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Regional Office

Ms. Bonnie Ware  
North Carolina Department of Environment and Natural Resources  
DWM, Superfund Section, Inactive Hazardous Sites Branch  
585 Waightown Street  
Winston-Salem, North Carolina 27107

Subject: **Phase I Site Assessment Plan  
Mills Gap Road Site  
Skyland, North Carolina  
NCD Number 003149556  
MACTEC Project 6686-08-1744**

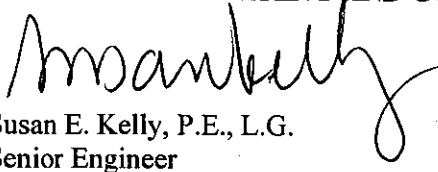
Dear Ms. Ware:


On behalf of CTS Corporation (CTS), MACTEC Engineering and Consulting, Inc. (MACTEC) is pleased to provide this Phase I Site Assessment Plan (Plan) for the above-referenced Site. This Plan has been prepared in general accordance with the requirements outlined in a November 27, 2007, letter from the North Carolina Department of Environment and Natural Resources (NCDENR) Inactive Hazardous Sites Branch (IHSB) to CTS.

If you have questions regarding this Plan, please contact us at (828) 252-8130.

Sincerely,

**MACTEC ENGINEERING AND CONSULTING, INC.**

  
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## 1.0 BACKGROUND INFORMATION

MACTEC Engineering and Consulting, Inc. (MACTEC) has prepared this Phase I Site Assessment Plan (Plan) on behalf of CTS Corporation (CTS) pursuant to the requirements outlined in a November 27, 2007, letter from the North Carolina Department of Environment and Natural Resources (NCDENR) Inactive Hazardous Sites Branch (IHSB). In a December 20, 2007, teleconference between representatives of MACTEC, CTS, Mills Gap Road Associates (MGRA), NCDENR, and the North Carolina Attorney General's Office, the general scope of this assessment was further defined. Numerous soil samples have been collected at the Site by, or as directed by, the United States Environmental Protection Agency (EPA). The soil samples were collected to delineate the horizontal extent of soil contamination for the purpose of initiating a removal action. A soil vapor extraction (SVE) system was installed at the Site in 2006 to remove contaminants from the unsaturated Site soils. Because the horizontal extent of soil contamination has generally been delineated, and a removal action is in progress for the Site soils under the jurisdiction of the EPA, NCDENR stated that soil samples were not necessary as part of this Plan. Therefore, the objective of this Plan is in general accordance with the IHSB *Guidelines for Assessment and Cleanup*, dated August 2007.

The following sections describe the information requested in the IHSB November 27, 2007, letter, with each section corresponding to the numeric item included in the letter. The majority of the information requested by the IHSB has been described in former documents/reports submitted to NCDENR and/or EPA. We have assumed that Site documents/reports that have previously been submitted to NCDENR and/or EPA are available to IHSB personnel; therefore, references to these documents have been indicated where appropriate. Supporting documentation not included in previous documents is included in the appendices.

### 1.1 DESCRIPTION OF SITE AND SURROUNDING AREA

The Site is an approximate 8.7-acre property located on Mills Gap Road in Skyland, Buncombe County, North Carolina (Buncombe County tax parcel 965515623668). The approximate center of the Site is located at north latitude 35°29'36" and west longitude 82°30'25". The property is owned by MGRA and is unoccupied.

The area surrounding the Site is considered rural and contains residential and light commercial properties. The Site is situated on a topographic 'saddle' between two prominent mountains,

Busbee Mountain to the north and Brown Mountain to the south and southwest. Properties northwest and southeast are topographically downgradient of the Site. The majority of the Site is relatively flat and natural surface drainage at the Site appears to be to the northwest and southeast. The surrounding area contains mountains and rolling hills, typical of the eastern flank of the Appalachian Mountain range (Figure 1).

An approximate 95,000-square foot, single-story brick structure is located in the southern portion of the property (Figure 2). The northeastern portion of the property contains an asphalt-paved parking area and asphalt-paved driveways are located parallel to the north (front) of the building and southeast (rear) of the building. A six-foot high chain-link fence surrounds the property and a locked gate at the north end of the Site controls access to the Site from Mills Gap Road.

Under the direction of the EPA Emergency Response and Removal Branch (ERRB), and pursuant to the Administrative Order on Consent (AOC) for Removal Action between CTS and MGRA (effective date of January 22, 2004), a SVE system, consisting of 15 vapor extraction wells and blower equipment, was installed at the Site in 2006 (MACTEC, 2006). Maintenance and monitoring of the SVE system is on-going, and testing of the system's air discharge is conducted on a monthly basis. Monthly status reports are submitted to the EPA ERRB, as required by the AOC.

## 1.2 MANAGEMENT PRACTICES

Information regarding CTS's management practices for hazardous wastes or wastes containing hazardous wastes is included in the Section 104 Response Letter (Appendix A). Responses containing information on CTS's management practices are listed as follows:

- Response to Request No. 7 (page 6)
- Response to Request No. 10 (page 7)
- Response to Request No. 11 (page 8)
- Response to Request No. 14 (page 10)
- Response to Request No. 15 (page 10)
- Response to Request No. 16 (page 11)
- Response to Request No. 20 (page 13)
- Response to Request No. 22 (page 14)
- Response to Request No. 23 (page 14)

- Response to Request No. 28 (page 16)
- Response to Request No. 30 (page 17)
- Response to Request No. 31 (page 18)
- Response to Request No. 32 (page 18)
- Response to Request No. 33 (page 18)
- Response to Request No. 34 (page 19)
- Response to Request No. 37 (page 20)
- Response to Request No. 38 (page 21)
- Response to Request No. 42 (page 21)
- Response to Request No. 44 (page 22)
- Response to Request No. 46 (page 22)

MACTEC and CTS do not have information regarding hazardous waste management practices, if any, of other entities that have leased or owned the Site.

### **1.3 TOPOGRAPHIC MAP**

Figure 1 contains a topographic map of the Site prepared from digital copies of the Asheville, Oteen, Fruitland and Skyland quadrangles, which are published by the United States Geological Survey (USGS).

### **1.4 SITE SURVEY**

A survey plat was prepared for MGRA by a North Carolina Registered Surveyor in 1998 (Appendix B), as required by the NCDENR IHSB December 15, 1997, Order to Submit Notice of, and to Record, an Inactive Hazardous Substance or Waste Disposal Site. A Site survey was also prepared in February 2004, as part of an EPA ERRB-directed soil assessment and removal action. The 2004 survey contained general Site features (e.g., topography, structures, etc.) and adjacent parcel information. The 2004 survey has been updated with piezometer and sampling locations (e.g., soil, ground-water, and surface water), as they have been installed/collected. The survey will continue to be updated with location and elevation data as additional sampling information is gathered and as required by the IHSB.

Information regarding properties adjacent to the Site is included in Table 1, and a map of properties adjacent to the Site is included as Figure 3. This information was obtained from the Buncombe

County Geographic Information Systems (GIS) website, which contains a database of parcel information (e.g., parcel owner, acreage, etc.).

## 1.5 LOCAL GEOLOGIC AND HYDROGEOLOGIC CONDITIONS

The Site is located in the Blue Ridge Physiographic Province and is underlain by rocks of the Ashe Metamorphic Suite and Tallulah Falls Formation, which include metasedimentary and metavolcanic rocks. Based on geologic maps of the area, the Site is underlain by a garnet-mica schist and mica gneiss. The predominant features in the rock matrix (e.g., schistosity and banding) near the Site strike northeast-southwest and dip 30 to 40 degrees east and southeast.

Unsaturated soils encountered at the Site during advancement of borings for collection of soil samples and installation of vapor extraction wells confirmed that the Site is underlain by the mica schist and gneiss indicated on the geologic maps. Up to approximately four feet of sandy silt to silty sand fill is present below the building, below which residual material was observed to the termination depths of the borings. Partially weathered rock (PWR), which overlies the parent bedrock and is generally considered residual material with standard penetration resistances in excess of 100 blows per foot, was encountered in the southern-most vapor extraction well borings (VE-2, VE-3 and VE-4) at a depth of approximately 15 feet below ground surface (bgs). Because of height restrictions, standard penetration testing was not performed in soil borings advanced inside the building and direct-push borings were advanced to obtain soil samples for geologic description; therefore, the depth to PWR below the building, if present within the borings' termination depths, could not be determined. In general, residual soils encountered at the Site consist of silty sand near the top of the residuum, grading to a fine to coarse sand in the PWR. The unsaturated soil contains variable amounts of mica (i.e., trace amounts to highly micaceous zones) and abundant quartz veins. Borings advanced with hollow-stem auger equipment have not been advanced to auger refusal; therefore, the depth to competent bedrock at the Site cannot be estimated at this time.

Three temporary piezometers were installed at the Site to gauge the depth of the water table prior to collecting unsaturated soil samples and installing the vapor extraction wells. At the time of installation (June 2004), the depth to the surficial water table ranged from 14.5 feet bgs in the southwestern portion of the building (PZ-1) to 20.8 feet bgs in the northeastern portion of the building (PZ-2). The depth to water at PZ-3, which is located southeast of the building at an elevation approximately 12 feet greater than PZ-1 and PZ-2, was 28.6 feet bgs. A temporary well

was also installed during the June 2004 sampling event near the springs located east of the Site. The depth to water in TW-1 was approximately 4.5 feet bgs after installation. Based on the 2004 depth to ground-water measurements, and the corresponding ground-water elevations, ground-water flow in the southeastern portion of the Site appears generally to be toward the east.

## **1.6 INVENTORY OF WELLS, SPRINGS AND SURFACE WATER INTAKES**

### **1.6.1 Water Supply Wells**

As directed by the EPA ERRB, a survey of water supply wells within a one-mile radius of the Site was conducted. Areas within the one-mile radius that were isolated from the Site by mountain ridges were excluded from the survey, as approved by the EPA. A reconnaissance was performed to visually inspect properties within the survey area by driving on public roadways and locating features that might indicate the presence of a private well (e.g., well house or similar structure). Previous reports identified nine water supply wells located within a one-mile radius of the Site (Figure 4), one of which was removed from service by NCDENR in 1999 (Weston, 2003). Six water supply wells that were used for potable drinking water were identified within a half-mile radius of the Site (Table 2). Ground-water samples were collected from five of the wells (one resident did not grant permission to collect a ground-water sample from his well) in February 2006 and submitted for analysis of target compound list (TCL) volatile organic compounds (VOCs) according to EPA Method 8260B, TCL semi-volatile organic compounds (SVOCs) according to EPA Method 8270, and Total Petroleum Hydrocarbons – Diesel Range Organics (TPH-DRO) according to EPA Method 8015B. The laboratory analytical results did not indicate concentrations of the analyzed constituents above the laboratory reporting limits, which were equivalent to the EPA Primary Drinking Water Maximum Contaminant Levels (MCLs).

### **1.6.2 Springs and Surface Water Features**

Surface water features or springs have not been observed at the Site. A seep area is located east of the facility, and three springs (Spring-02 through -04) have been isolated; a concrete culvert has been placed at each seep/springhead to form a cistern-type structure. A fourth spring, Spring-01, emanates from the ground at the base of a tree and a small weir/dam (i.e., a piece of wood with metal backing, approximately 24-inches long by 6-inches high) has been placed where the spring water exits the tree's root system. The identified springs have been surveyed and are indicated in Figure 2. An unnamed tributary emanates from the seep area and flows east toward Robinson Creek.



Another seep area is located northwest of the facility. Two surface water features form in this area (approximate locations indicated on Figure 2) and converge to form an unnamed tributary that flows northwest toward Dingle Creek.

MACTEC reviewed the *Expanded Site Investigation (ESI) and References* report prepared by the NCDENR Division of Waste Management Superfund Section, dated May 2001. The report indicates that “there are no [municipal] drinking water intakes located within either...surface water pathway downstream of the site” to the French Broad River, as indicated by the Asheville City Engineering Office.

### 1.7 ENVIRONMENTALLY SENSITIVE AREAS

MACTEC conducted a review of available information regarding environmentally sensitive areas on and adjacent to the Site. Information from the following sources was reviewed:

- NCDENR ESI and References report;
- National Wetlands Inventory (NWI) at [www.fws.gov/nwi/](http://www.fws.gov/nwi/); and
- “An Inventory of the Significant Natural Areas of Buncombe County, North Carolina,” published by the North Carolina Natural Heritage Program, dated 1995;

In summary, environmentally sensitive areas, as defined by the IHSB or the above references, are not located at/on or adjacent to the Site. Although the NWI does not indicate wetlands at or adjacent to the Site, the presence of wetlands adjacent to the Site is possible, as unnamed tributaries emanate from seeps/springs located on properties located adjacent to the Site to the northwest and southeast, as discussed in Section 1.6.2.

### 1.8 PREVIOUS OWNERS

Based on references reviewed for this Plan, the following entities have owned the Site:

- Bibco Corporation – prior to December 2, 1952
- International Resistance Company (IRC) – December 2, 1952 to June 12, 1959
- CTS of Asheville, Inc. – June 12, 1959 (66.4 acres) to December 30, 1983 (57.4 acres)
  - Approximately 9.5 acres conveyed to Buncombe County on August 20, 1975
- CTS Corporation – December 30, 1983(57.4 acres) to December 23, 1987 (53.5 acres)
  - Approximately 3.8 acres conveyed to Landmark Enterprises between September 18, 1986 and December 23, 1987

- Mills Gap Road Associates – December 23, 1987 (53.5 acres) to present (8.7 acres)
  - Approximately 44.8 acres conveyed to The Biltmore Group, LLC between August 27, 1997 (final payment on Promissory Note by MGRA to CTS) and July 17, 1998 (survey date of the plat prepared for MGRA pursuant to the December 15, 1997, Order to Submit Notice of, and to Record, an Inactive Hazardous Substance or Waste Disposal Site)

## 1.9 OPERATIONAL HISTORY

IRC owned and operated a manufacturing facility at the Site from 1952 until 1959, when CTS of Asheville, Inc. purchased the real property, building, and equipment. CTS of Asheville, Inc., and then CTS Corporation, manufactured electronic components at the facility from 1959 until April 1986. A description of CTS's manufacturing process is described in the Section 104 Response Letter (Response to Request No. 35) and documents identified with Bates Nos. 00278 through 00281 of the 104 Response Letter contain drawings of the facility dating from 1952 to 1980.

Arden Electroplating, Inc. leased a portion of the building from approximately December 1, 1985 until November 30, 1986 (Section 104 Response Letter, Response to Request No. 5) and the Site was conveyed to MGRA on December 23, 1987. MGRA reportedly leased portions of the facility to several different tenants, and otherwise utilized the building for business interests; however, MACTEC and CTS do not have information regarding the activities conducted on the property after the sales stated in Section 1.8 above.

Copies of the following aerial photographs of the Site are included in Appendix C:

- Aerial photographs, dated 1951, 1963, 1975, 1982 and 1988, obtained from the Buncombe County Natural Resources Conservation Service in Asheville, North Carolina.
- Aerial photograph dated March 19, 1994, prepared by the USGS, and obtained from [www.Terraserver-usa.com](http://www.Terraserver-usa.com).
- Aerial photographs dated 2002 and 2006, obtained from the Buncombe County GIS website.

## 1.10 HAZARDOUS SUBSTANCES USED AT THE SITE

Information regarding the use, storage, and off-site disposal of hazardous substances at the Site by CTS is included in the Section 104 Response Letter (See Response to Request Nos. identified in Section 1.2).

### **1.11 ENVIRONMENTAL PERMIT HISTORY**

Information regarding the environmental permits issued to CTS is included in the Section 104 Response Letter (Response to Request Nos. 12, 14 and 15).

### **1.12 SUMMARY OF PREVIOUS INVESTIGATIONS**

Table 3 contains a list of environmental investigation reports that have been prepared for the Site, as well as documents that have been prepared in support of the investigations. The listed documents and corresponding analytical results have not been included in this Plan, due to the substantial volume of data. Based on a file review conducted at the NCDENR headquarters on February 19, 2008, by MACTEC, it appears that the majority of the listed documents are available for review at NCDENR; therefore, we request that IHSB personnel use their files for reviewing purposes, in lieu of submitting the documents herein. MACTEC or CTS will forward copies of reports/documents that are not on file at NCDENR, as requested.

## **2.0 PROPOSED SCOPE OF WORK**

The proposed scope of work includes methods and procedures to collect sufficient sampling data to establish remediation goals, if necessary. MACTEC prepared a Site-specific Health and Safety Plan (HASP) in support of EPA ERRB-directed environmental activities conducted at the Site. The HASP will be updated, as necessary, to meet IHSB regulations.

Prior to the subsurface investigation, MACTEC will contact North Carolina One Call to have the location of underground public utilities marked at the Site. Additionally, non-public underground utilities will be marked by a private utility locating service.

### **2.1 SITE CHARACTERIZATION PROCEDURES**

The following sections describe the proposed approach for collecting additional Site geologic and hydrogeologic data.

#### **2.1.1 Site Geologic and Hydrogeology**

Site geologic and hydrogeologic conditions will be assessed by advancing soil borings at the Site for the installation of permanent ground-water monitoring wells. The soil borings will be advanced using hollow stem auger and rotary drilling techniques. Standard penetration tests (SPT) will be conducted at five-foot intervals and the SPT samples will be logged in the field by, or under the direction of, a North Carolina Licensed Geologist. Soil boring data will be compiled with existing boring data collected at the Site to aid in the development of a site conceptual model (SCM). Ground-water elevation data will be collected from the monitoring wells, as well as the three Site piezometers and temporary well described in Section 1.5. The ground-water elevation data will be compiled to develop a general shallow ground-water flow map of the Site, which will be integrated into the SCM.

#### **2.1.2 Identification/Delineation of Source Area and Constituents of Concern**

As previously discussed, numerous soil samples have been collected at the Site to identify and delineate the source area. Furthermore, magnetic and electromagnetic geophysical surveys were conducted and shallow trenches excavated in 2000 to locate potential buried sources of contamination, such as buried drums of waste (Lockheed Martin, 2001). Neither the geophysical surveys nor trenching activities identified buried sources of contamination at the Site. Analytical

results from soil samples collected at the Site in June 2004, as part of the EPA ERRB-directed removal action investigation, were used to generally delineate vadose zone soil contamination below and adjacent to the facility (MACTEC, 2004). Although the results of the June 2004 soil sampling did not identify a specific source, or sources, of contamination (e.g., a specific tank, spill location or storage area), the highest concentrations of petroleum and chlorinated solvent constituents were generally detected in soil samples collected from borings located in the south-central area of the facility, including the interior of the building and to the rear of the building. For the purposes of this Plan, this area is considered the primary source area.

Ground-water samples will be collected from upgradient, within, and downgradient of the source area. Considering the constituents that have been detected in soil samples collected at the Site and water samples collected at the springs east of the Site, ground-water samples collected during this assessment will be analyzed for VOCs. Proposed sampling procedures and laboratory analytical methods are described below.

## **2.2 PROPOSED SAMPLING LOCATIONS AND METHODS**

Up to six soil borings will be advanced at the Site using hollow-stem auger and rotary drilling techniques for the installation of permanent monitoring wells. The proposed monitoring well locations are depicted on Figure 5. The proposed locations are situated so that representative ground-water samples can be collected upgradient, within, and downgradient of the primary source area described above. The upgradient and downgradient monitoring wells will be completed as Type II wells screened across the apparent surficial water table. Based on subsurface conditions encountered at the time of drilling (i.e., if the vertical difference between the water table and the top of bedrock is less than 10 feet), two nested monitoring wells will be installed in the source area; one Type II well screened across the surficial water table and another Type III (telescoping) well screened just above the bedrock surface.

### **2.2.1 Monitoring Well Installation**

Depth to ground-water measurements will be collected from the Site piezometers prior to commencing drilling activities. The depth to ground-water measurements will be used to approximate the anticipated water table depth at the proposed monitoring wells at the time of drilling. Based on recent water level readings from the Site piezometers, we anticipate that the surficial water table will be encountered within between depths of 15 and 50 feet of ground surface

at the Site, depending on the location of the monitoring well. A summary of anticipated monitoring well depths is included in Table 4.

The upgradient and downgradient soil borings will be advanced using nominal 4.25-inch diameter hollow-stem augers, creating an approximate eight-inch diameter borehole. SPT samples will be collected at five-foot intervals to obtain information regarding the subsurface lithology at each boring location. The borings will be advanced four to five feet below the apparent water table and a Type II monitoring well installed, as described below.

An exploratory boring will be advanced in the source area to determine the depth to bedrock. The exploratory borehole will be advanced using a nominal 2 7/8-inch diameter roller cone. SPT samples will be collected at five-foot intervals to obtain information regarding the subsurface lithology and the boring will be advanced until bedrock is encountered. The exploratory borehole will then be abandoned in accordance with the 15A North Carolina Administrative Code (NCAC) 2C, Well Construction Standards.

If the vertical distance between the water table and top of bedrock is greater than 10 feet, a pair of nested wells will be installed in the source area; however, if the vertical distance is less than 10 feet, one Type II water table well will be installed in the source area. If a Type III monitoring well is warranted, a soil boring will be advanced near the exploratory boring using nominal 8.25-inch diameter hollow stem augers, creating an approximate ten-inch borehole. The boring will be advanced to a depth that is approximately eight feet above the anticipated top of bedrock. A six-inch diameter Schedule 80 PVC casing will be installed in the boring and pressure-grouted into place using a Portland cement and bentonite slurry. The grout seal will be allowed to cure for at least 24 hours and rotary drilling techniques will be used to advance the boring to the top of bedrock. A nominal six-inch bit and potable water will be used to advance the boring; however drilling mud consisting of bentonite may be required if the formation is collapsible.

Upon completion of the soil borings, a two-inch diameter schedule 40 PVC riser pipe and 0.010-inch slotted screen will be installed in each of the borings. The Type II (water table) wells will be constructed with a ten-foot screen and the Type III well will be constructed with a five-foot screen. The annulus of each well will be filled with filter sand and topped with a bentonite seal and grout in accordance with the Well Construction Standards.

Monitoring well grout seals will be allowed to cure for at least 24 hours prior to well development. Each well will be developed by the pump and surge method using a submersible pump. Water quality parameters (pH, temperature and conductivity) will be monitored during development. Each well will be developed until the development water is relatively clear of silt and sand particles, or until the water quality parameters have stabilized, whichever occurs first.

With the exception of the upgradient well, the wells will be completed with a flush-mount wellhead; the upgradient well will be completed with an above-ground wellhead since it is located in a wooded area. Each well will be equipped with a locking well cap and an approximate four square-foot concrete pad will be placed around each wellhead, in a manner that precludes surface runoff towards the well. A permanent well identification label that includes well construction details will be placed inside the flush-mount wellheads and affixed to the exterior of the above-ground wellhead.

#### **2.2.2 Collection of Water Level and Free Product Measurements**

Depth to water measurements will be collected from the permanent monitoring wells once the wells have been allowed to stabilize for at least 24 hours. Depth to water measurements will also be collected from the Site piezometers and TW-1 east of the Site. The water level measurements will be collected using an electronic water level meter and reference to the top of casing. An oil-water interface probe will also be used to determine the presence of potential 'free product', or non-aqueous phase liquid (NAPL), in the monitoring wells. If NAPL is indicated by the interface probe, the thickness will be approximated.

#### **2.2.3 Collection of Ground-water Samples**

Ground-water samples will be collected from the monitoring wells once the wells have been allowed to stabilize for at least 24 hours. The monitoring wells will be purged using low-flow purging techniques, in general accordance with the EPA guidance document, *Low-Flow (Minimal Drawdown) Ground-Water Sampling Procedures*, dated April 1996. In general, low-flow purging will be implemented using a submersible pump (i.e., bladder pump or similar) that is lowered to within the screened interval of the monitoring well. The pumping rate will be minimized in an attempt to prevent excessive drawdown in the well, which will be monitored using an electronic water level indicator. Water quality parameters (dissolved oxygen, turbidity, oxidation-reduction potential, temperature, pH, and specific conductance) will be measured using a flow-through cell.

Ground-water samples will be collected when the water quality parameters have stabilized, as described in the EPA guidance.

#### **2.2.4 Investigation-Derived Waste**

Investigation-derived waste (IDW), such as soil cuttings, development water, and purge water, will be stored in DOT-approved 55-gallon drums. Liquid IDW will be stored separately from soil IDW and each drum will be labeled as to the drum's contents. Composite soil samples will be collected from each drum and sent to the laboratory for waste characterization purposes. The laboratory analyses performed on the composite samples will be determined based on the results of the ground-water samples in combination with previous soil data collected at the Site. The drums will be disposed of at an approved disposal facility based on the results of the laboratory analytical results of the IDW samples. The off-site shipment of IDW will be in accordance with Appendix A (Scope of Work) of the AOC.

#### **2.2.5 Site Survey**

Upon completion of the well installation activities, a North Carolina Professional Land Surveyor will survey the locations and elevations of the Site monitoring wells. The surveyor will also locate prominent features that have not been documented during previous surveys. The surveyor will use benchmarks that have been established at the Site during previous surveys.

