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Recording Requested By:

INTEL CORPORATION

When Recorded, Mail To:

Loretta K Barsamian, Executive Officer
 California Regional Water Quality Control Board
 San Francisco Bay Region
 1515 Clay Street, Suite 1400
 Oakland, California 94612

BRENDA DAVIS
 SANTA CLARA COUNTY RECORDER
 Recorded at the request of
 Recording Service

RDE # 007
 2/11/2003
 12:11 PM

**COVENANT AND ENVIRONMENTAL RESTRICTION
 ON PROPERTY**

Intel SC-7; 3601 Juliette Lane, Santa Clara, CA

This Covenant and Agreement to Restrict Use of Property (this "Covenant") is made as of the 11th day of February, 2003 by Intel Corporation ("Covenantor") who is the Owner of record of that certain property situated 3601 Juliette Lane in the City of Santa Clara, County of Santa Clara, State of California, which is described in Exhibit A attached hereto and incorporated herein by this reference (such portion hereinafter referred to as the "Burdened Property"), for the benefit of the California Regional Water Quality Control Board for the San Francisco Bay Region (the "Board"), with reference to the following facts:

The Burdened Property and groundwater underlying the property contains hazardous materials.

Description of Facts.

B.1. Contamination of the Burdened Property. Soil and groundwater at the Burdened Property was contaminated mainly by releases from both offsite and onsite sources of chlorinated solvents. The operations that resulted in the volatile organic compound (VOC) contamination from the offsite source are associated with the upgradient Siliconix facility solvent storage and use. The operations which resulted in the Intel onsite sources are not associated with one source area—except for the diesel UST which has achieved regulatory closure—but is attributed to general solvent use, storage, distribution and recovery systems utilized as part of historical semiconductor manufacturing. These operations resulted in contamination of soil by VOCs in the limited area of the capillary fringe located between approximately 10 and 15 feet bgs and contamination of the groundwater by VOCs in the form of a groundwater plume from both onsite and offsite origins. The offsite component to the plume from Siliconix contributes a cis-1, 2-dichloroethylene (cis-1, 2-DCE)- vinyl chloride (VC) – trichlorethylene (TCE) dominated plume. The onsite source contributes a 1,1,1-trichloroethane (TCA)-cis-1, 2-DCE-dichloroethane (DCA) dominated plume. The two sources mix for a commingled plume. The VOC chemical detected which include 1,1,1-trichloroethane, 1,1-dichloroethane (1,1-DCA), 1,2-

DCA, 1,1-dichloroethylene (1,1-DCE), cis-1,2-DCE, trans 1,2-DCE, TCE, VC and Freon 113 constitute hazardous materials as that term is defined in Health & Safety Code Section 25260.

Remedial measures in 1985 to mitigate the diesel release identified VOCs in groundwater (no definitive onsite sources were identified) and quarterly groundwater monitoring and sampling was begun to monitor the VOC groundwater plume. Residual contamination associated with the former diesel tank are below regulatory agency levels of concern and a formal UFST closure has been granted by the SF-Board. An onsite groundwater extraction and treatment system was installed and operated continuously through 1994. Pulsed pumping trials conducted in 1994, 1995 and 1996 demonstrated that no significant increase in contaminant mass recovery resulted from leaving the plume at rest and that cyclical pumping was adequate to control the groundwater plume. Subsequent groundwater monitoring confirmed that VOCs were no longer being efficiently removed by the extraction system. Soil contamination by VOCs is currently limited to shallow capillary fringe soils, and the groundwater plume (wholly contained onsite) is bifurcated and at its longest dimensions measures approximately 250 feet wide by 350 long. The vertical dimensions measures approximately 10 feet thick, beginning at a depth of approximately 14 feet below ground surface. Containment zone status for the onsite contamination was granted by the Board in Board Order no. 99-044. That Order allowed the extraction system to be turned off indefinitely contingent upon site boundary and trigger well concentrations remaining below specified threshold concentrations. Groundwater monitoring and sampling will be conducted at intervals established by the Board. Intel will also have prepared an institutional constraints management plan to manage onsite contamination and/or the potential to encounter residual contaminated groundwater as a result of construction or other onsite activities that occur within the designated zone shown in Attachment A.

