# BAKER BOTTS LLP

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HOUSTON LONDON MOSCOW NEW YORK PALO ALTO RIO DE JANEIRO RIYADH WASHINGTON

March 14, 2014

Ken Herstowski Project Manager U.S. Environmental Protection Agency - Region 7 Mail Code AWMD/WRAP/MIRP 11201 Renner Boulevard Lenexa, KS 66219

William C. Gidley Waste Management Division Nebraska Department of Environmental Quality Suite 400, The Atrium 1200 N Street Lincoln, NE 68509-8922 J. Barton Seitz TEL: 2026397895 FAX: 2025851046 bart.seitz@bakerbotts.com

RECEIVED

MAR 1 7 2014

Nebraska Dept of Environmental Quality By: \_\_\_\_\_DEQ# 158\_\_\_\_\_

Re: Final Recorded Copy of Environmental Covenant Valmont Industries, Inc. Valley, Nebraska RCRA ID #NED007267214

Dear Ken and Bill:

Please find enclosed for your agencies' respective files two copies of the recentlyrecorded Environmental Covenant specified under the Hazardous Waste Management Permit for Valmont Industries, Inc.'s Valley, Nebraska facility.

If you have any questions, please do not hesitate to contact me.

Sincerely,

BAKER BOTTS L.L.P.

By: J. Barton Seitz



cc: Andrew Massey (w/enclosure) Bruce Lackey (w/enclosure)

This document was filed in Douglas	County,
State of <u>Neoraska</u> , on the <u>Les</u>	
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BOHOLISO	38.00
Filed by: Pauso & Sabatar	

# **RECORDING REQUESTED BY AND** WHEN RECORDED RETURN TO:

Valmont Industries, Inc. 28800 Ida Street Valley, NE 68064 Nebraska Dept of Environmental Quality By: DEQ# 182 \_\_\_\_

MAR 1 7 2014

RECEIVED

Space Above for Record's Use Only

#### ENVIRONMENTAL COVENANT

This Environmental Covenant is executed this 5th day of <u>March</u>, 2014, by VALMONT INDUSTRIES, INC. ("Valmont"), pursuant to the Nebraska Uniform Environmental Covenants Act, Neb. Rev. Stat. §§ 76-2601 to 76-2613.

#### **RECITALS:**

A. Valmont is the Grantor and owner of real property located at 28800 Ida Street in Valley, Douglas County, Nebraska, legally described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property"), and is the Holder/Grantee of this Environmental Covenant under §§ 76-2602(6) and 76-2603(a) of the Act.

B. The Property has been used for metal fabrication and production in connection with the manufacture of center pivot and linear irrigation systems, light wall steel tubing, light poles, traffic signal poles and electrical transmission structures.

C. Valmont has performed environmental investigations and corrective actions with respect to certain environmental conditions in soil and groundwater at the Property pursuant to the federal Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6901 et seq., and the Nebraska Environmental Protection Act (NEPA), Neb. Rev. Stat. § 81-1501. These activities are described in several reports submitted by Valmont to the Nebraska Department of Environmental Quality (NDEQ), including a

RCRA Facility Investigation/Risk Assessment/ Corrective Measures Study (Revised July 2003) and an Updated Post-Closure Permit Application (Revision 2, February 2008).

D. The Agencies, as defined in Neb. Rev. Stat. § 76-2602 of the Act, are the Nebraska Department of Environmental Quality (NDEQ) and the United States Environmental Protection Agency (USEPA)

E. The prior activities by Valmont with respect to the Property are documented in several reports and a permit issued pursuant to RCRA and NEPA and constitute an "environmental response project or action" under § 76-2602(5) of the Act. The permit and these reports are available to the public at NDEQ's office located at 1200 N Street, Suite 400, Lincoln, Nebraska. A map depicting the areas of residual conditions in soil and engineering controls used to prevent human exposure to such conditions is included in Figure 1 attached hereto and incorporated herein by reference.

#### NOW, THEREFORE,

Grantor hereby declares that the Property will hereinafter be bound by, held, sold and conveyed subject to the following terms, conditions, obligations, and restrictions set forth herein, which will run with the land, in perpetuity, unless amended or terminated pursuant to Paragraph 12 below.

