk assessment assumptions including identification of Contamination exposure routes, the type and duration of possible exposures, the magnitude of exposure, and any data gaps that need to be addressed to complete the risk assessment.
- c). Corrective measures may include removal, encapsulation, barriers, or other methods reasonably expected to limit human exposures to the Contamination. Subject to Department approval, corrective measures may include a land use restriction in accordance with Paragraph 9 (Declaration of Covenants and Restrictions) of this Contract.
- d). If required, vapor intrusion control measures shall be designed and certified by a Professional Engineer duly-licensed in South Carolina to effectively mitigate vapor intrusion risk to a 10^{-6} risk for carcinogens and a hazard quotient/hazard index of 1 for non-carcinogens based on current EPA RSLs and guidance on vapor intrusion. All vapor intrusion control measures shall include monitoring to confirm that the vapor mitigation system is effective,

and procedures to ensure and document proper and effective operation and maintenance of the vapor intrusion mitigation system for as long as it is required at the Property. The Department shall give reasonable consideration of data or other demonstration that shows any unacceptable indoor air contaminant concentrations do not result from the subsurface conditions.

- e). Upon completion of any corrective measures, QDDC shall provide a Corrective Measures Report to document satisfactory completion of the corrective measures for Department review and approval prior to obtaining a Certificate of Completion.
- 3). In the event that development of the Property will require disturbance of contaminants in soil or groundwater, QDDC shall propose a Media Management Plan. The Media Management Plan shall address procedures for management of contaminated media when disturbed, characterization of any soil or groundwater that is to be removed from the Property, and offsite disposal of any contaminated soil and groundwater that is to be removed from the Property at a permitted waste disposal facility. Upon completion of Property development and soil disturbance, a report of the soil management activities shall be submitted to the Department documenting the areas and depths of soil removal, all soil and groundwater sampling results, quantities of contaminated soil and groundwater removed from the Property, their disposal locations, and disposal manifests.
 - 4). In the event that corrective measures include engineering controls that must be maintained and monitored for future use of the Property, a Stewardship Plan may be required by the Department. If required, the Stewardship Plan shall identify procedures for routine inspection and monitoring of the engineering controls; repair or replacement of the engineering controls as necessary; and management of contaminated media that may be encountered as a result of any disturbance of the engineering controls.

J. Monitor and/or abandon the monitoring wells:

- 1). QDDC shall implement a groundwater-monitoring program if required by the Department. Continued monitoring requirements will be based on the Department's determination of potential adverse effects on nearby receptors, i.e., individuals that are presently or potentially exposed to Contamination.
- 2). The Department will determine the frequency and duration of the monitoring program on a case-specific basis.
- 3). QDDC shall abandon the monitoring well(s) when the Department determines there are no further needs for wells. The wells shall be abandoned in accordance with Well Standards, S.C. Code Ann. Regs. 61-71.

HEALTH AND SAFETY PLAN

5. QDDC shall prepare and submit under separate cover from the Work Plan, a Health and Safety Plan consistent with Occupational Safety and Health Administration regulations. The Health and Safety Plan shall be submitted to the Department in the form of one electronic copy on compact disk (in .pdf format). QDDC agrees that the Health and Safety Plan is submitted to the Department only for informational purposes. The Department expressly disclaims any liability that may result from implementation of the Health and Safety Plan by QDDC.

PUBLIC PARTICIPATION

6. QDDC and the Department will encourage public participation to implement this Contract as follows:
 - A. The Department will provide notice, seek public comment, and initiate a thirty (30) day claim contribution notification period in accordance with established procedures consistent with S.C. Code Ann. § 44-56-750 upon signature of this Contract by QDDC.
 - B. QDDC shall erect a sign at major entrances onto the Property or other locations

routinely accessible by the public. The sign(s) shall be erected no later than one (1) day after the Department's public announcement about the Contract in a newspaper of general circulation in the community.

- 1). The sign(s) will state "Voluntary Cleanup Project by QD Dolphin Cove, LLC under Voluntary Cleanup Contract 24-5315-NRP with the South Carolina Department of Environmental Services." The sign(s) shall provide a brief description of the scope of activities under the Contract, and contact information, including telephone number and address, for a representative of QDDC. Contact information for the Department shall state "TOLL-FREE TELEPHONE: 1-866-576-3432."
- 2). All sign lettering must be of sufficient size to be legible with un-aided normal eyesight from the point where the public will normally pass by the Property without intruding onto the Property.
- 3). QDDC shall submit photographs of the sign(s) and a Property drawing showing the location(s) of the sign(s). The photographs shall be submitted to the Department within ten (10) days of erecting the sign(s).
- 4). QDDC agrees to revise the sign if the Department determines the sign is inaccurate, not legible, or otherwise ineffectively placed.
- 5). QDDC shall maintain the sign(s) in legible condition and at visible locations throughout the duration of the Contract period until a Certificate of Completion is issued on the Property.
- 6). The sign(s) may be removed to accommodate building or grading activities; however, QDDC shall restore the sign(s) within two (2) days to its original location, or other publicly accessible location upon notice to the Department.