[BRIEFLY DESCRIBE REMEDIATION AND CONTROLS IMPLEMENTED].

B.2. Exposure Pathways. The contaminants addressed in this Covenant are present in both capillary fringe soils and groundwater on the Burdened Property. Without the mitigation measures which have been performed on the Burdened Property, exposure to these contaminants could take place via direct contact (dermal and ingestion) with contaminated soil and groundwater, primarily during deep excavations or dewatering activities. There is no potential for surface exposure. The risk of public exposure to the contaminants has been substantially lessened by the remediation and controls described herein. The purpose of the restrictions on the use of the Burdened Property contained in this Covenant is to eliminate any significant risks to human health and beneficial uses of waters of the State posed by exposure to the remaining hazardous materials.

B.3. Adjacent Land Uses and Population Potentially Affected. The Burdened Property is used for semiconductor manufacturing, research and development and is adjacent to similar light industrial and commercial land uses. There are no vicinity residential occupancies that could be impacted by the residual contamination.

C. Full and voluntary disclosure to the Board of the presence of hazardous materials on the Burdened Property has been made and extensive sampling of the Burdened Property has been conducted.

D. Conventantor desires and intends that in order to benefit the Board, and to protect the present and future public health and safety, the Burdened Property shall be used in such a manner as to avoid potential harm to persons or property that may result from hazardous materials that may have been deposited on portions of the Burdened Property.

ARTICLE 1
GENERAL PROVISIONS

1.1 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, conditions and restrictions (collectively referred to as "Restrictions") upon and subject to which the Burdened Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. The restrictions set forth in Article III are reasonably necessary to protect present and future human health and safety or the environment as a result of the presence on the land of hazardous materials. Each and all of the Restrictions shall run with the land, and pass with each and every portion of the Burdened Property, and shall apply to, inure to the benefit of, and bind the respective successors in interest thereof, for the benefit of the Board. Each and all of the Restrictions are imposed upon the entire Burdened Property unless expressly stated as applicable to a specific portion of the Burdened Property. Each and all of the Restrictions run with the land pursuant to section 1471 of the Civil Code. Each and all of the Restrictions are enforceable by the Board.

1.2 Concurrence of Owners Presumed. All purchasers, lessees, or possessors of any portion of the Burdened Property shall be deemed by their purchase, leasing, or possession of such Burdened Property, to be in accord with the foregoing and to agree for and among themselves, thier heirs, successors, and assignees, and the agents, employees, and lessees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of the Board and the Owners and Occupants of the Burdened Property and that the interest of the Owners and Occupants of the Burdened Property shall be subject to the Restrictions contained herein.

1.3 Apportionment of Burden Among Multiple Owners. Where ownership of the Burdened Property is held by multiple persons, holding by several titles, the burdens imposed by this Covenant shall be apportioned between them proportionate to the value of the property held by each owner, if such value can be ascertained, and if not, then according to their respective interests in point of quantity. (Cal. Civ. Code, § 1467.)

1.4 Incorporation into Deeds and Leases. Conventantor desires and covenants that the Restrictions set out herein shall be incorporated in and attached to each and all deeds and leases of any portion of the Burdened Property. Recordation of this Covenant shall be deemed binding on all successors, assigns, and lessees, regardless of whether a copy of this Covenant and Agreement has been attached to any given deed or lease.

1.5 Purpose. It is the purpose of this instrument to convey to the Board real property rights, which will run with the land, to facilitate the remediation of past environmental contamination

and to protect human health and the environment by reducing the risk of exposure to residual hazardous materials.

ARTICLE II DEFINITIONS

2.1 Board. "Board" shall mean the California Regional Water Quality Control Board for the San Francisco Bay Region and shall include its successor agencies, if any.

2.2 Improvements. "Improvements" shall mean all buildings, roads, driveways, regradings, and paved parking areas, constructed or placed upon any portion of the Burdened Property.

2.3 Occupants. "Occupants" shall mean Owners and those persons entitled by ownership, leasehold, or other legal relationship to the exclusive right to occupy any portion of the Burdened Property.

2.4 Owner or Owners. "Owner" or "Owners" shall mean the Covenantor and/or its successors in interest, who hold title to all or any portion of the Burdened Property.

