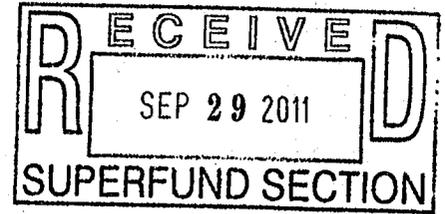


Robbins, Susanne

From: Sullivan, Tim [TSullivan@POYNERSPRUILL.COM]
Sent: Thursday, September 29, 2011 2:10 PM
To: Robbins, Susanne
Cc: mminett@fandr.com; Michael Sabodish
Subject: 400 Point Harbor Rd., Wilmington, NC
Attachments: 0744_001.pdf



Susanne,

Thank you for taking the time to speak with me this morning. As you requested, I'm attaching a copy of the Withers & Ravenel Phase II Report that was referenced in the September 21, 2011 Froehling & Robertson report recently submitted to DENR. I did not attach Appendix A (Boring Logs) or Appendix B (Laboratory Report and Chain of Custody) due to size – approx 150 pages- but will be glad to send if you want that as well.

This is also to confirm our meeting on Thursday, October 13, 2011 at 1:00 p.m. at DENR's Wilmington Regional Office, 127 Cardinal Drive Extension. As discussed, if Sam Watson can also attend that may be very helpful. Thank you for your assistance with this matter. Please let me know if you need any additional information in advance of October 13.

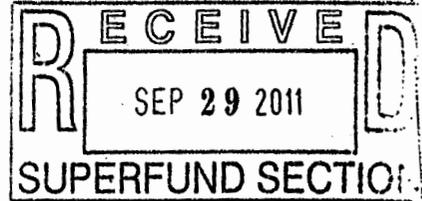
Regards,
Tim Sullivan

t.sullivan@poynerspruill.com
Poyner Spruill LLP
301 Fayetteville Street, Suite 1900
Raleigh NC 27601
919.783.2991 Direct
919.783.1075 Fax

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**PHASE II
ENVIRONMENTAL SITE ASSESSMENT**

**Point Harbor Site
1400 Point Harbor Road
Wilmington, New Hanover County, North Carolina
W&R Project No. 02100148.00**

Prepared for:

**Point Harbor Ventures, LLC
6101 Diamond Shamrock Road
Castle Hayne, North Carolina 28249**

Prepared by:

**WITHERS & RAVENEL, INC.
111 MACKENAN DRIVE
CARY, NORTH CAROLINA 27511**

July 7, 2010

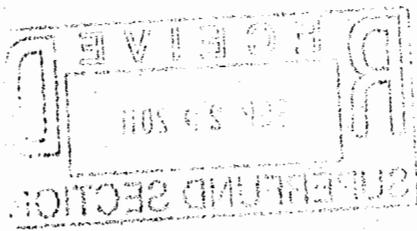


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4.0	FIELD ACTIVITIES	4
5.0	CONCLUSIONS	6

FIGURES

No. 1	USGS Map
No. 2	Site Map
No. 3	Boring Location Map

TABLES

Table 1	Summary of Soil Analytical Data (TPH, Lead, and Chromium Analysis)
Table 2	Summary of Soil Analytical Data (VOC and SVOC Analysis)
Table 3	Summary of Soil Analytical Data (Pesticides and PCB Analysis)
Table 4	Summary of Groundwater Analytical Data (VOC Analysis)

APPENDICES

Appendix A	Boring Logs
Appendix B	Laboratory Report and Chain of Custody

1 Purpose

Withers & Ravenel (W&R) has performed a Phase II Environmental Site Assessment (ESA) on the subject property, which is located east of Point Harbor Road approximately 450 feet south-southeast of its intersection with Interstate-140 (also known as Highways 17, 133, and 421) in Wilmington, New Hanover County, North Carolina (Figure 1). The site is bounded to the east by the Cape Fear River. According to New Hanover County Tax records this site comprises all of parcel ID number 4700-003-004 which is addressed as 1700 Point Harbor Road. Current New Hanover County records indicate that the subject property is owned by Mr. Jimmie Kevin Alderman.

The Phase II ESA was completed to investigate recognized environmental conditions (RECs) identified in our May 2010 Phase I ESA for the property. Based on the RECs identified in the Phase I ESA, subsurface investigation activities were completed across the property (See Section 2 for additional information on the RECs).

The intent of the Phase II ESA was to provide a baseline soil and groundwater assessment to document the current condition of the site and the presence of potential contaminants arising from the former uses of the subject property. The Phase II ESA was performed to identify potential impacts to soil and groundwater in specified areas and does not represent a comprehensive investigation to define the degree and extent of contaminant migration from a known contaminant source, unless otherwise described. If conditions at the site change or additional information become available which would materially affect the nature of the report, we request that we be contacted so that any change in conditions can be properly reviewed and our report amended accordingly.

2 Background

W&R identified the following areas on and in close proximity to the ±3.3-acre subject property that were considered RECs during completion of the Phase I ESA by W&R in May 2010. The following paragraphs describe each of the RECs identified:

On Site Conditions

The subject property was operated as a used parts and wrecker service for approximately eight to nine years. W&R noted the following RECs that warrant additional investigation prior to your purchase of the property:

- **Parrish Used Auto Parts and Wrecker Service** - Based on the review of the City of Wilmington City Directories and aerial photographic record, the subject property was previously used for the storage of vehicles in conjunction with the operation of Parrish Used Auto Parts and Wrecker Service. As a result of several dozen vehicles being stored on the site for the collection of used parts, there is a likely potential that contamination occurred from releases of petroleum products (oils, gasoline, diesel fuel, etc.) from the stored vehicles. A possibility also exists that the facility was draining vehicles of petroleum and other environmentally sensitive fluids such as used oil, greases, gasoline, radiator fluid, etc. Also, obvious staining was observed east of the location of the previous structure, which could be a remnant of

past disposal of petroleum liquids such as oil, gasoline, hydraulic fluid, cleaning solvents, etc. behind the structure.