PROGRESS UPDATES

7. QDDC shall submit periodic written updates to the Department's project manager until such time as all activities related to the Property are complete pursuant to this Contract. The first update shall be due within thirty (30) days of the execution date of this Contract and semi-annually thereafter.

- A. The updates may be in summary letter format, but should include information about:
- 1). The actions taken under this Contract during the previous reporting period;
 - 2). Actions scheduled to be taken in the next reporting period;
 - 3). Sampling, test results, and any other data in summary form, generated during the previous reporting period regardless of whether the data was collected pursuant to this Contract; and
 - 4). A description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them.
- B. The Department's project manager may allow an extended schedule between updates based on case-specific conditions.

SCHEDULE

8. QDDC shall perform all activities and response actions pursuant to this Contract in an expeditious manner. In the event that circumstances cause a delay in implementation of the response actions, the Department may require implementation of interim measures to stabilize Contamination or prevent unacceptable exposures. QDDC shall implement the interim measures in accordance with a Department-approved plan.

DECLARATION OF COVENANTS AND RESTRICTIONS

9. QDDC or its Beneficiaries shall maintain the Declaration of Covenants and Restrictions that has been recorded by Dolphin Cove Marina, the Department, and Exxon Mobil Corporation (a New Jersey Corporation) with the Charleston County Register of Deeds as described in Appendix B. Additional restrictions may be required based on the response actions completed under this Contract and as may be required per Paragraphs 4.1.1.c. or 4.1.2.c of this Contract. If additional restrictions are necessary, the recorded Declaration or amendments to the existing Declarations

shall be incorporated into this Contract as an Appendix and shall be implemented as follows:

- A. The Department shall prepare and sign the Declaration prior to providing it to QDDC. An authorized representative of QDDC or its Beneficiaries shall sign the Declaration within ten (10) days of receipt. All signatures shall be witnessed and signed and sealed by a notary public.
- B. QDDC or its Beneficiaries shall record the executed Declaration with the Register of Deeds for the county where the Property is located.
- C. QDDC or its Beneficiaries shall provide a copy of the recorded Declaration to the Department within sixty (60) days of the Department's execution. The copy shall show the date and Book and Page number where the Declaration has been recorded.
- D. In the event that Contamination exceeds levels acceptable for unrestricted use (EPA RSLs for residential use and/or MCLs) on a portion of the Property, QDDC or its Beneficiaries may create a new parcel of that portion of the property that will be subject to the Declaration.
- E. The Declaration shall be noted on the master deed of any planned development for the Property and noted, or referenced thereafter, on each individual deed of property subdivided from the Property and subject to the Declaration.
- F. The Declaration shall reserve a right of entry and inspection for QDDC or its Beneficiaries that may be transferred to another single individual or entity for purposes of compliance monitoring.
 - 1). QDDC or its Beneficiaries shall ensure that the restrictions established by the Declaration remain on any subdivided property.

- 2). QDDC or its Beneficiaries shall create a procedure to provide a single point of contact responsible for documenting current land use and compliance with the Declaration regardless of the Property's ownership status. The procedure shall be reviewed and approved by the Department before it is implemented.
- G. The Declaration shall provide that the Department has an irrevocable right of access to the Property after QDDC acquires the Property, and such right of access shall remain until remediation is accomplished for unrestricted use and monitoring is no longer required. Such access shall extend to the Department's authorized representatives and all persons performing response actions on the Property under the Department's oversight.
- H. QDDC or its Beneficiaries, or the individual or entity responsible for compliance monitoring, shall annually document the Property's land use and compliance with the Declaration to the Department. The report shall be submitted by May 31st of each year in a manner and form prescribed by the Department.
- I. The Department may amend the Declaration in response to changes in law, completion of remedial actions meeting the applicable standards in effect at the time, or if other circumstances of the Property change; however, said amendment shall not be applied retroactively unless expressly provided for in the legislation. An amendment may strengthen, relax, or remove restrictions based on the EPA RSL Summary Table in effect at that time; however, the Department shall not impose a more restrictive condition based solely on changes in the EPA RSL Summary Table. An amendment to the Declaration shall be duly executed and recorded using procedures similar to those detailed above.

