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File#: E100102
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PENNIE GONSETH, RECORDER
Clarke County, Iowa

LRP ENVIRONMENTAL COVENANT
Recorder's Cover Sheet

Preparer Information: (name, address and phone number)

Leanna D. Whipple
666 Grand Avenue, Suite 2000
Des Moines, IA 50309
515-242-2433

Taxpayer Information: (name and complete address)

Clarke County Development Corporation
115 E. Washington
Osceola, IA 50213

Return Document To: (name and complete address)

Leanna D. Whipple
666 Grand Avenue, Suite 2000
Des Moines, IA 50309

Grantor:

Clarke County Development Corporation

Grantee:

Siemens Industry, Inc.

Legal Description: See Exhibit A, Pages, 10-11

LRP ENVIRONMENTAL COVENANT

This environmental covenant is established pursuant to Iowa Code 455I entitled Uniform Environmental Covenants Act (*see also* 2005 Iowa Acts, Senate File 375).

Clarke County Development Corporation, hereinafter "Grantors", and Siemens Industry, Inc., hereinafter "Holder", enter into this environmental covenant for the purpose of subjecting the property described below to certain activity and use limitations in accordance with the terms and conditions as specified below, authority granted the Iowa Department of Natural Resources (Department) in Iowa Code Sections 455B.103(7) and 455H.206 and Department rules in Chapter 567 Iowa Administrative Code (I.A.C.) 137.

1. **Affected Property.** The Grantor is the fee title owner of the property legally described on Exhibit A attached hereto located at and locally known as 1001 Furnas Drive, Osceola, Iowa. Hereinafter, the affected property will be referred to as "the Property."

2. **Land Recycling Program Risk Management.** The Property subject to this covenant is enrolled in the Department's Land Recycling Program (LRP) established in Iowa Code Chapter 455H and administered under Department rules in Chapter 567 Iowa Administrative Code (I.A.C.) 137.

Under the LRP, the environmental response project as defined in Iowa Code Section 455I.2(5) has consisted of a soil and groundwater investigation and risk assessment of an affected area which includes this Property. This response action has been undertaken by Siemens Industry, Inc. Soil and/or groundwater contamination has been identified on the Property. The Department has approved a response action plan which includes the use of this environmental covenant as one method for managing the risk of future exposure to this contamination. Advanced GeoServices Corp., on behalf of Siemens Industry, Inc., completed the following in accordance with the Land Recycling program Agreement for the Property:

- Site Assessment Work Plan, Former Furnas Electric Company Facility, Osceola, Iowa, prepared by Advanced GeoServices Corp, dated November 8, 2005 – Site wide investigation work plan;
- Site Assessment Report, Former Furnas Electric Company Facility, Osceola, Iowa, prepared by Advanced GeoServices Corp, dated October 4, 2006 – site wide investigation report;
- Risk Evaluation/Response Action Report, Former Furnas Electric Company Facility, Osceola, Iowa, prepared by Advanced GeoServices Corp, dated July 24, 2007 – site wide risk evaluation and determination of soil and groundwater response actions, including technological controls and Environmental Protection Easements.
- Risk Evaluation/Response Action Report, Former Furnas Electric Company Facility, Osceola, Iowa Approval Letter, Iowa Department of Natural Resources, dated August 9, 2007.

- Groundwater Compliance Verification Program Report, Former Furnas Electric Company Facility, Osceola, Iowa, prepared by Advanced GeoServices Corp, dated October 9, 2008 – documents completion of groundwater response action.
- Soil Compliance Verification Program Report, Former Furnas Electric Company Facility, Osceola, Iowa, prepared by Advanced GeoServices Corp, dated October 15, 2008 – documents completion of soil response action.
- Groundwater and Soil Compliance Verification (CVP) Program Reports, Former Furnas Electric Company Site, Osceola, Iowa, prepared by Iowa Department of Natural Resources, dated December 18, 2007 – Soil CVP approval and request for additional groundwater data.
- May 2009 Groundwater Compliance Verification Supplemental Sampling, Former Furnas Electric Company Facility, Osceola, Iowa, prepared by Advanced GeoServices Corp, dated May 2009 – presentation and evaluation of supplemental groundwater data.
- May 2009 Groundwater Compliance Verification Supplemental Sampling Report, Former Furnas Electric Company Facility, Osceola, Iowa, prepared by Iowa Department of Natural Resources, dated July 1, 2009 – Groundwater CVP and response action approval.

