

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Scott McCallum, Governor
Darrell Bazzell, Secretary
Gloria L. McCutcheon, Regional Director

Southeast Region Headquarters
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July 2, 2002

Mr. Edward Kaiser, Co-Trustee
Kaiser Property Trust
1460 Peregrine Point Drive
Sarasota, FL 34231-2327

Dear Mr. Kaiser,

Thank you for sending your representatives to meet with us to discuss subsurface investigation requirements and other concerns regarding the property you own at 4763 N. 32nd Street in Milwaukee. If you are not in agreement with the summary of this meeting, please contact the Department.

Meeting Date: June 26, 2002 2:00 p.m.

Location: DNR Southeast Region Headquarters

In Attendance: Scott Petlewski, Envirogen
Kevin Hedinger, Envirogen
John Hnat, DNR-Hydrogeologist
Scott Ferguson, DNR-Emergency Response Coordinator
Debby Roszak, DNR-Enforcement

Department Expectations

By August 12, 2002, Kaiser Property Trust will submit a NR 716 Site Investigation Workplan for the site for DNR review. This should include a history of the site and a compilation of previous subsurface data. A proposal for investigation of barrels and other waste currently on site should also be included.

Failure to comply with this requirement, may result in the referral of this case to the Department of Justice for prosecution.

Summary of Discussion

The Envirogen consultants at the meeting did not have a contract yet for work on the site. Their knowledge of the site was fairly limited so we spent some time explaining what the Department knew of the site.

A map of the site and the Phase II site report gave them an idea of the type of contamination found and some of the site history. We explained what we knew about one high capacity well on site and added that Municipal Well and Pump had a contract for the abandonment of the known well and the search for the second well.

John Hnat said that the Department would be sampling the area above the plug on the well if water was present. We will also sample the water below the plug after Municipal Well and Pump drills through it. Environgen asked to be present for this sampling. John said he would let them know but cautioned that a start date has not been set.

We mentioned that abandoned containers had been found on site. If these are not taken care of soon, EPA or the State may come in and do the work. Cost recovery would then be sought.

Scott Ferguson said there have been over 30 spill responses due to material coming from the property. He also mentioned that a drug lab had been found in one of the building on site.

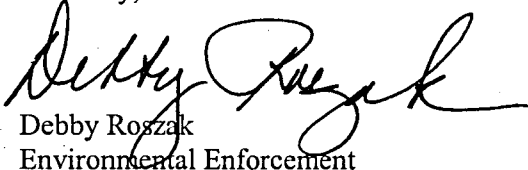
John said a there may be outfalls discharging directly into Lincoln Creek from the property. A reddish liquid material was observed in Lincoln Creek. A similar material was observed in the subbasement of the property.

The property is currently not secured and children regularly play in the area.

I spoke to David Kaiser later in the day. He said that Edward Kaiser is a co-trustee and our correspondence should go to him. David said he is not a trustee and not a beneficiary of the trust. He said we could copy him on correspondence since Ed does not have anyone else local for a contact.

Attached to this correspondence is the Notice of Violation which is now addressed to Edward Kaiser.

Sincerely,



Debby Roszak
Environmental Enforcement

C: RR/3

John Hnat SER

Heidi Hopkins SER

Attorney David Kaiser

___Envirogen