### **2.3 PROPOSED FIELD AND LABORATORY QA/QC PROCEDURES**

Field and laboratory procedures will be performed in accordance with the quality assurance/quality control (QA/QC) procedures described in the EPA Region IV Environmental Investigations Standard Operating Procedures and Quality Assurance Manual (EISOPQAM), dated November 2001, and the IHSB's Guidelines. Documentation of field activities will be completed using a combination of logbooks, field data records and sample custody records. Field logbooks will be completed to provide a general record of activities and events that occur during each field task. FDRs are designed for exploration and sample collection tasks to provide a complete record of data obtained during the activity. Deviations from the approved Plan will be documented in the field logbooks and applicable FDRs. Equipment and personnel decontamination procedures are described in Section 2.6.



### **2.3.1 Field Logbooks**

Field logbooks will be used to provide a daily hand-written account of field activities. Logbooks will be permanently-bound with a hardcover. Entries will be made in indelible ink and corrections made with a single line with the author's initials and date. The pages of the logbook will be dated and signed by the person completing the log. Partially completed pages will have a line drawn through the unused portion at the end of each field day. The following information will generally be entered into the project field logbook:

- Project name and number;
- Date and time of each entry;
- Weather conditions anticipated for the day, or as weather conditions change;
- Site personnel and their responsibilities;
- Descriptions of important tasks or subtasks;
- A description of samples collected (if not documented on a field data record);
- Documentation of equipment maintenance and calibration activities (if not documented on a field data record);
- Documentation of equipment decontamination procedures; and
- A summary of problems encountered during the day, including cause of problem and corrective actions implemented, if appropriate

### **2.3.2 Field Data Records**

Field data records (FDRs) will be used to document sample collection and/or exploration details (e.g., soil borings, ground-water sampling, etc.). We anticipate using the following FDRs this assessment:

- Soil boring record – contains a description of the drilling method(s), the features encountered in the boring, including a description of lithologic/geologic features/observations, depth to water, environmental conditions (e.g., odor) and drilling conditions (one per boring);
- Sample record – contains sample name, date, time, depth, sample collector, and laboratory analyses (one per sample, more than one can be combined on a page); and
- Calibration record – contains results of equipment calibration (daily).

### **2.3.3 Sample Containers and Preservation**

Sample containers will be supplied by the analytical laboratory. Certification documentation shall be obtained for each lot of sample containers and filed by the laboratory.

### **2.3.4 Sample Identification and Labeling**

Each sample will be identified with a unique identification number (sample ID). The sample ID will consist of a two-digit prefix to designate the type of sample (e.g., “MW” for ground-water samples collected from monitoring wells) and the location number, as shown on Figure 5.

QA/QC samples will be collected at a frequency that is in accordance with Section A.6 of the IHSB Guidelines. Where duplicate samples are to be collected, the sampler will fill the containers for a given analytical parameter before moving to the next parameter. The QC samples will be cross-referenced on the sample FDRs. The QC samples will have a prefix identifying their purpose, followed by a sequential number, as follows:

- DUP-01 (field duplicate)
- RB-01 (equipment rinse blank)
- FB-01 (field blank)
- TB-01 (trip blank)

Sample labels will be completed for each sample with an indelible pen and will be consistent with the chain of custody. The sample labels will contain the following information:

- Site name
- Date and time
- Sample ID
- Initials of sample collector
- Preservative (if required)
- Analysis requested

### **2.3.5 Sample Custody**

A program of sample custody will be followed during sample handling activities in both field and laboratory operations. This program is designed to account for each sample at all times. The sampling personnel will complete sample FDRs and chain-of-custody records, and the laboratory personnel will complete laboratory receipt sheets. The primary objective of sample custody procedures is to obtain a written record that can trace the handling of samples during the sample collection process, through analysis, until final disposition. MACTEC will follow custody procedures described in Section 3.3 of the EISOPQAM.

### **2.3.6 Sample Shipment**

Sample containers will be packed in plastic coolers for shipment to the laboratory. The contents of the cooler will be placed in a plastic bag to minimize leakage of water from the cooler. Containers for a particular sample will also be packed in sealable bags to prevent cross-contamination with other samples in the cooler. Containers will be packed tightly so that movement of the containers is minimized. Appropriate packaging materials (e.g., Styrofoam, “bubble wrap”) will be used as needed. Ice will be placed in the cooler, generally around the sample containers, so that the samples are maintained at four degrees Centigrade (°C) [ $\pm 2^{\circ}\text{C}$ ]. The cooler will be securely closed with packaging tape to prevent the cooler from opening during transport. Custody seals will be placed on the cooler prior to shipment. Each custody seal will be signed and dated before leaving MACTEC’s possession.

Samples will be shipped via overnight delivery to the laboratory. Upon receipt by the laboratory, the sample custodian will confirm that the seals on coolers are intact or notify MACTEC if any custody seals have been broken.

### **2.3.7 Laboratory Receipt and Custody**

Once the samples are received at the analytical laboratory, the chain-of-custody record will be completed and signed by the sample custodian. The sample custodian will then initiate laboratory chain-of-custody protocols (comparing the sample container labels to the chain-of-custody record and noting any discrepancies, checking the cooler temperature upon receipt, and noting the laboratory project manager if any issues are identified). After sample receipt information is checked and recorded, the sample analysis information is entered into the laboratory’s information system. The laboratory provides a unique sample identification number to each environmental sample for internal laboratory sample tracking. The signed chain-of-custody records will be provided with the laboratory deliverables for the project.

## **2.4 PROPOSED ANALYTICAL PARAMETERS AND METHODS**

As described in Section 2.1.2, ground-water samples will be submitted for TCL VOCs according to EPA Method 8260B.

## **2.5 PROPOSED PROJECT PERSONNEL**

Experienced and qualified professionals with appropriate licensure or certification will be responsible for the coordination and implementation of the investigation. Subcontractors utilized during this assessment (e.g., drillers, laboratory personnel, and surveyors) will be required to be in compliance with appropriate licenses or certifications required by their applicable regulatory agency.

Personnel conducting fieldwork at the Site will be required to have obtained at a minimum, the 40-hour hazardous waste site worker training program course, with an annual eight-hour refresher course conducted in the past year, in compliance with regulations set forth in 29 CFR Part 1910.120. MACTEC will verify and document that personnel have the necessary training and certifications prior to the implementation of the project.

### **2.5.1 Drilling Contractor**

Drilling services are proposed to be provided by Geologic Exploration, Inc. (Geologic) located in Statesville, North Carolina. The address and telephone number for Geologic are as follows:

Geologic Exploration, Inc.  
176 Commerce Blvd  
Statesville, NC 28625  
(704) 872-7686

### **2.5.2 Proposed Analytical Laboratory**

Collected samples are proposed to be submitted for analysis to Prism Laboratories, Inc. (Prism) in Charlotte, North Carolina. Prism is a North Carolina-certified laboratory, as specified in NCAC 2H.0800. The address and telephone number for Prism are as follows:

Prism Laboratories, Inc.  
Post Office Box 240543  
Charlotte, North Carolina 28224  
(800) 529-6364

### **2.5.3 Proposed Professional Land Surveyor**

Professional land surveying services are proposed to be provided by Freeland & Associates, Inc., located in Greenville, South Carolina. Freeland & Associates employs North Carolina Professional Land Surveyor(s) that have performed surveys at and adjacent to the Site for previous

environmental investigations conducted at the Site. The address and telephone number for Freeland & Associates are as follows:

Freeland & Associates, Inc.  
323 West Stone  
Greenville, South Carolina 29609  
(864) 271-4924

## **2.6 EQUIPMENT AND PERSONNEL DECONTAMINATION PROCEDURES**

Sampling, drilling and other field equipment will be decontaminated in general accordance with Appendix B of the EISOPQAM to assure sample integrity. Personnel decontamination procedures are described in the HASP. We anticipate conducting field activities in Level D personal protective equipment (PPE). However, Site personnel will be prepared with Level C PPE if warranted by Site conditions.

### **2.6.1 Specifications for Cleaning Materials**

Specifications for standard cleaning materials referred to in this section are as follows:

- Soap will be a standard brand of phosphate-free laboratory detergent such as Liquinox®.
- Distilled water will be used as a water source for decontamination of hand-held equipment.
- Potable water will be used as a water source for decontamination of the downhole drilling equipment.

### **2.6.2 Disposal of Equipment/Personnel Decontamination IDW**

IDW generated during equipment and/or personnel decontamination activities, such as Tyvek® suits, gloves, and paper towels, will be bagged and placed in a commercial dumpster for disposal at a permitted landfill. It is not anticipated that this material will constitute a significant threat to human health and the environment.

### **2.6.3 Safety Procedures for Field Cleaning Operations**

Some of the materials used to implement the cleaning procedures outlined in this section can be harmful if used improperly. All field personnel will exercise caution and all applicable safety procedures contained in the HASP will be followed when handling cleaning materials. At a minimum, the following precautions will be taken in the field during these cleaning operations:

- Safety glasses with splash shields or goggles, and nitrile gloves will be worn during cleaning operations.
- Eating, smoking, drinking, chewing, or any hand to mouth contact will not be permitted during cleaning operations.

#### **2.6.4 Downhole Drilling Equipment**

The drilling contractor will construct a bermed, plastic-lined decontamination pit. Downhole drilling equipment will be decontaminated prior to use with a steam cleaner. Brushes will be used as required to remove soil from the equipment. Fluids and solids from decontamination procedures will be containerized as IDW, according to the procedures described in Section 2.2.5.

#### **2.6.5 Water Level Meters or Tapes**

Water level meters will be washed with soap and distilled water and then rinsed with distilled water.

### **3.0 REPORTING**

Upon completion of the field investigation activities and review of laboratory analytical reports, a written report will be prepared in accordance with the IHSB's Guidelines. The report will include tables that present contaminant concentrations referenced to their respective remediation goals, drawings that show the Site topography, Site location, boring and well locations, sampling locations, water-table gradient, extent of ground-water contamination, if any, and geologic cross sections that show the extent of ground-water contamination, if any. The report will include copies of soil boring logs, monitoring well construction records, waste-disposal manifests, and laboratory analytical reports.

### **3.0 REPORTING**

Upon completion of the field investigation activities and review of laboratory analytical reports, a written report will be prepared in accordance with the IHSB's Guidelines. The report will include tables that present contaminant concentrations referenced to their respective remediation goals, drawings that show the Site topography, Site location, boring and well locations, sampling locations, water-table gradient, extent of ground-water contamination, if any, and geologic cross sections that show the extent of ground-water contamination, if any. The report will include copies of soil boring logs, monitoring well construction records, waste-disposal manifests, and laboratory analytical reports.



#### **4.0 SCHEDULE**

Field work will begin within three weeks of receiving authorization to proceed from IHSB, pending availability of the drilling contractor and locating of underground utilities. The field investigation is expected to take one week to complete. The collected samples will be submitted for analysis on a standard laboratory turnaround time, which is generally two weeks from the laboratory's receipt of the samples. A written report will be submitted to IHSB within six weeks of receipt of laboratory test reports.

5.0 CERTIFICATIONS

I certify that, to the best of my knowledge, after thorough investigation, the information contained in or accompanying this certification is true, accurate and complete.

*Matthew E. Wallace*

Matthew E. Wallace, P.E.  
North Carolina P.E. #24933  
Principal Engineer  
MACTEC Engineering and Consulting, Inc.



Before me personally appeared Matthew E. Wallace to me known and known to me the person described in and who executed the foregoing instrument, and acknowledge to and before me that Matthew E. Wallace executed said instrument for the purposes therein expressed.

WITNESS my hand and official seal this 1st day of March A.D., 2008.

Notary Public *[Signature]*

My commission expires 3.7.2009.

STATE OF North Carolina, COUNTY OF Buncombe.

I certify that, to the best of my knowledge, after thorough investigation, the information contained in or accompanying this certification is true, accurate and complete.

CTS Corporation

By *James L. Cummins*  
James L. Cummins  
Senior Vice President  
Administration

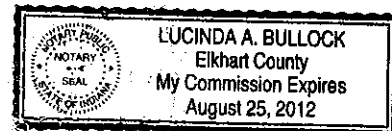
Before me personally appeared James L. Cummins to me known and known to me to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that he executed said instrument for the purposes therein expressed.

WITNESS my hand and official seal this 29th day of February A.D., 2008.

Notary Public *Lucinda A. Bullock*

My commission expires August 25, 2012.

STATE OF INDIANA, COUNTY OF ELKHART.



## 6.0 REFERENCES

*An Inventory of the Significant Natural Areas of Buncombe County, North Carolina.* North Carolina Natural Heritage Program, 1995.

*Expanded Site Assessment (ESI) and References.* North Carolina Department of Environment and Natural Resources, Inactive Hazardous Sites Branch, May 2001.

*Geologic Map and Mineral Resources Summary of the Fruitland Quadrangle North Carolina.* North Carolina Department of Natural and Economic Resources, Office of Earth Resources, 1973.

*Geologic Map and Mineral Resources Summary of the Oteen Quadrangle North Carolina.* North Carolina Department of Natural and Economic Resources, Office of Earth Resources, 1972.

*Geologic Map and Mineral Resources Summary of the Skyland Quadrangle North Carolina.* North Carolina Department of Natural and Economic Resources, Office of Earth Resources, 1972.

*Geologic Map of North Carolina.* North Carolina Geological Survey, 1985.

**TABLES**

**TABLE 1**  
**Adjacent Property Information**  
**Mills Gap Road Site**  
**Skyland, North Carolina**  
**MACTEC Project 6686-08-1744**

Map ID	Direction from Site	Owner Name	Buncombe County Tax Parcel ID	Land Use
1	Northwest (across Mills Gap Road)	Sanford Lewis	965515633328	Residential
2	North (across Mills Gap Road)	Cecilia Johnson	965515634332	Residential
3	North (across Mills Gap Road)	Thomas Baldwin	965515636245	Residential
4	Northeast (across Mills Gap Road)	Page and Greene, LLC	965515639600	Residential
5	Northeast (across Mills Gap Road)	Page and Greene, LLC	965515631406	Undeveloped (pastureland)
6	East	Terry Rice	965515628765	Residential (two dwellings)
7	East and Southeast	Lawrence Rice	965515627483	Residential (two dwellings)
8	South	Southside Village Association, Inc.	9655119529370	Residential (condominiums)
9	West	Southside Village Association, Inc.	965515529940	Residential (condominiums)
10	Northwest	Duckett Powell & Thomson Real Estate	965515536277	Undeveloped (wooded)

**Note:**  
Refer to Figure 3 (Map of Properties Adjacent to Site) for parcel locations.

Prepared By: *SEK 2/28/08*  
Checked By: *MEW 2/28/08*

**TABLE 2**  
**Water Supply Well Inventory**  
**Mills Gap Road Site**  
**Skyland, North Carolina**  
**MACTEC Project 6686-08-1744**

Map ID	Owner Name	Address
1	Ola and William Lisenbee	32 Concord Road
2	Robert Randall	42 Concord Road
3	David Harrell	50 Concord Road
4	Faye and David Bradley	14 Chapel Hill Church Road
5	Patricia and Thomas Pinner	35 Chapel Hill Church Road
6	Francis and Wallace Dick	56 Chapel Hill Church Road

**Notes:**

1. Refer to Figure 4 (Water Supply Well Inventory Map) for parcel locations.
2. Listed wells are in-service water supply wells used for potable drinking water.

Prepared By: *SEK 2/28/08*

Checked By: *MEW 2/28/08*

**TABLE 3**  
**Summary of Site Investigation Reports and Supporting Documents**  
**Mills Gap Road Site**  
**Skyland, North Carolina**  
**MACTEC Project 6686-08-1744**

Date	Title	Author	Report Submitted To
8/31/1987	Report of Site Assessment Services	Law Environmental, Inc.	CTS Corporation
2/22/1991	Screening Site Inspection, Phase II	NUS Corporation	EPA Waste Management Division
2/17/2000	Trip Report	Tetra Tech EM, Inc.	EPA Region IV ERRB
7/12/2001	Geoprobe Coring Results - Mills Gap Road W.A. # 0-141, Trip Report	Lockheed Martin Technology Services Group	EPA Emergency Response Team Center
3/6/2003	Removal Assessment Letter Report	Weston Solutions, Inc.	EPA Region IV ERRB
5/8/2001	Expanded Site Inspection Report and References	NCDENR Division of Waste Management, Superfund Section	EPA Waste Management Division
4/6/2004	Health and Safety Plan	MACTEC	EPA Region IV ERRB
4/6/2004	Quality Assurance Project Plan	MACTEC	EPA Region IV ERRB
5/14/2004	Removal Action Pilot Study Plan	MACTEC	EPA Region IV ERRB
5/17/2004	Sampling and Analysis Plan	MACTEC	EPA Region IV ERRB
9/17/2004	Sampling and Analysis Plan (SAP) Report	MACTEC	EPA Region IV ERRB
9/17/2004	Report of Removal Action Pilot Study	MACTEC	EPA Region IV ERRB
8/31/2005	Revised Removal Action Plan	MACTEC	EPA Region IV ERRB
8/18/2006	Removal Report	MACTEC	EPA Region IV ERRB
April 2004 to January 2008	Monthly Report	MACTEC	EPA Region IV ERRB

**Abbreviations:**

EPA - United States Environmental Protection Agency  
ERRB - Emergency Response and Removal Branch  
NCDENR - North Carolina Department of Environment and Natural Resources

Prepared By: *SFK 2/28/08*  
Checked By: *MEV 2/28/08*

**TABLE 4**  
**Proposed Monitoring Well Information**  
**Mills Gap Road Site**  
**Skyland, North Carolina**  
**MACTEC Project 6686-08-1744**

Monitoring Well	Justification	Screened Interval	Anticipated Well Depth (feet bgs)
MW-1	Upgradient	Water table	50
MW-2	Source Area	Water table	27
MW-2A	Source Area	PWR	60
MW-3	Downgradient - East	Water table	43
MW-4	Downgradient - West	Water table	20
MW-5	Downgradient - North	Water table	35

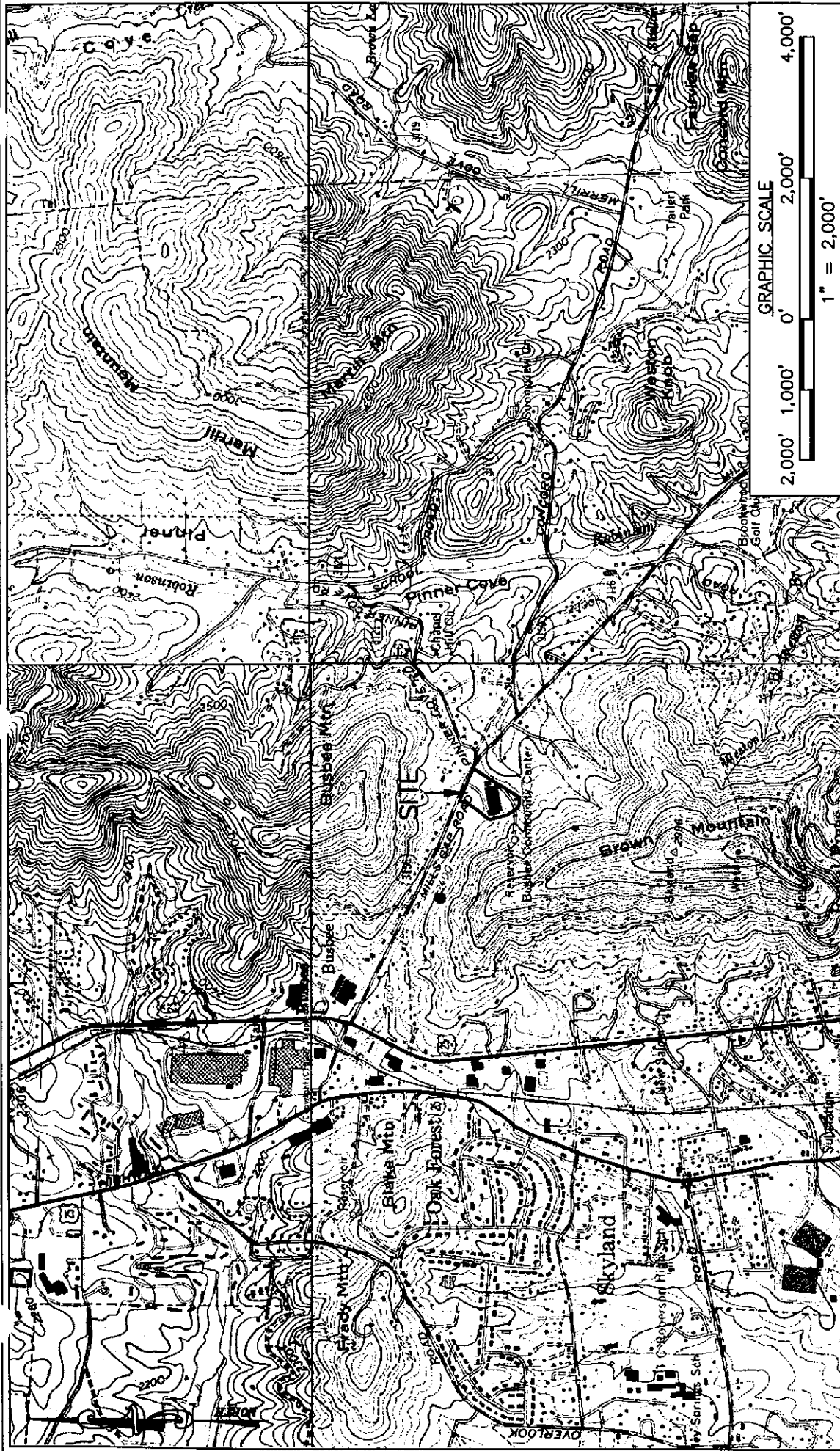
**Notes:**

1. Water table wells installed with a ten-foot screen that intersects the water table.
2. PWR - partially weathered rock; well set in PWR, just above bedrock, with a five-foot screen.

