

VIII. NOTICE OF INTENT TO COMPLY

Each Respondent shall provide, not later than ten (10) days after the effective date of this Order, written notice to EPA's Remedial Project Manager ("RPM") stating whether or not that Respondent intends to comply with the terms of this Order. If a Respondent does not unequivocally commit to perform the Work as provided by this Order or fails to notify EPA of its intent to comply in the timeframe and manner specified in this Section, that Respondent shall be deemed to have violated this Order and to have failed or refused to comply with this Order. Each Respondent's written notice shall describe, using facts that exist on or prior to the effective date of this Order, any "sufficient cause" defenses asserted by that Respondent under Sections 106(b) and 107(c)(3) of CERCLA, 42 U.S.C. §§ 9606(b) and 9607(c)(3). The absence of a response by EPA to the notice required under this paragraph shall not be deemed to be acceptance of or agreement with any of Respondents' assertions.

IX. PARTIES BOUND

A. This Order shall apply to and be binding upon each Respondent identified in Subpart I.C and each Respondent's respective agents, contractors, subcontractors, successors, and assigns. Respondents are jointly and severally responsible for carrying out all of the Work required by this Order. No change in the ownership, corporate status, or other control of any Respondent shall alter any of the Respondents' responsibilities under this Order.

B. Each Respondent shall provide a copy of this Order to any prospective owner or successor before a controlling interest in

1 that Respondent's assets, property rights, or stock are
2 transferred to the prospective owner or successor. Respondents
3 shall provide a copy of this Order to each contractor,
4 subcontractor, laboratory, or consultant retained to perform any
5 Work under this Order, within ten (10) days after the effective
6 date of this Order or on the date such services are retained,
7 whichever date occurs later. Each Respondent shall also
8 condition all contracts and subcontracts entered into with
9 respect to the Work upon performance of the Work in conformity
10 with the terms of this Order. With regard to the activities
11 undertaken pursuant to this Order, each contractor and subcon-
12 tractor shall be deemed to be related by contract to the Respon-
13 dents within the meaning of Section 107(b)(3) of CERCLA, 42
14 U.S.C. § 9607(b)(3). Notwithstanding the terms of any contract,
15 Respondents are responsible for compliance with this Order and
16 for ensuring that their contractors, subcontractors and agents
17 comply with this Order and perform any Work in accordance with
18 this Order.

19 c. Not later than five (5) days prior to any transfer by a
20 Respondent of any real property identified in Paragraph II.A.12,
21 the applicable Respondent(s) shall submit a true and correct copy
22 of its transfer document(s) to EPA, and shall identify the
23 transferee by name, principal business address, and the effective
24 date of the transfer.

25 X. WORK TO BE PERFORMED

26 A. General Obligations

27 1. Respondents shall be responsible, jointly and
28 severally, for financing and performing the Work as required by

1 this Order. In the event of insolvency or other failure of any
2 one or more of the Respondents to perform any portion of the
3 Work, any remaining Respondent(s) shall complete such
4 requirements.

5 2. Respondents shall perform the Work in accordance with
6 the NCP, and all amendments thereto, and in accordance with the
7 standards, requirements, specifications, and any schedules
8 contained in this Order, incorporated into this Order by
9 reference, submitted or prepared by Respondents and approved by
10 EPA pursuant to this Order or issued or modified by EPA pursuant
11 to this Order. Respondents shall ensure that:

12 a. all designs, workplans, and proposals submitted
13 pursuant to this Order are consistent with (1) the NCP, (2) EPA
14 *Guidance on Remedial Design and Remedial Action*, OSWER Directive
15 9355.04A (June 1986), and (3) any other appropriate EPA guidances
16 provided to Respondents by EPA;

17 b. all worker health and safety plans prepared pursuant
18 to this Order satisfy the requirements of (1) Part 1920 of Title
19 29 of the Code of Federal Regulation (54 Fed. Reg. 9294, March 6,
20 1989), (2) U.S. Department of Health and Human Services
21 *Occupational Safety and Health Guidance for Hazardous Waste Site*
22 *Activities* (October 1985 DHHS (NIOSH) Publication No. 85-115),
23 (3) U.S. EPA *Standard Operating Safety Guides* (July 1988), and
24 (4) any other applicable requirements; and

25 c. all quality assurance plans prepared pursuant to
26 this Order follow the guidelines listed in Section XVII (Quality
27 Assurance).