- **Historic USTs** - The review of the Underground Storage Tank (UST) database for New Hanover County indicates USTs located on this site consisted of two 1000-gallon tanks containing gasoline, which were operated on-site between 1978 and 1988. The tanks were reportedly removed, presumably off-site, in 1988. No leak or spill incidents were reported in the EDR. W&R was informed by representatives of the UST Section in the Wilmington Regional office that no records were available regarding the closure of the tanks.
- **Presence of Drums** - W&R observed seven 55-gallon metal drums in the central portion of the subject property. There were no legible labels or markings on the drums identifying the contents. All seven drums contained liquids at the time of the site visit. Several of the drums were not sealed, and obvious signs of staining were observed around the base of the drums.
- **Disposal of Construction and Commercial Debris** - W&R observed the storage/disposal of construction and commercial debris throughout the subject property. The disposal of crushed concrete and asphalt was heaviest in the northern portion of the site. Due to the amount and size of the pile of concrete and asphalt, it was not possible to explore the interior of the piles to determine if petroleum and/or chemical containers were hidden within the piles. Some of these piles were approximately 4 to 6 feet high and 10 to 20 feet in diameter.
- **Leaking Excavator and Commercial Lift Truck** - W&R observed staining of the soil beneath an excavator and a commercial lift truck, with staining observed beneath the hydraulic stabilizer arm as well as the fuel tank in this area, in the southern portion of the property. The excavator was actively leaking hydraulic fluid at the time of the site visit.
- **Stained Soil Southeast of Location of Previous Structure** - An area of stained soil was observed southeast of the location of the structure identified on the 2006 aerial photograph.
- **Data Gap** - There is also a significant data gap for this site regarding interviews with either Mr. Jimmie Alderman or Mr. Robert Wooten and a representative of Wright Dredging Co., Inc., who previously owned the subject property. W&R could not complete an interview with these individuals/entities. Obviously, these individuals would have been the people most familiar with this site and the processes involved in the used parts and wrecker operations, the location of the USTs, etc.

Potential Offsite Conditions

- **Wilmington Shipyard** - Wilmington Shipyard is listed as an IMD site, indicating that a spill incident occurred on the property. Groundwater contamination was confirmed on this property. In addition, this site was listed as a UST site with registered USTs from 1982 to 1989. No additional details regarding SHWS listing, the size & scope of

the IMD spill incident, or the USTs were provided in the EDR. Additionally, the southern property line of the Wilmington Shipyard site is approximately 250 feet north of the northern property line of the subject property.

- **Industrial Truck Sales & Service** - Industrial Truck Sales & Service is addressed as "Highway 421 North" and is listed as being 152 feet northwest of the site in the EDR; however, W&R did not observe any properties in close proximity to the subject site matching the description of this listing. No additional information was provided in the EDR report which confirmed this RCRA site's mapped location. At this time it is unknown whether this RCRA site was previously located in the area depicted in the EDR.

3 NCDENR File Reviews

W&R's Phase I ESA identified two sites, the Industrial Truck Sales & Service and Wilmington Shipyard as potential offsite RECs relative to the subject property. However, at the time of the Phase I ESA, W&R had limited information regarding each of these sites, which had been obtained from an EDR environmental regulatory database search report. W&R recommended that the NCDENR files associated with each of these sites be reviewed to identify any potential impacts to the subject property. A summary of the information obtained from the completed file reviews and/or discussions with NCDENR representatives for each site are discussed below.

Industrial Truck Sales & Service

W&R initially contacted the NCDENR-Wilmington Regional Office (WIRO) regarding any information on this site. W&R was informed by representatives of the WIRO that no records were available regarding this site. W&R also made several phone calls to the company to find out where they were located but it appears that they are presently out of business. W&R contacted Mr. Jim Edwards of NCDENR's RCRA-Hazardous Waste Section regarding this site. Mr. Edwards informed W&R that he was very familiar with the area and that the Industrial Truck Sales & Service site was located to the north of the subject property near the intersection of U.S. Highway 17 and Flemington Road. He stated that he did not have a map of the location. Based on the information regarding the location of this site by Mr. Edwards, W&R estimates that the Industrial Truck Sales & Service was situated over 1.6 miles north of the subject property. *Based on the distance of this site from the subject property, W&R did not complete a review of its NCDENR file, and no longer considers it to be a REC relative to the subject property.*

Wilmington Shipyard

W&R performed a review of the file associated with the Wilmington Shipyard site maintained by the NCDENR-WIRO. The former Wilmington Shipyard site was identified on the Incident Management Database and the Sites Priority List (Inactive Hazardous Sites Branch). The site is approximately 500 feet north of the subject site. According to the regulatory file maintained by the WIRO, several phases of environmental investigation have taken place at the Wilmington Shipyard site

starting in 1989 when USTs were reportedly removed from the property, to a recent groundwater monitoring event which occurred in August 2009. The NCDENR file contained a timeline of documents and activities pertinent to the environmental investigation and remedial action planning at the site.

