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December 19, 2017

Valparaiso Redevelopment Commission
166 W. Lincolnway
Valparaiso, IN 46383

**Re: Former Anco Properties
Project # 17.1017**

To Whom It May Concern:

Since January 2017, Amereco Engineering has worked with the Valparaiso Redevelopment Commission ("Commission") to evaluate and mitigate environmental hazards at the former Anderson Company properties ("Anco site") located at 250-350 S. Campbell Street in Valparaiso, IN. Based on Amereco's previous experience with this site in 2014, and ongoing experience performing site investigations for the Commission, it is our professional opinion that, while some additional mitigation is required, there are no identifiable hazards that would prevent construction and operation of a distillery, banquet hall, kitchen, hotel or other retail operation. Furthermore, we do not anticipate any environmental hazards that would prevent construction and/or occupancy of the site. Rather, we expect all current environmental exposure pathways to be mitigated through the Commission's remediation plans for the site.

SITE INVESTIGATION BACKGROUND

Available records for the Site indicate that investigation regarding site contamination began in 2014. A Phase II Environmental Site Assessment (ESA), conducted by Weaver Boos, of which Amereco was involved, found volatile organic compounds (VOCs), chlorinated VOCs (cVOCs), polynuclear aromatic hydrocarbons (PAHs) and heavy metals in the subsurface soil and groundwater above regulatory limits on-site. PCBs were detected but below regulatory limits. This was the first record of subsurface contamination on-site available to the Commission. In addition to subsurface investigation, asbestos-containing materials and lead-based paint were identified during inspection of the former industrial buildings.

In 2015, a groundwater sampling event was conducted to further evaluate the Site by Envirocorp. Additionally, a heating oil underground storage tank (UST) was discovered on the west side of the site. This UST was properly removed and confirmatory samples were collected. Soil samples around the UST were below regulatory limits; however, on-site groundwater sampling identified cVOCs that exceed regulatory limits. These results were primarily representative of the property's northern half.

In 2016, a Further Site Investigation (FSI) was conducted to further evaluate groundwater contamination by WSP Parsons|Brinckerhoff. This investigation included the installation of eight (8) monitoring wells. Sampling again identified cVOCs in exceedance of regulatory limits.

In 2017, a Vapor Intrusion Assessment was conducted by Amereco to evaluate risk to occupancy of the building. VOCs that exceeded regulatory limits were identified below buildings throughout the site, indicating the presence of volatile compounds in subsurface soil and groundwater. These results revealed "hot spots" of contamination, which will determine future mitigation design. Amereco also conducted soil sampling on-site, focusing on evaluation of "direct contact hazards" that may occur during demolition, excavation and other redevelopment activities. In this analysis, Amereco found that heavy metals and PAHs were the predominant contaminants that exceed regulatory limits.

SITE REMEDIATION BACKGROUND

There are very few records regarding site remedial activities prior to site acquisition by the Commission. As stated above, in 2015 a UST was removed on the west side of the site. Based on available records it appears that all known sources of contamination [USTs or aboveground storage tanks (ASTs)] have been removed from the site. Thus, the subsurface contamination is the result of historic operations rather than ongoing activities or an active release. No other subsurface remedial activities have been conducted.

To stabilize the site, the Commission has completed asbestos abatement and lead-based paint (LBP) stabilization in all but the northeast structure. The northeast structure is currently being remediated and completion is anticipated by January-2018. The only remaining asbestos-containing materials on-site include window glazing in the central 2-story structure and roofing materials on all structures. The window glazing was stabilized, with all friable asbestos removed, allowing future developers the opportunity to decide the fate of the windows. These remaining asbestos-containing materials are non-friable, thus lessening the burden and liability with redevelopment.

CURRENT STATUS

The Commission has retained Amereco to conduct a subsurface communication study, which will provide data to develop a vapor mitigation system for the entire site. A vapor mitigation system will prevent vapors from impacting the indoor air quality of the buildings on-site. This study is anticipated to be completed by mid-January-2018. Following this study, the design of the vapor mitigation system for the site will begin, with an anticipated completion in Spring-2018.

Amereco is currently working with the Commission to obtain a Comfort Letter from the Indiana Department of Environmental Management (IDEM). The Comfort Letter will provide further comment from IDEM regarding the liability of the Commission and their continuing obligations as a property owner. While the Comfort Letter will not assess future owners' liability and/or continuing obligations, it can be interpreted that future owners will be afforded the same liability protection and continuing obligation requirements. However, to obtain this limit of liability, any future property owner will need to conduct their own due diligence to comply with CERCLA and All Appropriate Inquiries (AAI). A Comfort Letter for the VRC is anticipated in June-2018.

CONCLUSION

While contaminants currently on-site do pose a risk to human health and safety, the Commission is taking steps to mitigate all exposure pathways to provide a site safe for redevelopment. So far, the Commission has completed, or is in the process of completing, remediation through the use of engineered barriers (i.e. parking lot, soil capping, etc.), engineering controls (vapor mitigation system) and institutional controls (deed restriction on well installation). All uncertainty cannot be eliminated from a contaminated site; however, the steps and methods being implemented by the Commission are designed to limit restrictions on site redevelopment.

RECOMMENDATIONS

It is my professional recommendation that the following activities, at a minimum, be conducted by any future owner of the property:


- Prior to acquisition, conduct a Phase I Environmental Site Assessment to ensure due diligence is met. It is important that the Phase I meet all CERCLA and AAI requirements, including the required age of the document.
- Maintain all engineered barriers, controls and institutional controls implemented by the VRC.
- Do not impede the implementation or effectiveness of any institutional control for the Site.
- Ensure that future redevelopment activities do not create a risk to human and environmental health (i.e. ensure workers are not exposed to contaminants while working below grade, any soil excavated from the site is properly characterized and disposed, etc.)
- Do not impede the performance of a response action or natural resource restoration by Responsible Parties or IDEM.
- Exercise "appropriate care with respect to hazardous substances found at the facility by taking responsible steps to – (i) stop any continuing release; (ii) prevent any threatened future release; and, (iii) prevent or limit human, environmental or natural resource exposure to any previously released hazardous substance."

LIMITATIONS & EXCEPTIONS

Be advised that the opinions expressed within this letter are based upon available known conditions associated with the subject property and current industry standards. The opinions stated herein represent material facts and conditions associated with the site as of this date. Changes in the condition of the property can occur with the passage of time, whether they are due to natural processes or human activities on this or adjacent properties. Additionally, changes in the state-of-the-art and/or governmental codes may occur. Due to such changes, the opinions in this letter may be invalidated wholly or in part by changes beyond our control. All opinions have been derived in accordance with current standards of practice and no warranty is expressed, implied or guaranteed.

Please call with any questions or concerns.

Respectfully,



Zachary Heine, CHMM
Director of Operations