



November 29, 2017

City of New Holstein
Ms. Cassandra Langenfeld
2110 Washington Street
New Holstein, WI 53061

Subject: Technical Assistance Request for Former Tecumseh Products Facility
1604 Michigan Street, New Holstein, WI
BRRTS# 07-08-560410

Dear Ms. Langenfeld:

On September 28, 2017, the Department of Natural Resources (DNR) received a Technical Assistance Request, along with a \$700 fee, to respond to questions from the City of New Holstein (City) regarding possible acquisition of the former Tecumseh Products Facility property. A copy of the latest Phase I Environmental Site Assessment, dated September 22, 2017 by Robert E. Lee & Associates, was provided with the request. The submitted questions and DNR's replies are listed below.

1. No additional investigation was required as part of the Phase II ESA work New Holstein directed in 2013. Are we safe to assume with the closure of ERP case (#02-08-100332) and LUST case (#03-08-001071), no new sites will be opened as a result of the 2013 Phase II sampling?
 - A1: A recent DNR review of the 2013 Phase II ESA did not identify any previously unknown contaminant releases that would require the opening of a new case. At this time, DNR is not requiring any additional investigation of contamination at the property. In the future, if new contamination is identified DNR will make a determination at that time about whether additional action is needed.
2. The closure of the sites referenced in Question #1 was based on industrial soil standards. We assume the future redevelopment of the site will be a non-industrial use. In that event, how does that change the closure status of the cases? Will additional soil, groundwater, or vapor sampling be needed?
 - A2: The cases noted in question #1, BRRTS 02-08-100332 and 03-08-001071, were closed with continuing obligations and other conditions of closure based on continued use of the property for commercial or industrial purposes. Detailed information about these continuing obligations, prohibited activities and other conditions of closure is available in the case closure letters and cap maintenance plans for each site. For example, one requirement is that current building foundations and pavement remain in place, as a cap, to keep rain from infiltrating through residual contaminated soil into groundwater. Continuing obligations attach to the property and the current owner is responsible for compliance. Property owners with property-specific obligations must obtain the state's permission before changing the portion of the property where these requirements apply. If a non-industrial land use is planned for the property, the owner and developer wishing to reuse the property should carefully review the closure documents and

discuss with DNR whether additional site investigation and cleanup activities are required by the property owner to maintain protectiveness for the new use. Site capping, as described in the case closure letter, and cap maintenance plans will definitely be required at the 1604 Michigan Street property unless additional site evaluation and DNR approval is obtained under the agency's post-closure modification process. Proper management of contaminated soil if it is excavated will also apply. The need for additional soil and/or groundwater sampling will be based largely on redevelopment plans.

- A cleanup case that was closed at this property in 2004, BRRTS 03-08-001070, included a deed restriction limiting activity to industrial use on that portion of the property. A copy of the closure/registry packet and deed restriction for this case is available in the BRRTS on the Web database at: <http://dnr.wi.gov/botw/GetActivityDetail.do?siteId=636100&adn=0308001070>. DNR's post closure modification process must be followed if the area identified in the deed restriction document is re-zoned and/or redeveloped for non-industrial purposes.
 - DNR guidance documents which relate to developing plans for redevelopment and the management of residual contaminated soil include:
 - Post Closure Modification Guidance: <http://dnr.wi.gov/files/PDF/pubs/rr/RR987.pdf>
The post closure modification process is required for any changes to continuing obligations described in case closure letters including cap changes/modifications, land use changes or zoning changes.
 - Soil Management Guidance: <http://dnr.wi.gov/files/PDF/pubs/rr/RR060.pdf>
 - The vapor-sampling portion of this question is answered within DNR's response to question 3, below.
3. Regarding the vapor intrusion sampling performed, is the City safe to assume the vapor issue has been adequately defined and no additional sampling will be necessary? The City also has a concern regarding the need for vapor sampling related to previously closed cases at the former Tecumseh property. Is the City safe to assume no additional sampling will be needed related to the previously closed cases?
- A3: Soil gas/vapors remain a potential health threat at this property. Site investigation work identified vapor intrusion issues related to chlorinated solvents. However, due to the poor condition of the unoccupied building and its anticipated demolition, vapor mitigation was not required prior to case closure. A continuing obligation to re-evaluate the vapor pathway if the building is reused or the site is redeveloped is included in both closure letters. Soil gas vapors are more variable than soil and groundwater contamination. The need for vapor barriers, mitigation systems, and other engineering controls on buildings must be evaluated during redevelopment planning, and may be necessary if new buildings are constructed. If installed, maintenance of these systems will become the responsibility of the property owner(s).

Note: Installing a passive vapor mitigation system that can be converted to an active system as part of new building construction can provide more effective mitigation and lower costs than installing a vapor mitigation system after construction.