Based on groundwater flow maps contained in the NCDENR file, the direction of groundwater flow beneath the former Wilmington Shipyard site is primarily to the east towards the Northeast Cape Fear River, as would be expected from topographic inference. Therefore, we do not expect that groundwater beneath the former Wilmington Shipyard site would move towards the 1400 Point Harbor Road site. According to the most recent laboratory analysis results from monitoring well MW-110, which is the southern most monitoring well on the former Wilmington Shipyard site and therefore closest to the 1400 Point Harbor Road site, detectable concentrations of volatile organics, semi-volatile organics, VPH, EPH or PCBs were not identified in the groundwater. Only one RCRA metal (Barium) was identified in the groundwater sample, however the detected concentration was well below the 2L standard. None of the remaining RCRA metals was identified at a concentration above the laboratory detection limit. Soil contamination has been detected on the site for various metals, VPH, EPH, VOCs, and SVOCs; however, soil analysis from MW-110 was free of these contaminants with the exception of iron and barium, which are not expected to be soluble and would therefore not be expected to migrate onto the subject property. *Therefore, W&R does not expect that subsurface conditions at the former Wilmington Shipyard site have adversely affected the subject property and no longer considers it to be a REC relative to the subject property.*

4 Field Activities

W&R mobilized to the subject property on June 18, 2010 to assess soil and groundwater quality at the subject property. Soil borings/temporary wells were completed via a track mounted GeoProbe® drill rig and stainless steel hang auger. All soil borings were completed to depths ranging from approximately 3 to 10 feet below land surface (bls). Moist soils and groundwater were encountered at depths between 3 and 10 feet bls. Soils were removed from a hand auger bucket or the Geoprobe Macro-Core Sample Tube with a Macro-Core PETG Liner inside, classified, and collected for sampling by placement into individual zip-lock bags. The retained soil samples were then field screened using a Foxboro Century Model 128 Organic Vapor Analyzer (OVA) for the presence of volatile organic compounds (VOCs) typical of potential petroleum hydrocarbons. The OVA is an industry accepted scanning device used to detect the presence of organic vapors, but is not relied entirely upon to determine specific levels of contamination. The general lithology of the site consisted of fine to coarse-grained sands and silty sands. All material encountered in borings SP-1, SP-16, SP-20, SP-24, and SP-30 consisted of concrete, brick, wood, and gravel. Samples were also assessed through visual and olfactory observations. Petroleum odors and staining were observed in several of the completed borings. See Figure 3 for the locations of each of the onsite borings. Refer to the attached boring logs in Appendix A for soil classifications and OVA readings.

Soil Assessment

A total of thirty-one (31) soil borings (SP-1 through SP-31) were completed on the subject

property. The borings were placed in each location based on observations made during the Phase I ESA site visit and a review of historical aerial photographs of the subject property and adjacent properties. Targeted areas included the stained soil areas, the construction and commercial debris areas, and the drums located on site. A total of thirty (30) laboratory soil samples were collected from the soil borings. See Figure 2 and 3 for the locations of each of the onsite borings.

All laboratory soil samples were collected in laboratory cleaned glass containers with clean, nitrile, non-latex gloves and placed in a cooler of ice. Under proper chain-of-custody, the samples were submitted to Environmental Science Corporation (ESC) in Mt. Juliet, Tennessee under "rush" turnaround times. The thirty soil samples were analyzed for total petroleum hydrocarbon (TPH) analysis using EPA Method 5030 (gasoline range organics - GRO) and 3550 (diesel range organics - DRO), and volatile organic compounds (VOCs) by EPA Method 8260. In addition, soil samples collected near the identified onsite drums were also analyzed for semi-volatile organic compounds (SVOCs) by EPA Method 8270, lead and chromium by EPA Method 3050B/3051, and pesticides and PCBs by EPA Methods 8081/8082. Two additional samples were collected from borings, BG-1 and BG-2, completed outside the identified areas of concern in remote locations on the subject property, for background analysis of lead and chromium. Refer to Tables 1 through 3 for a list of collected soil samples and sampling depths.

Groundwater Assessment

In addition, W&R completed five additional soil borings which were converted into temporary groundwater monitoring wells (see Figure 3 for locations). The wells were completed to approximate depths of 4 to 10 feet bls. The wells were installed using a track-mounted GeoProbe® drill rig driving continuous sleeve samplers. The wells were constructed of a 10 foot section of 1-inch diameter 0.010-inch slotted Schedule 40 PVC well screen placed at the base of the borehole, which intercepted the water table. A natural sand pack was established around and above the screen as the formation collapsed around the screen. The temporary well was then capped with bentonite from a depth of one foot bls to the surface. See the boring logs in Appendix A for soil classification, well construction, and depth. Depth to water was measured to be between 2.37 and 3.70 feet below the top of casing after installation of the wells.

The wells were then developed and purged of water and fine sediment and groundwater samples were collected from the temporary monitoring wells using a peristaltic pump and virgin polyethylene tubing or disposable polyethylene bailers into method-specific and appropriately preserved containers and placed into a clean cooler containing ice to chill the samples to a temperature of approximately 4°C. The groundwater samples were collected and transported to ESC under proper chain-of-custody procedures for analysis of volatile organic compounds by EPA Method 6200B under "rush" turnaround times.

Laboratory Results

Soil

Laboratory results for the collected soil samples were found either below the established laboratory quantitation limits or below NCDENR Action Levels with the exception of TPH-GRO

in SP-6 (46 mg/Kg) and TPH-DRO in SP-1 (130 mg/Kg), SP-6 (940 mg/Kg), SP-8 (8500 mg/Kg), SP-11 (49 mg/Kg), SP-24 (330 mg/Kg) and SP-29 (460 mg/Kg). In addition, benzene concentrations above soil-to-groundwater Maximum Soil Contaminant Concentrations (MSCC) was observed in sample SP-23 by EPA Method 8260. This analysis also revealed several samples containing p-isopropyltoluene concentrations, including SP-8, SP-18 through SP-20, and SP-29. Presently there is no soil-to-groundwater MSCC established for this constituent.