A summary of the site assessment, risk evaluation and response actions are provided below:

- A total of sixty-nine (69) soil borings were completed on-site between November 2005 and September 2006. The majority of the borings were performed inside the building in the location of former manufacturing areas. Samples were tested for one or more of the following: metals; volatile organic compounds; and semi-volatile organic compounds. No records or historical research suggested the presence of outdoor disposal areas. All of the soil testing results were below the Statewide Soil Standards. However, Tetrachloroethene (PCE), Trichloroethene (TCE), cis-1,2-Dichloroethene (c12DCE) and 1,1-Dichloroethene (11DCE) exceeded site-specific leaching to groundwater standards at locations beneath the former Hazardous Waste Storage Shed, Former Paint Equipment Room/Plating Area #1/Sanitary and Floor Drain Waste Sump Room Areas, and Former Machine Shops #2 and #3.
- A total of fourteen (14) permanent groundwater monitoring wells and ten (10) piezometers were installed on-site. Eleven rounds of groundwater sampling have been performed since July 2004. Samples were tested for one or more of the following: metals; volatile organic compounds; and semi-volatile organic compounds. Groundwater beneath the Property was determined to meet the definition of a Non-Protected Use Groundwater Source as defined in 567 IAC 137. Groundwater beneath the building exceeded the PCE, TCE and 11DCE Statewide Standards for Non-Protected Use Groundwater Sources; however, groundwater at the property boundary was below the Statewide Standards for Protected Use Groundwater Sources for all constituents tested.
- Two (2) indoor air quality monitoring events were performed for volatile organic compounds. The results were below residential standards.
- The groundwater response action included the use of an institutional control to prevent development of groundwater for potable or process water. Three groundwater Compliance Verification Program (CVP) monitoring events (May 2007, May 2008 and May 2009) for select wells were also performed to confirm PCE, TCE and 11DCE concentrations were stable or decreasing. The groundwater CVP results confirmed the

conclusions in the RE/RA Report and the appropriateness of the selected groundwater response action.

- The soil response action included the use of technological and institutional controls. The technological control consists of the building concrete slab and an extension of the existing outdoor concrete apron around the former Hazardous Waste Storage Shed, or similar control, to prevent an increase in infiltration. The limits of the technological control are shown on Exhibit B to the Risk Evaluation/Response Action Report. The extension of the outdoor concrete slab was completed in October 2008. The institutional controls include a prohibition on residential development of the Property and maintenance of the technological control.

3. **Institutional Controls.** Iowa Code Section 455H.206 and Department rules in Chapter 567 I.A.C. 137 authorize the use of an environmental covenant as an institutional control. The purpose of this environmental covenant is to manage the risk of future exposure to existing contaminant conditions by limiting specified land use activities at this Property, establishing affirmative obligations and enforcing the terms of this covenant.

4. **Reopening.** The signatories acknowledge that failure of these activity and use limitations to serve their intended purpose of preventing the risk of exposure to contaminant conditions could result in the Department reopening review and regulation of the Property as provided under the terms of this environmental covenant, Iowa Code Chapter 455H, Iowa Code Chapter 455I and applicable Department administrative rules.

5. **Identity of Grantor(s) and Holder(s):**

GRANTOR: Clarke County Development Commission, an Iowa non-profit corporation

**HOLDERS: Siemens Industry, Inc. – former Owner/Operator;
Osceola Commercial Investors, LLC – current Lessee;
Astoria Industries of Iowa, Inc. – current Quasi Tenant;
Grow Iowa Foundation, Inc. - current Lessor and Mortgagee; and
Southern Iowa Counsel of Governments/Southern Iowa Development Group - current Mortgagee.**

AGENCY: Iowa Department of Natural Resources

6. **Representations and Warranties.** The Grantor warrants to the other signatories to this covenant the following:

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

7. **Running with the Land.** This environmental covenant is perpetual and runs with the land as provided in Iowa Code Section 455I.9 until modified or terminated as provided in Paragraph 13. The terms of this environmental covenant are binding on the Grantor and all successors in interest, assigns and all transferees acquiring or owning any right, title, lien or interest in the Property and their heirs, successors, assigns, grantees, executors, administrators and devisees. The term "transferee," as used in this environmental covenant, shall mean any future owner of any interest in the Property or any portion thereof, including, but not limited to, owners of an interest in fee simple, contract buyers, mortgagees, easement holders and/or lessees.