4. The open ERP case (#02-08-363333) addressing chromium impacts was just granted a long-term monitoring plan, which calls for annual monitoring. a. Is the WDNR comfortable that the degree and extent of contamination is defined? b. Given the annual monitoring schedule, when would be the earliest case closure could be granted -after two rounds, 4 rounds?
 - A4: A significant amount of site investigation work has been done for this case and the DNR is comfortable that degree and extent has been determined at this time. Currently, according to case files, chromium impacts in groundwater are increasing in two monitoring wells in the source area. However, increasing levels in one of these wells may be related to the dilapidated condition of the building and infiltrating rainwater. Contaminant trends are not increasing in wells farther away from the source, and there does not appear to be any plume expansion. To obtain case closure contaminants must exhibit a stable or decreasing trend. The DNR approved the annual monitoring schedule with the condition that an evaluation of additional remedial action options take place after the 2019 annual monitoring event. More data is needed to determine when case closure could be approved. Tecumseh, in contractual collaboration with TRC, is responsible for these activities.
5. It is our understanding that the ERP case referenced in Question #4 is being addressed by TRC on behalf of Tecumseh through a private agreement between the parties. If the City takes title and pursues grant funding to facilitate redevelopment, will the agreement between Tecumseh and TRC present an obstacle to obtain funding given there would still be a viable party available to address the impacts. Furthermore, given the current ownership, will the city have any difficulties proving there is no viable entity available when pursuing funds?
 - A5: The open ERP case, (#02-08-363333), is being addressed by Tecumseh, the responsible party, through an agreement with TRC. The other cleanup cases on this property have been investigated, remediated and closed with continuing obligations based on continued industrial use of the property. Per the new Phase I ESA, dated September 22, 2017, and the site investigations completed at this property, all hazardous substance discharges reported to the DNR are being, or have been, addressed by Tecumseh (the causer/responsible party). As long as Tecumseh obtains DNR approval to end activities at the open site, the only scenarios where Tecumseh would be required to investigate or remediate contamination related to this property include: a) Tecumseh decides to maintain ownership of the property and redevelop it for a non-industrial use; or b) New contamination is found that is not covered by either of the existing case closure letters and is shown to have been caused by Tecumseh.
 - With respect to financial assistance, DNR cannot guarantee grant or loan funding but is willing to discuss potential assistance opportunities through the DNR's Ready for Reuse program with the City while redevelopment plans are being created. The Wisconsin Economic Development Corporation (WEDC) provides state funding for environmental site assessment and cleanup

work, see Wis. Stat. §§ 238.13 and 238.133. However, these statutes restrict funding to situations where “the person (or entity) that caused the environmental contamination that is the basis for the grant request is unknown, cannot be located or is financially unable to pay the cost of the eligible activities.” The City should contact WEDC to determine if assessment or cleanup awards are possible at this property. In addition, the City could inquire about other WEDC grants for local government economic development that may be useful at this property.

6. Does the open PCB case identified as the Hayton PCB Remediation (#02-08-281506) have any impacts at the 1604 Michigan Avenue property?
 - A6: Based on records in the case file, PCBs identified at the Hayton PCB Remediation site were discharged to that site by Tecumseh through sewer pipes. PCBs were not identified in soil at the 1604 Michigan Ave. site during the site investigation. However, one PCB detection related to an improperly disposed transformer was identified in fill materials in the closed ERP Case #02-08-193776 TECUMSEH - FILL AREA @ MW-1. It is possible that additional PCBs may be discovered during site redevelopment, building demolition or sewer utility work/removal. Any new discovery of PCB contamination or other hazardous substance discharges must be reported to DNR per Wis. Stat. § 292.11(2).
7. What if the use of the site in the future is mixed-use? Can it have industrial use on it?
 - A7: Mixed use, including industrial, is a potential redevelopment option at this site. All redevelopment activities must comply with continuing obligations and other requirements identified in the case closure letter(s), cap maintenance plans, and other related documents. Approval through the post-closure modification process may also be necessary. It is also possible that additional investigation and remediation may be necessary based on redevelopment plans.
8. What is Tecumseh's role after the City takes title to the property. Are they still in the picture?
 - A8: Tecumseh remains responsible for obtaining closure of the open cleanup case, BRRTS 02-08-363333, and the City must allow Tecumseh and its contractors to access the property to perform work related to this open case in order to retain the local government liability exemption. Tecumseh also retains ongoing statutory responsibility for the investigation and remediation of any additional environmental contamination discovered on the site in the future that is not related to the closed cases and that is confirmed to have been caused by Tecumseh. A determination of liability under Wis. Stat. § 292.11 would need to be made in order to require Tecumseh to perform further work.
 - Once case closure has been obtained, the property owner is responsible for complying with any continuing obligations, including any additional work necessary for site redevelopment. Continuing obligations, imposed as conditions of closure to protect the public from residual contamination, stay with the land. Whoever owns the property is responsible for complying with these conditions unless a third/private-party agreement exists that contractually allocates continuing obligation costs and compliance duties. If a property owner wants to reuse land that has been cleaned up to industrial-use standards for new commercial or residential purposes,

additional site investigation and remediation may be necessary. A review of the case closure letter(s), plus a discussion with Remediation and Redevelopment staff, will help identify the additional efforts. A detailed redevelopment plan helps ensure that site investigation and remediation activities are cost-effective and tailored to the new use.

Please contact me at 920-424-7890 or by email at kevin.mcknight@wisconsin.gov if you have further questions regarding this redevelopment project.

Sincerely,



Kevin D. McKnight
Project Manager
Remediation and Redevelopment Program

cc: Tauren Beggs, DNR, (Tauren.Beggs@wisconsin.gov)