28 3. Unless otherwise directed by EPA, no Respondent shall

1 perform any Remedial Action Work under this Section X (Work To Be
2 Performed) prior to EPA's approval of such Work.

3 4. Respondents shall appoint a representative (the
4 "Project Coordinator") to act on their behalf to execute the
5 Work, in accordance with Section XIX (Remedial Project Manager
6 and Project Coordinator).

7 5. All personnel performing Work shall be qualified to
8 perform those portions of the Work which they are assigned.
9 Respondents shall submit evidence that all portions of the Work
10 will be performed (not merely reviewed) by personnel qualified to
11 perform those portions of the Work which they are assigned.

12 6. All Remedial Design Work shall be under the direction
13 of a qualified professional architect/engineer. In the timeframe
14 provided in the Work Schedule (attached as Attachment A and
15 incorporated herein by reference), Respondents shall notify EPA
16 in writing of the name, title, and qualifications of the archi-
17 tect/engineer proposed to supervise and direct the Remedial
18 Design Work to be performed pursuant to this Order. Selection of
19 any such architect/engineer shall be subject to disapproval by
20 EPA. The submitted information about the proposed
21 architect/engineer shall include a written statement of
22 qualifications in sufficient detail to allow EPA to make a full
23 and timely evaluation. If at any time, Respondents propose to
24 change the selected architect/engineer, the Respondents shall
25 give written notice to EPA of the name, title and qualifications
26 of the proposed architect/engineer. Any such change shall be
27 subject to disapproval by EPA.

28 7. If EPA disapproves of the selection of the archi-

1 tect/engineer, Respondents shall submit to EPA within thirty (30)
2 days after receipt of EPA's disapproval of the architect/engineer
3 previously selected, a list of at least three
4 architects/engineers and their qualifications, including primary
5 support entities and staff, that would be acceptable to Respon-
6 dents. EPA will thereafter provide notice to Respondents of the
7 architects/engineers on the list that are acceptable to EPA (if
8 any). Respondents may then select any approved archi-
9 tect/engineer from that list and shall notify EPA of the name of
10 the architect/engineer selected within fifteen (15) days of EPA's
11 designation of acceptable architects/engineers.

12 8. All Remedial Action Work shall be under the direction
13 of a qualified professional engineer. In the timeframe provided
14 in the Work Schedule, Respondents shall notify EPA in writing of
15 the name, title, and qualifications of the engineer proposed to
16 supervise and direct the Remedial Action Work to be performed
17 pursuant to this Order. Selection of any such engineer shall be
18 subject to disapproval by EPA. The submitted information about
19 the proposed engineer shall include a written statement of
20 qualifications in sufficient detail to allow EPA to make a full
21 and timely evaluation. If at any time, Respondents propose to
22 change the selected engineer, the Respondents shall give written
23 notice to EPA of the name, title and qualifications of the
24 proposed engineer. Any such change shall be subject to
25 disapproval by EPA.

26 9. If EPA disapproves of the selection of the engineer,
27 Respondents shall submit to EPA within thirty (30) days after
28 receipt of EPA's disapproval of the engineer previously selected,

1 a list of at least three engineers and their qualifications,
2 including primary support entities and staff, that would be
3 acceptable to Respondents. EPA will thereafter provide notice to
4 Respondents of the names of the engineers on the list that are
5 acceptable to EPA (if any). Respondents may then select any
6 approved engineer from that list and shall notify EPA of the name
7 of the engineer selected within fifteen (15) days of EPA's
8 designation of acceptable engineers.

9 10. In the timeframe provided in the Work Schedule, the
10 Respondents shall submit the names of its Remedial Action
11 Contractors/Subcontractors to EPA and shall state in such
12 submission whether the Contractors/Subcontractors were retained
13 by way of a construction contract or through the assignment of
14 the Respondents' in-house resources. Within thirty (30) days of
15 a request by EPA, the Respondents shall provide the
16 qualifications of the Contractors or Subcontractors listed in
17 their requests for approval by EPA. The information submitted
18 shall include a statement of qualification in sufficient detail
19 to allow EPA to make a full and timely evaluation.

20 11. If EPA disapproves of the selection of the Remedial
21 Action Contractors/Subcontractors, Respondents shall submit to
22 EPA within thirty (30) days after receipt of EPA's disapproval of
23 the Contractors/Subcontractors previously selected, a list of at
24 least three Contractors/Subcontractors and their qualifications,
25 including primary support entities and staff, that would be
26 acceptable to Respondents. EPA will thereafter provide notice to
27 Respondents of the names of the Contractors/Subcontractors on the
28 list that are acceptable to EPA (if any). Respondents may then

1 select any approved Contractor/Subcontractor from that list and
2 shall notify EPA of the name of the engineer selected within
3 fifteen (15) days of EPA's designation of acceptable
4 Contractors/Subcontractors.

