



March 16, 2011

VIA U.S. MAIL

Ms. Nancy D. Ryan
Wisconsin Department of Natural Resources
Bureau for Remediation and Redevelopment
2300 N. Dr. Martin Luther King, Jr. Dr.
Milwaukee, WI 53212

Re: Dry Cleaner Environmental Response Fund (“DERF”)
Express Cleaners, 3941 N. Main Street, Racine, WI
WDNR FID#252010000; BRRTS #02-52-547631

Dear Nancy:

As you are aware, the Ehrlich Family Limited Partnership (“Ehrlich”) is considering demolishing a portion of the building at the Express Cleaners site (the “Site”) as part of the remedial strategy for the Site. We are preparing to send out a revised request for proposals (“RFP”) for cleanup of the Site and are evaluating what work items to include under the RFP.

To this end, we would appreciate it if you could clarify whether it would be appropriate for Ehrlich to request, before or after demolition costs are incurred, a variance under NR 169.29 for a variance from NR 169.13(3)(a)(6), which states that “[c]ost to construct, repair, replace, improve, relocate or demolish any building or fixture” are ineligible for DERF reimbursement.

Ehrlich would essentially ask the Department, either before or after demolition costs are incurred, for reimbursement from DERF for: (1) the cost to demolish the northern half of the building to provide unhindered access to the contaminated subsoil and (2) the cost of constructing a temporary wall to allow using the southern half of the building for on-site, ex-situ treatment, provided that the combined cost of tasks 1 and 2 plus the cost cleanup is no greater than the cost of performing another type of remediation that does not require the demolition and building modification.

Also, if the cost of demolition/temporary wall exceeds another treatment method that the Department would allow, could Ehrlich request DERF reimbursement for a portion of the combined cost of treatment plus demolition/temporary wall up to the amount of the other remedial method?

Demo costs up to \$15000 w/ variance possible.

Cost comparison -

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Cincinnati
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Indianapolis
Las Vegas
New York
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*assume bldg gone?
way less cost
Could approve if success
for remedy*

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The dry cleaning tenant's lease at the Site will expire on April 30, 2011, and Ehrlich is prepared to proceed with demolition to provide better access to the contaminated soil and groundwater. We believe that this approach would result in a less expensive, more rapid, more thorough and more certain cleanup. However, before proceeding with this strategy, we would like to know whether Ehrlich may obtain reimbursement from DERF for demolition, and if so, whether it would be better for Ehrlich to request a variance before or after demolition costs are incurred.

Thank you for your assistance with this matter. If you have any questions, please contact me at (414) 277-8500.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Natalia Minkel-Dumit".

Natalia Minkel-Dumit

cc: William P. Scott, Gonzalez, Saggio & Harlan (via email)
Jillian Steffes, DERF Manager (via email)