1. <u>Representations and Warranties.</u> The Grantor warrants to the other signatories to this Covenant that:

- a. The Grantor is the sole fee title owner of the Property;
- b. The Grantor holds sufficient fee title to the Property to grant the rights and interests described in this Environmental Covenant free of any conflicting legal and equitable claims; and
- c. The Grantor has identified all other persons holding legal or equitable interests, including but not limited to contract buyers, mortgage holders, other consensual lien holders, and lessees and secured their consent.

2. <u>Purpose</u>. The purpose of this Environmental Covenant is to ensure protection of human health and the environment by minimizing the potential for exposure to contamination that remains on the Property and to ensure that the Property is not developed, used, or operated in a manner incompatible with the approved remediation.

3. <u>Running with the Land.</u> The Environmental Covenant is perpetual and conveys to the Holder/Grantee real property rights that will run with the land, and gives to the Agencies the right to enforce the activity and use limitations described in Paragraph 4. The terms, conditions, obligations, and limitations in this Environmental Covenant are binding on the Grantor, its successors, heirs, executors, assigns and transferees, and all persons, corporations or other entities obtaining or succeeding to any right, title or interest in the real property identified within the cross-hatched areas shown in Figures 1 and 2 attached hereto (the "Covenant Areas") after the effective date of this Environmental Covenant. All real estate, lots, or parcels located within the Covenant Areas are subject to the terms, conditions, obligations and limitations in this Environmental Covenant. Acceptance of any conveyance, transfer, lease or sublease of the Covenant Areas, or part thereof, will bind each transferee, its heirs, executors, successors, transferees and assigns to the terms, conditions, obligations, and limitations during their respective period of ownership or occupancy, as applicable. Notice of any transfer of any interest in the Covenant Areas must be promptly provided to the Agencies by the transferor. The Grantor is bound by the terms, conditions, obligations and limitations in this Environmental Covenant only during its period of ownership or occupancy after the effective date. This Environmental Covenant in no way amends, modifies, limits or releases the Grantor from its duties and obligations under the approved environmental response project or action.

4. <u>Activity and Use Limitations.</u> The real property located within the Covenant Areas is subject to the following activity and use limitations:

a. No new drinking water well shall be constructed or installed at the Covenant Areas within the cross-hatched area outlined in Figure 2 (attached hereto), without the prior written approval of the NDEQ and the USEPA. This prohibition shall not prohibit the operation and/or use of the existing groundwater wells identified on Figure 2 for purposes other than drinking water uses which are inclusive of ingestion by drinking or through food preparation and hygienic uses such as showering, hand washing, etc.

b. No portion of the Covenant Areas within the cross-hatched area outlined in Figure 1 (attached hereto) shall be used for any use other than industrial or commercial use, however, commercial uses of child care, preschool, dormitory, nursing home facilities, or any land use which would result in unacceptable exposures to the remaining contamination shall be prohibited unless otherwise approved by the Agencies.

c. No surface or subsurface soil or sediments shall be excavated or removed at the Central Drainage Ditch (CDD), Former Open Trench Area (FOT) or Former Petroleum Underground Storage Tanks (FPUST) areas identified on Figure 1 (attached hereto), except for (1) excavation or removal in conformance with an NDEQ and USEPA-approved Corrective Measures Implementation Plan; or (2) minor excavations necessary to install, maintain or repair utility poles, fence posts, sidewalks, paving, and other comparable activities, as well as minor excavations necessary to maintain or repair existing underground utilities and minor excavations in connection with landscaping activities.
d. Appropriate warning signs and permanent markers shall be

Appropriate warning signs and permanent markers shall be installed and maintained at the Covenant Areas to identify the impacted portions of the CDD, FOT and FPUST.