ARTICLE III DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

3.1 Restrictions on Development and Use. Covenantor promises to restrict the use of the Burdened Property as follows:

[INCLUDE THE FOLLOWING PROVISIONS, A-K, IF APPROPRIATE]

- a. Development of the Burdened Property shall be restricted to industrial, commercial or office space;
- b. No residence for human habitation shall be permitted on the Burdened Property;
- c. No hospitals shall be permitted on the Burdened Property;
- d. No schools for persons under 21 years of age shall be permitted on the Burdened Property;
- e. No day care centers for children or day care centers for Senior Citizens shall be permitted on the Burdened Property;
- f. No Owners or Occupants of the Property or any portion thereof shall conduct any excavation work on the Property, unless expressly permitted in writing by the

The land described herein contains hazardous materials in soils and in the ground water under the property, and is subject to a deed restriction dated as of _____, 200____, and recorded on February 1st, 2003, in the Official Records of Santa Clara County, California, as Document No. 16813665 which Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the property described herein. This statement is not a declaration that a hazard exists.

ARTICLE IV VARIANCE AND TERMINATION

4.1 Variance. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or any portion thereof may apply to the Board for a written variance from the provisions of this Covenant.

4.2 Termination. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or a portion thereof may apply to the Board for a termination of the Restrictions as they apply to all or any portion of the Burdened Property.

4.3 Term. Unless terminated in accordance with paragraph 4.2 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE V MISCELLANEOUS

5.1 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Burdened Property or any portion thereof to the general public.

5.2 Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (1) when delivered, if personally delivered to the person being served or official of a government agency being served, or (2) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

If To: "Covenantor"
[Owner's name and address]

If To: "Board"
Regional Water Quality Control Board
San Francisco Bay Region
Attention: Executive Officer

1515 Clay Street, Suite 1400
Oakland, California 94612

5.3 Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.

5.4 Article Headings. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not a part of the Covenant.


5.5 Recordation. This instrument shall be executed by the Covenantor and by the Executive Office of the Board. This instrument shall be recorded by the Covenantor in the County of Santa Clara within ten (10) days of the date of execution.

5.6 References. All references to Code sections include successor provisions.

5.7 Construction. Any general rule of construction to the contrary notwithstanding, this instrument shall be liberally construed in favor of the Covenant to effect the purpose of this instrument and the policy and purpose of the Water Code. If any provision of this instrument is found to be ambiguous, an interpretation consistent with the purpose of this instrument that would render the provision valid shall be favored over any interpretation that would render it invalid.

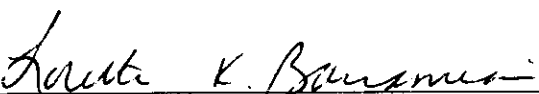
IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

Covenantor: _____

By: 
Title: Charles S. Pawlak, Director of Corporate Real Estate
Date: _____

LEGAL	OK
11/15/02	CSJ

Agency: State of California
Regional Water Quality Board,
San Francisco Bay Region

By: 
Loretta K. Barsamian
Title: Executive Officer
Date: December 17, 2002

CORP. R.E. OK	
wj	11/23/02

STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

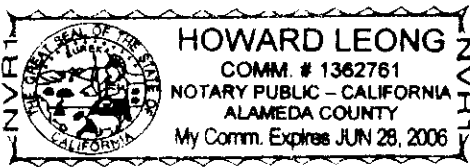
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
 County of Alameda } ss.

On 12/17/2002, before me, Howard Leong, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
 personally appeared LORETTA K BARSAMIAN
Name(s) of Signer(s)

- personally known to me
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Howard Leong
 Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