NOTIFICATION

10. All notices required to be given by either party to the other shall be in writing. Each party shall have a continuing obligation to identify a contact person, whose name,

address, and telephone number must be updated to the other party, throughout the term of the Contract. Notices by electronic mail or facsimile shall be acceptable if acknowledged in writing by the recipient; with the delivery date being the date of acknowledgment or earlier date if stated in the acknowledgment. All other forms of notice shall be deemed sufficiently given if delivered at the address shown below, or at such place or to such agent as the parties may from time to time designate in writing, by: 1) regular U.S. Mail by which notice shall be deemed to occur seven (7) days after the postmark date; 2) Certified or Registered Mail by which notice shall be deemed to occur on the date received as shown on the receipt; 3) commercial delivery service company by which notice shall be deemed to occur on the date received as shown on the receipt; or 4) hand delivery to the other party.

A. All correspondence, notices, work plans, and reports shall be submitted to:

Sophia Owens
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201

B. All correspondence and notices to QDDC shall be submitted to QDDC's designated contact person who as of the effective date of this Contract shall be:

Michael Shuler, Manager
QD Dolphin Cove, LLC
49 Immigration Street, Suite 103
Charleston, South Carolina

FINANCIAL REIMBURSEMENT

11. QDDC or its Beneficiaries shall reimburse the Department as set forth below.

A. QDDC or its Beneficiaries shall reimburse the Department for its public

participation costs and for oversight costs of activities specific to this Contract as provided by S.C. Code Ann. § 44-56-750(D). The oversight costs shall include the direct and indirect costs incurred by the Department in implementing the Voluntary Cleanup Program as related to this Contract, and any future amendments thereto, and may include costs related to this Contract and incurred by the Department prior to execution of this Contract. Invoices for oversight costs will be sent to QDDC on a quarterly basis. All costs are payable to the Department within thirty (30) days of the Department's invoice submitted to:

Michael Shuler, Manager
QD Dolphin Cove, LLC
49 Immigration Street, Suite 103
Charleston, South Carolina

- 1). Failure to submit timely payment for costs upon receipt of the Department's invoice is grounds for termination of the Contract pursuant to Paragraph 16 herein.
- 2). Payment for costs incurred by the Department pursuant to this Contract shall become immediately due upon termination of the Contract by any party pursuant to Paragraph 16 herein.

ACCESS TO THE PROPERTY

12. QDDC agrees the Department has an irrevocable right of access to the Property for environmental response matters after QDDC acquires the Property. This right of access remains until such time as remediation is accomplished for unrestricted use and monitoring is no longer required and shall extend to the Department's authorized representatives and all other persons performing response actions on the Property under the Department's oversight.

CERTIFICATE OF COMPLETION AND COVENANT NOT TO SUE

13. A Certificate of Completion shall be issued to QDDC or its Beneficiaries for the Property under this Contract as follows:

- A. QDDC or its Beneficiaries shall request a Certificate of Completion pursuant to S.C. Code Ann. § 44-56-750(C)(1) after the response actions are completed and any required Declarations are recorded pursuant to this Contract. The request shall be in writing and shall report 1) the amount of soil that was removed or remediated on the Property and 2) the cost of all environmental work conducted pursuant to this Contract.

- B. Pursuant to S.C. Code Ann. § 44-56-750(C)(1) the Department shall issue the Certificate of Completion with its covenant not to sue upon determining that QDDC or its Beneficiaries has successfully and completely complied with the Contract and the voluntary cleanup approved under S.C. Code Ann. §§ 44-56-710 through 760.

- C. The Department may issue a Provisional Certificate of Completion if the substantive response actions required under this Contract are complete and a required Declaration has been recorded but all actions under this Contract have not been completed due to Property-specific circumstances.
 - 1). A Provisional Certificate of Completion will include specific performance standards that QDDC or its Beneficiaries shall continue to meet.
 - 2). The Provisional Certificate of Completion may include the Department's covenant not to sue for Existing Contamination; however, said covenant shall be automatically revoked if QDDC or its Beneficiaries do not satisfactorily complete the requirements of the Contract as stipulated in the Provisional Certificate of Completion.