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- e. No construction, repair or alteration activities shall be performed at the Covenant Areas within the CDD, FOT or FPUST areas outlined in Figure 1 (attached hereto) that would damage or interfere with the prior corrective measures implemented for these areas, unless such activities are approved by the NDEQ and USEPA and are in accordance with an amended Corrective Measures Implementation Plan for the Covenant Areas.
- f. Notwithstanding the foregoing activity and use restrictions, the restrictions set forth under this Paragraph 4 may be modified by Grantor upon receiving approval from NDEQ and USEPA.

5. <u>Reserved Rights of Grantor</u>. The Grantor hereby reserves unto itself and its successors all rights and privileges in and to the use of the Covenant Areas which are not incompatible with the limitations granted herein.

6. <u>Compliance Reporting.</u> One year from the effective date of this Environmental Covenant, and on an annual basis thereafter until such time as this Environmental Covenant is terminated, the then-current fee simple owner of the Covenant Areas shall submit to the Agencies written documentation verifying that the activity and use limitations remain in place and are being complied with. Any signatory to this Environmental Covenant shall notify the Agencies as soon as possible of conditions that would constitute a breach of the activity and use limitations.

7. Enforcement. The terms of this Environmental Covenant may be enforced in a civil action for injunctive or other equitable relief by the signatories and those persons authorized by and in accordance with Neb. Rev. Stat. §76-2611. Failure to exercise such rights of enforcement will in no event bar subsequent enforcement by any signatory and shall not be deemed a waiver of the signatory's right to take action to enforce any non-compliance. Nothing in this Environmental Covenant shall restrict or limit the Agencies from exercising any authority under applicable law. The prevailing party in any action to enforce any provision of this Environmental Covenant is entitled to recover all costs of such action, including reasonable attorney fees. Any Holder/Grantee and the Agencies shall be entitled to recover damages for violations of this Environmental Covenant or for any injury to the remedial action required by the Agencies, to the public or to the environment protected by this Environmental Covenant.

8. <u>Reopening.</u> The signatories acknowledge that failure of the activity and use limitations to serve their intended purpose including the prevention of contamination exposure could result in the Agencies reopening their review and regulation of the contaminant condition on the Covenant Areas as provided in Neb. Rev. Stat. §76-2609.

9. <u>Rights of Access</u>. The Grantor and any then-current owner hereby grants to the Agencies, their agents, contractors, and employees, the right of access to the Covenant Areas to monitor compliance with the terms, conditions,

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obligations, and limitations of this Environmental Covenant. Nothing in this Environmental Covenant shall limit or otherwise affect the Agencies' right of entry and access or the Agencies' authority to take response actions under applicable law.

10. Notice Upon Conveyance. Each instrument hereafter conveying any interest in the Covenant Areas or any portion of the Covenant Areas, including but not limited to, deeds, leases and mortgages, shall contain a notice of the activity and use limitations set forth in this Environmental Covenant, and provide the recorded location of this Environmental Covenant. The notice shall be in substantially the form set forth below. Within thirty (30) days of the date any such instrument of conveyance is executed, the Grantor or then-owner must provide the Agency with a certified copy of said instrument and its recording reference in the Douglas County Register of Deeds.

NOTICE: THE INTEREST CONVEYED HEREBY IS SUBJECT TO AN ENVIRONMENTAL COVENANT DATED\_\_\_\_\_, RECORDED IN THE OFFICE OF THE REGISTER OF DEEDS OF DOUGLAS COUNTY, NEBRASKA ON \_\_\_\_\_, IN [DOCUMENT \_\_\_\_, BOOK \_\_\_\_, PAGE \_\_\_]. THE ENVIRONMENTAL COVENANT CONTAINS THE FOLLOWING ACTIVITY AND USE LIMITATIONS:

- a. No new drinking water well shall be constructed or installed at the Covenant Areas within the cross-hatched area outlined in Figure 2 (attached hereto), without the prior written approval of the NDEQ and the USEPA. This prohibition shall not prohibit the operation and/or use of the existing groundwater wells identified on Figure 2 for purposes other than ingestion by drinking or through food preparation and hygienic uses such as showering, hand washing, etc.
- b. No portion of the Covenant Areas within the cross-hatched area outlined in Figure 1 (attached hereto) shall be used for any use other than industrial or commercial use, however, commercial uses of child care, preschool, dormitory, nursing home facilities, or any land use which would result in unacceptable exposures to the remaining contamination shall be prohibited unless otherwise approved by the Agencies.
- c. No surface or subsurface soil or sediments shall be excavated or removed at the Central Drainage Ditch (CDD), Former Open Trench Area (FOT) or Former Petroleum Underground Storage Tanks (FPUST) areas identified on Figure 1 (attached hereto), except for (1) excavation or removal in conformance with an NDEQ and USEPA-approved Corrective Measures Implementation Plan; or (2) minor excavations necessary to install, maintain or repair utility poles, fence posts, sidewalks, paving, and other comparable activities, as well as minor excavations necessary

to maintain or repair existing underground utilities and minor excavations in connection with landscaping activities.

- d. Appropriate warning signs and permanent markers shall be installed and maintained at the Covenant Areas to identify the impacted portions of the CDD, FOT and FPUST.
- e. No construction, repair or alteration activities shall be performed at the Covenant Areas within the CDD, FOT or FPUST areas outlined in Figure 1 (attached hereto) that would damage or interfere with the prior corrective measures implemented for these areas, unless such activities are approved by the NDEQ and USEPA and are in accordance with an amended Corrective Measures Implementation Plan for the Covenant Areas.
- f. Notwithstanding the foregoing activity and use restrictions, the restrictions set forth above may be modified by Grantor upon receiving approval from NDEQ and USEPA.

11. <u>Waiver of Certain Defenses</u>. The persons and entities bound by this Environmental Covenant hereby waive any defense to the enforcement of this Environmental Covenant based on laches, estoppel, statute of limitations, or prescription.

12. <u>Amendment and Termination.</u> Amendment or termination of this Environmental Covenant shall comply with Neb. Rev. Stat. §76-2610. The terms of this Environmental Covenant may be modified or terminated by written consent of the Agencies, the then current fee simple title owner, and all original signatories unless exempted by Neb. Rev. Stat. §76-2610. The amendment or termination is not effective until the document evidencing consent of all necessary persons is properly recorded. If not by consent, any amendment or termination of this Environmental covenant shall be as provided by Neb. Rev. Stat. §76-2609 and such additional terms as specified in this Environmental Covenant. As provided in Neb. Rev. Stat. §76-2610(c), except for an assignment undertaken pursuant to a governmental reorganization, assignment of an environmental covenant to a new holder is an amendment.

13. <u>Severability.</u> If any provision of this Environmental Covenant is found to be unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

14. <u>Captions.</u> The captions in this Environmental Covenant are for convenience and reference only and are not a part of this instrument and shall have no effect upon construction or interpretation.

15. <u>Governing Law.</u> This Environmental Covenant shall be governed by and interpreted in accordance with the laws of the State of Nebraska.

16. <u>Recordation</u>. Within thirty (30) days after the date of the Agencies' approval of this Environmental Covenant, the Grantor shall record the

Environmental Covenant, in the same manner as a deed to the property, with the Douglas County Register of Deeds. The Grantor shall distribute a file- and date-stamped copy of the recorded Environmental Covenant to any Holder/Grantee and Agencies.

17. <u>Effective Date.</u> The effective date of this Environmental Covenant is the date upon which the fully executed Environmental Covenant has been recorded as a deed record for the Property with the Douglas County Register of Deeds.

18. <u>Notice.</u> Unless otherwise notified in writing by the Agencies, any document or communication required by this Environmental Covenant shall be submitted to:

Remediation Section Waste Management Division Nebraska Department of Environmental Quality P.O. Box 98922 Lincoln, NE 68509-8922

and

Waste Remediation and Permitting Branch Air and Waste Management Division U.S. EPA Region 7 901 N. 5<sup>th</sup> Street Kansas City, KS 66101

# ACKNOWLEDGEMENTS

#### **GRANTOR:**

IN WITNESS WHEREOF, Grantor, as the owner of the Property and the Holder/Grantee of this Environmental Covenant, has caused this Environmental Covenant to be executed on this <u>71</u> day of <u>June</u>, 2012.

By: VALMONT INDUSTRIES, INC.

