

MEMO

ASTI Environmental

Date: July 23, 2014

To: Ed Anzek, City of Rochester Hills

From: Tom Wackerman

Subject: Review of Amended Brownfield Plan for 3010 and 3050 South Rochester Road, Dated July 14, 2014

In preparation for the July 31st RHBRA meeting, the following is a review of the amended document titled *Act 381 Combined Brownfield Plan, To Conduct Eligible DEQ Response and/or MSF Non-Environmental Activities, For The Former Gasoline Dispensing Station And Former Dealership Property, Located at 3010 and 3050 South Rochester Road, Rochester Hills, Brownfield Redevelopment Authority*, dated July 14, 2014 and submitted for review July 18, 2014. This Plan was previously reviewed and comments were provided in our memos dated July 19, 2013, December 11, 2013, and June 27, 2014. Please refer to the June 27th memo for background information and a review of eligibility and financial impact. This memo is limited to a discussion of the changes and eligible activity descriptions.

Changes from June 18th to July 14th Plans

The only change in the Brownfield Plan (the Plan) is the addition of a list of subcontractors in Attachment C as requested by the RHBRA Policy and noted in the memo of June 27th.

Eligible Activities:

The applicant's consultant provided a separate response to the discussion of eligible activities included in the June 27th memo. Based on the response, it appears that all of the Eligible Activity costs have been incurred by the applicant prior to the RHBRA meeting.

- **Demolition:** To the extent that the fill material is limited to that "associated with the building demolition", as implied in the Plan text, it would be eligible, but only fill materials "where the former building was located" should be included in this cost. In addition, the removal of the underground storage tank can be considered demolition, since it appears that the garage oil tank is associated with the building. Both of these costs are eligible as defined above.
- **Installation of Utility Trench Barriers:** This item has increased in cost by 66%, but sufficient additional information was provided. The explanation indicates that additional costs may be incurred as additional site conditions are discovered.
- **Transport of Soils as Due Care Activities:** The explanation indicates that this is for the removal of 6,000 cubic yards of soil conducted in July 2014 and does not include the remediation conducted in February as part of the UST closure (697 tons of soil and 2,000



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gallons of water). This is being conducted to eliminate an exposure pathway, so costs for excavation, transportation, off-site disposal and fill materials are eligible. The Plan indicates that additional costs may be incurred as additional site conditions are discovered.

- Soils Removal: This is a separate activity of disposal of 750 cubic yards associated with construction. Since costs are limited to transportation and off-site disposal these are eligible. No documentation of the cost basis was provided, but it was stated that documentation will be provided when the request for reimbursement is submitted.
- Vapor Barrier and Asbestos Abatement: The explanation indicates that soil removal under "Transportation of Soils as Due Care Activities" will remove all soils that exceed the MDEQ Part 201/213 SVII clean-up criteria, therefore eliminating the need for a vapor barrier. This explanation is satisfactory.

Recommendations for Consideration During RHBRA Meeting:

1. The explanations provided with the July 14 Plan were sufficient to define the eligibility of the activities.
2. References to total eligible activity costs are listed as a maximum amount in the table on page 21, but as estimates in other tables and text. In addition, some of the descriptions indicate that they may exceed the estimates. The RHBRA should consider listing the total capture for reimbursement as "a maximum of \$337,634 (including contingency), unless the Plan is amended". This was requested in the memo of December 11, but has not been included. Changes could be made to Section 3.2 of the Plan or incorporated into the Reimbursement Agreement. This should be discussed with the applicant.
3. The RHBRA should consider limiting recapture to a maximum amount (depending on the individual eligible activities discussed above) or 11 years, whichever comes first. This should be discussed with the applicant.

Please contact me if you have any questions, or need additional information.



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