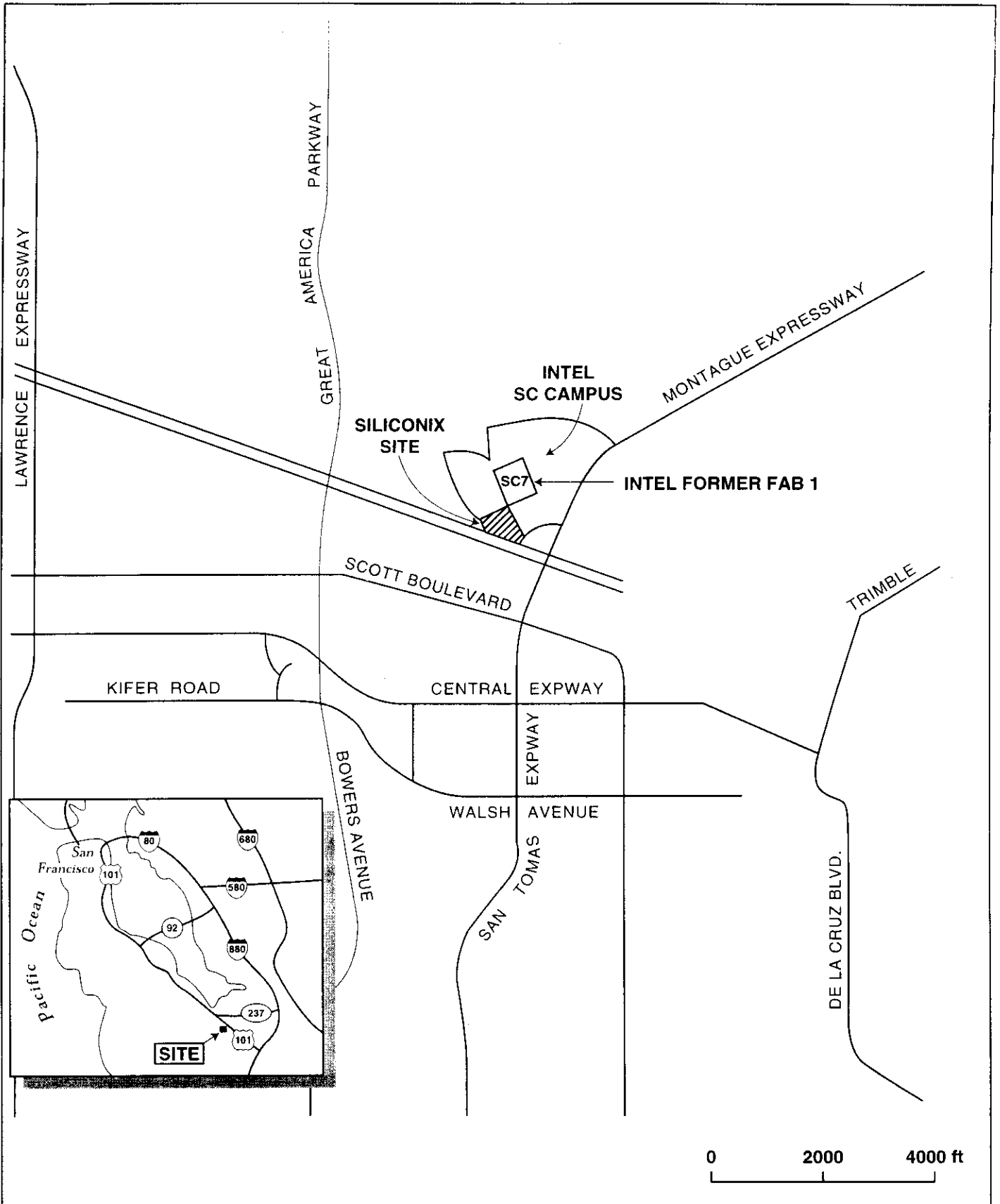
Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Attorney in Fact
 Trustee
 Guardian or Conservator
 Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER Top of thumb here