ECONOMIC BENEFITS REPORTING

14. QDDC or its Beneficiaries shall report information to the Department that demonstrates that the activities pursuant to this Contract have been beneficial to the State and community. The report shall be submitted within two (2) years after the execution date of this Contract, and annually thereafter until two (2) years after redevelopment of the Property is complete. QDDC shall summarize the new operations at the Property, the number of jobs created, the amount of property taxes paid, and the total amount invested in the Property for property acquisition and capital improvements.

CONTRACT OBLIGATIONS AND PROTECTIONS INURE

15. The terms, conditions, obligations, and protections of this Contract apply to and inure to the benefit of the Department, QDDC, and its Beneficiaries as set forth below. The following stipulations apply to ensure the transition of all obligations and protections to successive Beneficiaries for any portion of the Property:

- A. QDDC or its Beneficiaries shall provide a copy of this Contract and applicable Appendices to any Successor. Transmittal of the Contract copy may be through any commonly accepted mechanism.
- B. QDDC and its Beneficiaries shall not allow residential occupancy on any portion of the Property prior to obtaining the Certificate of Completion or a Provisional Certificate of Completion specific to that portion of the Property allowing residential occupancy.
- C. If the Certificate of Completion has not been issued, QDDC or its Beneficiaries shall request approval from the Department prior to transferring the obligations and protections of this Contract to a new person or entity. The Department shall not unreasonably withhold its approval upon receipt of a Non Responsible Party Application for Voluntary Cleanup Contract documenting that the new person or entity:

- 1). Is not a Responsible Party for the Site;
- 2). Has sufficient resources to complete the activities of this Contract;
- 3). Will not use the Property for activities that are inconsistent with the terms and conditions of this Contract;
- 4). Will assume the protections and all obligations of this Contract; and
- 5). Will, in the Department's sole discretion, provide a measurable benefit to the State and the community as a result of this transfer.

D. If the Certificate of Completion has been issued and the portion of the Property is subject to a Declaration or other ongoing obligation pursuant to this Contract, QDDC or its Beneficiaries shall provide written notification to the Department identifying the new individual or entity within thirty (30) days after the effective date of the ownership change or other possessory transfer of the Property.

- 1). The notification shall include a signed statement from the new individual or entity that its use of the Property will remain consistent with the terms of the Contract and the Declaration, and that it will assume the ongoing obligations and protections of this Contract.
- 2). This requirement is waived for an individual or entity acquiring a portion of the Property for individual commercial use provided the Declaration is noted on the master deed for the planned development, and the Department has approved the procedure for a single point of contact responsible for documenting current land use and compliance with the Covenant.

E. If a Certificate of Completion has been issued and the Property is not subject to a Declaration or other continuing obligation pursuant to this Contract, no notification is required.

CONTRACT TERMINATION

16. QDDC, its Beneficiaries, and the Department each reserve the right to unilaterally terminate this Contract by giving thirty (30) days advance written notice to the other

party. Termination shall be subject to the following:

- A. The Department may not terminate this Contract without cause and before termination shall provide QDDC or its Beneficiaries an opportunity to correct the cause(s) for termination, which may include, but is not limited to, the following:
- 1). Failure to complete the terms and conditions of this Contract;
 - 2). Change in QDDC's or its Beneficiaries' business activities on the Property or use of the Property that are inconsistent with the terms and conditions of this Contract;
 - 3). Failure to submit timely payment for costs upon receipt of the Department's invoice;
 - 4). Failure of QDDC or its Beneficiaries to implement appropriate response actions for additional Contamination or releases caused by QDDC or its Beneficiaries;
 - 5). Knowingly providing the Department with false or incomplete information or knowing failure to disclose material information;
 - 6). Failure by QDDC or its Beneficiaries to obtain the applicable permits from the Department for the response actions or other activities undertaken at the Property pursuant to this Contract; or
 - 7). Failure by QDDC or its Beneficiaries to make material progress toward the expansion, redevelopment, or reuse of the property as determined by the Department upon consideration of QDDC's or its Beneficiaries' marketing efforts, regional economic conditions, and other pertinent information on the Property.
- B. Should QDDC or its Beneficiaries elect to terminate this Contract, that party shall certify to the Department's satisfaction that any environmental or physical hazards caused or contributed by QDDC or its Beneficiaries have been stabilized or mitigated such that the Property does not pose hazards to human health or the environment.