Chromium was observed above its NCDENR standard in SP-15 and SP-17; however, two background samples were collected in remote locations for chromium for site background purposes, with the average of the samples found to be 3.75 mg/kg. When the observed concentrations in SP-15 and SP-17 are corrected for the naturally-occurring onsite chromium concentrations observed in the background samples, their concentrations fall below the applicable NCDENR standard. Refer to Tables 1 through 3 for a summary of soil analytical results. A copy of the laboratory analytical report and chain of custody is included in Appendix B. Figure 3 provides the borings locations along with the sampling analysis.

Groundwater

All targeted analytes in the groundwater samples collected from the temporary monitoring wells were found to be below the established laboratory quantitation limits. Refer to Table 4 for a summary of the groundwater laboratory analytical results. A copy of the laboratory analytical report and chain of custody is included in Appendix B. Figure 3 provides the borings locations along with the sampling results.

5 Conclusions

The findings of this indicate that targeted analytes are present in the subsurface soils in the areas of investigation at concentrations above their respective NCDENR standards; however, all collected groundwater samples from the subject property exhibited concentrations of targeted analytes below their established laboratory detection limits.

TPH-GRO was detected at a concentration above its NCDENR Action Level in soil sample SP-6, while TPH-DRO was detected at concentrations above its NCDENR Action Level in soil samples SP-1, SP-6, SP-8, SP-11, SP-24, and SP-29. Benzene concentrations above soil-to-groundwater MSCCs was observed in sample SP-23 by EPA Method 8260. These samples were collected from various areas of concern across the subject property. Low levels of chromium were identified in two samples, however, they are not considered to be significant.

Our recommendations for continued assessment and remediation of the soil contamination identified at this site are as follows:

1. The property owner should report the discovery of contaminated soil to the North Carolina Division of Waste Management-Underground Storage Tank Section (NCDWM-UST) in Wilmington (910-796-7215).
2. W&R recommends that a plan be provided to the NCDWM-UST that specifies excavation of the areas of identified contaminated soils for offsite disposal. The

plan should specify installation of a monitoring well adjacent to each completed area of soil excavation along with the collection of four confirmation soil samples from each excavation area.

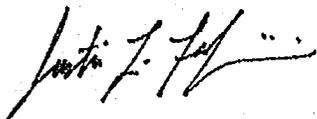
3. We have assumed that excavation will be required at 7 areas on site with a typical footprint of 10 by 10 feet with a depth of 6 feet below land surface. For the six areas this equates to a volume of approximately 156 cubic yards or an approximate quantity of 235 tons. This volume is offered as an opinion based on the areas of staining observed, however, the volume of petroleum impacted soil is not known. Therefore, the final quantity may be greater than specified in this opinion.
4. W&R also recommends that the drums be immediately covered with plastic or placed in overpack/recovery drums and sealed to stop rainwater from causing additional spills. The drum contents should be tested and the liquids should be removed. The drums should then be removed from the site.

Please note that these opinions are based upon currently available data concerning the subject site, and as such, if additional data becomes available for the site that W&R reserves the right to review the data and adjust our opinions accordingly. W&R recommends that prior to the purchase of this property, you contact an attorney experienced in North Carolina environmental law to address legal matters concerning the environmental contamination identified on site.

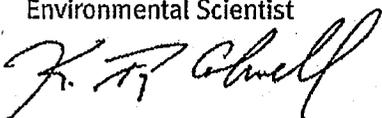
It has been our pleasure to work with you in this capacity. Please do not hesitate to contact us at (919) 469-3340 with any questions or comments regarding this work

Sincerely,

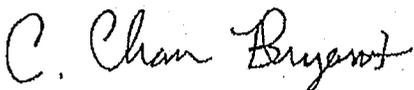
WITHERS & RAVENEL, INC.



Justin L. Fabriziani
Environmental Scientist



K. Ty Colwell
Project Manager



C. Chan Bryant, P.E.
Vice President

Attachments



WITHERS & RAVENEL
 ENGINEERS & PLANNERS & ARCHITECTS
 1111 Northchase Road, Suite 100, Raleigh, NC 27605
 (919) 876-1111

LOCUS MAP
 2.5-INCH POINT LOCUS SITE
 (SEE POINT NUMBER SHEET)
 WILMINGTON, NORTH CAROLINA
 GEORGE WILMINGTON & CHARLES RAYNE, INC.
 7.5 Miles, Quad 1802

DATE BY	SCALE	TITLE NO.
TRD	1"=500'	1
APPROVED BY	DATE	JOB NO.
KPC	6/10/59	100-100-01.0

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Robbins, Susanne

From: Robbins, Susanne
Sent: Friday, October 21, 2011 3:21 PM
To: 'Mike Minett'
Subject: RE: Draft Work Plan for Harbor Point

Hello Mike,

Thank you for the submittal of the draft work plan for the Harbor Point (former Alderman Property) Site. Your work plan addresses the assessment needs discussed during our October 13, 2011 meeting. Your work plan is approved. No estimated date of completion was provided. It is expected that your report of findings (and request for no further action if warranted) will be received within 90 days. Please let me know if you have any questions or require further assistance.

Sincerely,

Sue Robbins, Hydrogeologist
IHSB, Superfund Section
NC Division of Waste Management
Wilmington Regional Office
(910) 796-7411

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From: Mike Minett [mailto:MMinett@FandR.com]
Sent: Tuesday, October 18, 2011 4:05 PM
To: 'susanne.robbs@ncdenr.gov'
Cc: Stan Rudd (Stan@Intercoastalcontracting.com); Timothy P. Sullivan (tsullivan@poynerspruill.com); Michael Sabodish
Subject: Draft Work Plan for Harbor Point

Hi Susanne,

We appreciate you meeting with us last week. Attached is a draft work plan that outlines our understanding of what we discussed. Please let us know if you think it is accurate, or if we need to modify it.

We look forward to working with you on this project.