8. **Activity and Use Limitations and Terms.** The Property is subject to the following use limitations and terms:

- **DEVELOPMENT OF THE PROPERTY FOR RESIDENTIAL USE IS PROHIBITED;**
- **INSTALLATION OF WATER SUPPLY WELLS, FOR ANY USE, ON THE PROPERTY IS PROHIBITED; AND**
- **MAINTENANCE OF THE EXISTING TECHNOLOGICAL CONTROL (SEE "EXHIBIT B - SITE PHOTO") TO PREVENT INFILTRATION TO GROUNDWATER IS REQUIRED PER REQUIREMENTS OF THE AGENCY.**

9. **Notice of Non-Compliance.** Any property owner or subsequent transferee of an interest in the Property shall notify the Department as soon as possible of conditions which would constitute a breach of the activity and use limitations in paragraph eight (8) if they have actual knowledge of these conditions or would reasonably be deemed to have knowledge within the normal course of administration of their property interest.

10. **Notice to Lessees.** Grantor, any holder with a property interest sufficient to grant a lease of the property, and any subsequent transferee shall incorporate the activity and use limitations of this covenant either in full or by reference to this instrument in any lease, license, or other instrument granting a right to possession of the property.

11. **Access to Property.** Reasonable access to the Property is granted the Department or any authorized representative of the Department, public or private, for the purpose of implementation, monitoring and enforcement of the terms of this environmental covenant. The Department, its authorized representatives or other persons entitled to access shall provide the current owner of the Property with reasonable notice, an explanation of the reasons for entry and the scope of onsite activities prior to access. Right of access includes, but is not limited to, the following activities:

- a. repair and maintenance of remedial action equipment, soil caps, groundwater monitoring wells and associated aboveground or subsurface structures
- b. fencing and other technological controls.
- c. groundwater sampling and monitoring
- d. additional drilling
- e. construction of soil boring and/or groundwater monitoring wells
- f. other activities authorized or otherwise directed by the Department.

Access is also granted to Advanced GeoServices Corp., 1055 Andrew Drive, Suite A, West Chester, PA 19380.

12. **Groundwater Hazard Statement Notice.** Iowa Code Section 558.69 requires submission of a groundwater hazard statement and disclosure if “hazardous waste” exists on the Property as defined in Iowa Code Subsections 455B.411(3), 455B.412(2) or Section 455B.464 or if the Department determines that solid waste exists on the Property that is potentially hazardous. If hazardous waste is present, the groundwater hazard statement must state that the condition is being managed in accordance with Department rules. The signatories and all subsequent transferees required to submit a groundwater hazard statement under Iowa Code Section 558.69 shall make reference to this environmental covenant in substantially the following form:

THE INTEREST CONVEYED IS SUBJECT TO AN ENVIRONMENTAL COVENANT, DATED [*date month, day, year*] RECORDED IN THE DEED OR OFFICIAL RECORDS OF THE CLARKE COUNTY RECORDER ON [*date month, day, year*] IN [*document, book and page, or parcel number*].

THE ENVIRONMENTAL COVENANT CONTAINS THE FOLLOWING ACTIVITY AND USE LIMITATIONS: **DEVELOPMENT OF THE PROPERTY FOR RESIDENTIAL USE IS PROHIBITED; INSTALLATION OF WATER SUPPLY WELLS, FOR ANY USE, ON THE PROPERTY IS PROHIBITED; AND MAINTENANCE OF THE EXISTING TECHNOLOGICAL CONTROL TO PREVENT INFILTRATION TO GROUNDWATER IS REQUIRED PER THE REQUIREMENTS OF THE AGENCY.**

13. **Modification and Termination.** Modification or termination of the terms of this covenant shall comply with the standards in Iowa Code Chapter 455H.206 and applicable Department administrative rules. The terms of this environmental covenant may be modified or terminated by written consent of the Director of the Department, the then current fee simple title owner and all original signatories (unless exempted under the provisions of Iowa Code Section 455I.10(1)“c” in accordance with and subject to the provisions of Iowa Code Section 455I.10). The termination or modification is not effective until the document evidencing consent of all necessary persons is properly recorded. If not by consent, any modification or termination of this environmental covenant shall be in accordance with Iowa Code Section 455I.9 and such additional terms as specified in this covenant.

