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15 SUBSTANCES CONTROL and the CALIFORNIA TOXIC
16 SUBSTANCES CONTROL ACCOUNT

17 UNITED STATES DISTRICT COURT
18 CENTRAL DISTRICT OF CALIFORNIA

19 CALIFORNIA DEPARTMENT OF
20 TOXIC SUBSTANCES CONTROL
21 and the CALIFORNIA TOXIC
22 SUBSTANCES CONTROL
23 ACCOUNT,

24 Plaintiffs,

25 v.

26 AMERICAN HONDA MOTOR CO.,
27 INC.; ANADARKO E&P COMPANY
28 LP; ATLANTIC RICHFIELD
COMPANY; BAYER
CROPSCIENCE INC.; CHEMICAL
WASTE MANAGEMENT, INC.;
CHEVRON ENVIRONMENTAL
MANAGEMENT COMPANY; CITY
OF LOS ANGELES, acting by and
through the LOS ANGELES
DEPARTMENT OF WATER AND
POWER; CONOCOPHILLIPS
COMPANY; DUCOMMUN
AEROSTRUCTURES, INC.; EXXON
MOBIL CORPORATION; GENERAL
MOTORS CORPORATION;
HONEYWELL INTERNATIONAL,
INC.; HUNTINGTON BEACH
COMPANY; MCFARLAND
ENERGY, INC.; NATIONAL STEEL
AND SHIPBUILDING COMPANY;

CASE NO.: CV05-7746 CAS (JWJx)
STIPULATION RE MODIFICATION
OF CONSENT DECREE RE BKK
HAZARDOUS WASTE FACILITY

1 NORTHROP GRUMMAN
2 CORPORATION; QUEMETCO, INC.;
3 ROHR, INC.; SHELL OIL
4 COMPANY; SOUTHERN
5 CALIFORNIA EDISON COMPANY;
6 THUMS LONG BEACH COMPANY;
7 UNION CARBIDE CORPORATION;
8 UNION OIL COMPANY OF
9 CALIFORNIA; WASHINGTON
10 MUTUAL BANK; WASTE
11 MANAGEMENT COLLECTION
12 AND RECYCLING, INC.; WESTERN
13 WASTE INDUSTRIES; and XEROX
14 CORPORATION,

Defendants.

15 INTRODUCTION

16 WHEREAS, the Department of Toxic Substances Control (“DTSC”) and
17 the 27 Defendants named in the caption of this stipulation (“the Settling
18 Defendants”) lodged a Consent Decree RE BKK Hazardous Waste Facility
19 (“Consent Decree”) with the Court on October 31, 2005;

20 WHEREAS, DTSC thereafter published notice of the Consent Decree in
21 the *California Regulatory Notice Register*, provided a fact sheet to the
22 neighboring community describing the settlement, and solicited public comments
23 during a thirty day period after the lodging of the Consent Decree;

24 WHEREAS, DTSC and Settling Defendants, as defined in the Consent
25 Decree, have agreed that issues have come to their attention since the lodging that
26 will necessitate several modifications to the Consent Decree;

27 WHEREAS, DTSC and Settling Defendants have agreed that, due to the
28 delay caused by the need to resolve these issues, Paragraph 3.9 has been amended
to indicate that the period of time for Future Interim Response Costs shall now
mean all costs incurred by DTSC between lodging and March 15, 2006.

WHEREAS, DTSC and Settling Defendants have agreed to change the
ending date for the Settling Defendant’s obligation to perform work under the
Consent Decree from January 14, 2008 to March 15, 2008 or “two years from the

1 date the Settling Defendants fully commence the Essential Activities and Critical
2 Tasks and other work pursuant to Section IV herein, whichever is later.” This
3 change has been made in Paragraphs 2.7, 3.9, 4.1.1, 4.8, and 5.1.1 of the Consent
4 Decree.

5 WHEREAS, DTSC and Settling Defendants have agreed to modify
6 Paragraph 4.1.2 and Exhibit D of the Consent Decree to indicate that the Settling
7 Defendants has agreed to take on additional Critical Tasks;

8 WHEREAS, DTSC and the Settling Defendants have agreed to modify
9 Paragraph 4.7 of the Consent Decree to indicate that the Settling Defendant’s
10 obligations to pay Future Interim Response Costs will be reduced in return for
11 their agreement to take on additional Critical Tasks;

12 WHEREAS, DTSC and the Settling Defendants have agreed to change a
13 typographical error in Paragraph 5.1.1 of the Consent Decree by changing the date
14 “May 30” to “May 31” each time the date appears in that Paragraph;

15 WHEREAS, DTSC and the Settling Defendants have agreed to modify
16 Paragraphs 5.1.1 and 5.1.2 of the Consent Decree so as to permit BKK
17 Corporation (“BKK”) to have access to a portion of the insurance policy proceeds,
18 consistent with a settlement agreement between BKK and DTSC, executed on
19 January 13, 2006 (in addition, the prior Paragraph 5.1.2 has been renumbered as
20 Paragraph 5.1.3);

21 WHEREAS, each of the modifications described above has been embodied
22 in the Amended Consent Decree filed concurrently with this stipulation;

23 NOW, THEREFORE, DTSC, and the Settling Defendants hereby stipulate
24 as follows.

25 STIPULATION

26 DTSC and each of the Settling Defendants, American Honda Motor Co.,
27 Inc.; Anadarko E&P Company LP; Atlantic Richfield Company; Bayer
28 Cropsience Inc.; Chemical Waste Management, Inc.; Chevron Environmental
Management Company; City of Los Angeles, acting by and through the Los

1 Angeles Department of Water and Power; ConocoPhillips Company; Ducommun
2 Aerostructures, Inc.; Exxon Mobil Corporation; General Motors Corporation;
3 Honeywell International, Inc.; Huntington Beach Company; McFarland Energy,
4 Inc.; National Steel and Shipbuilding Company, Northrop Grumman Corporation;
5 Quemetco, Inc.; Rohr, Inc.; Shell Oil Company; Southern California Edison
6 Company; Thums Long Beach Company; Union Carbide Corporation; Union Oil
7 Company of California; Washington Mutual Bank; Waste Management Collection
8 and Recycling, Inc.; Western Waste Industries; and Xerox Corporation, warrant
and agree that they have:

- 9 1. Approved each modification of the Consent Decree described above
10 and the substitution of the Amended Consent Decree for the original Consent
11 Decree;
- 12 2. Consented to having its original signature page lodged on October 31,
13 2005 with the original Consent Decree attached to the Amended Consent Decree;
- 14 3. Authorized their respective counsel to make each of the above-
15 described modifications on its behalf and enter into this stipulation on its behalf.

16
17 Dated: February 7, 2006

18
19 //original signed by//

20 ~~Brian H. Hatcher~~
21 Deputy Attorney General
Attorney for Plaintiffs

22 Dated: February 7, 2006

23
24 //original signed by//

25 ~~James Dragna~~
26 Bingham McCutchen, LLP
27 Attorney for Settling Defendants
28

1 **SERVICE LIST**

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4 **RE: *California Department of Toxic Substances Control, et al. v. American
Honda Motor Co., Inc.***

5 **Case No.: CV05-7746 CAS (JWJx)**

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