Prepared By: *SEK 2/28/08*  
 Checked By: *MWJ 2/28/08*

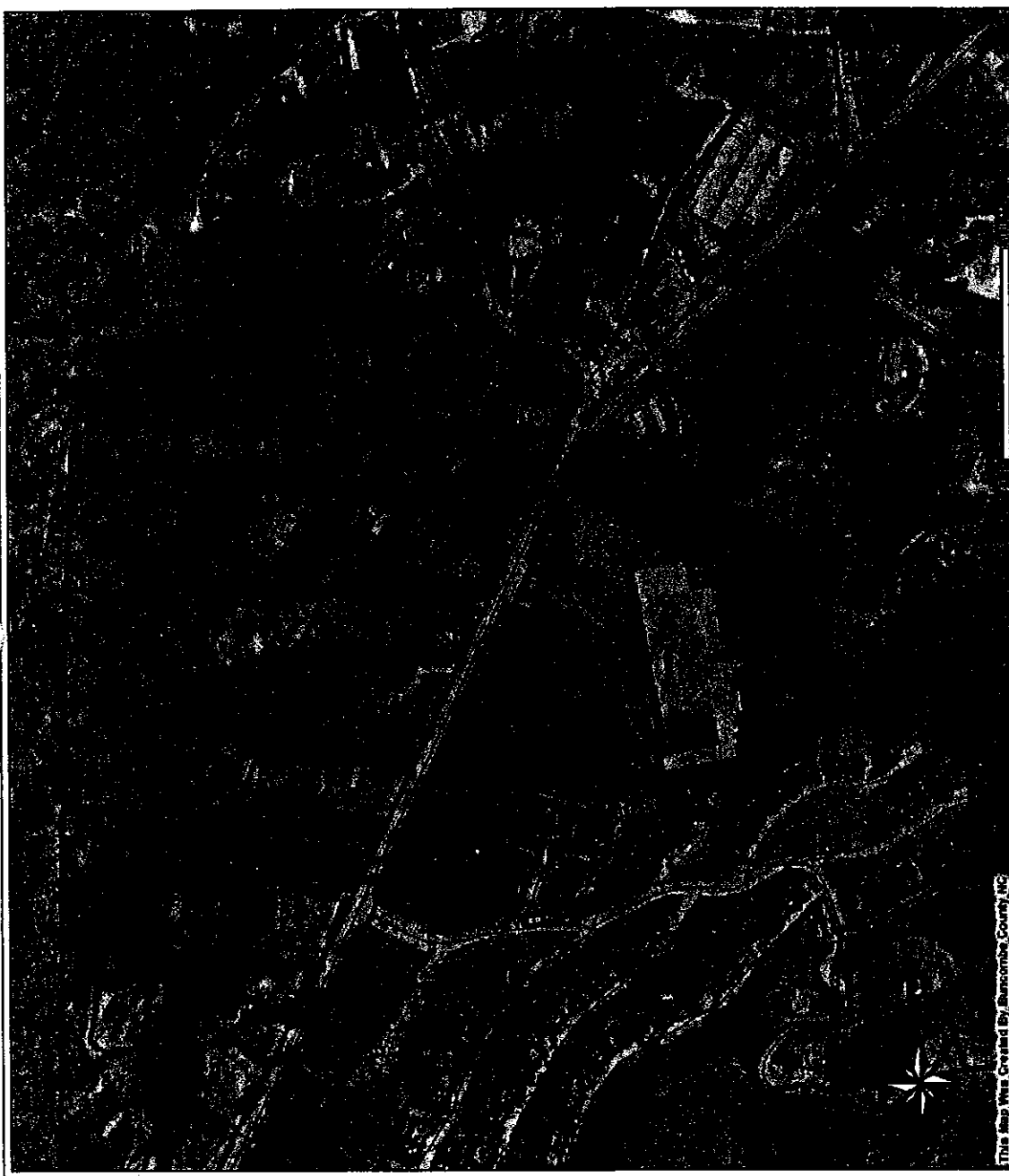


**FIGURES**



TOPOGRAPHIC SITE MAP  
 MILLS GAP ROAD SITE  
 SKYLAND, NORTH CAROLINA

DRAWN: <i>SEK</i>	ENG CHECK: -	DATE: FEBRUARY 2008	PROJECT: 6686-08-1744
DFT CHECK: <i>Mew</i>	APPROVAL: <i>Mew</i>	SCALE: 1" = 2,000'	FIGURE: 1
REFERENCE: USGS QUADRANGLES: ASHEVILLE (1961), OTEEN (1962), FRUITLAND (1978) AND SKYLAND (1978)			

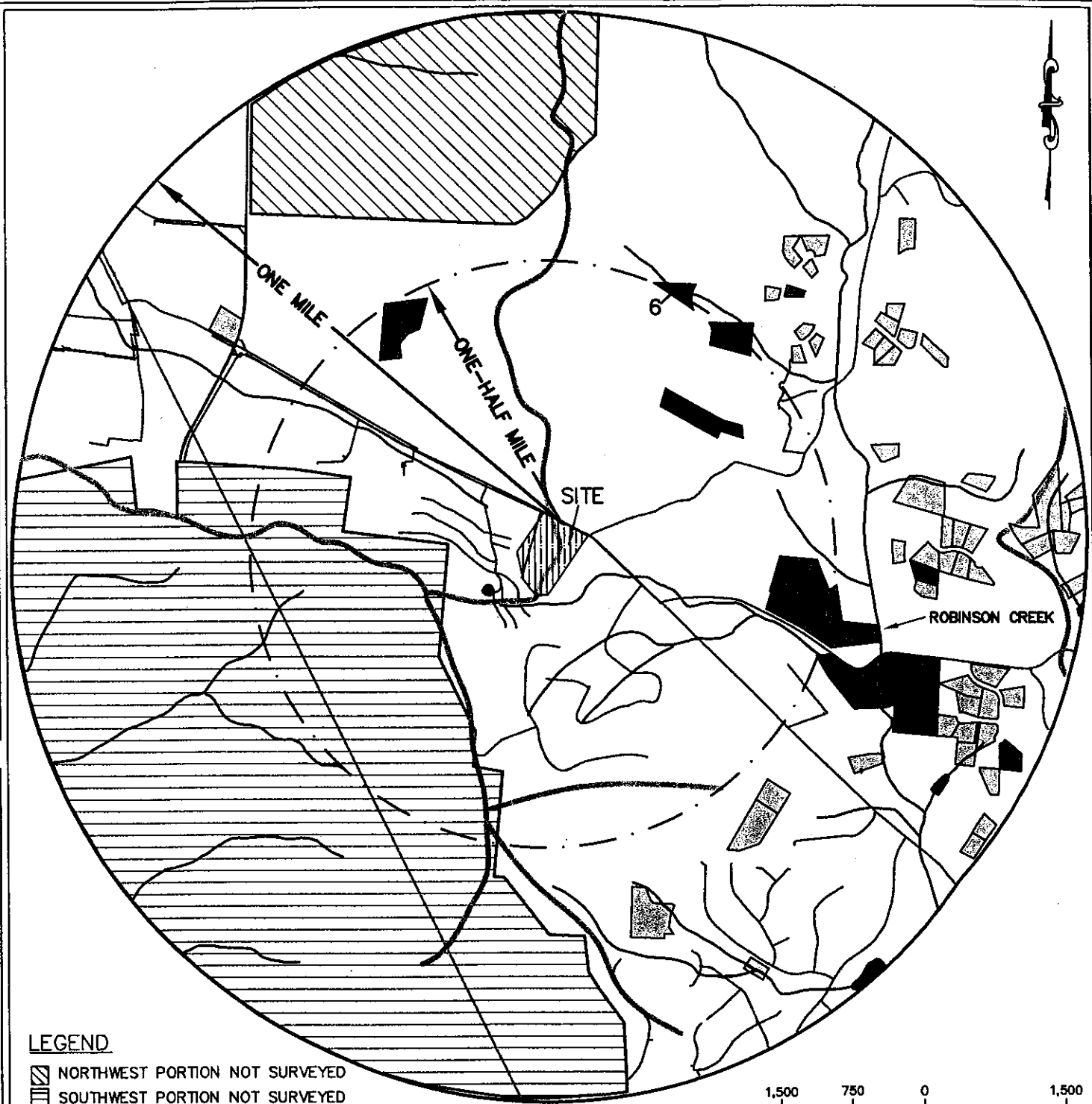


MAP OF PROPERTIES ADJACENT TO SITE  
MILLS GAP ROAD SITE  
SKYLAND, NORTH CAROLINA



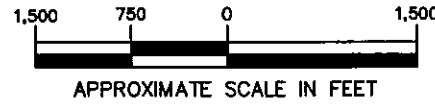
DRAWN: <i>SKK</i>	ENG CHECK: -	DATE: FEBRUARY 2008	PROJECT: 6686-08-1744
DFT CHECK: <i>Mew</i>	APPROVAL: <i>Mew</i>	SCALE: AS SHOWN	FIGURE: 3

REFERENCE: BUNCOMBE COUNTY GIS WEBSITE (2006 AERIAL PHOTOGRAPH); REFER TO TABLE 1 FOR PROPERTY INFORMATION, AS INDICATED BY NUMBERS 1-10.



**LEGEND**

- NORTHWEST PORTION NOT SURVEYED
  - SOUTHWEST PORTION NOT SURVEYED
  - WELL PREVIOUSLY IDENTIFIED BY EPA\*
  - POTABLE WELL IDENTIFIED BY MACTEC (2006)\*
  - POSSIBLE WELL STRUCTURE IDENTIFIED BY MACTEC (2006)
  - STREAMS AND WATER BODIES
  - MUNICIPAL WATER SUPPLY LINES (2004)
  - PROMINENT RIDGES
- \*REFER TO TABLE 2 FOR WELL INFORMATION OF PARCELS NUMBERED 1 THROUGH 6

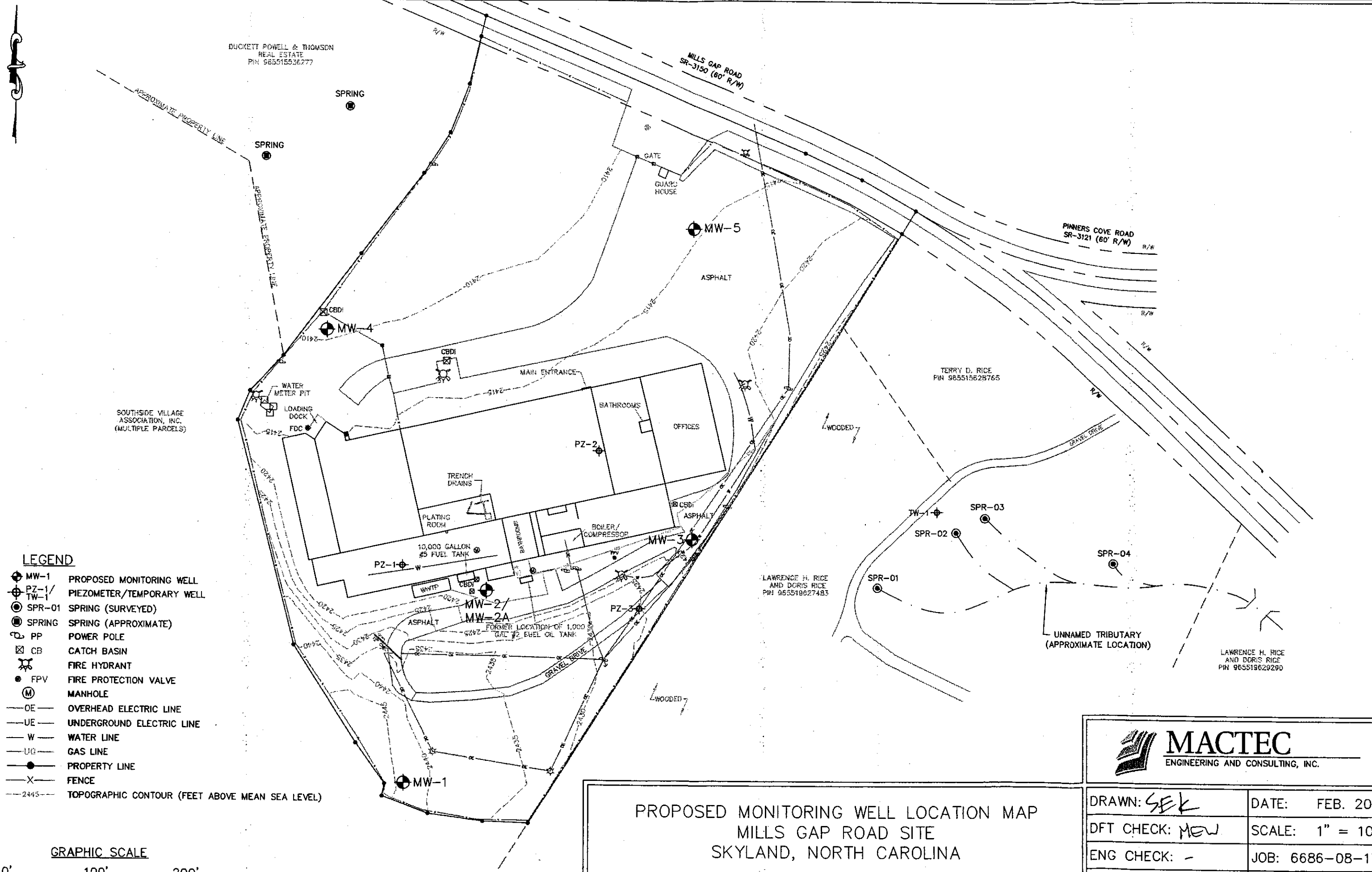


**MACTEC**  
ENGINEERING AND CONSULTING, INC.

WATER SUPPLY WELL INVENTORY MAP  
 MILLS GAP ROAD SITE  
 SKYLAND, NORTH CAROLINA

DRAWN: <i>SEK</i>	DATE: FEB. 2008
DFT CHECK: <i>MW</i>	SCALE: approx. 1"=1,500'
ENG CHECK: -	JOB: 6686-08-1744
APPROVAL: <i>MW</i>	FIG: 4

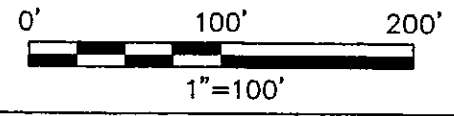
REFERENCE: CITY OF ASHEVILLE WATER RESOURCES DEPARTMENT (2004).



**LEGEND**

- ⊕ MW-1 PROPOSED MONITORING WELL
- ⊕ PZ-1/ TW-1 PIEZOMETER/TEMPORARY WELL
- ⊙ SPR-01 SPRING (SURVEYED)
- ⊙ SPRING SPRING (APPROXIMATE)
- ⊕ PP POWER POLE
- ⊕ CB CATCH BASIN
- ⊕ FIRE HYDRANT
- ⊕ FPV FIRE PROTECTION VALVE
- ⊕ M MANHOLE
- OE — OVERHEAD ELECTRIC LINE
- UE — UNDERGROUND ELECTRIC LINE
- W — WATER LINE
- UG — GAS LINE
- ● — PROPERTY LINE
- X — FENCE
- 2445 — TOPOGRAPHIC CONTOUR (FEET ABOVE MEAN SEA LEVEL)

**GRAPHIC SCALE**

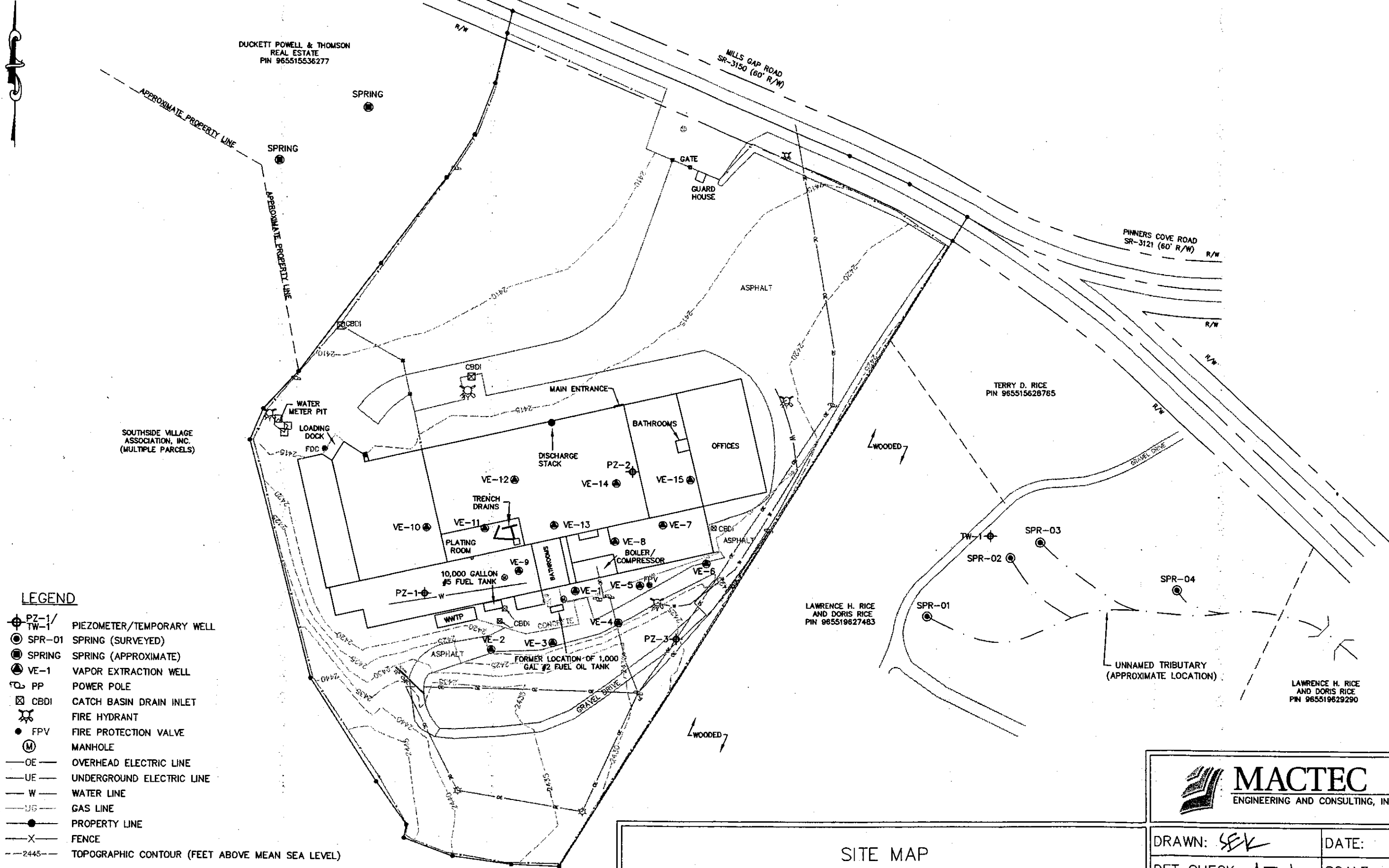


**PROPOSED MONITORING WELL LOCATION MAP**  
**MILLS GAP ROAD SITE**  
**SKYLAND, NORTH CAROLINA**

**MACTEC**  
ENGINEERING AND CONSULTING, INC.

DRAWN: <i>SEK</i>	DATE: FEB. 2008
DFT CHECK: <i>MEW</i>	SCALE: 1" = 100'
ENG CHECK: -	JOB: 6686-08-1744
APPROVAL: <i>MEW</i>	FIG: 5

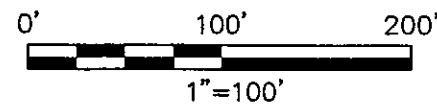
REFERENCE: SURVEYS PREPARED BY FREELAND & ASSOCIATES, INC., DATED 2/18/2004 AND 10/06/05.



**LEGEND**

- ⊕ PZ-1/ TW-1 PIEZOMETER/TEMPORARY WELL
- ⊙ SPR-01 SPRING (SURVEYED)
- ⊙ SPRING SPRING (APPROXIMATE)
- ⊙ VE-1 VAPOR EXTRACTION WELL
- ⊙ PP POWER POLE
- ⊙ CBDI CATCH BASIN DRAIN INLET
- ⊙ FIRE HYDRANT
- ⊙ FPV FIRE PROTECTION VALVE
- ⊙ M MANHOLE
- OE— OVERHEAD ELECTRIC LINE
- UE— UNDERGROUND ELECTRIC LINE
- W— WATER LINE
- UG— GAS LINE
- PROPERTY LINE
- X— FENCE
- 2445--- TOPOGRAPHIC CONTOUR (FEET ABOVE MEAN SEA LEVEL)

**GRAPHIC SCALE**



**SITE MAP**  
**MILLS GAP ROAD SITE**  
**SKYLAND, NORTH CAROLINA**

**MACTEC**  
 ENGINEERING AND CONSULTING, INC.

DRAWN: <i>SEK</i>	DATE: FEB. 2008
DFT CHECK: <i>MEW</i>	SCALE: 1" = 100'
ENG CHECK: —	JOB: 6686-08-1744
APPROVAL: <i>MEW</i>	FIG: 2

REFERENCE: SURVEYS PREPARED BY FREELAND & ASSOCIATES, INC., DATED 2/18/2004 AND 10/06/05.

## **APPENDICES**

**APPENDIX A**

**SECTION 104 RESPONSE LETTER**





bcc: Michael F. Dolan  
Paul W. Schroeder  
Marvin E. Gobles

August 16, 2002

VIA FEDERAL EXPRESS

Mr. Henry Webb  
Assistant Regional Counsel  
U.S. Environmental Protection Agency  
Sam Nunn Atlanta Federal Center  
Region 4, EAD, 13<sup>th</sup> Floor  
61 Forsyth Street SW  
Atlanta, GA 30303

Re: Responses of CTS Corporation to "First Request for Information Pursuant to Section 104 of CERCLA and Section 3007 of RCRA for the Mills Gap Road Groundwater Contamination Superfund Site in Buncombe County, North Carolina"

Dear Mr. Webb:

This is in response to the above-referenced Request for Information regarding the Mills Gap Road Groundwater Contamination Superfund Site ("Site"). CTS Corporation ("CTS") voluntarily provides the following information, without admitting any liability or responsibility whatsoever for the Site under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601 et seq. (CERCLA), the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901 et seq. (RCRA) or any other statute.

Preliminary Statement and General Objections

Although CTS has carried out a search for the information requested, it should be noted that it objects generally to the Request for Information because it is overly broad. It imposes an undue burden upon CTS and, in the absence of any known connection between CTS and the conditions allegedly existing at the Site, the information requested is arbitrary and an abuse of discretion. Furthermore, the Request is beyond the scope of the Agency's authority pursuant to CERCLA § 104(e), 42 U.S.C. § 9604(e) and RCRA § 3007, 42 U.S.C. 6927.

CTS specifically objects to the Request for Information to the extent that it purports to require CTS to respond on the basis not only of all information and documents in its control, but also to provide all information and documents in the possession, custody, and control of former employees or agents. CTS objects to the Request for Information to the extent that it purports to impose upon CTS an obligation to research, investigate and disclose information from other sources.

CTS further objects to the Agency's description of the purported legal authority for the Request and its vague and inaccurate reference to possible penalties for non-compliance. Any information provided by the Company is based upon a reasonable investigation and search of records kept in the ordinary course of business and the responses are based on such reasonable records search and investigation.

None of the matters that are the subject of this request, and CTS' response, are within the personal knowledge of the undersigned. This letter constitutes the corporate response of CTS Corporation to the Request for Information and is based upon documents in the possession of CTS and information obtained from employees of CTS, primarily through their review of those documents.

CTS further objects to the "Instructions" and "Definitions" to the extent that they generally purport to expand upon the requirements of CERCLA § 104(e), 42 U.S.C. § 9604(e) and RCRA § 3007, 42 U.S.C. § 6927. Without limiting the breadth of the foregoing objection, CTS specifically objects to the Agency's definition of:

- "you," "Respondent" or "CTS" as including any person or entity other than CTS Corporation
- the "Site" or "Facility" as being legal conclusions and not as defined by either CERCLA or RCRA
- "materials," "hazardous materials" and "non-hazardous materials" as not defined by either CERCLA or RCRA
- "identify," "document" and "documents" as being overly broad, unduly burdensome, incomprehensible and not defined by either CERCLA or RCRA.

CTS further objects to the Request for Information to the extent it seeks attorney/client privileged communications.

CTS further objects to the Request for Information to the extent that it purports to call for information concerning petroleum products because CERCLA excludes petroleum from the definition of a hazardous substance. CERCLA § 101(14), 42 U.S.C. § 9601(14).

CTS' responses to the Request for Information are made as of the date hereof, and CTS reserves the right to revise, amend and supplement its responses at any time in the future.

Subject to and without waiver of the foregoing objections, CTS responds to the Request for Information as follows:

Request No. 1: Identify the person(s) answering these questions on behalf of Respondent.

Response to Request No. 1:

Marvin E. Gobles  
Manager, Environmental Services  
CTS Corporation  
905 West Boulevard N.  
Elkhart, IN 46514  
Tel. No. (574) 293-7511

Elizabeth Bottorff Ahlemann  
Senior Legal Counsel  
CTS Corporation  
905 West Boulevard N.  
Elkhart, IN 46514  
Tel. No. (574) 293-7511

Request No. 2: For each and every Question contained herein, identify all persons consulted in the preparation of the Response to Request.

Response to Request No. 2:

Marvin E. Gobles  
Manager, Environmental Services  
CTS Corporation  
905 West Boulevard N.  
Elkhart, IN 46514  
Tel. No. (574) 293-7511

Request No. 3: For each and every Question contained herein, identify all documents consulted, examined, or referred to in the preparation of the answer or that contain information responsive to the Question and provide true and accurate copies of all such documents.

Response to Request No. 3:

CTS has made a reasonable, good faith effort under the circumstances to search for, identify and provide documents that contain relevant information that CTS believes is responsive to these Requests. Such documents that have been located by CTS to date are attached to these Responses as Bates Nos. 000001 to 000410; provided, however, that to the extent that any such documents are protected by attorney-client privilege, they are not

included. Where appropriate, specific documents are identified by Bates number in CTS' Responses to individual Requests.

Request No. 4: State the dates during which you owned, operated, or leased any portion of the Site and provide copies of all documents evidencing or relating to such ownership, operation, or lease, including but not limited to purchase and sale agreement, deeds, leases, etc.

Response to Request No 4:

CTS of Asheville, Inc., a North Carolina corporation and a subsidiary of CTS Corporation, an Indiana corporation, purchased, to the best of CTS' knowledge and belief, the building and real property located on Mills Gap Road in Asheville, North Carolina, and other equipment and assets, on June 12, 1959 from International Resistance Company ("IRC"), of Philadelphia, Pennsylvania, a Delaware corporation. The total acreage purchased by CTS of Asheville, Inc. was approximately 66.4 acres. (See Bates Nos. 000009 - 000011.) Based on copies of documents from 1952 that CTS located, which are attached as Bates Nos. 000001 - 000008, it appears that IRC purchased the property from Bibco Corporation on December 2, 1952 and that at the time of IRC's purchase from Bibco, the building was under construction but not completed.

On April 4, 1972, CTS of Asheville, Inc. granted an easement to the City of Asheville to operate and maintain a water reservoir and associated pipes on the property. (See Bates Nos. 000012 - 000015.) This easement was assigned by CTS of Asheville, Inc. to CTS Corporation on December 30, 1983.

On August 20, 1975, CTS of Asheville, Inc. conveyed 9.05 acres of the property to Buncombe County, North Carolina. (See Bates Nos. 000016 - 000021.)

On February 2, 1976, CTS of Asheville granted an easement to Buncombe County so that Buncombe County could maintain a drainage ditch to be constructed on the County's property. (See Bates Nos. 000022 - 000024.)

On December 30, 1983, CTS of Asheville, Inc. transferred the property to its parent corporation, CTS Corporation. (See Bates Nos. 000025 - 000031.) It appears that this deed was re-done in September 1986 due to an error in the legal description on the 1983 deed, because a second deed conveying the property from CTS of Asheville, Inc. to CTS Corporation was recorded on September 18, 1986. (See Bates Nos. 000032 - 000034.)

It appears that some time after September 18, 1986 but prior to December 23, 1987, CTS sold some of the property to a company called "Landmark Enterprises." (See Bates No. 000032.) CTS does not have any further information about "Landmark Enterprises," other than the fact that it was not in any way affiliated with CTS. As of December 23, 1987, CTS owned 53.54 acres.