Regards,

Michael W. Minett, REM (Mike)
Environmental Group Manager
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Robbins, Susanne

From: Mike Minett [MMinett@FandR.com]
Sent: Tuesday, October 18, 2011 4:05 PM
To: 'susanne.robbins@ncdenr.gov'
Cc: Stan Rudd (Stan@Intercoastalcontracting.com); Timothy P. Sullivan (tsullivan@poynerspruill.com); Michael Sabodish
Subject: Draft Work Plan for Harbor Point
Attachments: Point Harbor Draft Work Plan.doc

Hi Susanne,

We appreciate you meeting with us last week. Attached is a draft work plan that outlines our understanding of what we discussed. Please let us know if you think it is accurate, or if we need to modify it. We look forward to working with you on this project.

Regards,

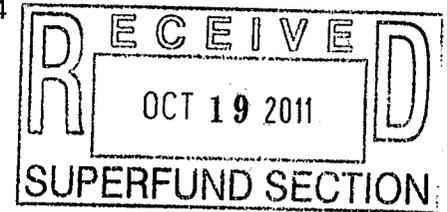
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NC License #F-0266



Ms. Susanne Robbins
Inactive Hazardous Sites Branch Supervisor
Wilmington Regional Office,
Wilmington NC

via email.

RE: 1400 Point Harbor Road Draft Work Plan

Dear Ms. Robbins,

This draft work plan was prepared to meet your comments following a meeting between Susanne Robbins of IHSB DENR, Sam Watson of the DENR Brownfields Program, Stan Rudd of Intracoastal Construction, Tim Sullivan of Poyner Spruill, & Mike Minett of F&R. The Point Harbor facility located at 1400 Point Harbor Road, in Wilmington North Carolina was discussed. It was agreed that F&R would supply a work plan outlining the tasks needed to move forward, and possibly obtain a "No Further Action" letter from DENR (if the analyses are within acceptable boundaries). The following is an outline of our proposed work plan.

1. Either document that existing groundwater data was prepared using EPA method 3030C, and not filtered prior to acidification; or resample the wells and analyze the data according to IHSB guidelines.
2. Some groundwater analytes without North Carolina Administrative Code Chapter 15, Subchapter 2L (NCAC 2L) have been documented in the last sampling round. F&R will provide federal maximum contaminant limits, or determine if EPA risk based limits exist for those compounds, and provide a report documenting the effort.
3. Some soil analytes are above the DENR soil-to-groundwater standards. F&R will compare the soil data to 20 x the 2L standard for compounds that contain a 2L standard. If the soil analysis is below 20 x the 2L standard, additional analysis for that compound will not be performed. For analytes that do not pass the 20x test, or if there are compounds that do not have a 2L standard: F&R will collect composite soil samples at the following locations for TCLP analysis:



Sample Location	8260	8270	Chromium	Lead
Sp-1	X	X	X	X
SP-29		X		
SP-8		X		
SP-11			X	

The composite samples will be collected in the general area where the initial data was generated; i.e. 1-2 feet below land surface. A composite sample will be made up of 3 to 5 representative samples.

4. F&R will provide DENR with all of the existing data in F&R's possession, not just the published reports.
5. F&R will also provide color figures depicting former and current sample locations.
6. F&R will provide aerial photographs, or other documentation about surface drainage features, if any.

TABLE 1
SUMMARY OF SOIL ANALYTICAL RESULTS
TPH, Lead, and Chromium Analyses
Point Harbor Site
1400 Point Harbor Road
Wilmington, New Hanover County, North Carolina

SOIL SAMPLE ID	DATE	DEPTH OF SOIL SAMPLE (feet/bis)	TPH/Low (mg/kg)	TPH/High (mg/kg)	Lead (mg/kg)	Chromium (mg/kg)
SP-1	6/18/2010	1 - 3	BDL	130	N/A	N/A
SP-2	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-3	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-4	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-5	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-6	6/18/2010	2 - 4	46	940	N/A	N/A
SP-7	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-8	6/18/2010	2 - 4	BDL	8500	N/A	N/A
SP-9	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-10	6/18/2010	0 - 3	BDL	BDL	N/A	N/A
SP-11	6/18/2010	0 - 2	BDL	49	N/A	N/A
SP-12	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-13	6/18/2010	0 - 2	BDL	BDL	N/A	N/A
SP-14	6/18/2010	0 - 3	BDL	BDL	N/A	N/A
SP-15	6/18/2010	0 - 3	BDL	25	27	5.7**
SP-16	6/18/2010	0 - 3	BDL	17	18	4.6
SP-17	6/18/2010	0 - 3	BDL	17	12	6.2**
SP-18	6/18/2010	0 - 3	BDL	19	N/A	N/A
SP-19	6/18/2010	2 - 4	BDL	11	N/A	N/A
SP-20	6/18/2010	2 - 4	BDL	BDL	N/A	N/A
SP-21	6/18/2010	3 - 6	BDL	BDL	N/A	N/A
SP-22	6/18/2010	3 - 6	BDL	BDL	N/A	N/A
SP-23	6/18/2010	0 - 3	BDL	11	N/A	N/A
SP-24	6/18/2010	3 - 6	BDL	330	N/A	N/A
SP-25	6/18/2010	3 - 6	BDL	11	N/A	N/A
SP-26	6/18/2010	0 - 3	BDL	BDL	N/A	N/A
SP-27	6/18/2010	0 - 3	BDL	BDL	N/A	N/A
SP-28	6/18/2010	2 - 4	BDL	16	N/A	N/A
SP-29	6/18/2010	2 - 4	BDL	460	N/A	N/A
SP-31	6/18/2010	0 - 3	BDL	5.5	N/A	N/A
*BG-1	6/18/2010	0 - 2	N/A	N/A	4.1	2.5
*BG-2	6/18/2010	0 - 2	N/A	N/A	2.8	5.0
NCDWM Action Levels			10	40	N/A	N/A
Soil-to-Groundwater MSCCs			N/A	N/A	270	5.4 3.8
Industrial/Commercial MSCCs			N/A	N/A	400	47

