

Northern Maine Brownfield Steering Committee Meeting
June 25, 2009
Tour of RLC Property
Lakeview Restaurant

Attendees: Barbara Pitcairn, Cheryl St. Peter, Michelle Hersey, Kristina Dumas, Wade Hanson, Julie Corey, Brian Beneski, Connie Bondeson, Jean Firth, Frank Wezner, Nathan Hersey, Jay Kamm

I. Welcome and Introductions

This month's meeting consisted of a tour of the RCL/Northern Enterprises Property on Market Street in Fort Kent and the Steering Committee Meeting was held at the Lakeview Restaurant. Attendees introduced themselves and the meeting started at 1:35.

II. Review of Minutes of the April 9, 2009, meeting

No quorum to approve the April 9, 2009 meeting minutes.

III. Jean Firth, Brownfield Coordinator, Maine Department of Environmental Protection

The Maine Department of Environmental Protection (DEP) has two funding sources both of which are from the U.S. Environmental Protection Agency (EPA):

Tribal and State Funds

- Yearly source of money that the DEP receives and is given directly to States and Tribes.
- There is about \$50 million set aside for that program.
- DEP supports five positions that oversee other Brownfield Programs with the funds.
- In 2003, the Brownfield Law said we could use a portion of the money site-specifically. We can use 50% of that money per year for site assessments and remedial action on properties and can serve the entire State.
- We also support the Voluntary Clean-Up Program with the funds. We have the ability to do site assessments and remedial. We take applications on a rolling basis. Two things that are essential for eligibility, one, is you have to have a property that is going to be redeveloped. The second is the DEP is looking for some public benefit. For Assessments, it can be a privately-owned property. For those monies, the DEP needs a

request from a municipality or nonprofit. If you had someone in the County wanting to do a redevelopment, to get use of those monies, they can't come to the DEP directly, the application would have to come from the municipality or non-profit, who then could fill out the application on behalf of the property requesting the DEP's assistance. This has to do with the EPA, and how they set-up the use of the funds. For the use of the funds, the DEP requires that there is access to the property. For the assessments, the DEP can spend up to \$200,000 per site. The Remedial Funds, which you can't get them competitively unless you know what the site is, the plans have to be in place. The State has set aside a portion of the remedial money to assist on smaller projects. If you have a big enough sites and you know what that redevelopment is, you should be going after that money from EPA. The DEP can spend up to \$50,000 for remediation funds per site. We also require that the end of our remediation, it is completely cleaned-up. We have done about 12 remediation sites across the State thus far. For remediation, you have to own it. For assessments, you do not have to own it.

- Clean -Up. The site has to enter the VRAP Program, which is the Voluntary Response Action Program; this is a program where we certify that the sites are cleaned-up. We give Certificate for Completion or No Further Action Letter that says that the Department is satisfied. If you are at the point of doing the remediation and will have the property entirely cleaned-up, you have to put it into the VRAP.

Competitive Process Funding

- First time received funding through the competitive process, which is how other agencies receive money. Applied for Assessment Grant Funds and received \$400,000 for both Hazardous and Petroleum Products Assessments.
- The DEP must follow the same set of guidelines that other grantees do.
- How we can help ...with the competitive funds, we had to have partners and one of the partners we have is NMDC. Since NMDC did not receive funding through the hazardous, we still need to prioritize sites in northern Maine thorough this process as well. To fill in the gap between Hazardous and Petroleum Assessment Funding, and potentially getting more funding, which will be a year from now, we are willing to look at any sites you might have, and prioritize them within our system. We will do what we can to help.
- With Hazardous, as long as you are not he responsible party, they are eligible. The application has to come from the municipality, or the non-profit on behalf of the responsible party, because of the public benefit.
- We evaluate on two things; the development plans and the sites potential. If you have sites, submit an application when they come up.

Chapman Road Parcels in Presque Isle

- We have been calling it Chapman Street, but it is actually Chapman Road.
- There are four parcels that make up this property.
- The City owns all three properties, but they don't own Webber, yet.

