

From: Schultz, Josie M - DNR
Sent: Monday, February 5, 2024 5:56 PM
To: Hodgson, Scott A.
Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

Hi Scott - If long duration sampling hasn't been completed for indoor air I would really recommend that this be completed for the spaces.

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Josie Schultz

Cell Phone: (920) 366-5685

Josie.Schultz@Wisconsin.gov

From: Hodgson, Scott A. <Scott.Hodgson@terracon.com>
Sent: Friday, February 2, 2024 1:36 PM
To: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>
Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

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Josie,

We are planning additional indoor air samples including three in Smoke-Out (each garage space plus bathroom), two in the Badger Scale space due to the pipe breach (one in the garage area and one in the office), and one in Tiletown Basements in the garage area due to the open grate on the floor drain holding tank. Are we okay to stay with the 8-hour Summa canisters or are you going to require passive samplers?

Thanks.

Scott A. Hodgson, P.G.
Senior Project Manager | Environmental Services



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From: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>
Sent: Wednesday, January 31, 2024 5:04 PM
To: Hodgson, Scott A. <Scott.Hodgson@terracon.com>
Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

Good Afternoon Scott,

The response I have received so far is that DNR has not allowed consultants to bill for work that costs were not pre-approved for DERP; the exception would be NR 169.23(3)(d)5 which allows up to \$3,000 or 5% of workplan costs to be expended without DNR approval. Because of this initial answer, I do not recommend submitting a variance request to request retroactive cost approval at this time, but I do recommend itemizing this additional completed work and the associated costs and submitting to DNR in case this were to change.

The September 2018 RA costs of \$119,206 were approved within DNR's approval letter sent in November of 2018. Any work that was completed beyond this scope, without a change order and prior cost approval through DERF, cannot be submitted for reimbursement.

Any work items that have not already been completed can be submitted as a change order with costs for approval. You are also able to request approval for increase in unit costs, which would need to be submitted as a variance request with this change order. Any work that's already been completed will need to be billed at the original approved rate.

Please let me know if I missed any of your questions.

Best Regards,
Josie

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Josie Schultz

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From: Hodgson, Scott A. <Scott.Hodgson@terracon.com>
Sent: Thursday, January 25, 2024 1:09 PM
To: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>
Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

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1. Yes, understand that is the typical way it is handled and hence the question because both clients believe Mark paid the deductible so it would have been handled differently. I can continue checking with the clients.
2. Yes, that would be correct.
3. For the SI claim that is pending it should all go to Chris Dockry as described in #2. For the upcoming remediation claim #1 to be submitted soon, it sounds like we can/should prepare two separate claims and submit concurrently, which would be the cleanest way to handle it. That is what we do for similar situations with Agricultural Chemical Cleanup Program claims.

From: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>
Sent: Thursday, January 25, 2024 12:59 PM
To: Hodgson, Scott A. <Scott.Hodgson@terracon.com>
Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

The DERF fund manager got back to me and provided the following answers in green:

1. Did Chris Dockry or Mark Woppert pay the DERF deductible? **The deductible isn't "paid", it deducted from whatever claim payment that it is due. So for the first payment they are due to receive (DC-693), the payment will be \$10,000 less than the approved costs. I've attached a copy of the audit letter for you.**
2. How was the first claim (pending payment in May) set up for reimbursement? Is it only being paid to Chris Dockry? **Mark Woppert amended the original reimbursement claim on 02/11/2019 to make Chris Dockry the payee for the claim. It is currently set up that Chris Dockry will receive the payment. The W9 he submitted has Team Bay LLC as his business name that will receive the payment.**

Add'l questions:

3. Mark Woppert is the DERF applicant and Chris Dockry is the Agent for DERF; they are splitting costs 50/50 for the work. Are they able to split the claim for reimbursement and be paid individually? **We haven't done this in the past, but it is something we can do if I receive documentation from both Mark and Chris that this is what they wish to happen. Mainly Mark, since he listed as the applicant on the reimbursement application, but also Chris because he was listed as the Payee on the 02/11/2019 amended claim. Approved costs are \$59,285.75, but the payment will have a \$10,000 deductible applied to it, so one person will get \$24,642.87 and the other \$24,642.88. This will leave each of them paying \$5,000 of the deductible.**

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Josie Schultz

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From: Schultz, Josie M - DNR

Sent: Thursday, January 25, 2024 7:58 AM

To: Hodgson, Scott A. <Scott.Hodgson@terracon.com>

Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

Hi Scott –

I won't be able to meet with Jennifer Borski for a for sure answer on everything until next week as she's very booked up on her schedule, but I'm pretty confident that the RA costs submitted on 9/14/18 are approved and covered as an approval letter was sent on 11/8/18 with approved costs of \$119,206.

I've passed your most recent questions along to the DERP Fund Manager as she has access to that information.

You may want to take a look at the spreadsheet included in the September 2018 RAP and see what work has been completed that was not included on the spreadsheet as this is likely what would require a variance.

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Josie Schultz

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Josie.Schultz@Wisconsin.gov

From: Hodgson, Scott A. <Scott.Hodgson@terracon.com>

Sent: Thursday, January 25, 2024 7:15 AM

To: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>

Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

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Ok thanks...but a couple more questions to add.

