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NORRIS & RIESELBACH, S.C.

ATTORNEYS AT LAW

September 22, 1998

Mr. Charles A. Czarkowski
Wisconsin Department of Natural Resources
2300 North Martin Luther King Jr. Drive
P.O. Box 12436
Milwaukee, WI 53212

Dear Mr. Czarkowski:

Re: Providing Municipal Water To Well
Owners in the Village of Grafton

This letter is intended to memorialize our telephone conference of Friday September 11, 1998 regarding the above matter. Initially we discussed when the questions posed to Messrs. Feeney and Walt Ebersol on August 4, 1998 would be answered, specifically the question of whether Freon TF was or would have been a factor in the providing of municipal water to well owners in Grafton. (Following the meeting on the 4th Mr. Feeney indicated to me that you would be responding in the Department's behalf). You explained that responding in writing to the questions was on your list of tasks to accomplish but you were having difficulty getting to this work, given the press of other business. As a consequence, we agreed that I would summarize the conversation and if you had any disagreements or wanted to make any clarifying additions you would do so by return letter.

The principal question which we addressed was whether the removal action taken by the Village of Grafton in the form of providing municipal water supply to private well users on Green Bay Drive in the Village of Grafton would have been ordered by the Department had the contamination only been Freon TF and only in concentrations noted to date in the water supply or monitoring wells. With respect to the latter, it was stated by me that the highest observed concentration was 360 parts per billion ("ppb"); this result was obtained from a monitoring well not a private water supply well. In responding you took into consideration that there is no state ground water standard for Freon TF although there is a health related standard of 5,500 ppb. Based on these conditions, you stated that the Wisconsin

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Department of Natural Resources probably would not have ordered or otherwise required a municipal water supply be provided to the owners of the impacted (or potentially impacted) wells due to the presence of Freon TF contamination or proximity to that contamination .

We also discussed in some detail why the specific wells were replaced with a municipal water supply. In that regard you identified two major factors. One, the presence of TCE and/or vinyl chloride in numerous wells in excess of U.S. E.P.A.'s health related standards for drinking water and/or the Wisconsin ground water standards applicable to TCE and vinyl chloride. Two, the Department's and U.S.E.P.A.'s policies which require establishing a "well advisory area" and treating alike all well owners in the area. You explained the well advisory policy as being driven by several considerations among them: one, the fact that the Department considers wells in proximity to wells contaminated above a standard as receptors (even if not currently contaminated); two, a desire to alleviate a well owner's anxiety over whether it is only a matter of time before his well is contaminated; and, three, the policy provides certainty regarding future water quality when property transfers are involved.

You also indicated that the manner in which the water supply replacement program occurred in the Village was driven by the Village's belief that it could accomplish the work at less total cost than if the well replacement was initially funded and managed by U.S. E.P.A.

In sum, the water supply replacement on Green Bay Drive in Grafton was not driven by the presence of Freon TF at the concentrations observed to date, and the presence of Freon TF would not, standing alone, have been the cause of water supply replacement under current WDNR standards or policies. Rather, the well replacement program was driven by the presence of other contaminants, the associated well advisory policy and the Village of Grafton's desire to control its costs.

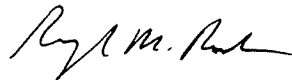
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Our conversation did not address any of the other questions posed at the conclusion of the August 4th meeting. However, it is my belief that it addressed the two most important questions that were raised.

I believe that the above accurately summarizes the substance of our conversation. If you believe that I have incorrectly stated the conversation, misrepresented the context, omitted a significant portion or that the above summary is otherwise misleading, please advise me. In that regard, I believe it would be helpful to all concerned if you would do so in writing and as soon as reasonably possible.

Thank you for your consideration of the above.

Sincerely,



Raymond M. Roder

MADISON\35181RMR: SJW

cc Robert B. Aiken, Sr.