



August 16, 2022

FID#: 241424920
BRRTS#: 06-41-590344

Mr. Kai Hansen
Scot Industries, Inc.
810 E. Nebraska Street
Muscodia, WI 53573
Electronic mail only to khansen@scotindustries.com

SUBJECT: **Approval to Proceed in the Voluntary Party Liability Exemption Process**
Site BRRTS #06-41-590344 for the Scot Industries, Inc. located at
1532 W. Galena Street, Milwaukee, WI, 53205 (the "Property")
County Tax Parcel #: 3630066117

Dear Mr. Hansen:

The Department of Natural Resources (DNR) has received your application to proceed with an environmental investigation and cleanup under the Voluntary Party Liability Exemption (VPLE) process identified in Wis. Stat. § 292.15. This statute establishes environmental liability exemptions available to voluntary parties that successfully complete the VPLE process.

DOCUMENTS AND PAYMENTS RECEIVED

The DNR received the following documents and payments that you submitted:

- Voluntary Party Liability Exemption Application (DNR Form 4400-178);
- A non-refundable check for the \$250 VPLE application fee, made payable to DNR;
- A map of the Property identifying location and clearly shows the Property boundaries;
- A copy of the Property deed, and;
- A list of past environmental work at the Property.

VPLE FEES

Thank you for submitting the VPLE application fee of \$250, which DNR received on July 25, 2022. All VPLE participants are responsible for paying the hourly costs of DNR's review and oversight of their project, pursuant to Wis. Admin. § NR 750.

In addition to the application fee, DNR requires an advance deposit before any DNR work occurs on a VPLE project. An advance deposit of \$2,000 for DNR oversight is required for VPLE properties less than one acre in size, and \$4,000 is required for properties one acre or larger.

Please submit the appropriate advance deposit to DNR, based on the acreage of your Property, as soon as possible. No DNR work will occur on your VPLE project until this payment is received. The fee should be submitted to the RR Environmental Program Associate at the address at the top of this letter.

DNR costs related to your project will be deducted from your advance deposit at the current hourly rate of \$110/hour. This hourly rate is calculated every year, and is subject to change.

DNR costs are deducted as they are incurred until the project is completed, or until the deposit is spent, whichever comes first. If your VPLE project is completed before your advance deposit is exhausted, all remaining monies will be refunded to you. If, however, DNR review costs for your project exceed the deposit amount, you will receive quarterly invoices that must be paid within 30 days.

DNR review costs associated with your VPLE project will vary depending on the complexity and size of the property, as well as the completeness of the information that you submit. DNR costs for most VPLE projects range from \$2,000 to \$10,000, but higher and lower costs are possible.

APPLICATION REVIEW AND APPROVAL TO PROCEED

After reviewing your application, in light of Wis. Stats. § 292.15, the DNR approves your request to enroll the Property identified in the subject line of this letter in the VPLE process for the Property, identified above and depicted on the attached map.

Based on the information you provided, DNR makes the following determinations:

- The discharge of a hazardous substance has occurred at the Property;
- You, the applicant, meet the definition of a “voluntary party”, per Wis. Admin. § NR 750; and
- The Property does not include any of the ineligible facilities or sites listed in Wis. Stat. §§ 292.15(7)(a) through (f).

GETTING STARTED

The first step in the VPLE process is to conduct an environmental investigation of the entire Property. A VPLE investigation is more comprehensive than a basic investigation of known or suspected areas of contamination.

The VPLE environmental investigation includes recent Phase I and II environmental site assessments, as well as a Wis. Admin. § NR 716, site investigation of the whole Property. The investigation must assess all discharges of hazardous substances on the Property, discharges that have migrated from the Property, and solid waste disposed of on the Property. Also, if you plan to import any soil or other material to the Property, you are advised to follow guidance, “Obtaining DNR Approval Prior to Use of Imported Soil and Other Fill Materials on Voluntary Party Liability Exemption Sites” (RR-041). VPLE guidance materials are available at [dnr.wi.gov, search VPLE](http://dnr.wi.gov/search/VPLE).

Previous environmental work done at the Property, if any, may satisfy some or all of the requirements for a VPLE investigation. Discuss these situations with your DNR project manager.