On December 23, 1987, CTS sold its remaining 53.54 acres to Mills Gap Road Associates, a North Carolina general partnership with an address of 53 N. Market St.,

Asheville, North Carolina 28801. The three partners in Mills Gap Road Associates were Stanley H. Greenberg, John A. Powell and Fred N. Slosman. Mr. Greenberg was Vice President of Coldwell Banker Hill-Gatewood Realtors, the realty firm with whom CTS had listed the property for sale. The property was sold on a land contract, with Mills Gap Road Associates giving CTS a promissory note that was secured by a Purchase Money Deed of Trust. (See Bates Nos. 000040 - 000074.) The final payment on the Promissory Note was paid on behalf of Mills Gap Road Associates on August 27, 1997. (See Bates No. 67.)

Request No. 5: Identify any persons who concurrently with you exercised actual control or who held significant authority to control activities at the Site, including but not limited to:

- a. partners or joint venturers;
- b. any contractor, subcontractor, or licensor with any presence or activity on the Site; (service contractors, remediation contractors, management and operator contractors, licensor providing technical support to licensed activities);
- c. any person subleasing land, equipment or space on site;
- d. utilities, pipelines, railroads and any other person with activities and/or easements regarding the site;
- e. major financiers and lenders;
- f. any person who exercised actual control over any activities or operations on Site;
- g. any person who held significant authority to control any activities or operation on site;
- h. any person who held significant presence or who conducted significant activities on site; and/or
- i. government entities that had proprietary (as opposed to regulatory) interest or involvement with regard to the activity on the Site/facility/plant.

Response to Request No. 5:

Please see CTS' response to Request No. 4, above. Further, CTS leased 4,752 square feet of the manufacturing facility to Arden Electroplating, Inc. from at least December 1, 1985 to November 30, 1986. The owner of Arden Electroplating, Inc. was Thomas D. Israel, with a home address of 9 Blackberry Lane, Fletcher, North Carolina, 28732. (See Bates Nos. 000035 - 000037.) CTS also sold plating equipment to Arden Electroplating, Inc. (See Bates Nos. 000038 - 000039.)

Request No. 6: Identify any legal or equitable interest that you now have, or previously had in the Site. Include information regarding the nature of such interest; when, how, and from whom such interest was obtained; and when, how and to whom such interest was conveyed. In addition, submit copies of all instruments evidencing the acquisition or conveyance of such interest.

Response to Request No 6:

Please see the Response to Request No. 4, above.

Request No. 7: At the time you acquired or operated the Site, did you know or have reason to know that any hazardous substance was disposed of on or at the Site? Describe all investigations of the Site you undertook prior to acquiring the Site and all of the facts on which you base the Response to Request to the preceding question.

Response to Request No 7:

With respect to CTS' acquisition of the property, at the time that CTS of Asheville, Inc. acquired the property, in June, 1959, CTS did not have any reason to know that any hazardous substance was disposed of on or at the property. CTS has no information regarding any investigations that might have been undertaken in 1959 prior to the acquisition of the property by CTS of Asheville, Inc.

With respect to CTS' operations on the property, CTS does not know or have reason to know that any hazardous substance was disposed of on the property. Inspections of CTS' operations were performed by the State of North Carolina, Department of Human Resources, Division of Health Services, Environmental Health Section, Solid and Hazardous Waste Management Branch. (See Bates Nos. 000075 – 000097.)

Request No. 8: Identify all prior owners of the Site. For each prior owner, further identify:

- a. the dates of ownership;
- b. all evidence showing that they controlled access to the Site; and
- c. all evidence that a hazardous substance, pollutant, or contaminant, was released or threatened to be released at the Site during the period that they owned the Site.

Response to Request No. 8:

- a. Bibco Corporation owned the property prior to December 2, 1952. IRC owned the property from December 2, 1952 to June 12, 1959.
- b. Bibco Corporation owned the property prior to December 2, 1952, and was in the process of constructing a building on the property when IRC purchased the property from Bibco on December 2, 1952. IRC owned the property from

December 2, 1952 to June 12, 1959. IRC completed construction, in 1953, of the building that Bibco had begun.

- c. CTS has no knowledge regarding the release of any hazardous substance, pollutant or contaminant on the property at any time.

Request No. 9: Identify all prior operators of the Site, including lessors, of the Site. For each such operator, further identify:

- a. the dates of operation;
- b. the nature of prior operations at the Site;
- c. all evidence that they controlled access to the Site; and
- d. all evidence that a hazardous substance, pollutant, or contaminant, was released or threatened to be released at or from the Site and/or its solid waste units during the period that they were operating the Site.

Response to Request No. 9:

Bibco Corporation owned the property prior to December 2, 1952. IRC of Philadelphia, Pennsylvania, a Delaware corporation, owned the property from December 2, 1952 to June 12, 1959. IRC operated a manufacturing facility on the premises. To the best of CTS' knowledge and belief, CTS of Asheville, Inc. purchased the building, real property, equipment and other assets of the business from IRC. CTS has no further information concerning IRC.

Request No. 10: Describe the nature of your activities or business at the Site, with respect to purchasing, receiving processing, storing, treating, disposing, or otherwise handling hazardous substances or materials at the site.

Response to Request No. 10:

CTS' business is the manufacture of electronic components. At the Asheville location, this activity included both the manufacture of piece parts and assembly operations. Raw materials and other process materials were purchased and stored in a warehouse area within the building, then transferred to the production floor as needed. The majority of purchased materials became a part of the final product. Byproducts of the manufacturing process were either reclaimed or disposed of offsite.

Request No. 11: Did you ever use, purchase, generate, store, treat, dispose, or otherwise handle at the Site any hazardous substances? If the answer to the preceding question is anything but a qualified "no," identify:

- a. in general terms, the nature and quantity of the hazardous substances so transported, used, purchased, generated, stored, treated, disposed, or otherwise handled;
- b. the chemical composition, characteristics, physical state (e.g., solid, liquid) of each hazardous substance so transported, used, purchased, generated, stored, treated, disposed, or otherwise handled;
- c. the persons who supplied you with each such hazardous substance;
- d. how each such hazardous substance was used, purchased, generated, stored, treated, transported, disposed or otherwise handled by you;
- e. when each such hazardous substance was used, purchased, generated, stored, treated, transported, disposed or otherwise handled by you;
- f. where each such hazardous substance was used, purchased, generated, stored, treated, transported disposed or otherwise handled by you;
- g. the quantity of each such hazardous substance used, purchased, generated, stored, treated, transported, disposed or otherwise handled by you.

Response to Request No. 11:

CTS ceased operations at this location in approximately April 1986. Therefore, the following information is provided to the best of CTS' knowledge, based primarily on documents from the location that are being provided along with CTS' responses. (See Bates Nos. 000098 - 000271.)

Acetone was used for cleaning and as the primary solvent in carbon paint. Acetone was received and stored in two 4,000 gallon underground tanks, although one of the tanks may, at some point, have been used to store waste acetone. Waste acetone was also placed in drums. Spent acetone was sent offsite for reclamation or disposal. The rate of acetone waste generated varied, ranging from 495 gallons to 3,640 gallons per year.

Trichloroethylene (TCE) was used for vapor degreasing of parts and equipment. Incoming TCE was stored in a small above-ground tank and in later years in drums. Waste TCE was placed in drums and sent off-site for disposal. Prior to 1980, there was a distillation unit attached to the degreaser for reclamation of the solvent, so the actual rate of generation is unknown. After 1980, waste TCE was generated at an average rate of approximately 350 gallons per year.

Silver, zinc, chrome, nickel and cyanide compounds were used in the electroplating operation, along with various acids and caustic cleaners. Prior to 1980, rinse waters from the plating operation were discharged to city sewer without treatment. Spent plating baths were drummed for off-site reclamation or disposal. In 1979-1980, CTS of



Asheville, Inc. installed a waste water treatment system to treat waters prior to discharge, which generated a metal hydroxide sludge. Sludge was generated at an average rate of 19,136 pounds per year from 1981 through 1985. Sludge was transported off-site for disposal.

It appears that other wastes were generated from time to time. Small amounts of Kerosene and Mineral Spirits, and 1,1,1-Trichloroethane (TCA), were used for cold cleaning, primarily in the tool room. These wastes were in drums and disposed of off-site. In 1987, after manufacturing operations at the location had ceased, there were two drums of N-Butyl Acetate disposed of off-site. N-Butyl Acetate was used as a component in some of the carbon paint formulations and as a cleaner for a printer. Since both of these operations would have resulted in the solvent evaporating, rather than remaining as a liquid, it is likely that the two drums represented excess unused product that remained at the time CTS ceased operations at the Asheville location.

Request No. 12: Identify all federal, state and local authorities that: (a) regulated you and/or the Site during the time you owned and/or operated the site; and/or (b) interacted with you and/or the Site during the time you owned and/or operated the Site. Your response is to address all interactions and in particular all contact from agencies/departments that dealt with health and safety issues and environmental concerns.

Response to Request No. 12:

See Bates Nos. 000075 – 000097 and 000217 – 000258, which are attached hereto. From these documents, it appears that the facility was regulated by U.S. EPA, Region IV; the Western North Carolina Regional Air Pollution Agency; the North Carolina Department of Human Resources, Division of Health Services, Environmental Health Section, Solid and Hazardous Waste Management Branch; the North Carolina Department of Natural Resources and Community Development; and the Buncombe County Metropolitan Sewerage District. It appears that the South Carolina Department of Health and Environmental Control and the Buncombe County Department of Community Development were agencies that also interacted with the CTS' Asheville location.

Request No. 13: Describe all occurrences associated with violations, citations, deficiencies, and/or accidents concerning the Site between 1959 and 1987. Provide copies of all documents associated with each such occurrence.

Response to Request No. 13:

The only known occurrences related to deficiencies found during RCRA inspections in 1982 and 1985. Both of these deficiencies were corrected by CTS of Asheville, Inc. within a month of being discovered. In a letter dated February 24, 1982, the North Carolina Division of Health Services noted a violation of 40 CFR 265.15(b)(1)(2) relating to the lack of a written schedule for safety and emergency equipment and security device inspection. (See Bates Nos. 000076 – 000078.) A re-inspection of the

22, 1982 found that the violation had been corrected. (See Bates No. 000079.) In a letter dated January 2, 1985, the North Carolina Division of Health Services advised of violations related to container management. (See Bates Nos. 000086 - 000091.) In a letter dated January 21, 1985, that same agency wrote that the facility had been re-inspected, and was now in compliance. (See Bates No. 000092.)

Request No. 14: Provide a list of all local, state, and federal environmental permits ever granted for the Facility or any part thereof (e.g., Resource Conservation and Recovery Act ("RCRA") permits, National Pollution Discharge Elimination System ("NPDES") permits, etc.).

Response to Request No. 14:

The CTS' Asheville location had required air permits and waste water permits, and also had a RCRA generator EPA I.D. number. The permits for this facility were as follows:

Air Permits

Cyclonic Dust Collector	Permit No. 20120
Cyclonic Dust Collector	Permit No. 20112
Cyclonic Dust Collector	Permit No. 20113
Boiler	Permit No. 20213
Backup Boiler	Permit No. 20090

Waste Water Permits

Industrial Waste Discharge	Permit No. 010
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RCRA Generator EPA I.D. No. NCD003149556

Permits that were subject to expiration were typically renewed. For existing documentation with respect to the above permits, please see Bates Nos. 000217 - 000258.

Request No. 15: Did the Facility ever file a Hazardous Waste Activity Notification under RCRA? If so, provide a copy of such notification.

Response to Request No. 15:

Yes. CTS of Asheville, Inc. filed an Initial Notification and a Subsequent Notification in 1980. (See Bates Nos. 000259 - 000271).

Request No. 16: Did the Facility ever have "interim status" under RCRA? If so, and the Facility does not currently have interim status, describe the circumstances under which the Facility lost interim status.

Response to Request No. 16:

CTS of Asheville, Inc. had "generator only" status. The 1980 notifications were protective filings. Subsequently, a determination was made that wastes could be shipped off-site within the 90-day required time period. Therefore, interim status as a storage facility was not necessary and the plant never operated as an interim status RCRA Storage facility. The "generator only" status of the facility was recognized in a letter from the State of North Carolina dated March 13, 1984. (See Bates Nos. 000272 - 000277).

Request No. 17: Provide information about the Site, including but not limited to the following:

- a. property boundaries, including a written legal description;
- b. location of underground utilities (telephone, electrical, sewer, water main, etc.);
- c. surface structures (e.g., buildings, tanks, etc.);
- d. groundwater wells, including drilling logs;
- e. storm water drainage system, and sanitary sewer system, past and present, including septic tank(s), subsurface disposal field(s), and other underground structures; and where, when and how such systems are emptied;
- f. any and all additions, demolitions or changes of any kind on, under or about the Site, its physical structures or to the property itself (e.g., excavation work); and any planned additions, demolitions or other changes to the site; and
- g. all maps and drawings of the Site in your possession.

Response to Request No. 17:

Information responsive to the various subparts of the above Request appears on the maps and drawings that are attached as Bates Nos. 000278 - 000281. It appears that several additions were made to the property: In 1962, 1965, 1978 and 1979. The last addition was the waste treatment building, which was added in 1979. CTS is not aware of any groundwater wells existing on the property, nor was there to CTS' knowledge, a septic system on the property.

Request No. 18: Provide all reports, information or data related to soil, water (ground and surface), or air quality and geology/hydrogeology at and about the Site. Provide copies of all documents containing such data and information, including both past and current aerial photographs as well as documents containing analysis or interpretation of such data.

Response to Request No. 18:

In connection with the sale of the property by CTS to Mills Gap Road Associates in 1987, a "Report of Site Assessment Services" dated August 31, 1987 was prepared by Law Environmental, Inc. A copy of this report is attached as Bates Nos. 000282 - 000399. This is the only such report of which CTS is aware. Other documents provided by CTS in response to these requests may contain information responsive to the Request No. 18. To the best of CTS' knowledge and belief, CTS does not have any aerial photographs of the property.

Request No. 19: Describe the acts or omissions of any persons other than your employees, agents or those persons with whom you had a contractual relationship, that may have caused the release or threat of release of hazardous substances at the Site and damages relating therefrom and identify such persons. In addition:

- a. describe all precautions that you took against foreseeable acts or omissions of any such third parties including, but not limited to insert names if known, e.g., of prior owners, etc.] and the consequences that could foreseeable result from such acts or omissions; and
- b. describe the care you exercised with respect to the hazardous substances found at the Site.

Response to Request No. 19:

CTS has no knowledge of any release or threat of release of hazardous substances occurring during the time CTS owned the property. Please see CTS' Responses to Request No. 12, which gives details about the agencies that regulated and inspected CTS' operations at the facility. In addition, the documents produced in response to these Requests may contain information responsive to this Request.

Request No. 20: Identify all past and present solid waste management units (e.g., waste piles, landfills, surface impoundments, waste lagoons, waste ponds or pits, tanks, container storage areas, etc.) on the Site. For each such solid waste management unit, provide the following information:

- a. a map showing the unit's boundaries and the location of all known solid waste management units
- b. the type of unit (e.g., storage area, landfill, waste pile, etc.), and the dimensions of the unit;
- c. the dates that the unit was in use;
- d. the purpose and past usage (e.g., storage, spill containment, etc.);

- e. the quantity and types of materials (hazardous substances and any other chemicals) located in each unit;
- f. the construction (materials, composition), volume, size, dates of cleaning, and condition of each unit; and
- g. if the unit is no longer in use, how was such unit closed and what actions were taken to prevent or address potential or actual releases of waste constituents from the unit.

Response to Request No. 20:

CTS is not aware of any Solid Waste Management Units (SWMUs) on the property. The waste treatment pit (regulated under the Clean Water Act) was constructed in 1979 to collect wastewater from the electroplating process. This pit was cleaned by CTS in 1987 and the material collected from cleaning was shipped off-site. See Bates Nos. 000117 - 000135 for Uniform Hazardous Waste Manifests related to this disposal of these materials.

Request No. 21: Describe the conditions of the physical plant facility at the Site during the years CTS owned and/or operated the Site. Your response is to include, but should not be limited to, the status of equipment (operating or dormant), general condition of the facility (e.g., leaking pipes, corroded drain or new piping installed), quality of maintenance (e.g., equipment in disrepair or inspected monthly), adherence to procedures (improper handling of chemicals, incomplete/absent policies, quality of supervision) and management of the plant.

Response to Request No. 21:

To CTS' knowledge, the plant was maintained in good condition during the period that CTS maintained operations at the Asheville location. CTS' operations were inspected by various regulatory agencies (See CTS' Response to Request No. 12 and Bates Nos. 000075 - 000097). There was employee training to insure that chemicals were properly handled. See Bates Nos. 000400 - 000410.

Request No. 22: Identify all leaks, spills, or releases into the environment of any hazardous substances, pollutants, or contaminants that have occurred at or from the Site. In addition, identify:

- a. when such releases occurred;
- b. how the releases occurred (e.g. when the substances were being stored, delivered by a vendor, transported or transferred (to or from any tanks, drums, barrels, or recovery units), and treated);
- c. the amount of each hazardous substance, pollutant, or contaminant so released;

- d. where such releases occurred;
- e. any and all activities undertaken in response to each such release or threatened release, including the notification of any agencies or governmental units about the release;
- f. any and all investigations of the circumstances, natures, extent or location of each release or threatened release including, the results of any soil, water (ground and surface), or air testing undertaken; and
- g. all persons with information relating to these releases.

Response to Request No. 22:

CTS is not aware of the occurrence of any leaks, spills or releases.

Request No. 23: Was there ever a spill, leak, release, or discharge of hazardous substances into any subsurface disposal system or floor drain inside or under the CTS building? If the answer to the preceding question is anything but an unqualified "no" identify:

- a. where the disposal system or floor drains were located;
- b. when the disposal system or floor drains were installed;
- c. whether the disposal system or floor drains were connected to pipes;
- d. where such pipes were located and emptied;
- e. when such pipes were installed;
- f. how and when such pipes were replaced, or repaired; and
- g. whether such pipes ever leaked or in any way released hazardous substances into the environment.

Response to Request No. 23:

CTS has no knowledge of any such spill, leak, release or discharge of hazardous substances.

Request No. 24: Has any contaminated soil ever been excavated or removed from the Site? Unless the answer to the preceding question is anything besides an unequivocal "no", identify:

- a. amount of soil excavated;
- b. location of excavation;

- c. manner and place of disposal and/or storage of excavated soil;
- d. dates of soil excavation;
- e. identity of persons who excavated or removed the soil;
- f. reason for soil excavation;
- g. whether the excavation or removed soil contained hazardous substances and why the soil contained such substances;
- h. all analyses or tests and results or analyses of the soil that was removed from the Site; and
- i. all persons, including contractors, with information about (a) through (h) of this request.

Response to Request No. 24:

No.

Request No. 25: Provide information and documentation concerning all inspections, evaluations, safety audits, correspondence and any other documents associated with the conditions, practices, and/or procedures at the Site concerning insurance issues.

Response to Request No. 25:

Please see CTS' Response to Request No. 12.

Request No. 26: Describe the waste generation history of the Site, including all controlled and uncontrolled releases of compounds, reactants, products, waste, and any other substance. In your response list all releases by compound, the amount of release and the circumstances surrounding said release between 1959 and 1987.

Response to Request No. 26:

Please see CTS' Responses to Requests Nos. 22 and 23. Also, please see CTS' Response to Request No. 11.

Request No. 27: Describe the waste handling and disposal history of the Site, for all facilities and all operations, including but not limited to transportation, shipping and/or receiving, storage, manufacturing, research, quality control, waste containment, and waste disposal facilities, between 1959 and 1987. This description is to include the names, addresses and activities of waste disposal contractors, and copies of all supporting documents (manifests, invoices, contracts, etc.)

Response to Request No. 27:

Please see CTS' Response to Request No. 11. As previously mentioned, this facility operated as a generator of hazardous waste. All wastes were transferred off-site for reclamation or disposal.

Request No. 28: Describe all instances where the Site accepted waste from any company or person, or where the Site accepted substances which could be considered hazardous and not useful in their present form. Your responses is to include the following:

- a. a description of the waste sent to the Site;
- b. the types and quantity of the waste sent to the Site;
- c. the name of the person or company who transported the waste to the Site;
- d. the name of the person or company who sent the waste to the Site;
- e. the names of the person or company who originated the waste sent to the Site;
- f. the date(s) such wastes were sent to the Site;
- g. the state (i.e., liquid, solid, or gaseous) of the wastes sent to the Site, and the manner in which the wastes were stored or disposed (i.e., drummed or uncontained, placed in lagoons, landfilled, placed in piles, etc.);
- h. a description of what the site would do with the waste once received;
- i. the reason which led you to believe that the waste received was indeed waste when received; and
- j. the names of all customers who would receive a finished product which was composed of any waste described in this question.

Response to Request No. 28:

Not applicable. CTS did not accept waste from off-site sources.

Request No. 29: Describe all instances where the Site accepted substances which could be considered off-spec. "Off-spec" is intended to mean a substances that in its current form is not useful for its intended purpose. Off-spec materials are often experimental products and/or substances which did not live up to expectations; or products and/or substances which did not meet the level of quality required for its intended purpose, i.e. a contaminated batch of solvents. Our response is to include the following:

- a. a description of the substances sent to the Site:



- b. the types and quantity of the substances sent to the Site;
- c. the name of the person or company who transported the substances to the Site;
- d. the name of the person or company who sent the substances to the Site;
- e. the name of the person or company who originated the waste sent to the Site;
- f. the date(s) such substances were sent to the Site;
- g. the state (i.e. liquid, solid, or gaseous) of the substances sent to the Site, and the manner in which the substances were stored or disposed (i.e., drummed or uncontained, placed in lagoons, landfilled, placed in piles, etc.);
- h. a description of what the Site Operator would do with the substances once received;
- i. the reason which led you to believe that the substances received were off-spec in the form received by the Site; and
- j. the names of all customers who would receive a finished product which was composed of any substances described in this question.

Response to Request No. 29:

Not applicable. See CTS' Response to Request No. 28.

Request No. 30: Provide a list of all hazardous waste treatment and disposal facilities utilized by you. Describe the treatment or disposal method utilized by these facilities for each waste.

Response to Request No. 30:

Please see CTS' Response to Request No. 11 and the Bates-numbered documents referenced in that response. CTS believes it is likely that material sent to the local landfill and to the SCA (later, GSX) landfill in Pinewood, SC, was landfilled. Organic solvents typically were recycled, and sometimes returned to CTS as replacement product. Various solvent recyclers used by CTS included Lenoir Refining, Environmental Recycling, Mitchell Systems and Baron-Blakeslee. CTS participated in a clean-up related to the Lenoir Refining site. CTS also was named as a potentially responsible party in connection with the Rutledge Property/Rock Hill Chemical Company Superfund Site ("Rock Hill"), located in Rock Hill, York County, South Carolina, which was in operation from 1960 - 1964. The operator of the Rock Hill site indicated in a deposition that he picked up drums of TCA, used by CTS of Asheville, Inc. for cold cleaning in the tool room, from CTS of Asheville, Inc. and took them to Rock Hill. CTS entered into an "Agreement for Recovery of Response Costs" with respect to Rock Hill in February, 2000.

Request No. 31: Describe how the wastes involved in each transaction referenced in question 30 were disposed of into the landfill or other disposal site (e.g., whether they were containerized, and if it was treated or processed prior to final disposition).

Response to Request No. 31:

Please see CTS' Responses to Requests Nos. 11 and 30. Prior to 1980, metal hydroxide sludge, a solid, was shipped in drums to the Buncombe County Landfills. After 1980, this material was shipped to the SCA (later, GSX) landfill in Pinewood, South Carolina, for disposal. Cleanup debris generated from activities related to the shutdown of CTS' operations at the Asheville location also were shipped in drums to the landfill in Pinewood, South Carolina, for disposal.

Request No. 32: Identify whether any employee, agent or operator of the Landfill or other disposal site was notified of the hazardous characteristics of the wastes referenced in questions 30 and 31 and, if so, the name and address or other description of the person so notified, the information provided, and the date of such notification. If such notification was in writing, attach a copy thereof to your response; if no copy is available, explain why you are unable to provide one.

Response to Request No. 32:

Bates Nos. 000098 - 000099 is a letter from the Department of Community Development, Buncombe County, indicating that the Buncombe County Landfills would accept metal hydroxide sludge for disposal. Metal hydroxide sludge was also sent to a hazardous waste landfill in Pinewood, SC, under RCRA regulation, as stated in CTS' Response to Request No. 30, above. (See Bates Nos. 000100 - 000135).

Request No. 33: Identify all companies, firms, facilities and individuals from whom you obtained, or who supplied, materials containing the hazardous substances listed above.

Response to Request No. 33:

CTS has not been able, to date, to locate any documents that would indicate who the suppliers were for the various materials used in CTS' operations at the Asheville location, as identified in CTS' Response to Request No. 11.