PROJECT LOCATION MAP

3601 Juliette Lane
Santa Clara, CA

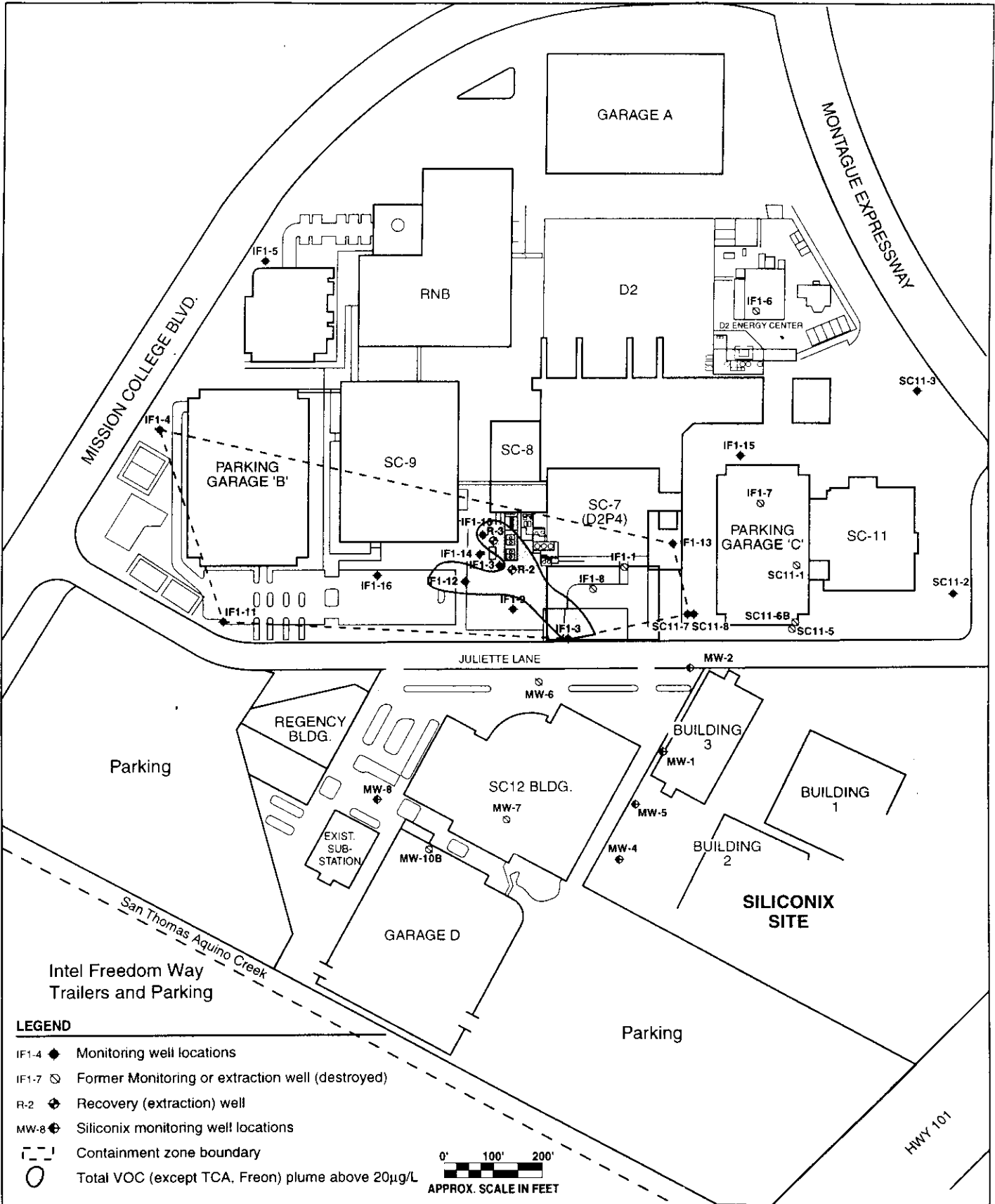
By: MJC

JUNE 2002

FIGURE 1-1

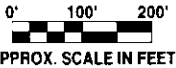
★ **Stellar Environmental Solutions**
Geoscience & Engineering Consulting

2001-01-01



LEGEND

- IF1-4 ◆ Monitoring well locations
- IF1-7 ⊗ Former Monitoring or extraction well (destroyed)
- R-2 ◆ Recovery (extraction) well
- MW-8 ◆ Siliconix monitoring well locations
- - - Containment zone boundary
- Total VOC (except TCA, Freon) plume above 20µg/L



INTEL CAMPUS SITE PLAN SHOWING CONTAINMENT ZONE AREA AND RESIDUAL PLUME

Intel Corporation
Santa Clara Campus, CA

By: MJC

MARCH 2000

FIGURE 2



Stellar Environmental Solutions
Geoscience & Engineering Consulting

99001-25