5 12. In the timeframe provided in the Work Schedule and
6 prior to initiation of any construction activities, the
7 Respondents shall submit the names and qualifications of their
8 Independent Quality Assurance Team ("IQAT") for approval by EPA.
9 The IQAT shall be used to provide confidence to the Respondents
10 that the selected remedy is constructed to meet project
11 requirements, but its use shall not release the Respondents from
12 any of their obligations under this Order. The IQAT implements
13 testing and inspecting the work of the Remedial Action Engineer.
14 Each IQAT member is required to be "independent" and autonomous
15 from the Remedial Action Engineer and may come from within the
16 ranks of the Respondents' own staff, the Remedial Design
17 Architect/Engineer organization, or through a separate
18 contractual relationship with a private consulting entity. EPA
19 approval will be based in part on the requirement for
20 independence between the IQAT and the Remedial Action Engineer.
21 The information to be submitted shall include a written statement
22 of qualifications in sufficient detail to allow EPA to make a
23 full and timely evaluation of the IQAT's qualifications.

24 13. If EPA disapproves of the selection of the Remedial
25 Action IQAT, Respondents shall submit to EPA within thirty (30)
26 days after receipt of EPA's disapproval of the IQAT previously
27 selected, a list of at least three IQATs and the team's
28 qualifications, including primary support entities and staff,

1 that would be acceptable to Respondents. EPA will thereafter
2 provide notice to Respondents of the names of the IQATs on the
3 list that are acceptable to EPA (if any). Respondents may then
4 select any approved IQAT from that list and shall notify EPA of
5 the name of the IQAT selected within fifteen (15) days of EPA's
6 designation of acceptable IQATs.

7 14. Prior to the start of construction, the Respondents
8 shall schedule and initiate a pre-construction conference. At a
9 minimum, the invitees shall include: Respondents' Project
10 Coordinator; Lockheed's Project Coordinator, the City's Project
11 Coordinator; the EPA Remedial Project Coordinator and any
12 designated EPA Oversight Representatives; Respondents' Remedial
13 Design Architect/Engineer; Respondents' Independent Quality
14 Assurance Team; Respondents' Remedial Action Engineer; and
15 representatives of California Department of Health Services
16 Office of Drinking Water.

17 The main purpose of the pre-construction conference will
18 be to establish relationships among these parties, including
19 lines of communication.

20 15. During the implementation of the Remedial Action
21 Work, the Respondents shall be responsible for assuring access
22 for the EPA Project Coordinator and/or the Oversight
23 Representatives to the extent it is required to provide access
24 pursuant to Section XX (Site Access and Notification) of this
25 Order. Respondents shall provide, at their own expense, access
26 to accommodations or office trailer space sufficient for the EPA
27 Project Coordinator and/or Oversight Representatives to
28 accomplish oversight duties with respect to Respondents'

1 activities, such as review of documents and reports.

2 16. Upon completion of the construction process (with the
3 exception of non-routine maintenance), Respondents shall conduct
4 a pre-final and final inspection of completed Work. At a
5 minimum, the invitees shall include Respondents and/or their
6 representatives, including the Respondents' Project Coordinator;
7 Lockheed's Project Coordinator; the City's Project Coordinator;
8 the EPA Remedial Project Coordinator and any designated EPA
9 Oversight Representatives; Respondents' Remedial Design
10 Architect/Engineer; Respondents' Independent Quality Assurance
11 Team; Respondents' Remedial Action Engineer; and representatives
12 of the California Department of Health Services Office of
13 Drinking Water.

14 The purpose of the inspections is to determine if all
15 aspects of the plans and specifications have been implemented at
16 the Site and whether the facilities to be constructed pursuant to
17 this Order are operational and functional. If any items have not
18 been completed, Respondents shall develop a punch list which
19 details the outstanding items still requiring completion or
20 correction.

21 A final inspection shall be conducted when all the items
22 on the punch list have been completed. All items indicated as
23 requiring correction on the punch list shall be reinspected, and
24 all tests that were originally unsatisfactory shall be conducted
25 again. A final punch list shall be developed for any outstanding
26 deficiencies still requiring correction.