Request No. 34: Identify all companies or persons whose chemicals, hazardous wastes, hazardous substances, or other materials have ever been treated, stored, or disposed of at the Site, including information regarding the following:

- a. location and address of each such company or person who sent such materials, including contact person(s) within said companies;

- b. shipping records pertaining to such materials sent by each such company or person, including but not limited to invoices, bills of lading, weight tickets, and purchase orders; and
- c. identification and location of all companies and individuals who transported said materials.

Response to Request No. 34:

Not applicable. CTS did not treat, store or dispose of any materials for other companies or persons.

Request No. 35: Describe thoroughly the manufacturing processes used by CTS on or at the Site from 1959 until 1987.

Response to Request No. 35:

CTS manufactured electronic components such wirewound and resistor switches and potentiometers, at this facility. Manufacturing consisted of both the piece part and assembly operations. Processes utilized included carbon paint mixing and screening, paint curing, punch press operations, molding, screw machine operations, electroplating, tooling and final assembly of wirewound products and automotive switches and switch assemblies.

Carbon paint mixing consisted of mixing carbon black with various solvents, primarily acetone. This paint would then be screened onto a substrate material that was usually a plastic but sometimes was steel.

The substrates were typically punched out to an exact form in the punch press department. Also, the punch press department would manufacture the covers for the wirewound products.

The screw machines were used to cut metal stock, typically steel, to length. The product from screw machines was the switch or control piece for the main products.

Typically, the covers from the punch press department, and the switches and other controls from the screw machines, would be electroplated to increase their resistance to corrosion. The plating requirement for the different parts varied, but were one or more of a combination of zinc, nickel and silver plating. There was also some chromating of metal parts and electroplating of tin.

In lieu of metal covers, some part housings were injection molded in the molding department. The tooling room was used to manufacture and maintain the dies used in the molding and punch press departments.

In assembly operations, the various piece parts were then assembled into the final product, using glues, lubes and solders. The product was then either stored in the warehouse or shipped directly to the customer.

Request No. 36: Provide a list of the chemicals utilized in the manufacturing processes referenced pursuant to question 35, either as a component employed in the formulation of product, made for sale or use offsite or onsite, or as a reagent in the manufacturing process, or as an item utilized in maintenance activities.

Response to Request No. 36:

Please see CTS' Response to Request No. 11. Further, as indicated in CTS' Response to Request No. 35, CTS additionally used glues, lubes and solders, in the assembly process, but CTS does not have any information related to these items.

Request No. 37: Provide a list of any chemical substances produced in the manufacturing processes employed onsite, any chemical substances which become byproducts of the manufacturing process, the chemical composition of any sludges or liquids or other production wastes resulting from the manufacturing process. Summarize in a short narrative the equipment used to treat such waste materials, transport such waste materials or dispose of such waste materials.

Response to Request No. 37:

CTS is not aware of any chemical substances that were produced in the manufacturing processes at the Asheville location. Please see, also, CTS' Response to Request No. 11 regarding the metal hydroxide sludge from the waste water treatment system.

The waste water treatment system consisted of two treatment modules. The first was an evaporative recovery unit that collected rinses from silver plating, evaporated the water, then returned concentrated silver solution back into the plating bath. The second part was the waste water neutralization process. Waste water from the electroplating area drained by gravity to a 12,000 gallon pit, at which point it was pumped up to a 2-stage pH neutralization process, followed by flocculant feed, then a clarifier for the separation of solids and liquids. Solids were pulled from the bottom of the clarifier and pumped through a series of woven filter socks. The contents of the socks were periodically dumped into drums for off-site disposal. The water from the clarifier was discharged under permit to the Buncombe County Sewerage District.

Request No. 38: If production wastes, including floor sweepings, have been disposed onsite in landfills, provide a map marked with the location of any or all such sites, list the chemicals or other items landfilled at each site, and give the dates each site was utilized as a landfill by your company or other companies.

Response to Request No. 38:

Not applicable. CTS is not aware of any materials being disposed of on-site in landfills.

Request No. 39: If the manufacturing processes used on the site involve the utilization of rinse water, give a description of the equipment and transport mechanisms used to segregate hazardous substances from the water before it is discharged into navigable waters through an outfall permitted by a NPDES permit. Provide copies of all such permits granted in conjunction with site operations. Describe the composition of any sludge material recovered from the cleanup processes of such rinse waters; give the means used to transport these sludges to disposal points and list any or all such deposition locations.

Response to Request No. 39:

Please see CTS' Responses to Requests Nos. 12 and 37.

Request No. 40: Provide a map which shows all monitoring wells installed on the Site: In addition, give the identification system used to identify each monitoring well, state the purpose for which each well was used and give the results obtained from all monitoring conducted at each of the wells from 1959 to 1987.

Response to Request No. 40:

Not applicable. CTS has no knowledge of any monitoring wells on the property.

Request No. 41: Provide a map which shows all air monitoring devices installed on the Site. In addition, give the identification system used to identify each monitoring device, state the purpose for which each device was used and give the results obtained from all monitoring conducted at each of the devices from 1959 to 1987.

Response to Request No. 41:

CTS is not aware of any air monitoring devices having been installed at this location.

Request No. 42: Specify the dates, quantities of materials, concentration of product strength (i.e., reagent grade trichloroethane and 1% benzene), and method of transportation for any such materials received contained any hazardous substances, pollutants or contaminants, or hazardous wastes.

Response to Request No. 42:

Please see CTS' Response to Request No. 11 with respect to materials used in CTS' operations. CTS has not to date located any documents containing information regarding the product strength of these materials used in CTS' operations at the Asheville location. As previously stated (see CTS' Response to Request No. 28), CTS did not receive any hazardous wastes.

Request No. 43: Specify the purpose for which CTS received or was provided materials containing any such hazardous substances, pollutants or contaminants, or hazardous wastes.

Response to Request No. 43:

Please see CTS' Responses to Requests Nos. 11 and 28.

Request No. 44: Describe onsite handling and storage of materials containing hazardous substances, pollutants or contaminants, or hazardous wastes. Describe any procedures for leak detection for storage tanks or vessels containing materials which contain hazardous substances, pollutants or contaminants, or hazardous wastes.

Response to Request No. 44:

Please see CTS' Response to Requests Nos. 11, 12 and 21. There were visual inspections of containers and tanks. Copies of the inspection forms used are attached as Bates Nos. 000400 - 000408.

Request No. 45: Provide all analytical data on the presence, absence or concentrations of the above-listed hazardous substances, pollutants or contaminants, or hazardous wastes in materials received at the Facility.

Response to Request No. 45:

CTS has not located any documents to date containing analytical data with respect to incoming products containing hazardous substances. As previously stated (in CTS' Response to Request No. 28) CTS did not receive any hazardous wastes.

Request No. 46: With respect to the Facility's septic tank and leachate disposal system (tile field) to which the toilet drains, the following additional information is required to determine the potential for hazardous substances to be released into the environment:

- a. provide specifications and details on the design and installation of the septic (i.e., size and depth of the tank, construction of the tank, depth and type of field tile);
- b. describe any maintenance and repair for the septic system, specifically but not limited to the use of any organic chemicals list for any septic cleaning materials used in the septic.

Response to Request No. 46:

CTS is not aware of any septic tank or leachate disposal system being located on the property. To the best of CTS' knowledge and belief, the building was connected to the City sewer from the time it was built. See Bates No. 000278, a drawing which indicates the presence of sewer lines.

Request No. 47: Identify all equipment which was used at the Site in your operations. If such equipment was removed from the facility, identify the reason for such removal and the present location of such equipment. If any of the equipment was sold, identify the name and address of the purchaser, the sale price and whether the sale price has been paid.

Response to Request No. 47:

See CTS' Responses to Requests Nos. 35 and 37. CTS has not to date located any documents containing information as to the disposition of the equipment at the time that CTS ceased operations in Asheville, with the exception of certain equipment that was sold to Arden Electroplating, Inc. pursuant to a Purchase Agreement dated January 3, 1986 which is attached as Bates No. 0000038 - 000039.

Request No. 48: Provide a list of all property and casualty insurance policies – e.g. Comprehensive General Liability, Environmental Impairment Liability and Automobile Liability policies, and/or Directors and Officers policies – from 1959 through the present which in any way relate to the Site of CTS' activities thereupon. Specify the insurer, policy, effective dates, and state per occurrence policy limits for each policy. Copies of policies may be provided in lieu of a narrative response.

Response to Request No. 48:

CTS objects to this Request on the grounds that it is vague, overly broad and unduly burdensome. Further, detailed information such as coverage amounts and policy language is confidential business information of CTS. Without waiving these objections, attached hereto as Exhibit A is a list of CTS Corporation liability insurance policies for the years 1960 through 2003. This listing is complete to the best of CTS' knowledge and belief, based on the information available and documents located by CTS to date.

Request No. 49: If any of the documents solicited in this information request are no longer available, please indicate the reason why they are no longer available. If the records were destroyed, provide us with the following:

- a. the document retention policy during the time Mills Gap Road Associates owned and/or operated the Site;
- b. a description of how the records were destroyed (burned, trashed, etc.) and the approximate date of destruction;
- c. a description of the type of information that would have been contained in the documents.
- d. the name, job title and most current address known by you of the person(s) who would have produced these documents, the person(s) who would have been responsible for the retention of these documents; the person(s) who would have

been responsible for the destruction of these documents; and the person(s) who had and/or still may have the originals or copies of these documents.

- e. the names and most current address of any person(s) who may possess documents relevant to this inquiry.

Response to Request No. 49:

CTS ceased all operations at the Asheville location in approximately April, 1986. Prior to that time, some CTS operations at the location had already been shut down, and part of the facility leased to Arden Electroplating, Inc., as early as 1985. CTS has used its best efforts to conduct a search that is reasonable under the circumstances to locate documents responsive to these requests that may still be in CTS' possession. CTS' search is ongoing and, to the extent that we locate additional documents that may be responsive to these requests, CTS will supplement its responses. As for responsive documents that may once have existed that are no longer in CTS' possession, CTS is not aware of any specific documents that fit this description. However, if such documents did once exist, CTS does not know what happened to them, given that the Asheville operation was shut down over sixteen years ago.

Request No. 50: If you have reason to believe that there may be persons able to provide a more detailed or complete response to any Question contained herein or who may be able to provide additional responsive documents, identify such persons and the additional information or documents that they may have.

Response to Request No. 50:

CTS is not aware of any such persons at this time.

Request No. 51: For each and every Question contained herein, if information or documents responsive to this Information Request are not in your possession, custody or control, then identify the persons from whom such information or documents maybe obtained.

Response to Request No. 51:

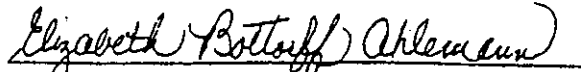
We are not aware of any such persons. Please see, also, CTS' Responses to Requests Nos. 49 and 50.



Mr. Henry Webb  
August 16, 2002  
Page 25

Very truly yours,

CTS Corporation

A handwritten signature in cursive script that reads "Elizabeth Bottorff Ahlemann". The signature is written in dark ink and is positioned above a horizontal line.

Elizabeth Bottorff Ahlemann  
Senior Legal Counsel

Enclosures



HARRKINS, VAN WINKLE, WALTON AND BUCK

ATTORNEYS AND COUNSELLORS AT LAW

JACKSON BUILDING

ASHEVILLE, NORTH CAROLINA

THOMAS J. HARRKINS  
KINGSLAND VAN WINKLE  
KESTER WALTON  
CHARLES G. BUCK  
ROBERTSON WALL

O. E. STARNES, JR.

TELEPHONE  
3-2776

October 8, 1952

TO THE MEMBERS OF THE CITY COUNCIL  
OF THE CITY OF ASHEVILLE  
City Hall  
Asheville, North Carolina

Gentlemen:

We are representing a client who proposes to engage in business in the State of North Carolina under the corporate name of BIBCO CORPORATION. This corporation proposes to build a plant for the purpose of manufacturing certain materials on a designated location in Buncombe County, and in that connection will require that the City of Asheville, in connection with its sale and distribution of water, arrange for an adequate water supply necessary for this company's plant operations.

Our client will require that the City of Asheville do the following:

1. To construct and place in operation a 500,000 gallon storage reservoir on land to be purchased by BIBCO CORPORATION, with the bottom of said reservoir a minimum of 75-feet above the floor level of proposed plant site.

2. To provide the storage of water in the above referred to reservoir that will not at any time drop below a capacity of 300,000 gallons.

BIBCO CORPORATION, in return for the construction of the above specified storage tank, will:

- (a) Furnish by deed of easement, or otherwise, the land necessary for the construction of said reservoir, together with right-of-way to the site from the adjoining highway, and grant the permanent right to the city, of ingress, and egress to the storage reservoir.
- (b) Will deposit with the county and city \$8500 to be applied on county ad valorem taxes as the same come due on the land and premises owned by BIBCO CORPORATION.
- (c) Construction will be started on a plant on the designated property in the im-

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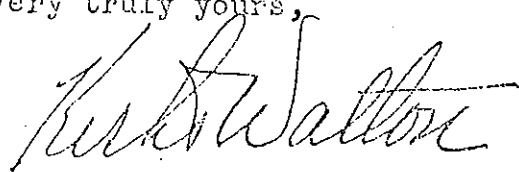
mediate future, dependent only on securing necessary water supplies, acquiring land, and the completion of other necessary details. In this connection the land is now under option, a contract has been tentatively let for the buildings, and it is expected to start operations about April 1, 1953.

- (d) The size of the proposed plant building will be approximately 35,000 square feet of floor area; will be built for a capacity production which will employ 500 people on two shifts, with an annual payroll of approximately \$1,250,000.00. The annual payroll will be composed predominantly of local labor. The work engaged in will be a light manufacturing and assembly line process, is a very clean operation and there is no resulting smoke, fumes, dust or stream rights involved. The plant will use the existing sewer system.
- (e) The Corporation will purchase from the City of Asheville water for its usage, which will run approximately 25,000 to 40,000 gallons per day, depending upon the operations.

It is understood that the construction and furnishing of said storage reservoir with the necessary facilities to provide the water to BIBCO by the City of Asheville shall be begun immediately after the acquisition of land and the building construction has begun by BIBO CORPORATION and said water facilities to be completed and in operation by March 1, 1953.

Our clients would greatly appreciate an immediate reply as to the willingness of the City to enter into the above proposed agreement.

Very truly yours,



KW:rl

October 9, 1952

Mr. Koster Walton,  
Attorney at Law,  
Jackson Building,  
Asheville, N. C.

Dear Mr. Walton:

Reference is made to your communication of October 8th directed to the City Council.

Please be advised that I have discussed in detail this proposal in conference with the City Council, and have explained thoroughly the city's willingness to cooperate in making city of Asheville water supply available to the proposed industry that is to locate on Mills Gap Road. It was further explained to the Council that a distinct agreement has been reached with the County Commissioners for the City of Asheville to expand its water facilities in this district. For your information the Commissioners have agreed to give the City of Asheville the right to make the improvements and to assume a portion of the cost for same.

I am authorized by the City Council of the City of Asheville to advise you in reply to your letter that we will furnish the water facilities as requested and upon the conditions set forth in your letter in ample time for the manufacturer to begin operations on or before April 1st.

Yours very truly,

Weldon Weir  
City Manager

WW/S

0000003

November 25, 1952

Biberstein, Bowles & Meacham,  
Charlotte, N. C.

Gentlemen;

This letter is to clarify conference at the City Hall on Wednesday which was attended by

Mr. Biberstein  
Mr. Frank Coxe  
Mr. Weldon Weir  
Mr. J. C. Walker  
Mr. Chas Mannel



Reservoir

The reservoir will have a capacity of 500,000 gallons, of which 300,000 gallons will be reserved for fire protection for the Bibco plant. The reservoir floor will be at an elevation of at least 100 feet above the floor of the Bibco plant and will be on a site provided by that company. A right of way and an access road will be furnished by Bibco for the construction, maintenance and operation of this utility.

Pumping Plant

This plant will be located adjacent to the shoulder of the Mills Gap Road on a right of way to be secured by the City from the State Highway Department and property owner.

Public Piping

The public piping (or pump line) will be laid on the shoulder of the Mills Gap Road, from the Western Creek Road, through the pumping plant to a point opposite the proposed site of the reservoir. At this point there will be a Tee in the line, so that water can flow along Mills Gap Road, and, to and from the reservoir. From this point the line to and from the reservoir will be located on a right of way furnished by Bibco. The right of way along the shoulder of the Mills Gap Road will be secured by the City.

The Bibco plant and other consumers will take water for domestic and process purposes from this public water line.

Fire Supply Line

The reservoir will be provided with a special valved outlet to which Bibco will attach its fire line. This line will be entirely independent of the public line, will be on Bibco property and will be maintained by that company.

If there is further understanding in connection with this project, please advise.

Yours very truly,

Weldon Weir  
City Manager

WW/S

QUANTITIES WITHOUT ROOF

Access Road		-	One
Excavation	Allowing 5 feet outside neat lines of concrete and average depth of 10 feet	cu yds -	2000
Concrete	2500# (about 1:2:4)	cu yds -	297
Reinforcing Bars (ASTM-A305)			
	9484 ft. of #4 (1/2" )	Lbs -	6354
	992 " #5 (5/8" )		1032
	2976 " #6 (3/4" )		4464
	10,047 " #7 (7/8" )		20496
	5704 " #8 (1" )		15230
	2976 " #9 (1" )		10118
	Total		57,694 lbs.
Ladder Rungs	#5 (5/8" )	Lbs.	50
Water Seal	6" x 1/16" Plate	Lbs	300
Fence Around Reservoir		Lin Ft	400
Piping In & Adjacent to Reservoir (All C. I. Pipe)			
1 Each	12" Flanged Bell Mouth		
1 Pc	12" Pipe 12 feet long	Flgd Both Ends	
1 Pc	12" Pipe About 6' long	Flgd. & Spigot	
1 Pc	12" Pipe about 18' long	B & S	
1 Each	12" Long Radius Ell.	Bell & Bell	
1 Pc	8" Pipe 10' - 9" Long	B & S	
4 Pcs	8" Pipe about 16' long	B & S	
2 Each	8" Long Radius Ell	Bell & Bell	
1 Each	8" x 8" x 8" Tee	(2 Bells)	
3 Each	8" Hub End Gate Valves		
2 Each	Pipe Supports for 12" Pipe		
1 Each	Pipe Supports for 8" Pipe		



HARKINS, VAN WINKLE, WALTON AND BUCK

ATTORNEYS AND COUNSELLORS AT LAW

~~X JACKSON~~ P O Box 7376

ASHEVILLE, NORTH CAROLINA

TELEPHONE

3-2776

THOMAS J. HARKINS  
KINGSLAND VAN WINKLE  
KESTER WALTON  
CHARLES G. BUCK  
ROBERTSON WALL

December 5, 1952

O. E. STARNES, JR.

Mr. J. Weldon Weir  
City Manager  
City of Asheville  
City Hall, Asheville, N. C.

In re: International Resistance Company

Dear Mr. Weir:

Please refer to my letter to you under date of October 8, 1952 and your reply thereto under date of October 9, 1952, with reference to BIBCO CORPORATION.

As you have no doubt been advised, International Resistance Company of Philadelphia, Pennsylvania will own and operate the property located on Airport Road in Buncombe County, and which is now under construction.

This company is presently domesticated in the State of North Carolina and is now in the process of taking title to the plant property, including the reservoir site, and will assume all liabilities of BIBCO CORPORATION with respect to the matter set forth in the above referred to letters and will, in turn, be entitled to all benefits accruing therefrom.

If agreeable to you and the City of Asheville, would appreciate a letter advising this company that it is satisfactory with the City of Asheville for International Resistance Company to be substituted in the aforementioned letter agreement in lieu of the BIBCO CORPORATION, and acquire all rights and assume all liabilities devolving upon Bibco by the terms of said agreement.

Very truly yours,

KW:rl

Kester Walton

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O  
P  
Y

December 8, 1952

Mr. Kester Walton,  
Attorney at Law,  
Church Street,  
Asheville, N. C.

In re: International Resistance Company

Dear Mr. Walton:

This is to acknowledge your letter of December 5th, and to advise you that it is agreeable with the City of Asheville for the International Resistance Company to be substituted for the Ribco Corporation in all of the rights and agreements that have been entered into by correspondence. It is our understanding that the International Resistance Company has acquired all of the rights and has assumed all of the liabilities of the Ribco Corporation. Therefore, your letter describing this transfer is acceptable.

Yours very truly,

Weldon Weir  
City Manager

WW/S

000008

000009

# In the Courts of Common Pleas of Philadelphia County

State of Pennsylvania }  
County of Philadelphia, ss.

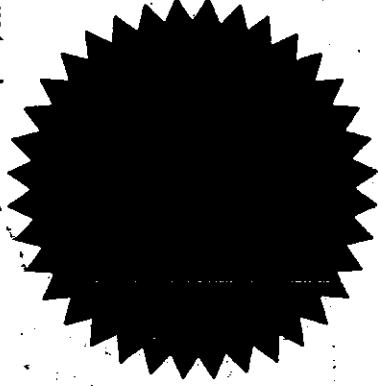
I, D. Barlow Burke, Prothonotary of the Courts of Common Pleas of said county, which are Courts of Record having a common seal, being the officer authorized by the laws of the State of Pennsylvania to make the following Certificate.

do Certify, That Conrad K. Duley Esquire, whose name is subscribed to the certificate of the acknowledgment of the annexed instrument and thereon written, was at the time of such acknowledgment a NOTARY PUBLIC for the Commonwealth of Pennsylvania, residing in the County aforesaid, duly commissioned and qualified to administer oaths and affirmations and to take acknowledgments and proofs of Deeds or Conveyances for lands, tenements and hereditaments to be recorded in said State of Pennsylvania, and to all whose acts, as such, full faith and credit are and ought to be given, as well in Courts of Judicature as elsewhere; and that I am well acquainted with the handwriting of the said NOTARY PUBLIC and verily believe the signature thereto is genuine, and I further certify that the said instrument is executed and acknowledged in conformity with the laws of the State of Pennsylvania.

The impression of the seal of the Notary Public is not required by law to be filed in this office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court, this 13th day of MAY in the year of our Lord one thousand nine hundred and fifty nine (1959).

D. Barlow Burke  
D. BARLOW BURKE, Prothonotary.  
Deputy Prothonotary  
Durante Absentia. Secundum Legem.





State of North Carolina,  
County of Buncombe,

This Indenture, made this 13<sup>th</sup> day of May, 1959 by and between INTERNATIONAL RESISTANCE COMPANY, a Delaware corporation hereinafter called Grantors, and CTS OF ASHEVILLE, INC. hereinafter called Grantees, (said designations shall include the respective parties, whether one or more, individual or corporate, and their respective successors in interest or assigns).

**Witnesseth;** That the Grantors, for and in consideration of the sum of Ten Dollars, and other good and valuable considerations to them in hand paid by the Grantees, the receipt whereof is hereby acknowledged, have given, granted, bargained, sold and conveyed, and by these presents do give, grant, bargain, sell, convey and confirm unto the Grantees their heirs and/or successors and assigns, the following particularly described real estate, located in Buncombe County, North Carolina, to-wit:  
BEGINNING at a stake in the center of Mills Gap Road, said stake being 1950 feet in an easterly direction from the intersection of the center of said road with the center of Sweeten Creek Road, said stake being also the northeast corner of the property conveyed to Andy Williams et al by deed recorded in Book 677, Page 528, and running thence with the center of said road the following courses and distances: South 63°41' East 664.81 feet; South 64°48' East 227.7 feet; South 66°26' East 299.58 feet; South 66°31' East 798.92 feet; South 65°37' East 240.73 feet; thence leaving said road South 32°59' West 1236.25 feet to a locust hub; thence North 84°45' West 447 feet to an oak stump; thence South 3°23' West 1111.21 feet to a hickory; thence North 84°44' West 437 feet to a locust hub; thence North 4° 7' East 1925.15 feet to a locust hub; thence with an old marked line North 84°8' West 1038.44 feet to a locust hub; thence with Andy Williams' line North 26° 32' East 1082.83 feet to the BEGINNING; containing 66.4 acres. And being the same property conveyed to the Grantor herein by deed dated December 5, 1952, which deed is recorded in the office of the Register of Deeds for Buncombe County, N. C., in Deed Book 727, Page 287.

The above property is conveyed subject to Taxes for the year 1959 and to the right of way of Mills Gap Road.



To Have and to Hold the above described land and premises, with all the appurtenances thereunto belonging, or in any wise appertaining, unto the Grantees, their heirs and/or successors and assigns forever. And the Grantors covenant to and with the Grantees, their heirs and/or successors and assigns, that the Grantors are lawfully seized in fee simple of said land and premises, and have full right and power to convey the same to the Grantees in fee simple, and that said land and premises are free from any and all encumbrances (with the exceptions above stated, if any), and that they will and their heirs, executors, administrators and/or successors shall forever warrant and defend the title to the said land and premises, with the appurtenances, unto the Grantees, their heirs and/or successors and assigns, against the lawful claims of all persons whomsoever.

In Witness Whereof, the Grantors have hereunto set their hands and seals, or, if corporate, has caused this Deed to be executed by its duly authorized officers and its seal to be hereunto affixed, the day and year first above written.

