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CLIENT/MATTER NUMBER
085547-0107

May 12, 2000

VIA FACSIMILE AND MESSENGER

Mr. Jim Delwiche
Wisconsin Department of Natural Resources
Richards Street Annex
4041 North Richards Street
Milwaukee, WI 53212

Re: Ridgestone Bank Request for Liability Clarification
13855 West North Avenue
Brookfield, WI 53005

Dear Mr. Delwiche:

We represent Ridgestone Bank ["Ridgestone"] with regard to the above-referenced property [the "Site"]. As I explained to you briefly during our telephone conference on May 4, 2000, the purpose of this letter is to request that the Wisconsin Department of Natural Resources [the "Department"] provide Ridgestone a liability clarification letter concerning the Site pursuant to Wis. Stat. § 292.55(1). Through our recent voice mail messages, we have tentatively agreed to meet at the Department's Southeast District headquarters on Tuesday, May 16, at 9:30 to discuss this matter.

As you know, on February 10, 2000 the Department was notified of the discovery of perchloroethylene ["PCE"] contamination in the soil and groundwater at the Site. The discovery of the PCE contamination resulted from transactional due diligence (i.e., Phase I and II environmental site assessments) conducted on behalf of Ridgestone Bank. Since the date it became aware of such contamination, the Department has identified Distinctive Dry Cleaners ["Distinctive"], due to its previous operation of a dry cleaning facility at the Site, as the party responsible for restoration of the environment at the Site. On March 13, 2000 the Department sent Distinctive a responsible party notification letter directing Distinctive to investigate and remediate the Site.

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The Site is a portion of a larger parcel of commercial property commonly referred to as the Brook Country Shops [the "Mall"]. Ridgestone recently exercised its option to purchase the Site, including the Mall, from the current owner, CDJLT Investments, LLP ["CDJLT"]. The closing of this transaction is scheduled to occur on May 31, 2000. Ridgestone is currently a tenant in the Mall, and has conducted bank business there for several years. During such tenancy, however, Ridgestone has never handled, stored, treated or disposed of hazardous substances, and has in no way contributed to or exacerbated the existing contamination at the Site.

The Department has clear evidence that Distinctive discharged hazardous substances at the Site and is responsible for restoring the environment. In addition, based upon our review of the City of Brookfield Tax Assessor's records, an entity known as Carrol Dry Cleaners operated a dry cleaning establishment at the Site prior to Distinctive during the period 1983 to 1991. In addition, based upon the representations of a resident who owns property adjacent to the former dry cleaning facility, used dry cleaning filters and related waste materials were routinely stored outside, unprotected, for extended periods of time as early as 1989, prior to Distinctive's operation of the dry cleaning establishment. Ridgestone believes that the owners or operators of Carrol Dry Cleaners should, therefore, also be considered responsible for the Site's remediation.

Because Ridgestone is an innocent purchaser who has not caused or contributed to the contamination at the Site, we request written clarification, pursuant to Wis. Stat. § 292.55(1), that the Department will not pursue Ridgestone with regard to performing or paying for environmental remediation activities at the Site. We respectfully suggest that you consider including the following language in the liability clarification letter:

"The Department recognizes that Wisconsin's Hazardous Substance Discharge Law, s. 292.11, Stats., imposes potential liability on the owner of a contaminated property where a hazardous substance is continuing to discharge to the environment from contaminated soil, even if the contamination was caused by another person, such as a former owner or occupant of the property. However, the Department has determined that it is in the public interest to exercise its enforcement discretion in situations where the Department has clear evidence that a former owner or occupant of the property caused the discharge and this former owner or occupant has the means to conduct any future response actions, if necessary.

In this situation, the Department has determined that Distinctive Dry Cleaners ["Distinctive"] is responsible for restoring the environment at the property, pursuant to the Hazardous Substance Discharge Law, s. 292.11, Stats. On March 13, 2000, the Department notified Distinctive that it is responsible for restoring the environment, including

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investigating the extent of the contamination and selecting and implementing an appropriate remedial action. The Department has further determined that Ridgestone Bank ["Ridgestone"] has not caused or contributed to environmental contamination at the Site. Under these circumstances, the Department agrees to exercise its enforcement discretion, as follows.

The Department assures Ridgestone and its lenders that it will take no legal action to compel Ridgestone to investigate or remediate – under the Hazardous Substance Discharge Law or any other applicable state environmental cleanup law – all or any portion of the environmental contamination that was present on or was migrating from the property prior to the date on which Ridgestone purchased the property. The Department believes that the evidence is clear that Distinctive caused the contamination and is responsible for any required investigation and/or remediation of the property.”

Pursuant to Wisconsin Administrative Code § NR 749.04, enclosed please find a check in the amount of \$500.00 representing the applicable fee for the Department's assistance with this matter.

We look forward to receiving the liability clarification letter from the Department at its earliest convenience, and before May 31 if at all possible. Please call me with any questions.

Sincerely yours,



Edward B. Witte

Encls.

cc: Pamela Mylotta
Paul E. Menzel
Patrick M. Zabrowski
David A. Meisinger