1. Chris indicated that Mark paid the deductible up front. Mark thinks he paid the deductible, but has not come upon the record; Does WDNR have record of the deductible being paid up front? I know that would be unusual.

2. Could WDNR verify how the first claim (pending payment in May) was set up for reimbursement? Trying to verify that the reimbursement was designated to go to Chris only on that first claim prepared by Giles.

Thanks. If you get me answers by the end of next week, I will get you the work plan/change order/cost estimate the week of February 5. Right now we have planned for drilling near the tanks, vapor sampling, and the final gw round for 2/12-14. Please let me know if you can meet that turnaround. I can push that out a little but don't want to go too far out. Would prefer to do all that yet in February.

We are moving forward with the claim and can also get you that soon after we receive your answer regarding the eligibility of that first remedial action cost estimate and whether we should file two claims concurrently or just one. Just one would seem cumbersome, but let me know.

Scott A. Hodgson, P.G.
Senior Project Manager | Environmental Services



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From: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>
Sent: Wednesday, January 24, 2024 5:16 PM
To: Hodgson, Scott A. <Scott.Hodgson@terracon.com>
Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

Hi Scott,

I apologize that it's taken a bit to get back to you as I'm catching up from my time off. I'm working on getting some answers for you, and will hopefully be able to get back to you within a week.

Feel free to badger me about this if I don't get back to you by the end of next week as I know you want to complete work in the near future.

Josie

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Josie Schultz

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From: Hodgson, Scott A. <Scott.Hodgson@terracon.com>

Sent: Thursday, January 18, 2024 9:24 AM

To: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>

Subject: RE: DERF Questions--Smoke Out Cleaners , BRRTS # 02-05-552214

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Josie,

I have several questions related to Smoke-Out and DERF:

1. Have you gotten any further information regarding the variance?
2. Could you verify that our September 2018 revised remediation/add investigation proposal and costs (included on the LSS) were sufficient for the DERF program? I.e that original scope and costs should have been approved and those costs reimbursable, correct?
3. Since we have two clients that have split costs 50/50 (each received invoices for the same amount equal to 50% of the total costs per period), should we do two equal, but separate claims, one for each client?
4. Is it ok to include previous change order/work plan scope items that were approved but for which the costs were not submitted/approved and that have not yet been implemented, as part of this upcoming work plan/change order costs submittal?
5. Are we limited to reimbursement according to our original fee schedule or can we update our fee schedule as long as those new rates are included within the change order cost estimate?

Thanks.

Scott A. Hodgson, P.G.

Senior Project Manager | Environmental Services



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From: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>
Sent: Tuesday, January 9, 2024 3:44 PM
To: Hodgson, Scott A. <Scott.Hodgson@terracon.com>
Cc: Chris Dockry <crdockry@gmail.com>
Subject: RE: DNR Response to Status Update - Smoke Out Cleaners, BRRTS # 02-05-552214

Hi Scott,

I'm going to be out of the office starting next Wednesday, January 17, and won't be back in the office until Monday, January 22. If you can get the SIWP to me by next Monday or earlier, I should be able to review it.

DNR recommends getting claims in line for reimbursement ASAP. The current total of [pending requests](#) in line for DERF reimbursement exceeds \$3M, so it's a much better chance to be reimbursed with a claim higher up on the list rather than submitting it 5 years later... Again, I know this is extra time and money spent on yours and Chris' parts, so it's up to you to decide if the chance of reimbursement is worth it.

At the moment, there has been no news of an alternative funding source, but this could change. Some recent good news is that [DERP annual revenues](#) have actually increased by 36% from 2022 to 2023, which was a pleasant surprise from the projected decrease in revenues.

You could potentially submit a variance request for previous work that was completed without prior cost approval, but I will want to check on this before sending you in this direction; I wouldn't want you spending extra time getting a variance together for it to not be approved. In the meantime, you can reference [Wisconsin Administrative Code NR 169.29](#) for DERF variances.

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Josie Schultz

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Josie.Schultz@Wisconsin.gov

From: Hodgson, Scott A. <Scott.Hodgson@terracon.com>
Sent: Tuesday, January 9, 2024 2:46 PM
To: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>
Subject: RE: DNR Response to Status Update - Smoke Out Cleaners, BRRTS # 02-05-552214

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Josie,

We got delayed a day because of the snow but will be out there 1/10/24. Is that 1/22/24 date still in play or only 2/12/24. I will submit the cost estimate with the Work Plan. How far back will WDNR be able to go to offer reimbursement through the program. If we close in 2024 and funding sources become available in 5 years. Will WDNR accept a claim for eligible costs.? True we have not been submitting costs for approval. Is there any clause for WDNR to determine after the fact that the costs were reasonable and necessary and reimburse at some reduced rate, say 80 % of what would have been eligible?

Scott A. Hodgson, P.G.