Todd Atkinson Executive Vice President

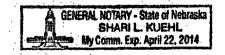
STATE OF NEBRASKA)) ss.COUNTY OF Lougits)

The foregoing instrument was acknowledged before me this <u>3</u> of <u>Januar</u>, 20<u>12</u> by Todd Atkinson who acknowledged said Environmental Covenant on behalf of Grantor/Holder/Grantee.

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Notary Public

(SEAL)



#### **NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY:**

**IN WITNESS WHEREOF**, NDEQ, as an Agency defined in Neb. Rev. Stat. § 76-2602(2), is not a party to this Environmental Covenant and does not acquire or assume any liability, obligation, or responsibility under state or federal law by virtue of signing this Environmental Covenant, nor is NDEQ a Holder under Neb. Rev. Stat. §§ 76-2602(6) and 76-2603(a).

# NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY

Michael Linder By: Director

STATE OF NEBRASKA ) ) ss. COUNTY OF LANCASTER )

The foregoing instrument was acknowledged before me this 28 of <u>Decomber</u>. 20 <u>11</u> by <u>Michael Linder</u> who acknowledged said Environmental Covenant on behalf of the Agency.

otary Public

(SEAL)

GENERAL NOTARY-State of Nebraska KERRIE HYKE My Comm. Exp. Feb. 19, 2012

# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

**IN WITNESS WHEREOF**, United States Environmental Protection Agency (EPA), as an Agency defined in Neb. Rev. Stat. § 76-2602(2), is not a party to this Environmental Covenant and does not acquire or assume any liability, obligation, or responsibility under state or federal law by virtue of signing this Environmental Covenant, nor is EPA a Holder under Neb. Rev. Stat. §§ 76-2602(6) and 76-2603(a).

#### U.S. ENVIRONMENTAL PROTECTION AGENCY

Some **Bv**: Becky Webei

Director Air and Waste Management Division

**STATE OF KANSAS** COUNTY OF Wyando He ) ss.

The foregoing instrument was acknowledged before me this 2m/ of August, 20<u>12</u> by <u>John 5m</u>, Hwho acknowledged said Environmental Covenant on behalf of the Agency.

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Notary Public

(SEAL)

KENT JOHNSON NOTARY PUBLIC TE OF K

# **EXHIBIT A**

#### Legal Description

#### Parcel 1A:

The following described tract of land located in the Southeast Quarter (1/4) of Section 26, Township 16 North, Range 9 East of the 6<sup>th</sup> P.M., Douglas County, Nebraska:

Beginning at the Northeast Corner of the said Southeast Quarter (1/4); thence South a distance of 543.5 ft. along the east section line of said Section 26; thence Northwesterly on a line making an angle of 41°, 32', 30" with said East section line, a distance of 609.6 feet; thence continuing Northwesterly on a line having a deflection angle of 11°, 03', 30" to the left, a distance of 141.0 ft. to the North margin of the said Southeast Quarter (1/4); thence East along the North margin of said Southeast Quarter (1/4); thence East along the North margin of said Southeast Quarter (1/4) a distance of 516.1 ft. to the point of beginning. Containing 3.16 acres more or less.

#### Parcel 1B:

The following described tract of land located in Section Twenty-Five (25), Township Sixteen (16), Range Nine (9) East of the Sixth (6<sup>th</sup>) Principal Meridian, Douglas County, Nebraska:

From the West Quarter Corner of Section Twenty-Five (25), Township Sixteen (16), Range Nine (9) East of the Sixth (6<sup>th</sup>) Principal Meridian, Douglas County, Nebraska, thence South along the Section line 780.95 Feet, thence at right angles East 326.85 feet to the point of beginning; thence extended East 989.12 feet to the Union Pacific Railroad Right of Way; thence Northwesterly along said Right of Way 1252.96 feet, thence South 769.09 feet to the point of beginning; said plot containing 8.85 acres more or less.

