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Memorandum

Date: 3-28-08

To: Rochester Hills City Council
CC: Planning and Development

From: Jim Anderson, STS

Subject: Hamlin & Adams Properties Brownfield Development

This Memorandum was prepared at the request of the Planning and Development Department, as a primer prior to the scheduled City Council meeting on April 7, 2008. Please note that this summary is condensed as much as possible. If you would like additional details, please refer to the Memorandum that was submitted to the City's Brownfield Redevelopment Authority which is located in your package of information.

As you are aware, the City of Rochester Hills and the Applicant settled a lawsuit by negotiating a Consent Judgment. This Consent Judgment and MI Act 381, (which allows for the reimbursement to the Developer of certain eligible environmental expenses through capture of Tax Increment Financing) govern the environmental and development activity at the site in addition to City Ordinance and Code. The Rochester Hills Brownfield Redevelopment Authority and the City Council approved a MI Act 381 Workplan that was submitted to the Michigan Department of Environmental Quality (MDEQ) in early 2007. A substantial field investigation that was the subject of the MI Act 381 Workplan was implemented by the Developer's consultants in May, June and July of 2007.

AKT Peerless confirmed that the site is a "Facility" with the investigation and analyses. Additionally and unexpectedly, thousands of cubic yards of buried solid waste materials (primarily metal and glass) were located at numerous locations on the site. Excessive methane was not found though high levels of PCBs were confirmed in the fenced, east parcel.

In order to facilitate the remedy of this situation the Development team has drafted the next MI 381 Workplan. It has been reviewed by the City and I numerous times, each time soliciting more details that were not included in the prior submittal that were important to the Plan. The City and Development team have agreed in principal to the proposed remedy. Though many details are outstanding, that level of detail is not required in order to submit the Workplan to the MDEQ for its review, in fact, they are eligible expenses for which the Development team can be reimbursed.

The Development team recommends the following steps in order to redevelop the site:

- Excavation and proper disposal of the solid waste debris and contaminated soils (Areas A, C, D)
- Excavation and proper disposal of VOC, SVOC and metals contaminated soil and solid waste in Area E.
- Encapsulation of the PCBs remaining in Area E. This consists of installing compacted clay walls
 and a cap section with a flexible membrane liner covered by pavement. This area will also be deedrestricted.
- Installation of soil gas/methane venting systems and vapor barriers under the two buildings proposed in the proximity of Area E.



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The subsurface stormwater collection and detention system has been included as an eligible expense to prevent exacerbation of the site conditions once the remedy is implemented.

Both the Development team and the City have conducted several conference calls and submitted historic information to the USEPA, Region V, Toxics Section for its determination of jurisdiction over the PCB contaminated portions of the site. Currently we continue to await the final word from the USEPA and numerous attempts to determine its stance have gone unanswered at the time of this writing.

As I indicated to the BRA, I believe the most recent submittal of the Act 381 Workplan to be administratively complete and an improvement over prior submittals. The BRA conditionally approved the Act 381 Workplan on March 13, 2008. The Council's approval is the next critical milestone necessary prior to submittal to the MDEQ, which has a 45-day review period prior to rendering its approval of some or all of the eligible activities.

If City Council members have questions about this summary prior to the next scheduled meeting, I may be contacted directly at the telephone number in the heading of this document.