

Memorandum of Understanding
Between
The Ohio Environmental Protection Agency
And
The U. S. Department of the Interior

I. Introduction and Authority

This Memorandum of Understanding (MOU) by and between the Ohio Environmental Protection Agency and the U. S. Department of the Interior (DOI) through the U. S. Fish and Wildlife Service (FWS)(collectively, "the Trustees") is entered into to ensure coordination and cooperation of the Trustees in assessment of injuries and planning and implementation of restoration or replacement of natural resources and natural resource services injured by releases of hazardous substances at and from the Nease Chemical Superfund Site, Columbiana and Mahoning Counties, Ohio, (the Nease Site or Site). The Trustees enter into this MOU pursuant to the authorities provided for each Trustee under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 *et seq.*, including 42 U.S.C. 9607(f) and Ohio Revised Code (ORC) §3745.01, and the Governor of Ohio's July 20, 2007 designation of the Director of Ohio EPA as trustee for Ohio's natural resources, and other federal and state laws and authorities including, but not limited to, the Federal Water Pollution Control Act, 33 U.S.C. 1251 *et seq.*, and to the extent appropriate and elected for use by the Trustees, the Natural Resource Damage Assessment regulations, as amended, 43 C.F.R. Part 11. The MOU is intended to facilitate coordination and cooperation among the Trustees in their assessment of injuries to natural resources in connection with the Nease Site and in the restoration of those natural resources.

The Trustees' responsibilities include, but are not limited to, the assessment, recovery, and administration of natural resource damages for: (1) injury to, destruction of or loss of natural resources and natural resource services (hereinafter "injury" or "injured natural resources"); (2) restoration planning; (3) the costs of restoration, replacement, rehabilitation, and/or acquisition of equivalent (hereinafter "restoration" or "restore") of the injured natural resources; and (4) coordination of Trustee concerns and activities associated with removal, remedial or corrective actions, or other response actions carried out by other federal and state agencies in an effort to abate and/or minimize continuing and residual injury, and to achieve or enhance restoration of injured natural resources.

II. Trustees

The Trustees have trusteeship over certain natural resources at, or related to the Nease Site pursuant to 40 C.F.R. Section 300.600 subpart G of the National Contingency Plan (NCP), as amended, and other applicable laws. The Trustees have authority to act on behalf of the public to bring claims for natural resource damages against potentially responsible parties (PRPs) and to undertake restoration activities. However, nothing in this MOU is intended to imply, or operate in a manner, that any natural resource trustee with an interest in the Nease Site, whether a party to this Agreement or not, is in any way abrogating or ceding any natural resource trustee responsibility or authority over natural resources which may have been affected by the Site or agreeing to the existence and scope of Trustee responsibility or authority asserted by any Trustee with respect to such resources. Such other trustees may be added to this MOU by modification in accordance with section X. The following officials, collectively referred to as "Trustees," are parties to this MOU and act on behalf of the public as trustees for natural resources under this MOU:

Director, Ohio Environmental Protection Agency, or delegated representative

Regional Director, Region 3, U. S. Fish and Wildlife Service, as Authorized Official for DOI.

III. Events

This MOU is intended to address all releases, spills, or other incidents, occurrences, or events (hereinafter referred to as "Events"), related to the Nease Site which give rise to claims and/or potential claims for Natural Resource Damages. Locations covered by this MOU include releases of hazardous substances at and from the former Nease facility located in Columbiana County, Ohio; portions of the adjoining former Crane-Deming facility; the underlying areas where groundwater and soil gas are contaminated; a tributary draining the facility areas (Feeder Creek); the Middle Fork of Little Beaver Creek (MFLBC) extending the Site into Mahoning County; impacted floodplain and wetland and any area where a hazardous substance from or related to the Site has come to be located.

The Trustees recognize the importance of integrating and coordinating the assessment of damages for injuries to natural resources and seeking compensation for those injuries to natural resources and/or the services they provide, and restoration of those affected resources and/or services provided by those resources. The purpose of this MOU is to provide a framework for cooperation and coordination between Trustees, and for the implementation of the activities of the Trustees in furtherance of their responsibilities as Trustees for natural resources. The Trustees' activities will involve assessing damages for injuries to natural resources, seeking compensation for those injuries to natural resources, and using funds recovered as compensation to restore and/or replace and/or acquire the equivalent of the injured natural resources and/or the services provided by those natural resources.