- They (City of Presque Isle) came to us in September of 2007, requesting our assistance. They are looking at this property as a potential place to put their Community Center.
- All four parcels have had Phase Is on them.
- When it came to Phase IIs, there is nothing on the Weber Parcel. It became problematic, whether they wanted to sell it or not. We did not really push to get on that site and collect the samples. We do however have reports from the mid 1990s to early 2000 that gives us some information as to what is left on that site. There were a lot of big tanks on the property. The question is do we have anything there on the property that would exclude someone from using this property as a Community Center?
- We are looking at buried sources of contamination, and a rail yard also went through the property. Is there anything near the surface that people using this property might come in contact with that poses a hazard?
- We sampled in March and May of 2008, on the three surrounding properties. We found an old railroad bed that went through the property, that is no longer in use, but have arsenic contamination, levels that are a health risk. The arsenic is probably from the old railroad ties. Other than that, not much other contamination found ... there were a few old buildings that needed to be abated.
- Then there is the Webber Parcel, which we did not get onto the property. Webber did not give the DEP access.
- We were able to collect samples from the other properties to determine if contaminants on that site were leaving that site and affecting anything around it.
- We did indoor air sampling to determine if vapors were migrating and affecting nearby homes. There are no indoor air problems.
- We do have soil gas problems coming off the site, but is not affecting the homes.
- We put together a feasibility study to look at costs at remediation all these issues at this site. At this point, we figure that the Webber Property is a different ball of wax ... we did not lump that with the rest of the properties. We evaluated how much it would cost to extract the dirt that is contaminated with arsenic and consolidate it on site, and do some abating. Also, there is a tank underneath the building. It came to about to \$35,000. It fits within the DEP's budget and we have committed to spend money there.
- Through the whole process, we assumed that since Webber owned the fourth parcel the must be the responsible party, so it would not qualify for Brownfield fund. As we looked at the responsible party in the terms of eligibility... did they operate or own that site at the time of when the contamination was discharged? As we looked though it, Webber never operated it. Irving owned it before them, and they never operated it. Even though Webber owns it, it is an eligible property.
- Under State Law, they are by definition a responsible party. For eligibility for Brownfield Funds, they don't meet that definition. It is a different definition. The State looks at them as the owner of that property and they are liable. For Brownfields, what they are looking at is, did you own or operate that property at the time of the discharge. There is the eligibility requirement for Brownfields, so in that sense they never owned or operated it at the time of when the discharge happened. It was L.B. Carter, who was the last company to operate it. We thought wasn't eligible, but it is.
- The problem is this site will cost more than \$50,000 to clean-up ...probably more in the \$100,000 range. Because we are spending so much money on the rest of the property, we

are looking to find other sources. The City has a plan for this entire Chapman Road property and tying it into walking trails, etc.

- How can we (NMDC) help? The RLF, would help if they could get funding through the clean-up for that. The other thing, we did not do anything on the Webber Site. An updated Phase I/II assessments, with some test pitting. We can't help if Webber owns it, only if the City owns it.

IV. Julie Corey, Loan Officer with NMDC

- Julie presented the draft program guidelines for the Revolving Loan Fund program,
- Once NMDC's Executive Board approves the guidelines, they will be placed on the website.
- This is a revolving loan fund program and not expecting to do any grants. The interest rate will be a low rate ... projected to be 3%.
- The Brownfield Steering Committee will review the site, once it is determined that the site is an eligible Brownfield site and the DEP/EPA will approve it.
- The Phase I cannot be more that 180 days old, it will need to be updated.
- Once it is certified, Business Finance staff will help them work out a plan....where to get funding, what we can do for them, see if it viable, repayment...this will be up to the Loan Committee.
- Once the Brownfield Steering Committee approves it, we will work it out and present it to the Loan Committee, and from they will take it from there.
- Maximum total loan is \$200,000, with a required 20% match.
- Collateral requirements, like any other loanwe are going to take the real estate. If an appraisal is done, which it has to be done, and the piece of property is valued \$100,000 that we put in, once it is cleaned up, then we will use that piece of property.

V. Phase I/II ESAs updates

CEE completed the most recent work that was approved:

- A Phase II was completed for the RLC Northern Enterprise property in Fort Kent.
- Wade Hanson, is working to get the property owner agreement form signed, so we may then have access to the property for Shannon's Repair, in Houlton, Maine. We have not received that signed form, yet. As a result, no work has been started on the Shannon's Repair Property. We are ready to go as soon as we receive that form.
- Phase II field work on the Mapleton Auto Repair and Sales (MARS) property has been completed and we completed the field work at RLC Northern Enterprise. We have not received and lab results ... soil or groundwater lab results for those two, yet. We will be putting the Phase II reports together on those properties this summer.

Identified another potential site in Houlton that has good potential for the Brownfield Program:

- The property is Thompson Oil Company, located on Bangor Street across from the Public Works Garage ...in a pretty industrial area, with other business located around it. Last summer CEE was hired by the current property owner to remove five underground storage tanks, we did not find any contamination, none of the tanks were leakers. There

have been other tanks on the property ...a waste oil tank out back, and which this area has never been assessed. There are probably floor drains in the garage.

- Spoke with the property owner, the property is for sale, and spoke about the Brownfield Program, and he seemed interested. Put together the standard property approval form.

VI. Adjournment/Next meeting

The next meeting will be held August 13, 2009, at the Caribou Inn and Convention Center from 10:00 a.m.-12:00 a.m. Lunch will be served.

Respectfully submitted,

Barbara Pitcairn
Secretary

BP/cb