14. **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 Iowa Code Section 455I.11.

15. **Severability.** 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.

16. **Governing Law.** This environmental covenant shall be governed by and interpreted in accordance with the laws of the State of Iowa.

17. **Recordation.** Within sixty (60) days after Department approval of this environmental covenant, the Grantor shall record the environmental covenant in the same manner as a deed to the Property with the Clarke County Recorder's Office.

18. **Effective Date.** The effective date of this environmental covenant shall be the date upon which the fully executed environmental covenant has been properly recorded with the Clarke County Recorder's Office.

19. **Notice.** Unless otherwise notified in writing by the Department, any document or communication required by this environmental covenant shall be submitted to:

Iowa Department of Natural Resources
Land Recycling Program
Wallace State Office Building
502 E 9th Street
Des Moines, IA 50319

20. **Subordination and Consent.** By signing this environmental covenant, the signatories knowingly and intelligently acknowledge their consent to the terms of this agreement and agree to subordinate their interest in the property. The following persons have expressly consented and subordinated interests:

**Osceola Commercial Investors, LLC – current Lessee;
Astoria Industries of Iowa, Inc. – current Quasi Tenant;
Grow Iowa Foundation, Inc. - current Lessor and Mortgagee; and
Southern Iowa Counsel of Governments/Southern Iowa Development
Group - current Mortgagee.**

21. **Counterpart Signature Pages.** This environmental covenant is executed on separate counterpart signature pages by the parties.

22. **Notice of Change in Ownership.** Grantor and holder with sufficient property interest to convey a possessory interest in the property and any subsequent transferee with sufficient interest shall reference and incorporate the terms of this agreement into any subsequent instrument which conveys a possessory interest in the property.

HOLDER:

Siemens Industry, Inc.

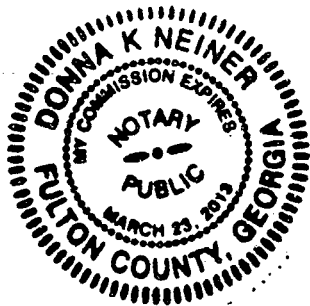
By: Len M. Dineen

Its: Director - Energy + Environment

STATE OF Georgia)
COUNTY OF Fulton) SS:

On this 17th day of June, 2010, before me, the undersigned, a Notary Public in and for the State of Georgia, personally appeared Kevin Sweeney, as Director of Siemens Industry, Inc., to me known to be the identical person named in and who executed the foregoing instrument on behalf of Siemens Industry, Inc., and acknowledged that he/she executed the same as his/her voluntary act and deed.

Donna K. Neiner
Notary Public in and for the State of Georgia



AGENCY:

Richard A. Leopold

Director, Iowa Department of Natural Resources

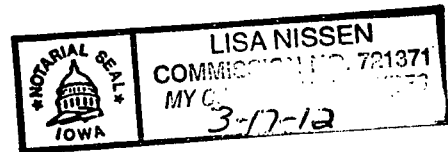
Signed this 20 day of August, 2010.

STATE OF Iowa

COUNTY OF Polk)SS:

On this 20th day of August, 2010, before me personally appeared Richard Leopold, known to me to be the Director of the Iowa Department of Natural Resources or the lawful designee of the Director who executed the foregoing instrument, and acknowledge that this person executed the same as his/her/their voluntary act and deed.

Lisa Nissen
Notary Public for State of Iowa



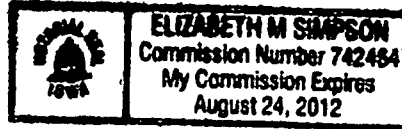
ACKNOWLEDGMENTS

GRANTOR:

Clarke County Development Corporation

By: [Signature]
Its: President

STATE OF IOWA)
COUNTY OF Clarke)SS:



On this 23rd day of September, 2010, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Wilfred Ber'singer, as President of Clarke County Development Corporation, to me known to be the identical person named in and who executed the foregoing instrument on behalf of Clarke County Development Corporation, and acknowledged that he/she executed the same as his/her voluntary act and deed.