- C. Termination of this Contract by any party does not waive the Department's authority to require response action under any applicable state or federal law.
- D. Termination of this Contract by any party does not end the obligations of QDDC or its Beneficiaries to pay costs incurred by the Department pursuant to this Contract. Upon termination of this Contract, payment for such costs shall become immediately due.
- E. Upon termination of this Contract, the protections provided under this Contract shall be null and void as to any party who participated in actions giving rise to termination of the Contract. Revocation of protections shall also apply to that party's lenders, parents, subsidiaries, and successors, including lessees, heirs, devisees, and other parties taking an interest in the Property through that party who participated in actions giving rise to termination of the Contract. The protections will continue for any party who has received protections through a Certificate of Completion for this Contract, and who did not participate in the actions giving rise to the termination.

ENTITLEMENT OF PROTECTIONS AND BENEFITS

17. QDDC and its Beneficiaries are entitled to the protections and benefits in regard to Existing Contamination provided by South Carolina statutes as follows:

- A. Effective on the date this Contract is first executed by the Department:
 - 1). Protection from contribution claims under CERCLA § 113, 42 U.S.C. § 9613 and S.C. Code Ann. § 44-56-200.
 - 2). Protection from third-party claims as provided by S.C. Code Ann. § 44-56-750(H).
 - 3). Eligibility to file annual application for Voluntary Cleanup Activity Tax Credits pursuant to the Income Tax Act, S.C. Code Ann. § 12-6-3550.

- B. Effective on the date the Certificate of Completion is issued by the Department.
- 1). The Department's covenant not to sue QDDC and its Beneficiaries for Existing Contamination but not for any Contamination, releases, and consequences caused or contributed by QDDC or its Beneficiaries.
 - 2). Specific tax credits or additional benefits expressly contingent in South Carolina statutes on issuance of the Certificate of Completion.
- C. These Protections and Benefits do not apply to any Contamination, releases, and consequences caused or contributed by QDDC or its Beneficiaries. The Department retains all rights under State and Federal laws to compel QDDC and its Beneficiaries to perform or pay for response activity for any Contamination, releases, and consequences caused or contributed by QDDC or its Beneficiaries.

RESERVATION OF RIGHTS BY THE DEPARTMENT

18. 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 other than QDDC and its Beneficiaries. The Department reserves the right to undertake future response actions at the Site and to seek to compel parties, other than QDDC and its Beneficiaries, 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.

RESERVATION OF RIGHTS BY QDDC

19. QDDC retains all rights to assert claims in law or equity against any person, company, or entity with respect to the Property, except as limited elsewhere by this Contract. QDDC and its Beneficiaries specifically deny responsibility for response costs or damages resulting from Existing Contamination except for Contamination, releases,

and consequences they cause or contribute. However, QDDC and its Beneficiaries agree to undertake the requirements of this Contract.

BURDEN OF PROOF

20. QDDC and its Beneficiaries shall have the continuing obligation to demonstrate that any newly discovered Contamination is not caused or contributed by QDDC or its Beneficiaries. QDDC and its Beneficiaries shall make this demonstration to the Department's satisfaction in accordance with State or Federal Law applicable to such newly discovered Contamination. For purposes of this clause, newly discovered Contamination means finding types of Contamination not previously identified at the Property or substantially higher concentrations of Existing Contamination.

LIMITATION OF CLAIMS BY QDDC AND ITS BENEFICIARIES

21. In consideration of the protections from the Department under this Contract, QDDC and its Beneficiaries agree not to assert any claims or causes of action against the Department or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Property pursuant to this Contract. This limitation shall not extend to any claims or causes of action resulting from the Department's intentional or negligent acts or omissions, or the Department's willful breach of this Contract.

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SIGNATORIES

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

THE SOUTH CAROLINA DEPARTMENT OF ENVIRONMENTAL SERVICES

BY:

DATE:

Juli E. Blalock, Chief
Bureau of Land and Waste
Management

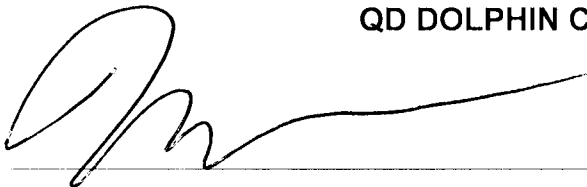
DATE:

Reviewed by Office of General Counsel

QD DOLPHIN COVE, LLC

BY:

DATE:



12/11/24

Michael P. Shuler Jr.
Printed Name and Title

APPENDIX A

Application for Non Responsible Party Voluntary Cleanup Contract

QD Dolphin Cove, LLC

November 5, 2024

APPENDIX B

Declaration of Covenants and Restrictions recorded by Dolphin Cove Marina, the Department, and Exxon Mobil Corporation (a New Jersey Corporation) with the Charleston County Register of Deeds

May 20, 2014