27 17. Respondents shall submit for review and approval each
28 of the deliverables listed in the Work Schedule (except the

1 Health and Safety Plan, see below) and shall submit for review
2 the monthly progress reports and the quarterly quality assurance
3 reports described in Subpart X.C of this Order and the Health and
4 Safety Plan required by Paragraph X.C.4 of this Order. Any
5 failure by Respondents to submit any deliverable required by this
6 Order in compliance with any schedule or deadline contained in
7 this Order, incorporated into this Order by reference, submitted
8 or prepared by Respondents and approved by EPA pursuant to this
9 Order or issued or modified by EPA pursuant to this Order
10 (including any failure to submit a required monthly progress
11 report or quarterly quality assurance report) shall be deemed a
12 violation of this Order.

13 18. Respondents shall cooperate with EPA in providing
14 information regarding the Work to the public. As requested by
15 EPA, Respondents shall participate in the preparation of
16 information for distribution to the public and in public meetings
17 which may be held or sponsored by EPA, or in which EPA is a
18 participant, to explain activities at or relating to the Site.

19 B. Description of the Work To Be Performed

20 The Work to be performed pursuant to this Order includes all
21 activities necessary to accomplish the tasks described in
22 Subparts B.1 through B.2, below. Respondents shall:

23 1. Design and construct all facilities necessary to:

24 a. receive 9,000 gallons per minute ("gpm") of
25 disinfected groundwater at the Point of Interconnection;

26 b. blend such disinfected groundwater with MWD supplied
27 water ("blending water") to achieve a combined water supply in
28 the amount of 18,000 gpm ("blended water");

1 c. transport the disinfected groundwater from the Point
2 of Interconnection to the blending facilities to be located
3 between the City's Main Booster Station and North Hollywood Way
4 on the property shown in Appendix F of the Consent Decree
5 attached as Attachment B;

6 d. transport 12,000 gpm of blending water from its MWD
7 source near the intersection of Greg Avenue and San Fernando Road
8 to the blending facilities so as to meet system requirements;

9 e. transport 18,000 gpm of blended water from the
10 blending facilities to the Point of Water System Introduction so
11 as to meet system requirements;

12 f. perform monitoring necessary to design, construct,
13 operate and maintain facilities described in Subparts 1.a through
14 1.e of this Section; and

15 g. monitor the effectiveness of the foregoing facili-
16 ties in achieving the blending standards established by Section
17 VII Subpart H of the Consent Decree.

18 2. Perform any non-routine maintenance with respect to
19 the facilities described in Subparts 1.a through 1.e of this
20 Section for the twenty (20) year time period of operation and
21 maintenance required by the interim remedial action, unless
22 Respondents are ordered to cease performing such non-routine
23 maintenance by EPA.

24 C. Deliverables

25 The deliverables described in this Subpart, with the exception of
26 the Monthly Progress Reports and the Quarterly Quality Assurance
27 Reports, shall be submitted to EPA, EPA's contractor CH2M Hill,
28 the California Department of Health Services Office of Drinking

1 Water, California Regional Water Quality Control Board, Lockheed,
2 and the City in the timeframe provided in the Work Schedule,
3 unless EPA modifies such schedule in writing.

4 1. MONTHLY PROGRESS REPORTS: Respondents shall provide
5 written Monthly Progress Reports to EPA. These Progress Reports
6 shall be submitted by the 10th of each month for the work done
7 the preceding month and planned for the current month. The first
8 Monthly Progress Report pursuant to this Order will be due by the
9 tenth day of the calendar month immediately following the
10 effective date of this Order. The Progress Reports shall include
11 a general description of the activities commenced or completed
12 during the reporting period, activities expected to be commenced
13 or completed during the next reporting period, and any
14 significant problems that have been encountered or are
15 anticipated during the reporting period and actions being taken
16 to rectify these problems. Each Monthly Progress Report shall
17 specifically address any coordination activities undertaken with
18 Lockheed and the City pursuant to Section XI (Obligation to
19 Cooperate and Coordinate) and future coordination plans.

20 2. QUARTERLY QUALITY ASSURANCE REPORTS: Respondents
21 shall include a Quality Assurance Report to EPA as part of its
22 Monthly Progress Reports for the months of January, April, July
23 and October of each year. Such Reports shall contain information
24 demonstrating that Respondents are complying with the
25 requirements of Section XVII (Quality Assurance) in performing
26 the Work.

27 3. REMEDIAL DESIGN WORKPLAN

28 a. In accordance with the timeframe set forth in the