IV. Organization of the Trustee Council

The Trustees recognize the importance of coordinating their efforts in order to meet their respective natural resource trustee responsibilities effectively and efficiently. Accordingly, there is hereby created, to implement this MOU, a Trustee Council, whose membership shall include: the designated representatives of the Director of the Ohio Environmental Protection Agency and the Secretary of the Interior. Each Trustee designating a representative to the Trustee Council shall also designate an alternate (see appendix). Representatives to the Trustee Council shall fully coordinate Trustee activities among themselves and may seek advisory participation from the United States Department of Justice, the Department of the Interior Office of the Solicitor, the State Attorney General or other legal advisors, as well as other governmental entities such as the U. S. Environmental Protection Agency and the Ohio Department of Natural Resources. The Trustee Council may create subcommittees as necessary to achieve the purposes of this MOU. The Trustee Council members unanimously agree that Ohio EPA will serve as the Lead Coordinating Trustee (LCT). The LCT shall cooperate fully and act under the direction of the Council.

V. Duties and Responsibilities of the Trustee Council

The Trustee Council shall coordinate and authorize all Trustee activities and matters under this MOU in accordance with the decision making requirements contained in section VI. The Trustees may take whatever actions they determine are necessary to fulfill the responsibilities of each Trustee under applicable federal and state laws. It is expected that the Trustees, through their representatives, in accordance with applicable laws and policies, may take the following actions, inter alia, to address the Trustees' natural resource responsibilities:

1. Conduct scientific and technical studies, sampling, and other activities relating to natural resources. These may include, but are not limited to, the assessment of natural resource damages for injury to natural resources which may have been lost, injured, or destroyed.
2. In recognition of the Congressional intent of Section 107(f) of CERCLA to restore natural resources injured as a result of releases of hazardous substances, the measure of recoverable natural resource damages contemplated under this MOU and that the Trustees may seek compensation from responsible parties for such damages may include:
 - a. The costs of restoring injured natural resources;
 - b. Interim lost use or diminution of value of the injured natural resources pending natural recovery or restoration of the injured natural resources;

- c. Reasonable costs of the assessment of natural resource damages and restoration; and
 - d. Trustee oversight costs associated with administering or implementing restoration projects for injured natural resources. This may include documented Trustee costs of participation in removal, remedial, corrective or other response actions carried out by others in an effort to abate and/or minimize continuing and residual injury, and to achieve or enhance restoration of injured natural resources.
3. In concert with attorneys for the Trustees, participate in negotiations with responsible parties;
 4. Make all necessary decisions for the management and administration of funds pursuant to Section VII of this MOU in accordance with applicable law;
 5. Supervise, manage, obligate, and arrange for disbursement of any money paid to the Trustees by, or on behalf of, responsible parties for the purpose of assessing, restoring, replacing, rehabilitating and/or acquiring the equivalent of the affected natural resources in accordance with applicable law;
 6. Arrange for necessary contracts with professional consultants, technical or otherwise, that the Trustees determine are best qualified to provide services to the Trustees, in accordance with applicable law;
 7. In consultation with the Ohio Department of Natural Resources, the U. S. Environmental Protection Agency, and other agencies, as necessary or appropriate, oversee the development and implementation of a plan for the restoration, replacement, rehabilitation, and/or acquisition of equivalent resources for those trust resources, and/or the services provided by those resources, that were injured, lost, or destroyed, and/or the services provided by those resources;
 8. Conduct or oversee the development and the implementation of a plan for the restoration, replacement, rehabilitation and/or acquisition of equivalent resources for those natural resources that were injured, lost, or destroyed, and/or the services provided by those resources;
 9. Coordinate and integrate, to the extent practicable, natural resources Trustee concerns and activities with removal, remedial or corrective actions, or other response actions carried out by other federal and state agencies in an effort to abate and/or minimize continuing and residual injury, and to achieve or enhance restoration of injured natural resources;
 10. Communicate with the public and encourage public review and comment on assessment and restoration planning;

11. Execute additional agreements, as necessary, to carry out the duties and responsibilities of this MOU; and
12. Seek compensation from responsible parties for damages assessed by the Trustees and for the costs of planning and implementing the assessment.

The Ohio EPA, as LCT, will perform the following duties and administrative tasks: coordination, monitoring and reporting of the progress of the natural resource damage assessment process; scheduling of meetings and preparation of agendas for Trustee Council meetings; notifying Trustee Council representatives of those meetings on a timely basis; acting as central contact point for the Trustee Council; and other such duties as may be directed by the Trustee Council representatives. The LCT will be responsible for informing the other Trustees of all pertinent developments on a timely basis. Ohio EPA DERR Northeast District Office shall be responsible for managing and maintaining documents designated for inclusion in the Administrative Record by the Trustee Council representatives in accordance with applicable federal and state law and guidance.