To obtain the Voluntary Party Liability Exemption, DNR project managers must review and approve all necessary environmental investigation and response actions at the Property to ensure compliance with Wis. Stats. §§ 292.11 and 292.15, and with the Wis. Admin. NR 700 rule series. To obtain a Certificate of Completion (COC) for the Voluntary Party Liability Exemption, the following requirements must be met:

- The VPLE Property must obtain site closure under Wis. Admin. ch. NR 726;
- The Voluntary Party must pay any remaining hourly rate fees, if the advance deposit is exhausted;
- The Voluntary Party must pay the appropriate one-time groundwater insurance fee if there is residual groundwater contamination at the time of case closure; and
- The Voluntary Party must pay appropriate database registration fees.

VPLE PROPERTIES WITH SOLID WASTE DISPOSAL AREAS

All VPLE properties must obtain site closure under Wis. Admin. § NR 726, to receive a Certificate of Completion. Achieving Wis. Admin. § NR 726 closure at properties that include a solid waste facility can be technically challenging in general, and VPLE requirements impose additional requirements.

Wis. Stat. § 292.15(7)(e), specifies that a VPLE property with a solid waste facility or waste site must be able to meet local, state and federal standards without an ongoing, post-closure, requirement to maintain an active remedial system. These types of systems include groundwater monitoring, leachate collection or treatment, or active gas extraction that is required as a condition of closure.

It is possible to achieve VPLE closure at a property with a solid waste facility, but a realistic, upfront assessment to address the solid waste is highly recommended. DNR staff is available to assist with this. Also, properties with solid waste may need to obtain an exemption to build at a historic fill site or licensed landfill.

CHANGES IN PROPERTY CONDITIONS

The approval to proceed in the VPLE process granted in this letter is based on information available to DNR at the time your application was reviewed. If, in the future, additional information becomes available which indicates that the Property does not meet the conditions in Wis. Stat. § 292.15(7) for VPLE eligibility, DNR may remove the Property from the VPLE process.

DUTIES OF APPLICANTS, PROPERTY OWNERS AND POTENTIALLY RESPONSIBLE PARTIES

If you decide to withdraw from the VPLE process, please notify the DNR in writing within 90 days of making such a decision. Remaining deposit monies, if any, will be refunded to you. Also, if a voluntary party in the VPLE process fails to make reasonable progress towards completing the investigation and remedial actions necessary, or fails to submit progress reports, the DNR may withdraw the party from the program.

If a voluntary party withdraws from the VPLE process, or discontinues clean-up efforts, the party may still have legal and financial responsibilities at the property. Wisconsin law assigns responsibility for environmental cleanups in Wis. Stat. § 292.11(3). This statute states, “a person who possesses or controls a hazardous substance which is discharged or who causes the discharge of a hazardous substance shall take the actions necessary to restore the environment to the extent practicable and minimize the harmful effects from the discharge to the air, lands, or waters of the state.”

Anyone who currently owns or controls the Property, or caused the hazardous substance discharge, is required by state law to complete all necessary work to restore the environment and minimize effects of discharges on the Property and migrating from the Property.

DNR will work with individuals and entities to respond to the hazardous substance discharge(s) on the Property whether they own or control the Property, and whether or not the Property is enrolled in the VPLE process.

WELCOME TO THE VPLE PROCESS

The Bureau for Remediation and Redevelopment Tracking System (BRRTS) identification number for the Property is listed at the top of this letter. Information about the Property and other cleanup sites can be found in the BRRTS database, which is at dnr.wi.gov, search BOTW.

The DNR project manager assigned to your VPLE project is Greg Moll, located at 1027 W. Saint Paul Avenue, Milwaukee WI 53233. You can contact your project manager at (262) 202-3921. Please direct all future correspondence relating to the Property to your project manager.

Thank you for entering the Voluntary Party Liability Exemption process. The DNR looks forward to working with you, as you address contamination on and migrating from the Property and complete the VPLE process. We strive to provide prompt and outstanding service.

Sincerely,



David Hanson
Redevelopment Specialist
Remediation and Redevelopment Program
Wisconsin Department of Natural Resources

Attachments: Figure 1, Site Layout, September 15, 2020

Copies: Snejana Karakis, Ramboll US Consulting, Inc.: skarakis@ramboll.com
Mark Thimke, Foley & Lardner LLP: mthimke@foley.com
Greg Moll, DNR: john.moll@wisconsin.gov
Michael Prager, DNR: michael.prager@wisconsin.gov

EXHIBIT B MAP OF PROPERTY

M:\CAD\1690018685_Scot\PHI02_Site Layout (Milwaukee WI).dwg