#### Parcel 1C:

The following described track of land located in Section 26, Township 16 North, Range 9 East of the 6<sup>th</sup> P.M., Douglas County, Nebraska:

Commencing at the Northeast corner of the Southeast Quarter (1/4) of Section 26, Township 16 North, Range 9 East of the 6<sup>th</sup> P.M., Douglas County, Nebraska; thence South along the East line of said Southeast Quarter (1/4) of Section 26 a distance of 505.8 feet; thence West a distance of 33 feet to a point on the road Right-of-Way, said point being the point of beginning; thence South a distance of 274.1 feet; thence North 45°00' West a distance of 387.1 feet; thence South 89°55' West a distance of 861.6 feet; thence North 45°10' West a distance of 283.1 feet; thence North 0°15' West a distance of 681.6 feet; thence South 76°45' East a distance of 542.7 feet; thence South 52°36' East a distance of 553.2 feet; thence South 41°32'30" East a distance of 559.9 feet to the point of beginning.

Containing 18.014 acres, more or less.

#### Parcel 1D:

The Southwest Quarter of the Northeast Quarter Section 26; Township 16 North, Range 9 East of the 6<sup>th</sup> P.M., in Douglas County, Nebraska, except those parcels of land deeded to Valley Manufacturing Company,

#### <u>AND</u>

The Southeast Quarter of Section 26, Township 16 North, Range 9 East of the 6<sup>th</sup> P.M., except Lots 1 and 2, Green Valley Subdivision and that part deeded to Valley Manufacturing Company, in the said Southeast Quarter, known as Tract B and C, in Douglas County, Nebraska, subject to Right of Way to Missouri Valley Pipe Line Company of Nebraska, transferred to Northern Gas and Pipe Line Company, and also subject to Easement for pipelines and appurtenances to Northern Natural Gas Company, over and through the Southeast Quarter of Section 26, Township 16 North, Range 9 East of the 6<sup>th</sup> P.M., filed in Miscellaneous Record Book 240 at Page 231, also except strips taken by State for widening Highways.

Parcel 1E:

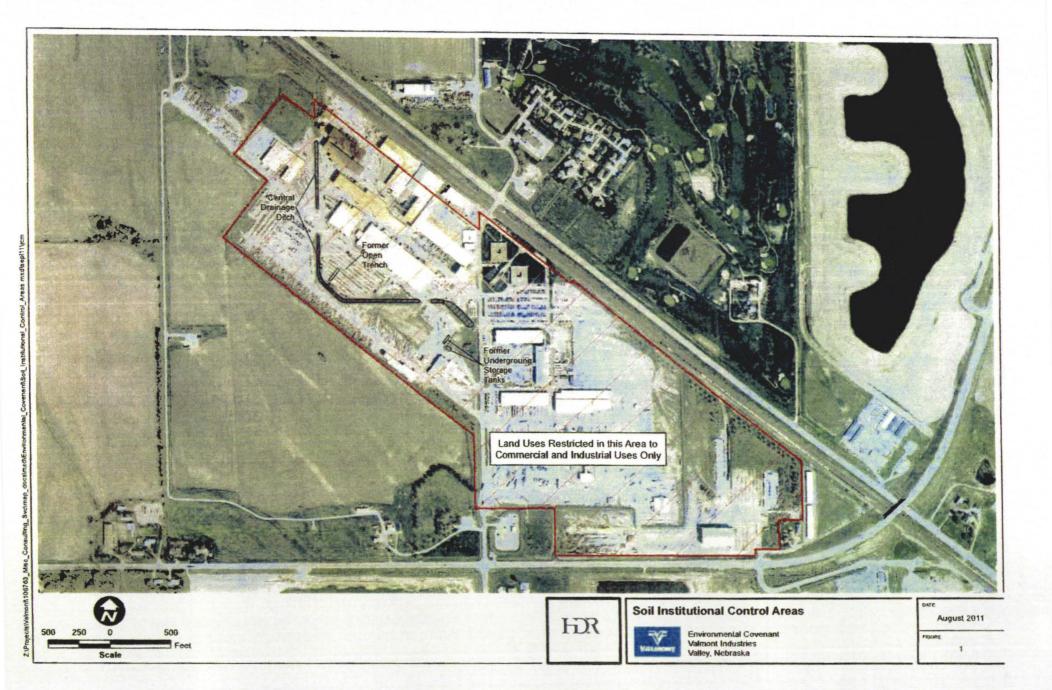
A Tract of Land Lying in the Southwest Quarter of Section 25, Township 16 North, Range 9 East of the 6<sup>th</sup> P.M., Douglas County, Nebraska, being more particularly described as follows:

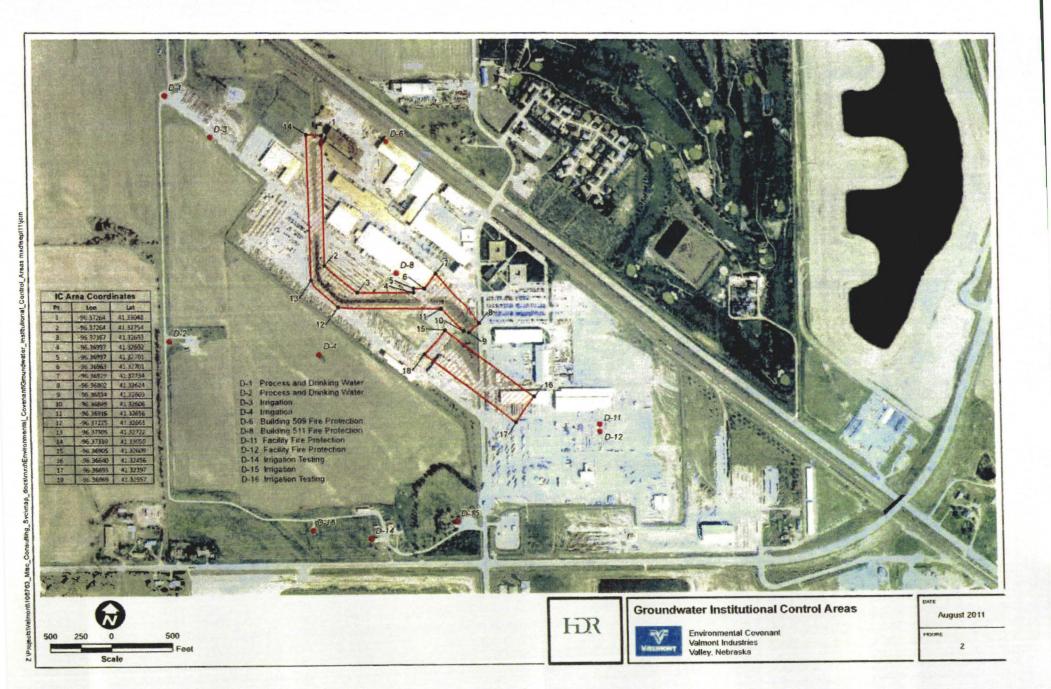
Commencing at the Northwest Corner of the Southwest Quarter of Section 25, Township 16 North, Range 9 thence South along the Section line 780.95 feet: Thence Easterly at a right angle to the Section line a distance of 33 feet to the point of beginning: Thence Continuing Easterly a distance of 1282.97 feet to the Southwesterly right of way of the U.P.R.R.: Thence Southeasterly along said U.P.R.R. Right of Way a distance of 1668.29 feet to the East line of the Southwest Quarter of Section 25, Township 16 North, Range 9, Thence Southerly along said line a distance of 495.8 feet: Thence Westerly on a line 355 feet North of and parallel to the South line of the Southwest Quarter a distance of 195.0 feet: Thence Southerly on a line 195 feet west of and parallel to the East line of the Southwest Quarter a distance of 275.0 feet to the new Northerly right of way of Highway #64; Thence Southwesterly along said right of way a distance of 2442.26 feet: Thence Northerly on a line 33 feet East of and parallel to the West line of the Southwest Quarter a distance of 1799.93 feet to the point of beginning.

Containing: 91.74 acres more or less

#### Parcel 2:

All that part of the North Half of the Northeast Quarter (N1/2 NE1/4) of Section 26, Township 16, Range 9, lying South and West of the Union Pacific Railroad right of way.





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