VI. Decision Making By the Trustee Council

The Trustees agree that decisions implementing this MOU shall require unanimous approval of the Trustee Council and as necessary shall be by signed resolution of the designated Trustee Council Representatives.

In the event that unanimous agreement cannot be reached between Trustee Council representatives, the matter in dispute will be elevated to the following officials for each Trustee:

Ohio EPA: Cindy Hafner, or her successor
Chief, Division of Emergency and Remedial Response
50 West Town Street
Columbus, Ohio
(614) 644-2924

U.S. Fish and Wildlife Service:
Mary M. Knapp, or her successor
Field Supervisor
U.S. Fish and Wildlife Service
4625 Morse Road, Suite 104
Columbus, OH 43230
(614) 416-8993

In the event the aforementioned Trustee officials cannot reach a unanimous agreement, the matter in dispute will be elevated to the Trustee Official having signature authority either to resolve the dispute or establish a dispute resolution mechanism by which the dispute may be resolved. The Trustees further agree that decision making deliberations will focus

upon the Trustees' mutual goal of assessing, restoring, rehabilitating, replacing and/or acquiring the equivalent of the affected natural resources.

VII. Funds

The Trustees agree that they will use all recovered damages for natural resource injuries arising out of an event under this MOU exclusively for activities that would restore, replace, rehabilitate or acquire the equivalent of the injured resources. Said activities shall be consistent with Trustee Council approved plans to address those injuries to natural resources and the services that they provide. In accordance with their decision making process in Section VI, the Trustees will establish standards and procedures governing the use of all natural resource damages jointly received by the Trustees for the purposes of developing and administering or implementing a Final Restoration Plan for restoring, replacing, rehabilitating and/or acquiring the equivalent of natural resources injured as a result of an Event and the reduced or lost services provided by those resources.

The Trustees agree to pursue the recovery of reasonable costs (past, current and future) for the initiation of damage assessment and for the planning, conducting, evaluating, and coordinating of all natural resource damage assessment activities pursued by the Trustee Council with respect to natural resource injuries or lost services resulting from the Events. The Trustees agree to request that recovered costs be separately reimbursed to each individual Trustee agency claiming same. Recovered administrative costs will be disbursed by electronic transfer or by certified check to each recovering agency as soon as possible and shall be used at the individual agency's discretion. For administrative costs not separately reimbursed, the Trustees agree that the reasonable costs, which are jointly agreed upon, shall be reimbursed to each Trustee.

Monies for the payment of DOI's costs shall be paid directly to the U.S. Fish and Wildlife Service's Natural Resource Damage Assessment and Restoration Fund.

Monies for payment of the State of Ohio's costs shall be paid to Treasurer, State of Ohio/Hazardous Waste Clean-Up Fund, sent to Fiscal Officer, Ohio EPA, with a copy to Fiscal Officer, DERR.

Each Trustee is responsible for tracking and documenting the costs and expenses it incurs as a result of its participation in the natural resource damage assessment and restoration process under this MOU in a form and manner sufficient to support the recovery of such costs under CERCLA. The documentation of such costs will, at a minimum, (1) evidence the actual time spent, by date, and the hourly salary rate applicable to each agency participant; (2) identify all indirect or overhead rates used in determining costs, including the manner of their application; and (3) include evidence (such as invoices or receipts) of all contract costs or other expenditures presented for payment. Each Trustee will be responsible for the accuracy of the assessment costs it reports or presents for payment under this MOU. No Trustee is to certify or warrant any assessment or restoration cost information other than its own.

VIII. Confidentiality

The Trustees and their representatives agree that it is in the public interest, consistent with applicable law, that all validated scientific data arising out of their review of the injury to natural resources as a result of the Events be made public. Consistent with applicable law, such data shall be made public as soon as publication will not prejudice the accomplishment of the purposes of this MOU, unless state or federal law requires earlier availability.

However, the Trustees and their representatives recognize that some written or oral communications related to the assessment and recovery of damages for injury to natural resources may be undertaken in anticipation of litigation. Accordingly, oral and written communications and work product which are privileged attorney-client communications, attorney work product, or protected by other applicable privilege (or a combination thereof), and which are protected from disclosure under applicable federal or state law, will be handled consistent with applicable law. Furthermore, since the Trustees and their representatives have duties and/or responsibilities under CERCLA, they are subject to the confidentiality provisions of 42 U.S.C. §9604(e) (7) and to the applicable penalty provisions of that section. The transmittal of any designated privileged documents or designated privileged communication between or among any of the Trustees or federal or state response action agencies or other federal or state trustees (and their counsel, representatives, contractors, and consultants) does not waive, or imply any waiver of, any privilege or right which the transmitting government may assert with respect to that document or communication. They further agree that whenever a request for production of such record is received pursuant to any Federal or State law, a copy of the request will be forwarded for discussion to the Trustee to which the privilege applies or whose representatives originally generated or contributed the record requested. Except as otherwise provided, nothing contained herein shall be construed as prohibiting or restraining the Trustees or the Trustee Council from agreeing to release any record or from responding to a request in accordance with applicable law.