[Signature]
Notary Public in and for the State of Iowa

Addendum 1/2

1. EXHIBIT "A" LEGAL DESCRIPTION

A parcel of land located in the Northwest Quarter (NW¼) of Section Nineteen (19), Township Seventy-two (72) North, Range Twenty-five (25) West of the 5th P.M., in the City of Osceola, Clarke County, Iowa, more particularly described as: Commencing at a 1" iron pin on the center of said Section Nineteen (19); thence N89°48'00"W along the South line of the Northwest Quarter (NW¼) of said Section Nineteen (19), a distance of 20.03 feet to a 1½" iron pin, on the point of beginning and on the West right-of-way line of South Ridge Road; thence N89°48'00"W along the South line of said Northwest Quarter (NW¼), a distance of 1107.70 feet to a 5/8" iron pin; thence N00°11'00"E, a distance of 560.30 feet to a 1" iron pin; thence N00°08'15"E, a distance of 265.83 feet to a ½" iron pin on the Southeast Corner of Lot Four (4) in Clarke County Industrial Park Plat No. 1, in the City of Osceola, Clarke County, Iowa, and on the West right-of-way line of Furnas Drive (formerly Metalcraft Avenue); thence S89°51'50"E, a distance of 65.90 feet to a 1½" iron pin, on the Southwest Corner of Lot Nine (9) in said Clarke County Industrial Park Plat No. 1 and on the East right-of-way line of Furnas Drive; thence N00°05'45"E along the East right-of-way line of Furnas Drive, a distance of 244.58 feet to a 5/8" iron pin on the South line of the North 160 feet of Lot 8 of Clarke County Industrial Park Plat No. 1; thence S89°20'50"E along the South line of the North 160 feet of said Lot Eight (8), a distance of 423.75 feet to a 5/8" iron pin on the East line of Lot Eight (8) of Clarke County Industrial Park Plat No. 1; thence S00°17'10"W along the East line of Clarke County Industrial Park Plat No. 1, a distance of 170.98 feet to a 5/8" iron pin; thence S89°49'20"E, a distance of 633.67 feet to a 5/8" iron pin, on the West right-of-way of South Ridge Road; thence S01°07'40"W along the West right-of-way line of South Ridge Road, a distance of 896.78 feet to the point of beginning;

EXCEPT

Commencing at a 1" iron pin on the center of said Section Nineteen (19); thence N89°48'00"W along the South line of the Northwest Quarter (NW¼) of said Section Nineteen (19), a distance of 40.03 feet to a point; thence N01°05'30"E, a distance of 63.00 feet to a 1½" iron pin on the point of beginning; thence N89°48'00"W, a distance of 25.00 feet to a 1½" iron pin; thence N01°05'30"E, a distance of 25.00 feet to a 1½" iron pin; thence S89°48'00"E, a distance of 25.00 feet to a 1½" iron pin; thence S01°05'30"W, a distance of 25.00 feet to the point of beginning, containing 0.01 acres;

AND EXCEPT

Beginning at the Southeast corner of the Northwest Quarter (NW¼) of Section Nineteen (19), Township Seventy-two (72) North, Range Twenty-five (25) West of the 5th P.M., thence North along the East line of said Northwest Quarter (NW¼) 794 feet; thence West 345 feet; thence South, parallel with the East line of said Northwest Quarter (NW¼), 397

Addendum 2/2

feet; thence West 200 feet; thence South, parallel with the East line of said Northwest Quarter, 397 feet, more or less, to the South line of said Northwest Quarter (NW $\frac{1}{4}$); thence East along the South line of said Northwest Quarter (NW $\frac{1}{4}$) 545 feet to the Point of Beginning.

Containing 24.51 acres subject to all recorded easements.

Exhibit B

(Site Photo)

Select date



1001 Furnas Dr, Osceola, IA 50213

Shaded Area is
Approximate Limit
of Technological
Control

© 2010 Google
Image USDA Farm Service Agency

© 2009 Google

Imagery Date: Jun 20, 2009

41°01'30.54" N 93°46'55.50" W elev. 1143 ft

Eye alt 2246 ft