Senior Project Manager | Environmental Services



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From: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>

Sent: Monday, January 8, 2024 5:28 PM

To: Hodgson, Scott A. <Scott.Hodgson@terracon.com>

Subject: RE: DNR Response to Status Update - Smoke Out Cleaners, BRRTS # 02-05-552214

Hi Scott –

With this heads up, I should be able to review the SIWP with a quick turnaround.

So you are aware, DNR is still encouraging those in DERP to submit change orders for approval. I understand that this is extra time and effort on your part, especially with the current status of DERF, but DNR recommends having work covered in case another funding source becomes available in the future.

Please feel free to give me a call if you would like to discuss anything.

Thanks,
Josie

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Josie Schultz

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From: Hodgson, Scott A. <Scott.Hodgson@terracon.com>

Sent: Friday, January 5, 2024 1:41 PM

To: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>

Subject: RE: DNR Response to Status Update - Smoke Out Cleaners, BRRTS # 02-05-552214

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Josie,

We are scheduled to be at the Smoke-Out site January 9, 2024, to inspect the Great Outdoors Garage Door Co unit (now Tiletown Basements) and attempt to video the floor drain holding tank discharge piping to inspect the integrity and to map its location. That information will be used to finalize the full work plan. We have also done some initial exploration as to whether the tanks can be tightness tested or not and so far the answer is no. As such, we have tentatively scheduled a driller for as early as January 22 or for February 12, 2024, to advance soil borings in conjunction with the vapor sampling and the final groundwater sampling event. If we get you the work plan asap after the 1/9/24 inspection, would you be able to respond in time to keep either of these dates?

Thanks.

Scott A. Hodgson, P.G.

Senior Project Manager | Environmental Services



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From: Schultz, Josie M - DNR <josie.schultz@wisconsin.gov>

Sent: Monday, October 16, 2023 4:03 PM

To: Hodgson, Scott A. <Scott.Hodgson@terracon.com>

Cc: mark.woppert@smoke-out.net; Chris Dockry <crdockry@gmail.com>

Subject: DNR Response to Status Update - Smoke Out Cleaners, BRRTS # 02-05-552214

Hi Scott,

Thank you for the conversation this morning to discuss the Smoke Out Cleaners site and DNR's consultation with the Wisconsin Department of Health Services (DHS) regarding the recent status update.

The update contained information regarding the sanitary system; the site has a sanitary sewer holding tank and a floor drain holding tank in lieu of a septic system or connection to municipal sewers. Based on our conversation, all floor drains pitch to the south towards the floor drain holding tank on the south end of the building. This floor drain holding tank is fairly small and the maintenance person regularly cleans it out as it become inundated with sludge. This floor drain holding tank's outfall goes into the sanitary line which leads back to the 10,000 gallon, approximately 30'x10', sanitary holding tank to the west of the Smoke Out Cleaners space. The septage hauler visits the site on a weekly basis to empty the 3-4 holding tanks on the property as needed.

The update stated that the on-site SSDS has been shut down and the first two rounds of decommissioning sub-slab sampling were completed in January and August of 2023. The most recent vapor sampling results show that PCE and TCE are increasing in sub-slab and are present at concentrations greater than the residential VRSLs. The south floor drain adjacent to the former dry cleaning machine also had PCE, TCE, cis-1,2-DCE & VC present above VALs, however, lower than the initial detections.

Based on DNR and DHS's review, DNR presents the following comments for recommended next steps:

- The floor drain needs to be either abandoned if no longer needed, vegetable oil added, or a Dranjer vapor plug or similar added for better vapor protection than water in the p-trap to protect from conduit vapor intrusion.
 - Based on our conversation, it sounds like this drain is used regularly, so I would recommend a Dranjer plug or similar be installed and to discuss this with a plumber.
- The connection of sewers between the piping, floor drain holding tank & sanitary sewer holding tank needs to be investigated to confirm connections as well as integrity of the holding tanks.
 - As discussed, I would recommend contacting the septage hauler to see if a leak test would be able to be performed on the holding tanks. If this cannot be performed, or tank(s) are shown to be leaky, then DNR would recommend soil and/or groundwater sampling be performed to show that there has not been a release from these tank(s).
- Indoor air sampling is needed within the dry store unit since breakdown products (especially TCE) are present in conduits above VALs. This is a concern for indoor air beyond the off-gassing of PCE from dry cleaned clothes brought to the store.
- The sub-slab vapor increasing data trend post shut down is concerning. If the third event is still below the VRSLs but data continues to increase, more sampling will be needed to show a leveling off of data below the VRSL before decommissioning can be approved.
- The Black Diamond Builders unit to the north is on the same sewer lines as the dry cleaner and DHS supports indoor air sampling of this unit. You could sample the floor drain to the north and the north sewer cleanout first but if VAL exceedances exist, indoor air sampling will still be needed.

- It is unclear if there is a floor drain in the Great Outdoors Garage Door Co unit. If so, this unit should also be investigated in the drain/cleanout and/or indoor air sampled.

Please submit a workplan for this supplemental investigation that is required for the site and as always, feel free to contact me if you have any questions.

Thank you,
Josie

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Josie M. Schultz

Hydrogeologist – Northeast Region Remediation and Redevelopment Team

Wisconsin Department of Natural Resources

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