The Trustees and the Trustee Council representatives agree that they will coordinate with each other regarding communications with the responsible parties or their agents for matters related to the natural resource damage assessment and restoration for the Nease Site. No Trustee or its representatives will discuss these matters with a responsible party without first providing the other Trustee with notice and, as appropriate, an opportunity to participate in such discussions. This agreement shall not preclude a Trustee or its Trustee representatives from having separate communications with a responsible party on matters within the scope of this MOU where circumstances warrant, provided that each Trustee or representative notifies the other Trustee or representatives of the person contacted and summarizes the subject of the communications.

IX. Reservation of Rights

Except for the confidentiality agreement contained in section VIII, the Trustees and their representatives understand that this document is not intended to create any further legal rights or obligations between the Trustees and is not intended to create any legal rights whatsoever for any persons not parties to this MOU.

X. Modification of Agreement

Modification of this MOU shall be in writing and will become effective upon approval by both of the Trustees.

XI. Termination

This MOU shall be in effect from the date of execution until termination by agreement of the Trustees. In the event either Trustee withdraws from the MOU, such withdrawal shall be documented in writing and submitted to the other Trustee at least thirty days in advance of the withdrawal.

In the event of the withdrawal of either Trustee, or at the termination of this MOU, there shall be a complete accounting of all funds jointly received, deposited, held, disbursed, managed, or expended pursuant to Section VII of this MOU, or otherwise controlled in any separate or joint account by the Trustees as a result of any occurrence.

A Trustee that has withdrawn from this MOU shall continue to coordinate activities to the greatest extent practicable, and to expend unobligated funds recovered for natural resource damages solely to restore, replace, or acquire the equivalent of injured natural resources related to the Nease Site under their trusteeship, as mandated by Section 107(f) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), as amended, 42 U.S.C. §9607(f).

XII. Limitation

Nothing in this MOU shall be construed as obligating the United States, the State of Ohio, or any other public agency, their officers, agents, or employees, to expend any funds in excess of appropriations authorized by law.

XIII. Third Party Claims, Challenges or Appeals

The activities to be carried out in furtherance of the Trustees' rights and responsibilities contained in this MOU are subject to the availability of funding and are intended to be guidance for use and coordination by the Trustees. This MOU is not intended to create or

authorize a basis for any third party claims, challenges or appeals to the actions of the Trustees.

XIV. Effective Date

This MOU may be executed in counterparts. A copy with all original executed signature pages affixed shall constitute the original MOU.

The effective date of this MOU shall be the date of signature of the Trustee who is last to sign.



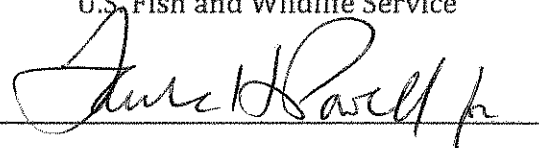
Charles M. Wooley
Acting Regional Director

July 22, 2010

Date

for

Tom Melius, Regional Director, Region 3
U.S. Fish and Wildlife Service



Chris Korleski, Director
Ohio Environmental Protection Agency

8/3/10

Date

APPENDIX

Section IV of this MOU establishes the Trustee Council whose membership includes the following designated representatives of the Director of the Ohio Environmental Protection Agency and the Secretary of the Interior:

Secretary of the Interior:

Designated representative for U.S. Fish and Wildlife Service: Natural Resource Damage Assessment Case Manager, Columbus Ohio Field Office (presently Kevin Tloczynski)

Designated alternate representative for U.S. Fish and Wildlife Service: Fish and Wildlife Biologist, Columbus Ohio Field Office (presently David De Vault)

Director of the Ohio Environmental Protection Agency:

Designated representative for the Ohio Environmental Protection Agency: Project Coordinator, Northeast District Office, Twinsburg, Ohio (presently Sheila Abraham)

Designated alternate representative for the Ohio Environmental Protection Agency: Natural Resource Damage Assessment Coordinator, Columbus, Ohio (presently Brian Tucker)