INTERNATIONAL RESISTANCE COMPANY  
Secretary (SEAL) BY *William H. Powell* Vice President (SEAL)

I, *Edward S. ...* Secretary of INTERNATIONAL RESISTANCE COMPANY, a corporation, and that, by authority duly given and as the act of the corporation, the foregoing instrument was signed in the office by me, *William H. Powell*, President, sealed with its corporate seal, and attested by me, *Edward S. ...* as its Secretary.  
Witness my hand and Notarial Seal, this the 13<sup>th</sup> day of May, 1959.  
My commission expires: 2/1/61



State of North Carolina, County of Buncombe  
Notary Public for said State and County, certify that *Edward S. ...* Secretary of INTERNATIONAL RESISTANCE COMPANY, a corporation, and that, by authority duly given and as the act of the corporation, the foregoing instrument was signed in the office by me, *William H. Powell*, President, sealed with its corporate seal, and attested by me, *Edward S. ...* as its Secretary.  
Witness my hand and Notarial Seal, this the 13<sup>th</sup> day of May, 1959.  
My commission expires: 2/1/61

Filed for registration on the 12<sup>th</sup> day of June, 1959, at 4:20 P.M. *David ...* Register of Deeds  
Copyright 1942 - Buncombe Bar Association, Asheville, N. C.  
THIS DEED PREPARED BY: *Ray ...*

000010

State of North Carolina  
County of Buncombe

INTERNATIONAL RESISTANCE  
COMPANY, a Delaware  
corporation

66.40

To

CITY OF ASHEVILLE, INC.

91 Winston Hills  
30-0067

Deed

Filed for registration on the 12  
day of June, 1959, at  
10 o'clock P. M., and registered in the  
Office of the Register of Deeds for Bun-  
combe County, North Carolina in Book  
No. 865, Page 45

Ben C. Higgins Jr.  
Register of Deeds

HARRIS, VAN WINKLE, WALTON & BUCK  
REGISTER OF DEEDS  
ASHEVILLE, N. C.

2750

000011

RECORDED

1959 JUN 12 PM 1:20

BOOK 865 PAGE 45

VAN WINKLE, BUCK, WALL, STARNES AND HYDE  
ATTORNEYS AND COUNSELLORS AT LAW

18 1/2 CHURCH STREET  
POST OFFICE BOX 7376  
ASHEVILLE, NORTH CAROLINA 28807

CHARLES G. BUCK  
ROBERTSON WALL  
O. E. STARNES, JR.  
HERBERT L. HYDE  
ROY W. DAVIS, JR.

ALFRED N. SALLEY  
EMERSON D. WALL  
BRIAN F. D. LAVELLE  
LARRY McDEVITT

TELEPHONE  
704-253-2776

August 19, 1971

Charles R. Beitner  
CTS Of Asheville, Inc.  
Mills Gap Road  
Skyland, North Carolina

Dear Mr. Beitner:

Sorry for the delay in responding to your request for information regarding the water tower; however, we have finally been able to check all records. We find that there is no record of an easement. The plant was built by non-tax funds furnished by the County on land then belonging to IRC and now your property. It has since been maintained by the City and water supplied by the City.

In the absence of any agreement and since the construction cost was furnished by the County, the tower itself would be the property of the South Buncombe Water District. If any further information is needed, please call.

Sincerely yours,



Robertson Wall

RW/rm

RECEIVED

AUG 20 1971

CTS OF  
ASHEVILLE, N.C.

000012





P

EASEMENT

This easement made this 4th day of April, 1972, by CTS of Asheville, Inc., a North Carolina corporation, herein called "Grantor", to Buncombe County, North Carolina, and the City <sup>of</sup> Asheville, North Carolina, herein called "Grantees", on the following terms and conditions:

That for good and valuable consideration received, the Grantor does hereby grant, bargain, sell, convey and warrant to the Grantees the right, privilege and authority to operate and maintain a water reservoir and to connect and maintain eight inch underground water pipes to such water reservoir with a right of way and easement in the place where the said water reservoir stands and said eight inch underground water pipes are laid at the date this written easement is granted (to exist so long as the Grantees jointly and severally use the water reservoir and water pipes for the purposes of supplying residents of Buncombe County and the City of Asheville with water and water pressure) on the lands situated in Buncombe County, North Carolina, to wit:

BEGINNING at a stake in the center of Mills Gap Road, said stake being 1950 feet in an easterly direction from the intersection of the center of said road with the center of Sweeten Creek Road, said stake being also the northeast corner of the property conveyed to Andy Williams et al by deed recorded in Book 677, Page 528, and running thence with the center of said road the following courses and distances: South 63°41' East 664.81 feet; South 64°48' East 227.7 feet; South 66°26' East 299.58 feet; South 66°31' East 799.92 feet; South 65°37' East 240.73 feet; thence leaving said road South 32°59' West 1236.25 feet to a locust hub; thence North 84°45' West 447 feet to an oak stump; thence South 3°23' West 1111.21 feet to a hickory; thence North 84°44' West 437 feet to a locust hub; thence North 4°07' East 1925.15 feet to a locust hub; thence with an old marked line North 84°08' West 1038.44 feet to a locust hub; thence with Andy Williams' line North 26°32' East 1082.83 feet to the BEGINNING; containing 66.4 acres.

Together with the rights, easements, privileges and appurtenances in or to said lands, which may be required for the full enjoyment of the rights herein granted.

000013



Grantee shall pay Grantor for all damage to the above described real estate and property of Grantor thereon, caused by operation and maintenance of said water reservoir and underground water pipes.

In Witness Whereof, the Grantor has caused this Easement to be executed by its duly authorized officers and its seal to be hereunto affixed the day and year first above written.

128-6  
CTS OF ASHEVILLE, INC.

By Charles R. Beitner  
Charles R. Beitner  
President

Attest:

Thomas B. Haney  
Thomas B. Haney, Asst. Secretary

STATE OF NORTH CAROLINA )  
  ) SS:  
COUNTY OF BUNCOMBE      )

I, Patricia C. Moore, a Notary Public in and for the State of North Carolina, do hereby acknowledge that Charles R. Beitner and Thomas B. Haney, being President and Assistant Secretary, respectively, of CTS of Asheville, Inc., personally appeared before me and acknowledged the execution of the foregoing Easement and swore to the truth of the facts therein stated.

Witness my hand and Notarial Seal this 4th day of April, 1972.



Patricia C. Moore  
Notary Public

My Commission Expires February 3, 1976.

State of North Carolina, County of Buncombe  
Each of the foregoing certificates, namely of Patricia C. Moore  
a notary or Notaries public of the State and County designated is certified to be correct.  
This 4 day of April, 1972

Filed for registration on the 4 day of April, 1972 at 3:10 P.M.

000014

WILLIAM E. DIGGES  
Register of Deeds, Buncombe County  
By: Edward Bateman Deputy  
WILLIAM E. DIGGES  
Register of Deeds, Buncombe County  
By: Edward Bateman Deputy

000015

Filed for Registration 19 72 in  
on 4 April 3:10 pm  
Buncombe Co. 559  
in Book 1657  
W. H. ... & ...  
Register of Deeds

W. H. ... & ...  
REGISTER OF DEEDS  
BUNCOMBE CO. N.C.

1972 APR 4 PM 3 10

REGISTERED

Return:  
C/S P. ...  
Mills ...  
Klynn, N.C. - 28776

REGIONAL APPRAISAL SERVICES

804 NORTHWESTERN BANK BUILDING  
ASHEVILLE, NORTH CAROLINA 28801  
TELEPHONE 704-254-9697

May 8, 1975

ALAN BUTTERWORTH  
MEMBER, AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS  
MEMBER, ASHEVILLE BOARD OF REALTORS

Mr. Forrest F. Ball  
County Attorney  
Buncombe County Board of Commissioners  
P.O. Box 7454  
Asheville, North Carolina 28807

RE: C.T.S. Property  
66.4 acres  
Deed Book: 815 Page: 45

Dear Mr. Ball:

In accordance with your request I have made an estimate of value on the above captioned land in order to estimate the just compensation for 6.2 acres for installation of a 5,000,000 gallon water reservoir as of May 6, 1975. As a result of research and analysis, it is my opinion that the difference between the fair market value of the entire tract before the purchase of 6.2 acres and the fair market value of remaining property immediately after the purchase is as follows:

Market value of the land before the purchase:	\$186,935.00
Market value of remainder:	<u>173,295.00</u>
Estimate of just compensation:	\$ 13,640.00

ESTIMATED VALUE OF TOTAL LAND:

12.4 acres industrial site at \$8,000.00 per acre: =	\$ 99,200.00
22.49 acres residential land at \$2,500.00 per acre: =	56,225.00
31.51 acres mountain land at \$1,000.00 per acre: =	<u>31,510.00</u>
66.4 acres =	\$186,935.00

ESTIMATED VALUE OF REMAINDER LAND:

12.4 acres industrial site at \$8,000.00 per acre =	\$ 99,200.00
17.53 acres residential land at \$2,500.00 per acre =	43,825.00
30.27 acres mountain land at \$1,000.00 per acre =	<u>30,270.00</u>
60.2 acres	\$173,295.00

The total compensation of \$13,640.00 amounts to \$2,200.00 per acre. If Buncombe County and C.T.S. agree on extending the land to be purchased toward the south boundary on Brown Mountain, the compensation should be increased by \$1,000.00 per acre for the added mountain land.

Preceding data is an estimate of market value and is based upon Appraisers experience plus limited market research according to our agreement. It is not an appraisal as defined by the American Institute of Real Estate Appraisers. A formal appraisal report of the land could be prepared for \$850.00. The valuation would not include the building and site improvements.

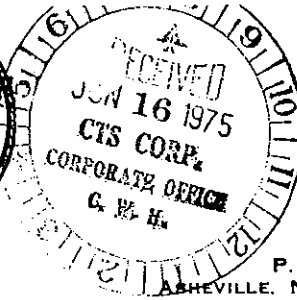
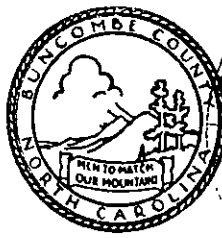
I inspected the property with Charles R. Beitner, President and General Manager of C.T.S. of Asheville, Inc. He indicated that the Company might prefer a site below the existing reservoir on land where the county would be granted or sold an easement and the fee title held by C.T.S. Co. He asked that this information be given to you.

Thank you for the opportunity to complete this assignment.

Sincerely yours,



Alan Butterworth M.A.I.



OFFICE OF COUNTY ATTORNEY  
BUNCOMBE COUNTY COURT HOUSE  
ROOM 412

P. O. Box 7454  
ASHEVILLE, NORTH CAROLINA 28807

June 13, 1975

CTS Corporation  
905 Northwest Boulevard  
Elkhart, Indiana 46514

ATTENTION: Mr. Charles Beitner

Dear Mr. Beitner:

Enclosed please find copies of Mr. Alan Butterworth's letter of June 11, 1975, explaining his use of industrial, residential, and mountain valuations in his appraisal of the CTS property for the proposed water reservoir. I hope this information will be of some assistance.

Mr. Beitner, on behalf of the County, let me take this opportunity to thank you for your assistance in this regard and to re-emphasize the importance of this project. There is a critical water shortage in the South Buncombe area which this reservoir will eliminate as well as substantially increase the water pressure which is at a dangerous low in the Skyland area. The engineers have explained the desirability of your company's property in this project. Time is running out and construction should begin as soon as possible. Please urge your Board of Directors to take some type of action soon as well as explain the great service that they will be rendering the County.

In conclusion, let me say that whereas the valuation placed in the property are "estimates" based upon a preliminary evaluation of the property and comparisons with other property of a similar nature is for your information in considering whether to sell the property to the County or make a gift of the same, the important point is the service rendered the citizens of Buncombe County in completing this major water improvement project without delay. The acquisition of a suitable site for the reservoir is the first major step in the process of major water improvements in the South Buncombe section of Buncombe County. Your property is the most desirable site.

Thanks for your consideration.

Sincerely yours,

Forrest F. Ball  
County Attorney

FFB:dw

Enclosures

000018

REGIONAL APPRAISAL SERVICES

804 NORTHWESTERN BANK BUILDING  
ASHEVILLE, NORTH CAROLINA 28801  
TELEPHONE 704-254-9697

ALAN BUTTERWORTH  
MEMBER, AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS  
MEMBER, ASHEVILLE BOARD OF REALTORS

Mr. Forrest F. Ball  
County Attorney  
Buncombe County Board of Commissioners  
P.O. Box 7454  
Asheville, North Carolina 28807

RE: C.T.S. Property  
66.4 acres  
Deed Book: 815 Page: 45

Dear Mr. Ball:

My estimate of May 6, 1975 on the C.T.S. property included three types of land - industrial, residential and mountain.

The industrial land is at the northeastern corner where the land slopes are gentle along 600' of Mills Gap Road frontage.

Residential land extends along 1,632.74' of Mills Gap Road frontage to a depth of 600'. A small creek extends through this portion of the land parallel with the road. The residential land is rolling and moderately steep, but subdivision into lots would be profitable under normal market conditions.

Beyond 600' of depth the land rises steeply up the mountain side to an elevation about 300' above the road. Extension of roads and utility lines on the mountain slopes would be excessively expensive in relation to the number of lots that could be developed per acre. Mountain land of this character is usually held as woodland until lot prices justify the cost of subdivision development.

6.2 acres for installation of a 5 million gallon water reservoir is at the northwestern corner where a steep ridge extends downward from the mountain top to the road. A total of 4.96 acres (360' x 600') is considered residential land as described in preceding paragraph and the balance is wooded mountainside land. Due to steep topographic features, industrial development would not be practical on any part of the 6.2 acre tract.

Sincerely yours,  
Alan Butterworth

*BC Appraisal #15,980  
I offered #26,370 and accepted  
\$22,500. #2500/A  
for 390 strip to mountain border  
points -> closing w/ 7-15-75  
June 11, 1975  
① Title looks good  
② #22,500 Deed - Co -  
Title - Co -  
Survey - Co -  
Revenue - CTS  
Certified Records  
③ meet 1975  
close 20/21  
④ closing Ant  
8-13-75*



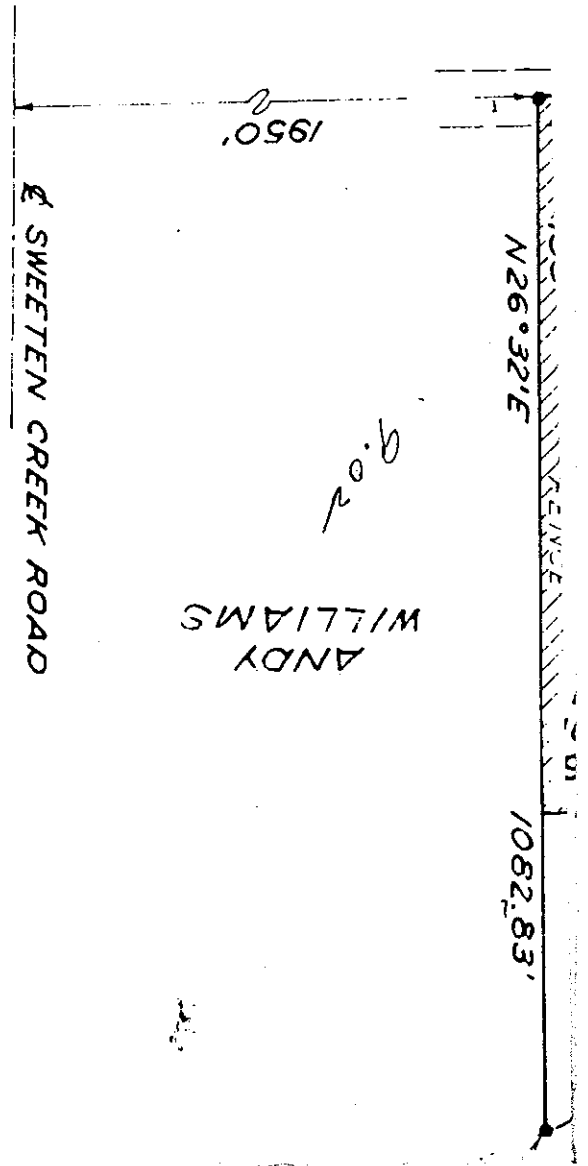
000020

BUNCOMBE COUNTY, NORTH CAROLINA  
LIMESTONE TOWNSHIP

**C.T.S. CORPORATION**

PROPERTY OF

*11/10/02  
and 6.2A*



CTS OF ASHEVILLE, INC.  
CERTIFIED RESOLUTION

I, John S. Rakitan, Secretary of CTS of Asheville, Inc., a corporation organized and existing under the laws of the State of North Carolina, hereby certify that the following is a true and accurate copy of a resolution adopted by the Board of Directors of CTS of Asheville, Inc., in accordance with the bylaws at, and recorded in the minutes of, a special meeting of the Board of Directors held August 19, 1975, and that the resolution has not been modified or rescinded:

RESOLVED, that on behalf of this corporation, the President and Assistant Secretary of this corporation are authorized and directed, upon receipt of the purchase price, to execute and deliver a deed of conveyance and other necessary and appropriate documents to effectuate the sale to the County of Buncombe, North Carolina, of 9.05 acres of real property of this corporation located in Buncombe County, North Carolina and more particularly described as follows:

BEGINNING at a P.K. nail in the center of Mills Gap Road (S.R. 3116), said nail being 1950 feet in an easterly direction from the intersection of the center of said road with the center of Sweeten Creek Road (U.S. 25A), said nail being also the northeastern corner of the property conveyed to Andy Williams and wife, Christine Thelma Williams, by deed recorded in Deed Book 677 at Page 528 in the Register of Deeds Office for Buncombe County, North Carolina; thence from said beginning point and running with the center of said road South  $63^{\circ} 41' 10''$  East 390.10 feet to a P.K. nail in the center of said road; thence leaving said road South  $26^{\circ} 31' 13''$  West 937.64 feet to an iron pin in the Blake Heirs line; thence with said line North  $84^{\circ} 08' 47''$  West 416.93 feet to an iron pin, formerly an oak stump at the southeastern corner of the Andy Williams property above referred to; thence with said Williams line North  $26^{\circ} 31' 13''$  East 1083.40 feet to a P.K. nail in the center of Mills Gap Road, the point and place of BEGINNING. Containing 9.05 acres more or less, according to a plat dated August, 1975, by Hoffman, Butler & Associates, Inc., entitled "Proposed Buncombe County 5,000,000 Gallon Reservoir Site." Being a portion of that tract of land conveyed to CTS of Asheville, Inc., by International Resistance Company by deed recorded in Deed Book 815 at Page 45 in the Register of Deeds Office for Buncombe County, North Carolina.

In Witness Whereof, I have hereto subscribed my name and affixed the corporate seal of the corporation this 20th day of August, 1975.

John S. Rakitan, Secretary

(CORPORATE SEAL)





EASEMENT

THIS AGREEMENT, made and entered into this 2nd day of February, 1976, by and between CTS OF ASHEVILLE, INC., a North Carolina Corporation, hereinafter called "CTS", and the COUNTY OF BUNCOMBE, a body politic of North Carolina, hereinafter called "County";

W I T N E S S E T H:

WHEREAS, CTS is the owner of certain real property in Limestone Township, Mills Gap Road, described in Deed Book 815 at Page 45 in the Register of Deeds Office for Buncombe County, North Carolina; and

WHEREAS, by deed dated August 20, 1975, and recorded in Deed Book 1125 at Page 52 in the aforesaid Register of Deeds Office, CTS conveyed to the County a portion of said real property; and

WHEREAS, the County is about to commence construction of a water reservoir on the County's real property; and

WHEREAS, due to said construction, the County desires to obtain an easement from CTS along the boundary of the County and CTS real property to permit the County to enter upon CTS real property when necessary for, and incident to, the maintenance of the two-foot wide, flat-bottom, concrete ditch, hereinafter referred to as "Ditch", to be constructed by the County on the County's real property to permit drainage of overflows of soil, water and other materials from the construction site of said water reservoir; and

WHEREAS, CTS desires to grant the County a two-foot wide easement for purposes of permitting the County to enter upon CTS real property when necessary for, and incident to, the maintenance of the Ditch.

NOW, THEREFORE, CTS hereby grants and conveys to the County, its successors and assigns an easement to enter upon



CTS real property when necessary for, and incident to, the County's proper maintenance of the Ditch, and said easement shall extend over the two-foot wide portion of CTS real property which runs parallel to, and contiguous with, the following described boundary for so long a period of time as the Ditch is used for the drainage of overflows of soil, water and other materials from the construction site of the said water reservoir during the period of time the said water reservoir is used by the County, its successors and assigns:

BEGINNING at a P.K. Nail in the center of Mills Gap Road, S.R. 3116, being the Northeastern corner of that tract of land heretofore conveyed by CTS of Asheville, Inc., to the County of Buncombe, by deed recorded in Deed Book 1125 at Page 52 in the aforesaid Register of Deeds Office; thence leaving said road and with the boundary between the parties to this easement South 26° 31' 13" West 300.00 feet.

FURTHER, until one year has elapsed from the effective date hereof and during the period of time that the County is in the process of constructing the Ditch, CTS hereby grants to the County its successors and assigns a temporary license to enter upon a fifteen-foot wide portion of CTS real property which follows the same course of the above described easement in order to assist the County in the construction of the Ditch.

CTS makes no representations, warranties or covenants of seisin, of right to convey, against incumbrances, of quiet enjoyment, of warranty, for further assurances or of any kind of nature whatsoever concerning this easement or the real property to which this easement pertains, and the County hereby accepts this easement subject to the condition and understanding that CTS has granted this easement to the County, its successors and assigns without representations, warranties or covenants of any kind or nature.



This Agreement shall be binding on the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, CTS and the County have caused this Agreement to be executed by its duly authorized representatives the day and year first above written.

(CORPORATE SEAL)

CTS OF ASHEVILLE, INC.

By: Charles R. Beitner  
Charles R. Beitner, President

ATTEST:

Thomas B. Haney  
Thomas B. Haney, Assistant  
Secretary

STATE OF NORTH CAROLINA) SS:  
BUNCOMBE COUNTY )

I, Patricia C. Moore, a Notary Public of said State and County, do hereby certify that Thomas B. Haney personally appeared before me this day and acknowledged that he is Assistant Secretary of CTS of Asheville, Inc., a Corporation, and that by authority duly given and as the act of Buncombe County, North Carolina, the foregoing instrument is signed in its name by its President, sealed with its Corporate Seal, and attested by himself as its Assistant Secretary.

WITNESS my hand and Notarial Seal, this 2nd day of February, 1976.

My Commission Expires: 2-3-76

Patricia C. Moore  
Notary Public

(NOTARIAL SEAL)

COUNTY OF BUNCOMBE

By: Alvin R. Ratsey  
Chairman, Title  
Board of Commissioners

ATTEST:

Jane C. Morrow  
Clerk to the Title  
Board of Commissioners

STATE OF NORTH CAROLINA) SS:  
BUNCOMBE COUNTY )

I, Debra L. Woodby, a Notary Public of said State and County, do hereby certify that Jane C. Morrow personally appeared before me this day and acknowledged that she is Clerk to the Board of Commissioners and that by authority duly given and as the act of the County the foregoing instrument is signed in its name by its Chairman and attested by the Clerk to the Board.

WITNESS my hand and Notarial Seal, this 18th day of February, 1976.

My Commission Expires: 6-2-80

Debra L. Woodby  
Notary Public

(NOTARIAL SEAL)





REGISTERED

## ASSIGNMENT OF EASEMENT

'84 JAN 23 A6:38

CTS of Asheville, Inc., herein called "Assignor", a North Carolina Corporation whose address is Mills Gap Road, Skyland, North Carolina hereby agrees to assign, transfer and convey to CTS Corporation, an Indiana corporation herein called "Assignee", whose principal office is located at 905 North West Boulevard, Elkhart, Indiana, all of its right, title and interest to and under the Easement Agreement, dated April 4, 1972 and which is in the following words and figures to wit:

This easement made this 4th day of April, 1972, by CTS of Asheville, Inc., a North Carolina corporation, herein called "Grantor", to Buncombe County, North Carolina, and the City of Asheville, North Carolina, herein called "Grantees", on the following terms and conditions:

That for good and valuable consideration received, the Grantor does hereby grant, bargain, sell, convey and warrant to the Grantees the right, privilege and authority to operate and maintain a water reservoir and to connect and maintain eight inch underground water pipes to such water reservoir with a right of way and easement in the place where the said water reservoir stands and said eight inch underground water pipes are laid at the date this written easement is granted (to exist so long as the Grantees jointly and severally use the water reservoir and water pipes for the purposes of supplying residents of Buncombe County and the City of Asheville with water and water pressure) on the lands situated in Buncombe County, North Carolina, to wit:

BEGINNING at a stake in the center of Mills Gap Road, said stake being 1950 feet in an easterly direction from the intersection of the center of said road with the center of Sweeten Creek Road, said stake being also the northeast corner of the property conveyed to Andy Williams et al by deed recorded in Book 677, Page 528, and running thence with the center of said road the following courses and distances: South 63°41' East 664.81 feet; South 64°48' East 227.7 feet; South 66°26' East 299.58 feet; South 66°31' East 799.92 feet; South 65°37' East 240.73 feet; thence leaving said road South 32°59' West 1236.25 feet to a locust hub; thence North 84°45' West 447 feet to an oak stump; thence South 3°23' West 1111.21 feet to a hickory; thence North 84°44' West 437 feet to a locust hub; thence North 4°7' East 1925.15 feet to a locust hub; thence with an old marked line North 84°8' West 1038.44 feet to a locust hub; thence with Andy Williams' line North 26°32' East 1082.83 feet to the BEGINNING; containing 66.4 acres.