Notes:

- 1 - N/A = Not Applicable or Sampled.
- 2 - Results in bold exceed NCDENR action levels or NCDENR Soil-to-Groundwater MSCCs.
- 3 - Results that are shaded exceed Industrial/Commercial MSCCs.
- 4 - bis = Below Land Surface.
- 5 - Results are in mg/kg (milligrams per kilogram).
- 6 - Soil samples were collected June 18, 2010.
- 7 - TPH = Total Petroleum Hydrocarbons.
- 8 - BDL = Below Detection Limits.
- 9 - TPH/low = Total petroleum hydrocarbons/low fraction by EPA Method 6030.
- 10 - TPH/high = Total petroleum hydrocarbons/high fraction by EPA Method 3550.
- 11 - Oil & Grease = Total petroleum hydrocarbons/oil & grease by EPA Method 8071B.
- 12 - Lead = Lead by EPA Method 8010B.
- 13 - Chromium = Chromium by EPA Method 6010B.
- * - Denotes background samples collected to identify background concentrations at the site.
- ** - Does not exceed NCDENR Standards when corrected by naturally occurring on site chromium (Average = 3.75 mg/kg).

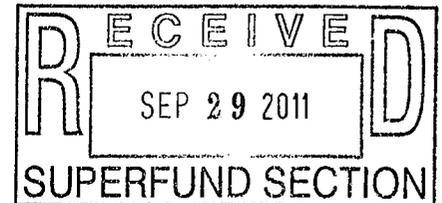
REC'D SEP 26 2011

Poyner Spruill^{LLP}

September 22, 2011

Timothy P. Sullivan
Partner
D: 919.783.2991
F: 919.783.1075
tsullivan@poynerspruill.com

Mr. Charles Stehman
North Carolina Department of
Environment and Natural Resources
127 Cardinal Drive Extension
Wilmington, NC 28405



RE: Former Alderman Property, 400 Point Harbor Road, Wilmington, NC ("Property")

Dear Mr. Stehman:

This letter is on behalf of James B. Angell, Trustee for Jimmie Kevin Alderman, in the bankruptcy proceeding for Jimmie Kevin Alderman (Case No. 09-05982-8-JRL). The Property is currently owned by the bankruptcy estate ("Estate") created in connection with the bankruptcy proceeding for Mr. Alderman. Under the Bankruptcy Act, upon Mr. Alderman's commencement of his case in the U.S. Bankruptcy Court, all legal and equitable interest in the Property automatically vested in the Estate.

The Estate is seeking to sell the Property, and a prospective purchaser, Point Harbor Ventures, LLC, had its environmental consultants conduct soil and groundwater testing at the Property. I am enclosing a copy of Froehling & Robertson, Inc.'s ("F&R") September 21, 2011 Groundwater Sampling Report (the "F&R Report") pertaining to the subject Property. The F&R Report summarizes the results of the environmental work at the Property that F&R has conducted for Point Harbor Ventures to date, as well as the earlier soil and groundwater sampling conducted by another consulting firm.

It is my understanding that F&R is in the process of scheduling a meeting with you in order to discuss the information contained in the F&R Report. The goal of the meeting is to determine what, if any, assessment or remediation DENR would require if Point Harbor Ventures, LLC purchases the Property and limits its use to industrial purposes.

Mr. Charles Stehman
September 22, 2011
Page 2

There appears to be some low level chromium contamination of the soil (below the residential MSCC). Significantly, no chromium contamination of the groundwater has been identified when filtered samples were tested. Accordingly, to the extent there is some elevated chromium in the soil that is not naturally occurring we believe the Property is safe for residential or industrial use and that no further action is warranted to address this issue, although restricting the Property to industrial use would be acceptable to Point Harbor Ventures.

Some subsurface petroleum products-contaminated soil also remains on site (primarily oil and grease). This existing petroleum contamination is likely the result of various localized small spills or releases presumably attributable to different uses over a period of many years. Because the prospective purchaser of the Property did not cause the petroleum contamination, it should have no cleanup liability for that contamination if it purchases the Property.

Thank you in advance for your willingness to meet with F&R to discuss this matter. It is our hope that DENR will agree that no further action will be required by Point Harbor Ventures, LLC if it purchases the Property and restricts its use to industrial use.

