



April 1, 2019

Laura Peterson
Monona Bank
6430 Bridge Road
Monona, WI 53713

WBD, Inc and US Small Business Administration
4618 South Biltmore Lane
Madison, WI 53718

Subject: Liability clarification for property located at 4002 Monona Drive, Monona with contamination from an offsite source
Parcel# 251/0710-093-0401-6
BRRTs: 07-13-582882

Dear Sirs:

The Department of Natural Resources ("the Department") recently reviewed your March 14, 2019 liability clarification request prepared by True North Consultants. The request asks for the Department's concurrence on several specific statements regarding the contamination found on the 4002 Monona Drive property (the property). The Department received a fee for providing this letter pursuant to Wis. Stat. §§ 292.13 (2) and (3), and Wis. Admin. Code ch. NR 749.

The Department, based on the information made available to it, provides the following responses:

The Department agrees that based on existing data it appears the chlorinated contamination currently found on the property has originated from an offsite source.

Lenders that do not acquire, possess, or control the property are not responsible for future investigation or remedial actions at the property as a result of advancing or collecting funds or other "lending activities" as defined in statute, provided that they meet the statutory definition of "lender" and do not physically cause a discharge or, through tortious conduct with respect to lending activities, cause a discharge of a hazardous substance or exacerbate an existing discharge of a hazardous substance (see Wis. Stat. §§ 292.01(8), 292.01(9), and 292.21(1)(a)).

Lenders that acquire, possess, or control property through enforcement of a security interest, or inspect property prior to acquiring it through a security interest, must meet certain sets of conditions to become exempt from responsibility under Wis. Stat. § 292.11(3). The conditions that must be met to obtain an exemption depend on the activity that the lender is undertaking:

- Lenders that conduct pre-acquisition inspections of the property must meet the conditions at Wis. Stat. § 292.21(1)(b).
- Lenders that acquire title to, or possession or control of, real property through enforcement of a security interest must meet the conditions under Wis. Stat. § 292.21(c). *Please note that these conditions include conducting an environmental assessment and submitting it to the Department within a specific statutory timeframe.*
- Lenders that enforce a security interest in personal property or fixtures at a particular location, that do not acquire title to, or possession or control of, the real property at that location must meet the conditions

under Wis. Stat. § 292.21(d).

The property owner may have future continuing obligations associated with allowing responsible party site access to conduct investigation or remedial actions. Further, the property owner may have continuing obligations associated with maintaining and operating a vapor mitigation system. Based on existing data it does not appear the property owner would have a continuing obligation for maintaining a cap for direct contact or groundwater protection.

This is the Department's response to your request. If you have further questions, please contact me directly.

Sincerely,

A handwritten signature in cursive script, appearing to read "R. Michael Schmoller".

R. Michael Schmoller
Hydrogeologist