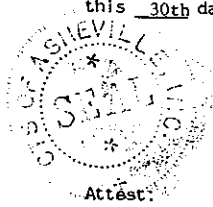
Together with the rights, easements, privileges and appurtenances in or to said lands, which may be required for the full enjoyment of the rights herein granted.

Grantee shall pay Grantor for all damage to the above described real estate and property of Grantor thereon, caused by operation and maintenance of said water reservoir and underground water pipes.

000025

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In Witness Whereof, Assignor has caused this Assignment of Easement to be executed by its duly authorized officers and its seal to be hereunto affixed this 30th day of December, 1983.



CTS OF ASHEVILLE, INC.

By Charles R. Beltner  
Charles R. Beltner, President

Elizabeth Bottorff Ahlemann  
Elizabeth Bottorff Ahlemann, Secretary

STATE OF INDIANA )  
                              ) SS:  
COUNTY OF ELKHART )

Before me, the undersigned, a Notary Public in and for said County and State, do hereby acknowledge that Charles R. Beltner and Elizabeth B. Ahlemann personally appeared before me and acknowledge the execution of the foregoing Assignment of Easement.

LINDA L ANGLEMYER  
NOTARY PUBLIC STATE OF INDIANA  
ELKHART CO  
MY COMMISSION EXPIRES NOV 16 1986

Linda L. Anglemyer  
Notary Public

(NOTARIAL SEAL)



**State of North Carolina, County of Buncombe**

Each of the foregoing certificates, namely of Linda L Anglemyer  
a notary or Notaries public of the State and County designated is certified to be correct.

This 23 day of January, 19 84

OTTO W. DeBRUHL  
Register of Deeds, Buncombe County

By: Celene C. Roxham Deputy

Filed for registration on the 23 day of January, 19 84 at 8:38 A M.

OTTO W. DeBRUHL  
Register of Deeds, Buncombe County

By: Celene C. Roxham Deputy

000026

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enc on file

OTB Corp.  
905 North West Blvd  
Cekhart, In 46514  
Att: Connie Pallitt

Filed for Registration  
on 23 day of January, 1988 in  
Burrhead County, N. C. at 2:38 a.m.  
in Book 1343, Page 789  
OTB Corp.  
Register of Deeds

000027

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STATE OF NORTH CAROLINA  
 COUNTY OF BUNCOMBE

REGISTERED

'84 JAN 23 A8:38

THIS INDENTURE, made this 30th day of December 1983 by and between CTS of Asheville, Inc. hereinafter called "Grantors" and CTS Corporation hereinafter called "Grantees," (said designations shall include the respective parties, whether one or more, individual or corporate, and their respective successors in interest or assigns).

WITNESSETH; That the Grantors for and in consideration of the sum of Ten Dollars, and other good and valuable consideration to them in hand paid by the Grantees, the receipt whereof is hereby acknowledged, have given, granted, bargained, sold and conveyed, and by these presents do give, grant, bargain, sell, convey and confirm unto the Grantees their heirs and/or successors and assigns, the following particularly described real estate, located in Buncombe County, North Carolina, to-wit:

BEGINNING at a stake in the center of Mills Gap Road, said stake being 1950 feet in an easterly direction from the intersection of the center of said road with the center of Sweeten Creek Road, said stake being also the northeast corner of the property conveyed to Andy Williams et al. by deed recorded in Book 677, Page 528, and running thence with the center of said road the following courses and distances: South 63°41' East 664.81 feet; South 64°48' East 227.7 feet; South 66°26' East 299.58 feet; South 66°31' East 799.92 feet; South 65°37' East 240.73 feet; thence leaving said road South 32°59' West 1236.25 feet to a locust hub; thence North 84°45' West 447 feet to an oak stump; thence South 3°23' West 1111.21 feet to a hickory; thence North 84°44' West 437 feet to a locust hub; thence North 4°7' East 1925.15 feet to a locust hub; thence with an old marked line North 84°8' West 1038.44 feet to a locust hub; thence with Andy Williams' line North 26°32' East 1082.83 feet to the BEGINNING; containing 66.4 acres more or less. And being the same property conveyed to the Grantor herein by deed dated December 5, 1952, which deed is recorded in the office of the Register of Deeds for Buncombe County, North Carolina, in Deed Book 727, Page 287.

EXCEPT: BEGINNING at a P.K. nail in the center of Mills Gap Road (S.R. 3116), said nail being 1950 feet in an easternly direction from the intersection of the center of said road with the center of Sweeten Creek Road (U.S. 25A), said nail being also the northeastern corner of the property conveyed to Andy Williams and wife, Christine Thelma Williams, by deed recorded in Deed Book 677 at Page 528 in the Register of Deeds Office for Buncombe County, North Carolina; thence from said beginning point and running with the center of said road South 63° 41' 10" East 390.10 feet to a P.K. nail in the center of said road; thence leaving said road South 26° 31' 13" West 937.64 feet to an iron pin in the Blake Heirs line; thence with said line North 84° 08' 47" West 416.93 feet to an iron pin, formerly an oak stump at the southeastern corner of the Andy Williams property above

Prepared Out of State

000028





referred to; thence with said Williams line North 26° 31' 13" East 1083.40 feet to a P.K. nail in the center of Mills Gap Road, the point and place of BEGINNING. Containing 9.05 acres more or less, according to a plat dated August, 1975, by Hoffman, Butler & Associates, Inc., entitled "Proposed Buncombe County 5,000,000 Gallon Reservoir Site." Being a portion of that tract of land conveyed to CTS of Asheville, Inc., by International Resistance Company by deed recorded in Deed Book 815 at Page 45 in the Register of Deeds Office for Buncombe County, North Carolina.

The above property is conveyed subject to right of way of Mills Gap Road.

Grantors certify that no North Carolina gross income tax is due or payable in respect to the transfer made by this deed.

To have and to hold the above described land and premises, with all the appurtenances thereunto belonging, or in any wise appertaining, unto the Grantees, their heirs and/or successors and assigns forever.

And the Grantors covenant to and with the Grantees, their heirs and/or successors and assigns, that the Grantors are lawfully seized in fee simple of said land and premises, and have full right and power to convey the same to the Grantees in fee simple, and that said land and premises are free from any and all encumbrances, and that they will and their heirs, executors, administrators and/or successors shall forever warrant and defend the title to the said land and premises, with the appurtenances, unto the Grantees, their heirs and/or successors and assigns, against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the Grantors have caused this Deed to be executed by its duly authorized officers and its seal to be hereunto affixed, the day and year first above written.



*Elizabeth Bottorff Ahlemann*  
Elizabeth Bottorff Ahlemann  
Secretary

(SEAL)

CTS OF ASHEVILLE, INC.

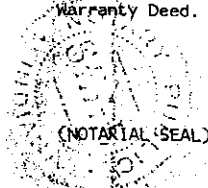
*Charles R. Beltner*  
Charles R. Beltner, President

000029



STATE OF INDIANA )  
 ) SS:  
COUNTY OF ELKHART)

Before me, the undersigned, a Notary Public in and for said County and State, do hereby acknowledge that Charles R. Beltner and Elizabeth B. Ahlemann personally appeared before me and acknowledge the execution of the foregoing Warranty Deed.



Linda L. Anglemyer  
Notary Public

LINDA L. ANGLEMYER  
NOTARY PUBLIC STATE OF INDIANA  
ELKHART CO  
MY COMMISSION EXPIRES NOV 16 1986

STATE OF NORTH CAROLINA )  
 ) SS:  
COUNTY OF BUNCOMBE )

Each of the foregoing certificates, namely of Linda L. Anglemyer of the State and County designated, is adjudged to be correct. Let the instrument and the certificates be registered.  
This 23 day of January, 1983.

Otto W. DeBruck  
Coleen C. Bonham  
Deputy Clerk, Buncombe County,  
North Carolina

Filed for registration on the 23 day of January, 1983, at 8:38 A m.

Otto W. DeBruck  
Register of Deeds  
By: Coleen C. Bonham Deputy

This Deed prepared by Constance P. Pollitt, Legal Counsel, CTS Corporation.



end on file

OTC Cap  
905 North West Blvd  
Eikhart, In. 46514  
Attn: Connie Pallitt

Filed for Registration  
on 23 of January, 1984 in  
Buncombe County, N. C. at 8:38 a.m.  
in Book 1343, Page 731  
OTC to Mrs. Pallitt  
Registrar of Deeds

000031



SHUFORD, BEST, ROWE, BRONDYKE & ORR

ATTORNEYS AT LAW  
P.O. BOX 1371  
ASHEVILLE, NORTH CAROLINA 28802  
(704) 258-2211

TO  
CTS Corporation  
905 NW Blvd.  
Elkhart, Indiana 46514

DATE November 17, 1986

SUBJECT Sale to Landmark  
Enterprises

Gentlemen:

Enclosed are the following documents pertaining to the captioned transaction:

Warranty Deed recorded in Book 1445 page 425.

Very truly yours,

SHUFORD, BEST, ROWE & BRONDYKE

  
Ronald D. Brondyke

RDB/br

Enclosure

000032





BA 1445 PG 425

REGISTERED

86 SEP 18 10:22

*[Signature]*  
REGISTERED DEEDS  
BUNCOMBE CO., N.C.

Excise Tax *None*

Recording Time, Book and Page

Tax Lot No. .... Parcel Identifier No. ....  
Verified by ..... County on the ..... day of ....., 19 ....  
by .....

Mail after recording to RONALD D. BRONDYKE, P.O. Box 1371, Asheville, NC 28802

This instrument was prepared by RONALD D. BRONDYKE

Brief description for the Index

### NORTH CAROLINA NON-WARRANTY DEED

THIS DEED made this ..... day of September, 19 86, by and between

GRANTOR

GRANTEE

CTS OF ASHEVILLE, INC.

CTS CORPORATION  
*AN INDIANA CORPORATION*

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of ..... Township, Buncombe County, North Carolina and more particularly described as follows:

BEGINNING at a stake in the center of Mills Gap Road, said stake being 1950 feet in an easterly direction from the intersection of the center of said road with the center of Sweeten Creek Road, said stake being also the northeast corner of the property conveyed to Andy Williams et al, by deed recorded in Book 677, Page 528, and running thence with the center of said road the following courses and distances: South 63° 41' East 664.81 feet; South 64° 48' East 227.7 feet; South 66° 26' East 299.58 feet; South 66° 31' East 799.92 feet; South 65° 37' East 240.73 feet; thence leaving said road South 32° 59' West 1236.25 feet to a locust hub; thence North 84° 45' West 447 feet to an oak stump; thence South 3° 23' West 1111.21 feet to a hickory; thence North 84° 44' West 437 feet to a locust hub; thence North 4° 7' East 1925.15 feet to a locust hub; thence with an old marked line North 84° 8' West 1038.44 feet to a locust hub; thence with Andy Williams' line North 26° 32' East 1082.83 feet to the BEGINNING; containing 66.4 acres more or less. And being the same property conveyed to the Grantor herein by deed dated December 5, 1952, which deed is recorded in the office of the Register of Deeds for Buncombe County, North Carolina, in Deed Book 727, Page 287.

The property hereinabove described was acquired by Grantor by instrument recorded in

A map showing the above described property is recorded in Plat Book page

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

The Grantor makes no warranty, express or implied, as to title to the property hereinabove described.

IN WITNESS WHEREOF the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

CTS OF ASHEVILLE, INC. (Corporate Name)
By: Charles C. Smith, Vice President

ATTEST: Elizabeth Bottorff Ahlemann, Secretary (Corporate Seal)

Indiana, Elkhart County.

I, a Notary Public of the County and State aforesaid, certify that Charles C. Smith, Vice President of CTS of Asheville, Inc. Grantor.

personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 4th day of September 1986.

My commission expires Nov 16, 1986 Linda L. Anglemeyer Notary Public

INDIANA, Elkhart County.

I, a Notary Public of the County and State aforesaid, certify that Elizabeth Bottorff Ahlemann, Secretary of CTS OF ASHEVILLE, INC. a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its

President, sealed with its corporate seal and attested by as its Secretary. Witness my hand and official stamp or seal, this 4th day of September 1986.

MY COMMISSION EXPIRES NOV 16 1986 Linda L. Anglemeyer Notary Public

The foregoing Certificate(s) of Linda L. Anglemeyer

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

By Peter W. DeBeauvoir, Register of Deeds for Buncombe County, and Colene C. Bentham, Deputy/Assistant Register of Deeds.

000034

W. B.

ARDEN ELECTROPLATING, INC.  
MILLS GAP ROAD, P. O. BOX 667  
SKYLAND, NORTH CAROLINA 28776

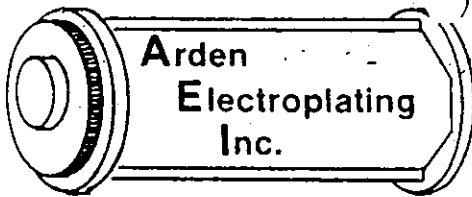
TOM D. ISRAEL      OWNER

BUS PHONE NO. 704-687-0875  
HOME PHONE NO. 704-891-9491

HOME ADDRESS:

9 BLACKBERRY LANE  
FLETCHER, NORTH CAROLINA 28732

*"Quality Commercial Electroplating"*



Tom Israel  
704/687-0875 Bus.  
704/891-9491 Res.

P.O. Box 667  
Skyland, NC 28776

000035



LEASE

ARDEN ELECTROPLATING, INC

THIS LEASE is made at Asheville, North Carolina, this 27th day of November, 1985, by and between CTS Corporation, Asheville Division of the Electromechanical Group, ("Lessor") and Arden Electroplating, Inc. ("Lessee").

Subject to the covenants, terms, and conditions set forth below, Lessor leases to Lessee 4,752 square feet of the manufacturing facility, hereinafter, "Premises," located at Mills Gap Road, Asheville, North Carolina 28776, and more particularly described in Exhibit 1 attached hereto, and made a part of this Agreement.

1. Terms. The term of this Lease shall be one one (1) year, commencing on December 1, 1985, and ending on November 30, 1986, unless sooner terminated pursuant to any provision of this Lease. Lessee shall have an option to renew this Lease on an annual basis. In order to renew this Lease Agreement, notice to renew must be given in writing to the Lessor at least thirty (30) days prior to the expiration of the Lease Agreement.

Either party may terminate this Lease by giving six (6) months advance written notice of termination to the other party.

2. Rent. Subject to the provisions below regarding late payments, the rent for the first one (1) year of this Lease shall be the sum of eight-thousand three-hundred dollars (\$8,300) payable to Lessor in equal monthly installments of seven-hundred twenty-five dollars (\$725) in cash, in advance, on the first day of each calendar month during the term hereof, without deduction, set-off, prior notice, or demand. The rent for any period less than a calendar month shall be a pro rata portion of the monthly installment.

The rent shall be adjusted upon each annual renewal of the Lease Agreement.

3. Use. The premises shall be used and occupied only for the following purpose: electroplating.

Lessee shall not permit any unlawful occupation, business, or trade to be conducted on the Premises, or any unlawful use to be made thereof. Lessee shall not use or permit the use in any manner which will tend to create waste or a nuisance.


4. Utilities. Lessee agrees to pay for all water, natural gas used in their make up air system and telephone installation and services. Lessee agrees to pay for electricity used by the electric boiler and plating rectifiers based on a study to be made during the first full month, said study to be conducted jointly by the parties.

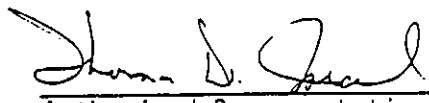
Lessor reserves the right during the term of this Lease to grant easements for public utility purposes on, over, or below the Premises without any abatement or reduction of Lessee's obligations under this Lease, provided that such easements do not unreasonably interfere with the normal operation of Lessee's business conducted on the Premises.

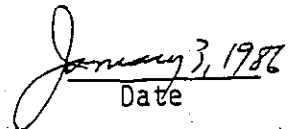
5. Assignment.

A. Lessee shall not voluntarily assign or encumber its interest in this Lease or in the Premises, or sublease all or any part of the Premises, or allow any other person or entity to occupy or use all or any part of the Premises, without first obtaining Lessor's consent, which Lessor agrees not to unreasonably withhold. Any assignment, encumbrance, or sublease without Lessor's consent shall be voidable and, at Lessor's election, shall constitute a breach.

6. Condition and Maintenance of Premises. Lessee's acceptance of possession of the Premises shall constitute Lessee's acknowledgment that the Premises are in good and tenable condition.

  
\_\_\_\_\_  
Authorized Representative  
Lessor  
CTS CORPORATION  
Asheville Division

  
\_\_\_\_\_  
Authorized Representative  
Lessee  
Arden Electroplating, Inc.

  
\_\_\_\_\_  
Date

PURCHASE AGREEMENT

CTS Corporation, hereinafter "CTS," agrees to sell, and Arden Electroplating, Inc., agrees to purchase the plating equipment as better described in the attachment which is marked Exhibit A and made a part of this Agreement.

1. Price

The purchase price of the equipment is \$28,000, to be paid over a three-year period on the first of May and the first day of November of each year, beginning May 1, 1986, and final payment being November 1, 1988. Each payment shall be in the principal amount of \$4,666.67. Interest will accrue at the rate of 12% per annum on any outstanding principal and interest.

2. Late Payments

If any payment called for hereunder is not paid by Arden Electroplating, Inc., when due as stated in Paragraph 1 of this Agreement, there shall be imposed interest at the rate of 14% per annum on any late payments. Furthermore, Arden Electroplating, Inc., shall be liable for all CTS' legal costs and expenses including reasonable attorneys' fees and any other costs of collection of any kind, nature, or description associated with the collection of the full purchase price and all damages which result therefrom.

3. Warranty

CTS warrants that upon receipt of the full purchase price, good title to the equipment, free and clear of all liens of whatsoever kind or nature, will vest in Arden Electroplating, Inc. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

4. "As Is" Basis

The equipment transferred herein is on an "As Is" basis. CTS expressly gives NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. Further, it is Arden Electroplating, Inc.'s responsibility to provide proper safety devices



PURCHASE AGREEMENT (cont.)

and equipment or means that may be necessary to safeguard the operator from harm for any particular use, operation, or set up and to adequately safeguard the equipment to meet all government safety standards.

5. Acceptance

Arden Electroplating, Inc., will be deemed to have accepted the equipment upon execution of this Agreement.

6. Governing Law

North Carolina law shall govern the terms hereof, and CTS and Arden Electroplating, Inc., submit to the jurisdiction of the courts of North Carolina with respect to any controversy hereunder.

7. Entire Agreement

This Purchase Agreement contains the entire agreement between CTS and Arden Electroplating, Inc. Any other documents or forms used in connection with this transaction shall be used for recordkeeping purposes only and shall not be made a part of this Agreement.

C. R. Beiter  
Authorized Representative  
Seller  
CTS Corporation  
Asheville Division

John D. Deal  
Authorized Representative  
Purchaser

January 3, 1986  
Date

A MEMBER OF THE SEARS FINANCIAL NETWORK



HILL-GATEWOOD,  
REALTORS®

ASHEVILLE (NORTH)   
366 MERRIMON AVENUE  
ASHEVILLE, NC 28801  
BUS. (704) 252-5555

ASHEVILLE (SOUTH)   
1550 HENDERSONVILLE ROAD  
ASHEVILLE, NC 28803  
BUS. (704) 274-5936

HENDERSONVILLE   
1611 ASHEVILLE HIGHWAY  
HENDERSONVILLE, NC 28739  
BUS. (704) 692-0222

LAKE LURE   
US 64/74  
P.O. BOX 57  
LAKE LURE, NC 28746  
BUS. (704) 625-2515

June 15, 1987

Wayne A. Beaverson, V.P.  
CTS Corporation  
905 North West Boulevard  
Elkhart, ID 46514

Dear Wayne:

I have taken numerous local businessmen and investors through your plant in an effort to market it locally. A couple of them have indicated to me that they would be willing to purchase the facility if I were to reinvest my portion of the commission in the transaction, plan for subdividing the residential portion of the property, and manage the overall project for them. I told them that I would consider doing that.

They stated they were only interested if they could obtain the property at a bargain price with good terms. I suggested that they make their offer through me in writing.

I am enclosing for your consideration their offer. Please be aware that I would be either a 20% or 25% owner of the property should you accept this offer.

I had one other showing this week through an Ohio realtor who is an advance scout for an undisclosed company that would be a satellite company to White Consolidated Industries. They are looking for 40,000 square feet to lease or buy. The agent felt that your property was too old for them, but he would submit it. He said they were in stage 1 of 4 stages to find a property and probably wanted to be in this area by the beginning of 1988.

The Chamber of Commerce has another prospect I will be showing the facility to as such time as they arrive. The Chamber believes they are looking primarily to lease about 20,000 square feet.

The group making this offer will consist of one or two local prominent attorneys, two local prominent industrialists, and myself. Everyone is aware that 35,000 square feet of roof is beyond its useful life and will need to be replaced. The only question in their mind

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relating to the roof is the condition of the decking. It shows signs of sagging and rot. As previously mentioned, their intention would be to have me subdivide the property and manage it.

They would like to have a response to their offer as soon as possible because they are also looking at other investment opportunities that I have presented to them.

I feel that the offer is low, but their intention is only to buy it if they can buy it right. All of the group have purchased other properties of a similar type either together or separately in the same fashion.

Please call me if you have any questions about the offer. They have not put an expiration date on the offer, but their intention is to revoke it if not accepted by weeks end and have me make an offer on a shopping center opportunity I have presented to them.

Sincerely,

  
Stan Greenberg  
Vice President

SHG/haa

Enclosures

000041

JOHN A. POWELL  
SANDRA S. POWELL  
PH (704) 252-7444  
53 N MARKET ST  
ASHEVILLE, NC 28801

**CMA**™ Cash Management Account\*

3212

MARLAND 008 6

Pay to the  
order of

Hill-Gatewood Realtors

6/15

19 87

25-80  
440

\$5,000.00

Five Thousand and

00/100 Dollars

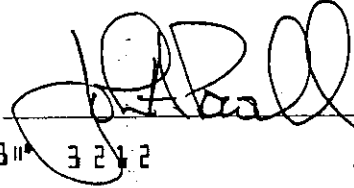
**Merrill Lynch**

BANK ONE, COLUMBUS, N.A. Columbus, Ohio 43271

Memo Earnest Money Deposit

CTS Prompt

⑆044000804⑆ 3011870118 3212



000042



OFFER TO PURCHASE AND CONTRACT

John Powell, as Trustee of CIS Corporation, as Buyer, hereby agrees to purchase and CIS Corporation, as Seller, hereby agrees to sell and convey, all of that plot, piece or parcel of land described below, together with all improvements located thereon and such personal property as is listed below (the real and personal property are collectively referred to as "the Property"), in accordance with the Standard Provisions on the REVERSE SIDE HEREOF and upon the following terms and conditions:

1. REAL PROPERTY: Located in the City of Asheville, Buncombe County of North Carolina, being known as and more particularly described as:

Street Address: Mills Gap Road
Legal Description: The portion of Property in DB 1343, Page 729 containing approximately 1.34 acres and a 70,000 plus or minus square foot industrial facility.

2. PERSONAL PROPERTY:

3. PURCHASE PRICE: The purchase price is Five Hundred Thousand \$500,000.00 and shall be paid as follows:
(a) \$5,000.00 by personal check

(b) N/A
(c) 400,000.00 by a promissory note secured by a purchase money deed of trust on the Property with interest prior to default at the rate of 8% per annum, payable by monthly payments of \$30 commencing on 30 days after closing

Assumption of transfer rights, if any, shall be: fully assumable

4. CLOSING: (State N/A in each blank of paragraph 4 (a) and 4 (b) that it is a condition to this contract)

(a) The Buyer must be able to obtain a loan commitment effective through the date of closing for a N/A year(s), at an interest rate not to exceed N/A % plus N/A % per annum. Buyer agrees to use his best efforts to secure such commitment and to advise Seller immediately upon his receipt of the lender's decision. Mortgage loan discount points not to exceed N/A % of the loan shall be paid by N/A

(b) The Buyer must be able to assume the unpaid principal balance of the existing loan detailed in paragraph 3(b) above for the term of the loan term, at an interest rate not to exceed N/A % thereon. If such assumption requires the lender's approval, approval must be granted in writing to N/A Buyer agrees to advise Seller immediately upon his receipt of the lender's decision. In addition to any reasonable transfer fee (per STANDARD PROVISION No. 1), mortgage loan assumption and/or discount points not to exceed N/A % shall be paid as follows: N/A

(c) There must be no restrictions, easements, zoning or other governmental regulations that would prevent the reasonable use of the real property for industrial or residential purposes.