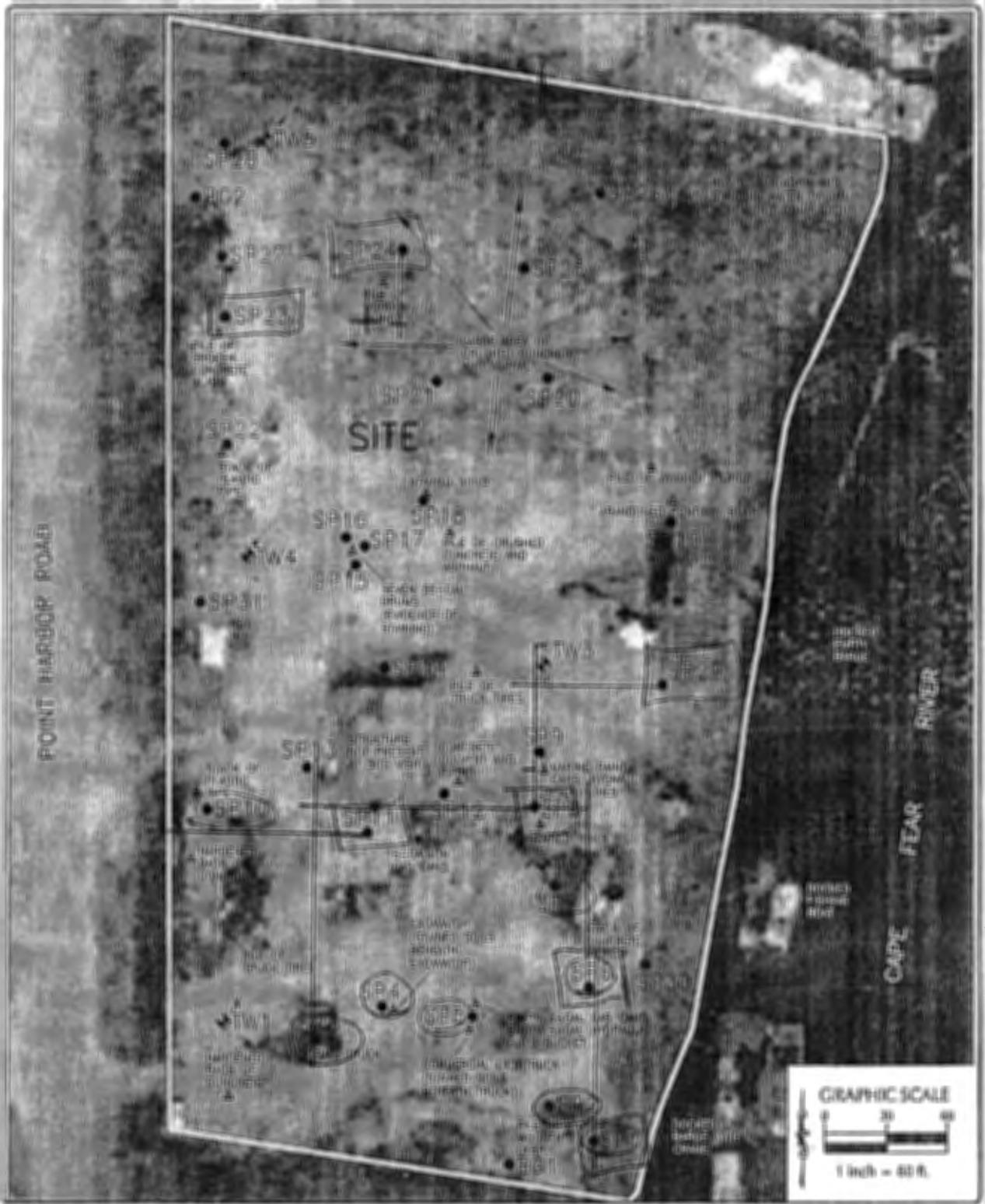
Sincerely,



Timothy P. Sullivan

Enclosures

cc: Jim Angell
Stan Rudd
Mike Sabodish



WITHERS & RAVENEL

ENGINEERS & PLANNERS & ARCHITECTS

2700 Southpark Drive, Suite 200, Charlotte, NC 28203

SITE MAP

POINT HARBOR SITE
 1410 POINT HARBOR ROAD
 WILMINGTON, NORTH CAROLINA

DATE:	SCALE:	FIGURE NO.:
7/20	1"=60'	2
APPROVED BY:	DATE:	JOB NO.:
KTC	5/28/79	0252048.0

NOT TO SCALE. THIS MAP IS FOR INFORMATION ONLY. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE.

TABLE 1. SUMMARY OF LABORATORY ANALYTICAL RESULTS

Analytical Method →	EPA 6010C	EPA 6010C	SW 1664A	EPA 625	EPA 625	EPA 625	EPA 625	EPA 625	EPA 625	EPA 625	EPA 625
Contaminant of Concern →	Chromium	Lead	Oil and Grease	Benzoic Acid 2,4,5	Benzoic Acid 2,4,6	Bicyclo (2.2.1) Heptan-2-one	Dodecanoic Acid	n-Hexadecanoic Acid	Phenol 4-(1,1,3,3)	Acenaphthene	Cyclic octaatomic sulfur
Monitoring Well											
MW-1	38.4	30.3	3.0U	BDL	BDL	BDL	BDL	BDL	BDL	1.4U	BDL
MW-2	1.82J	3.83J	3.93J	BDL	BDL	BDL	BDL	BDL	BDL	1.4U	BDL
MW-3	8.17J	14.2	3.0U	11J	8.4J	8.8J	7.0J	5.0J	6.7J	1.4U	BDL
MW-4	20.9	103	3.68J	8.3JB	BDL	BDL	14J	BDL	BDL	4.5J	4.4J
NCAC 2L Standard (µg/L)→	10	15	NS	30,000	30,000	NS	NS	NS	NS	80	NS

Bold values indicate concentrations exceeding the NCAC 2L Groundwater Quality Standard

All results presented in (µg/L) with the exception of Oil and Grease which is presented in mg/L.

B indicates the analyte was detected in the associated method blank.

BDL indicates compound was analyzed for but not detected

J indicates the reported value is between the laboratory MDL and the laboratory MRL (an estimate)

U indicates the analyte was analyzed for but not detected to the level shown, adjusted for actual sample preparation data and moisture content, where applicable.

NS indicates no NCAC 2L standard exists for the indicated metal or compound.