6. ASSESSMENTS: Seller warrants that there are no encumbrances or special assessments, either pending or confirmed, for sidewalk, paving, water, sewer or other improvements on or adjoining the Property, except as follows: none

6. OTHER PROVISIONS AND CONDITIONS:
(a) All of the Standard Provisions on the REVERSE SIDE HEREOF are understood and shall apply to this instrument, except the following numbered Standard Provisions shall be deleted: 2, 7, 8, 11.
(If none are to be deleted, state "None" in this blank)

\*Interest only for the first two years and starting with the beginning of the third year to the end of the fifteenth year monthly payments of principal and interest in the amount of \$4,132.30.

See Purchase Contract Continuation attached hereto and made a part hereof.

(If additional space is needed, the bottom of the reverse side of this page may be used)

7. CLOSING: All parties agree to execute any and all documents and papers necessary in connection with closing and transfer of title on or before 90 days or before at Buyer's option, as a place designated by Buyer

8. POSSESSION: Possession shall be delivered at closing. In the event that Buyer has agreed that possession is not to be delivered at closing, then Seller agrees to pay to Buyer the sum of N/A per day to and including the date that possession is to be delivered as above set forth.

9. COUNTERPARTS: This Offer shall become a binding contract when signed by both Buyer and Seller and is executed in counterparts with an executed counterpart being retained by each party hereto.

Date of Offer: 6-15-87
Date of Acceptance:
Buyer: John Powell as Trustee (SEAL)
Seller (Owner): (SEAL)
Buyer: Stan Grealy / Hill Gatewood
Seller (Owner): (SEAL)
Agent/Firm: Stan Grealy / Hill Gatewood

I hereby acknowledge receipt of the earnest money herein set forth in accordance with the terms hereof.
Date: 6-15-87
Agent/Firm: Stan Grealy / Hill Gatewood

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STANDARD PROVISIONS  
CONTINUATION OF OTHER CONDITIONS FROM REVERSE SIDE, IF APPLICABLE

**1. EARLIEST MONEY:** In the event this offer is not accepted, or in the event that any of the conditions hereon are not satisfied, or in the event of a breach of this contract by Seller, then the earnest money shall be returned to Buyer, but such return shall not affect any other remedies available to Buyer for such breach. In the event this offer is accepted and Buyer hereafter breaches this contract, then the earnest money shall be forfeited. **RECOGNITION OF LIQUIDATED DAMAGES:** In the event a loan is assumed as part of the payment of the purchase price, then all payments due from Seller thereon must be current at closing, and the initial balance assumed shall be computed as of the date of closing. The amounts shown for the assumption balance and cash at closing shall be adjusted as appropriate at closing to reflect the final computations. Unless Buyer has otherwise specifically agreed in writing, the closing hereon must be consummated within the time specified in this contract, and any delay or non-compliance with a condition of the original terms of the sale and deed of trust and without imposition of any charge, fee or cost to Buyer other than a reasonable transfer fee or similar charge, must be excused.

**3. PROMISSORY NOTE AND DEED OF TRUST:** In the event a promissory note secured by a deed of trust is given by Buyer to Seller as part of the payment of the purchase price, the promissory note and deed of trust shall be in the form of and contain the terms and conditions of the purchase price, the terms and conditions of the promissory note and deed of trust herein approved by the F.U.C. Bar Association as Form 4 and 5, as modified in paragraph 3(c) on the reverse side.

**4. PROVISIONS AND ADMINISTRATION:** Unless otherwise provided, the following terms shall be governed and adjusted to conform with the intentions of the parties or paid at closing:

- (a) Ad valorem taxes on real property shall be paid on a calendar year basis to the date of closing.
- (b) Ad valorem taxes on personal property for the entire year shall be paid by Seller.
- (c) All late closing penalties, if any, shall be paid by Seller.
- (d)利息, 如果有的话, 对于该房产应在成交日期前付清。如果有的话, 应在成交日期前付清。

**5. TIME OR OTHER CASUALTY:** The risk of loss or damage by fire or other casualty prior to closing shall be upon Seller.

**6. CONDITIONS:**

- (a) The Property must be in substantially the same condition as shown on the date of this offer, reasonable wear and tear excepted.
- (b) All debts of trust, liens and other charges against the Property, not assumed by Buyer, must be paid and cancelled by Seller prior to or at closing.
- (c) The trust be directed at closing by general warranty deed and must be in simple marketable title, free of all encumbrances except ad valorem taxes for the current year (provided to date of closing), utility easements and unrecorded easements that do not necessarily affect the value of the Property and such other encumbrances as may be named or specifically approved by Buyer. The subject Property must have legal access to a public right of way.
- (d) If a portion of the purchase price for the Property is being paid by assumption of an existing loan and if the lender requires its approval for the assumption, then the approval of the lender, after different application therefor by Buyer, is a condition of this contract.

**7. NEW LOAN:** Buyer shall be responsible for all changes made to Buyer with respect to any new loan obtained by Buyer and Seller shall have no obligation to pay any discount fee or other charge in connection therewith unless specifically set forth in this contract.

**8. UTILITIES:** Unless otherwise stated herein, the electrical, plumbing, heating and cooling systems and built-in appliances, if any, shall be in good working order at closing. Buyer has the option to have the same inspected by a reputable inspector in connection with Buyer's expense, but such inspection must be completed in advance of the closing. If any repairs are necessary, Seller shall have the option to have the same repaired or to permit repairs, if any, to be completed by closing. If any repairs are necessary, Seller shall have the option to have the same repaired or to permit repairs, if any, to be completed by closing. If any repairs are necessary, Seller shall have the option to have the same repaired or to permit repairs, if any, to be completed by closing.

**17. ENTIRE AGREEMENT:** Buyer acknowledges that the parties have entered into this contract and that the contract contains the entire agreement of the parties and there are no representations, inducements, or other provisions other than those expressed in writing. All changes, additions or deletions hereon must be in writing, and signed by all parties. Nothing herein contained shall constitute any agreement between a REALTOR and the Seller as contained in any listing contract or other agreement between them.

**18. SURVIVAL:** Any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing shall survive the closing and remain binding upon the parties and their heirs, successors and assigns. As used herein, the terms "and" and "or" are to be construed as inclusive and not exclusive.

**19. ASSIGNMENT:** This contract may not be assigned, in whole or in part, without the written agreement of all parties, but if the same is assigned by agreement, then the same shall be binding on the assignee and his heirs.

**20. FURTHER:** This contract shall be binding and shall have the full force and effect of a deed and shall be recorded in the public records of the county in which the property is located. As used herein, the terms "and" and "or" are to be construed as inclusive and not exclusive.

**21. EVIDENCE OF TITLE:** Seller agrees to execute the documents required to convey the title to the property to Buyer as soon as reasonably possible after the receipt of this offer, copies of all the information in possession of or available to Seller, including but not limited to: the insurance policy, attorney's opinion on title, surveys, easements, deeds, notes and deeds of trust and covenants relating to the real and personal property described above.

**22. RESOLVING DISPUTES:** Seller shall pay for the preparation of a deed and for the recording thereof, and Buyer shall pay for recording the deed and for preparation and recording of all instruments required to secure the balance of the purchase price unpaid at closing.

**23. LABOR OR MATERIALS:** Seller shall furnish at closing an affidavit and indemnification agreement for items mentioned in the schedule of items to be purchased from Seller and also state and estimate the cost of the items mentioned in the schedule of items to be purchased from Seller and also state and estimate the cost of the items mentioned in the schedule of items to be purchased from Seller.

**24. FURTHER:** Buyer agrees to purchase from Seller the real property situated in a town on the property for the prevailing rate per gallon with the cost of measurement thereof, if any, being borne by Seller.

**25. FURTHER:** Buyer agrees to purchase from Seller the real property situated in a town on the property for the prevailing rate per gallon with the cost of measurement thereof, if any, being borne by Seller.

**26. FURTHER:** Buyer agrees to purchase from Seller the real property situated in a town on the property for the prevailing rate per gallon with the cost of measurement thereof, if any, being borne by Seller.



HILL-GATEWOOD, REALTORS®

# Purchase Contract Continuation



An Independently Owned and Operated Member of Coldwell Banker Residential Affiliates, Inc.

In reference to the Contract for the Purchase and Sale of real property between John Powell

as Trustee \_\_\_\_\_, Buyer and CTS Corporation

Seller, dated \_\_\_\_\_, covering the real property commonly known as

54 acres and industrial plant per DB 1343 PG 729, THE UNDERSIGNED BUYER AND SELLER

HEREBY AGREE TO THE FOLLOWING:

6. OTHER PROVISIONS AND CONDITIONS CONTINUED.

- B) Seller warrants that the property is free from burial or storage or any residual effects from industrial toxic waste. Seller shall indemnify Buyer against any expense incurred as a result of this warranty. If such expense, if any, is not reimbursed to Buyer within 30 days of written notification to Seller along with proof of the expense, Buyer may offset said expense against the next mortgage payments due to Seller or their assigns.
- C) Buyer is making this offer on behalf of a group of investors, one of whom is Stanley H. Greenberg, the N.C. Real Estate Broker who listed this property for sale with Coldwell Banker Hill-Gatewood, Realtors.
- D) At time of closing, the downpayment shall cover a release for 20 acres of the acreage outside of the fenced area starting with the Eastern most boundary of the property and running West. Seller shall grant a release to Buyer of the remaining approximately 22 acres outside of the fence at the rate of one acre for each \$2,500.00 reduction of principal on the purchase money deed of trust. There shall be no releases for the fenced in acreage. That area shall remain encumbered until the note is paid off in full.
- E) Buyer acknowledges that the roof area over the oldest portion of the building is not in good condition. Buyer reserves the right to have a roof inspector examine said roof and timbers to determine the extent of repairs necessary to said roof. Buyer shall have the right to terminate this contract within 30 days of acceptance if in Buyers opinion the repair expense would be exorbitant.
- F) Included in the purchase price is the existing boilers and compressors and any other personal property presently located on the property.

The herein agreement, upon its execution by both parties, is herewith made an integral part of the aforementioned Contract for the Purchase and Sale of real property and the undersigned Buyer and Seller acknowledge receipt of a copy hereof.

DATE: \_\_\_\_\_ TIME: \_\_\_\_\_ m. DATE: \_\_\_\_\_ TIME: \_\_\_\_\_ m.  
 BUYER: \_\_\_\_\_ (SEAL) SELLER: \_\_\_\_\_ (SEAL)  
 BUYER: \_\_\_\_\_ (SEAL) SELLER: \_\_\_\_\_ (SEAL)  
 WITNESS: \_\_\_\_\_ (SEAL) WITNESS: \_\_\_\_\_ (SEAL)

This form was prepared solely by Hill-Gatewood, Realtors, Coldwell Banker Residential Affiliates, Inc. and its direct and indirect parents express no opinion on the form and substantive content thereof.  
202C-986

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CONTRACT OF SALE OF REALTY

THIS AGREEMENT, made this 25<sup>th</sup> day of June, 1987, between CTS Corporation, an Indiana corporation having its principal place of business at 905 North West Boulevard, Elkhart, Indiana 46516, hereinafter referred to as "Seller," and John Powell as Trustee of Mills Gap Associates, a North Carolina general partnership, hereinafter referred to as "Buyer".

WITNESSETH:

1. Agreement to Buy and Sell and Description. Seller will sell and convey, and Buyer will purchase, all the land, with the buildings and improvements on the land, located in the city of Asheville, County of Buncombe, State of North Carolina, being known as and more particularly described as that portion of property on Mills Gap Road, in Deed Book 1343, Page 729 containing approximately 54 acres and an industrial facility, approximately 76,000 square feet in size, hereinafter referred to as "Property". Buyer has offered to purchase the Property on behalf of a group of investors, one of whom is Stanley H. Greenberg, the North Carolina Real Estate Broker who listed the Property for sale with Coldwell Banker Hill-Gatewood, Realtors.

2. Purchase Price. The purchase price is five hundred forty thousand dollars (\$540,000.00), payable as follows:

- (a) Five thousand dollars (\$5,000.00) in earnest money, paid by personal check on June 15, 1987, the same to be held in escrow by Coldwell Banker Hill-Gatewood, Realtors, as agents, until the Closing Date, at which time it will be paid to Seller and credited to Buyer towards the Purchase Price, or until this Contract is otherwise terminated, at which time it will be distributed pursuant to Section 9 of this Agreement.
- (b) Four hundred forty thousand dollars (\$440,000.00) by a promissory note secured by a purchase money deed of trust, containing the provisions of the promissory note and deed of trust forms approved by the North Carolina Bar Association as Forms 4 and 5, on the Property with interest prior to default at the rate of 10% per annum. Monthly payments of interest only shall be made commencing on the first day of the month next following the Closing Date and on the first day of each of the eleven months thereafter. Beginning on the first day of the thirteenth month following the Closing Date, Buyer shall make monthly payments of \$5,814.65 on the first day of every month thereafter for a period of ten (10) years, the same to be prepayable at any time without penalty; and
- (c) Ninety-five thousand dollars (\$95,000.00) in cash at closing.

3. Personal Property and Fixtures. In addition to the Property, Seller will sell and convey and Buyer will purchase all of the existing boilers, compressors and other personal property located on the Property, the consideration for which is part of the purchase price described in term 2 above.

4. Taxes. Ad valorem taxes on the Property shall be prorated on a calendar year basis to the Closing Date.

5. Warranty. Seller warrants that it owns the Property, free and clear of all liens and encumbrances, and will convey the Property to Buyer on the Closing Date, free and clear of all liens and encumbrances by general warranty deed. Seller warrants that there are no encumbrances or special assessments, either pending or confirmed, for sidewalk, paving, water, sewer or other improvements on or adjoining the Property. Seller warrants that it will convey fee simple marketable title to Buyer. Seller further warrants that the Property will be the subject of an environmental audit, the results of which will be provided to Buyer. If the results of the environmental audit indicate the presence of contaminants on or under the Property, in amounts that would exceed any applicable governmental rules or regulations, Buyer shall have the option of terminating this Contract without any further liability if Seller decides not to undertake to remedy the identified contamination. The foregoing warranties are in lieu of any and all other warranties, express or implied, it being understood that except as specified above, Buyer is purchasing the Property on an "as is" basis.

6. Partial Sale Before Promissory Note is Paid. Seller agrees that Buyer may sell that portion of the Property, comprising approximately 42 acres, which lies outside the fenced area, starting with the Eastern most boundary of the Property and running West, before the Promissory Note described in term 2 (b) above is paid in full; provided, however, that the terms of any such sale shall be subject to the prior approval of Seller and, that any and all proceeds from such sale shall be paid directly to Seller, the same to be applied against the then existing principal balance on the Promissory Note. The monthly payments shall thereafter be recalculated to reflect the reduced principal balance of the note, the payment period of the note remaining unchanged.

7. Use of the Property Before Promissory Note is Paid. Except as provided for in term 6 above or as shall be agreed upon by the parties in writing, Buyer shall keep and maintain the property until the Promissory Note is paid in full, and will not allow any use thereof which will cause waste or a nuisance to be maintained thereon. Buyer shall, at all times, until the Promissory Note is paid in full, keep and maintain property insurance on the Property, in a coverage amount which shall always exceed the principal balance on the Promissory Note, naming Seller as an insured.

8. Roof Condition. Buyer reserves the right to have the roof of the oldest portion of the building inspected by a roofing inspector to determine the extent of repairs required. Buyer shall have the right to terminate this Contract and recovery of its earnest money within fourteen (14) days of the signing of this agreement if Buyer considers the roof repair expense to be excessive.

9. Utilities. Unless otherwise stated herein, the electrical, plumbing, heating and cooling systems and built in appliances, if any, shall be in good working order at Closing. Buyer has the option to have the same inspected by a reputable inspector or contractor at Buyer's expense, but such inspections must be completed in sufficient time before Closing so as to permit repairs, if any, to be completed by Closing. If any repairs are necessary, Seller shall have the option of (a) completing them, (b) providing for their completion, or (c)

refusing to complete them. If Seller elects not to complete the repairs, then Buyer shall have the option of (a) accepting the Property in its present condition, or (b) terminating the contract, in which case the earnest money shall be refunded. Closing shall constitute acceptance of the electrical, plumbing, heating and cooling systems and built in appliances in their existing condition unless provision is otherwise made in writing pursuant to this paragraph. (RECOMMENDATION: Buyer should have any inspections made prior to incurring expenses for Closing).

10. Termites, Etc. Unless otherwise stated herein, Seller shall provide at Seller's expense a report from a licensed pest control operator on a standard form in accordance with the regulations of the North Carolina Structural Pest Control Committee, stating that there was no visible evidence of wood destroying insects and that no visible damage therefrom was observed, or, if new construction, a new construction termite bond. All extermination required shall be paid for by Seller and completed prior to Closing, unless otherwise agreed upon in writing by the parties. If any structural repairs are necessary, Seller shall have the option of (a) paying for them, or (b) refusing to pay for them. If Seller elects not to pay for such structural repairs, then Buyer shall have the option of (a) accepting the Property in its present condition, or (b) terminating the Contract, in which latter case the earnest money shall be refunded. The inspection and report described in this paragraph may not reveal either structural damage or damage caused by agents or organisms other than termites and wood destroying insects.

11. Termination. Except as provided in term 5 or term 8 above, if Buyer terminates this Contract and does not consummate the purchase contemplated hereby, then Seller shall be entitled to the \$5,000.00 in earnest money deposited by Buyer pursuant to term 2(a) above.

12. Closing Date. The parties hereto agree to execute any and all documents necessary to complete the transaction contemplated hereby on September 8, 1987 or sooner at a place to be mutually agreed upon. The deed shall be made to John Powell, as Trustee of Mills Gap Associates or his assignee.

13. Closing Expenses. Seller shall pay for the preparation of the deed and for the revenue stamp required by law. Buyer shall pay for recording the deed and for preparation and recording of the promissory note, purchase money deed of trust and any other instruments required to secure the balance of the purchase price unpaid on the Closing Date.

14. Possession. Possession shall be delivered to Buyer on the Closing Date.

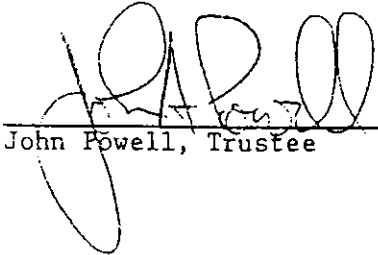
15. Assignment. This Contract may not be assigned without the written agreement of all parties, but if the same is assigned by agreement, then the same shall be binding on the Assignee and his heirs.

16. Parties. This Contract shall be binding and shall inure to the benefit of the parties, their heirs, successors and assigns. The provisions herein contained with respect to the Promissory Note and Deed of Trust shall be binding upon and insure to the benefit of all parties to the same as well as subsequent owners of the Property and the said note and deed of trust.


17. Entire Agreement. Buyer acknowledges that he has inspected the Property. This Contract contains the entire agreement of the parties and there are no representations or other provisions other than those expressed herein in writing. All changes must be in writing and signed by all parties.

IN WITNESS WHEREOF, this Contract has been duly executed by the parties hereto.

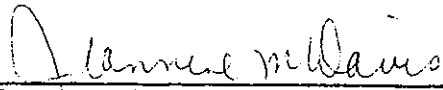
MILLS GAP ASSOCIATES

  
\_\_\_\_\_  
John Powell, Trustee

CTS CORPORATION

  
\_\_\_\_\_  
Wayne A. Beaverson  
Vice President  
Corporate Development

ATTEST:

  
\_\_\_\_\_  
Jeannine M. Davis, Secretary

SATISFACTION: The debt evidenced by this Note has been satisfied in full this 25th day of August, 19 97  
Signed: by [Signature], VP  
by [Signature], VP

# PROMISSORY NOTE

Asheville, N.C.  
December 23, 19 87

\$ 440,000.00

FOR VALUE RECEIVED the undersigned, jointly and severally, promise to pay to CTS CORPORATION, an Indiana corporation or order.

the principal sum of FOUR HUNDRED FORTY THOUSAND AND NO/100 DOLLARS (\$ 440,000.00), with interest from December 1987, at the rate of Ten

per cent (10%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at

the office of CTS Corporation, 905 North West Boulevard, Elkhart, Indiana 46516

or at such place as the legal holder hereof may designate in writing. It is understood and agreed that additional amounts may be advanced by the holder hereof as provided in the instruments, if any, securing this Note and such advances will be added to the principal of this Note and will accrue interest at the above specified rate of interest from the date of advance until paid. The principal and interest shall be due and payable as follows:

Twelve (12) monthly installments of interest only in the amount of \$3,666.66 each shall be payable with the first said monthly payment of interest only being due and payable on or before January 24, 1988. Following the aforesaid 12 monthly installments of interest only, 120 monthly installments of principal and interest in the amount of \$5,814.65 each shall be made with the first such installment being due on or before January 24, 1989 and continuing thereafter on the 24th day of each succeeding month thereafter until paid in full.

If not sooner paid, the entire remaining indebtedness shall be due and payable on December 24, 1998

When paid in installments, each such installment shall, unless otherwise provided, be applied first to payment of interest then accrued and due on the unpaid principal balance, with the remainder applied to the unpaid principal.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium. Partial prepayments shall be applied to installments due in reverse order of their maturity.

In the event of (a) default in payment of any installment of principal or interest hereof as the same becomes due and such default is not cured within ten (10) days from the due date, or (b) default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in either such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note and the Deed of Trust, if any, shall bear interest at the rate of Ten per cent (10%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note and the Deed of Trust notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of such change or changes and agree that the same may be made without notice or consent of any of them.

Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorney's fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together against the property described in the Deed of Trust or any other funds, property or security held by the holder for payment or security, in the sole discretion of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

This Note is to be governed and construed in accordance with the laws of the State of North Carolina.

This Note is given to secure the balance of purchase money, and is secured by a Purchase Money Deed of Trust

IN TESTIMONY WHEREOF, each corporate maker has caused this instrument to be executed in its corporate name by its \_\_\_\_\_ President, attested by its \_\_\_\_\_ Secretary, and its corporate seal to be hereto affixed, all by order of its Board of Directors first duly given, the day and year first above written.

By: \_\_\_\_\_ (Corporate Name)  
\_\_\_\_\_  
President

ATTEST: \_\_\_\_\_ Secretary (Corporate Seal)

By: \_\_\_\_\_ (Corporate Name)  
\_\_\_\_\_  
President

ATTEST: \_\_\_\_\_ Secretary (Corporate Seal)

\_\_\_\_\_ which is a 1st lien upon the property therein described. IN TESTIMONY WHEREOF, each individual maker has hereunto set his hand and adopted as his seal the word "SEAL" appearing beside his name, the day and year first above written.

MILLS GAP ROAD ASSOCIATES, a North Carolina General Partnership  
Stanley H. Greenberg (SEAL)  
STANLEY H. GREENBERG, General Partner  
John A. Powell (SEAL)  
JOHN A. POWELL, General Partner  
Fred N. Slosman (SEAL)  
FRED N. SLOSMAN, General Partner

REGISTERED

'87 DEC 23 AIO:22

SATISFACTION: The debt secured by the within Deed of Trust together with the note(s) secured thereby has been satisfied in full. This the 25th day of August, 1997.

Signed: CTS CORPORATION  
by *[Signature]* Vice President  
by *[Signature]* Vice President

*[Signature]*  
REGISTRAR  
BUNCOMBE COUNTY

Recording: Time, Book and Page

Tax Lot No. \_\_\_\_\_ Parcel Identifier No. \_\_\_\_\_

Verified by \_\_\_\_\_ County on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_

by \_\_\_\_\_

Mail after recording to \_\_\_\_\_

This instrument was prepared by Elmore & Powell, P.A., 53 North Market St., Asheville, NC 28801

Brief description for the Index

**NORTH CAROLINA DEED OF TRUST (PURCHASE MONEY)**

THIS DEED OF TRUST made this 23rd day of December, 1987, by and between:

GRANTOR	TRUSTEE	BENEFICIARY
MILLS GAP ROAD ASSOCIATES, a North Carolina General Partnership	CHICAGO TITLE INSURANCE COMPANY, a Missouri Corporation	CTS CORPORATION, an Indiana Corporation

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor, Trustee, and Beneficiary as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, That whereas the Grantor is indebted to the Beneficiary in the principal sum of FOUR HUNDRED FORTY THOUSAND AND NO/100 Dollars (\$ 440,000.00), as evidenced by a promissory note of even date herewith, the terms of which are incorporated herein by reference. The final due date for payment of said promissory note, if not sooner paid, is December 24, 1998.

NOW, THEREFORE, as security for said debt and a valuable consideration, receipt of which is hereby acknowledged, the Grantor has bargained, sold, given, granted and conveyed and does by these presents bargain, sell, give, grant and convey to said Trustee, his heirs, or successors, and assigns, the parcel(s) of land situated in the City of Limestone Township, Buncombe County, North Carolina, and more particularly described as follows:

SEE ATTACHED EXHIBIT "A" FOR DESCRIPTION OF PROPERTY

The Promissory Note secured by this Deed of Trust is for the balance of purchase price of real estate.

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