TABLE 2
SUMMARY OF SOIL SAMPLING RESULTS
 VOC and SVOC Analysis
 Point Harbor Site
 1400 Point Harbor Road
 Wilmington, New Hanover County, North Carolina

ANALYTE	METHOD	BORING ID /	Soil-to-Groundwater Maximum Contaminant Concentration (mg / Kg)														
		DATE / CONC. (mg / Kg)															
		SP-1 (1-3)	SP-2 (2-4)	SP-3 (2-4)	SP-4 (2-4)	SP-5 (2-4)	SP-6 (2-4)	SP-7 (2-4)	SP-8 (2-4)	SP-9 (2-4)	SP-10 (0-3)	SP-11 (0-2)	SP-12 (2-4)	SP-13 (0-2)	SP-14 (0-2)	SP-16 (0-3)	
		6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010	
VOLATILE ORGANICS																	
Acetone	8260	0.009	BDL	BDL	BDL	BDL	BDL	BDL	0.15	BDL	BDL	BDL	BDL	0.079	BDL	BDL	24
Benzene	8280	BDL	0.0021	BDL	0.0066												
n-Butylbenzene	8260	BDL	0.014	BDL	4.3												
sec-Butylbenzene	8260	BDL	BDL	BDL	BDL	BDL	BDL	0.64	BDL	0.0013	BDL	BDL	BDL	BDL	BDL	BDL	3.3
Ethylbenzene	8260	BDL	0.0036	BDL	4.9												
Isopropylbenzene	8260	BDL	1.7														
Methyl tert-butyl ether	8260	BDL	0.091														
p-Isopropyltoluene	8260	BDL	0.0038	BDL	NL												
Naphthalene	8260	BDL	0.021	BDL	0.16												
2-Substane (MEK)	8260	BDL	0.028	BDL	10												
n-Propylbenzene	8260	BDL	0.0025	BDL	1.7												
Toluene	8260	BDL	0.039	BDL	4.3												
Tetrachloroethene	8260	BDL	0.0074														
Dichloropropyl ether	8260	BDL	0.37														
1,3,5-Trimethylbenzene	8260	BDL	0.0052	BDL	0.3												
1,2,4-Trimethylbenzene	8260	BDL	0.014	BDL	8.5												
Xylenes (total)	8260	BDL	0.020	BDL	4.6												
SEMI-VOLATILE ORGANICS																	
Anthracene	8270C	NT	BDL	940													
Naphthalene	8270C	NT	BDL	0.16													
Fluorene	8270C	NT	BDL	47													
Fluoranthene	8270C	NT	BDL	280													
Phenanthrene	8270C	NT	BDL	66													
2-Methylnaphthalene	8270C	NT	BDL	3.6													
Bis (2-ethylhexyl)phthalate	8270C	NT	BDL	6.6													

Bold represents Soil-to-Groundwater violation.
 Note: BDL= Below Detection Limit
 NL= Not Listed
 NT= Not Tested

0.073

0.68

5.5

TABLE 2 (continued)
 SUMMARY OF SOIL SAMPLING RESULTS
 VOC and SVOC Analysis
 Point Harbor Site
 1400 Point Harbor Road
 Wilmington, New Hanover County, North Carolina

ANALYTE	METHOD	BORING ID / SAMPLE DATE / CONC.	SoB-to-Groundwater Maximum Contaminant Concentration (mg / Kg)														
		SP-16 (0-3) 6/18/2010	SP-17 (0-3) 6/18/2010	SP-18 (0-3) 6/18/2010	SP-19 (2-4) 6/18/2010	SP-20 (2-4) 6/18/2010	SP-21 (3-6) 6/18/2010	SP-22 (3-6) 6/18/2010	SP-23 (0-3) 6/18/2010	SP-24 (3-6) 6/18/2010	SP-25 (3-6) 6/18/2010	SP-26 (0-3) 6/18/2010	SP-27 (0-3) 6/18/2010	SP-28 (2-4) 6/18/2010	SP-29 (2-4) 6/18/2010	SP-31 (0-3) 6/18/2010	
VOLATILE ORGANICS																	
Acetone	8260	BDL	BDL	BDL	0.40	0.058	BDL	BDL	0.074	BDL	BDL	BDL	BDL	BDL	0.016	BDL	24
Benzene	8260	BDL	BDL	BDL	BDL	BDL	BDL	0.0086	BDL	0.0099							
n-Butylbenzene	8260	BDL	4.3														
iso-Butylbenzene	8260	BDL	3.3														
Ethylbenzene	8260	BDL	0.0027	BDL	4.9												
Isopropylbenzene	8260	BDL	4.7														
Methyl tert-butyl ether	8260	BDL	0.091														
p-Isopropyltoluene	8260	BDL	BDL	0.0023	0.067	0.0026	BDL	0.021	BDL	NL							
Naphthalene	8260	BDL	0.16														
n-Butanone (MEK)	8260	BDL	BDL	BDL	0.058	BDL	BDL	BDL	0.020	BDL	16						
n-Propylbenzene	8260	BDL	1.7														
Toluene	8260	BDL	4.3														
Toluene othene	8260	BDL	0.0074														
Di-isopropyl ether	8203	BDL	0.37														
1,3,5-Trimethylbenzene	8260	BDL	3.3														
1,2,4-Trimethylbenzene	8260	BDL	6.5														
Xylenes (total)	8260	BDL	4.6														
SEMI-VOLATILE ORGANICS																	
Anthracene	8270C	BDL	BDL	NT	940												
Naphthalene	8270C	BDL	BDL	NT	0.16												
Fluorene	8270C	BDL	BDL	NT	47												
Fluoranthene	8270C	BDL	BDL	NT	280												
Phenanthrene	8270C	BDL	BDL	NT	56												
2-Methylnaphthalene	8270C	BDL	BDL	NT	3.6												
Bis (2-ethylhexyl)phthalate	8270C	BDL	BDL	NT	6.6												

Bdl represents Soil-to-Groundwater violation.
 Note: BDL - Below Detection Limits
 NL - Not Listed
 NT - Not Tested

0.0073

8.1

2.09 4-Is...

55

TABLE 3
SUMMARY OF SOIL SAMPLING RESULTS
Pesticide and PCB Analysis
Point Harbor Site
1400 Point Harbor Road
Wilmington, New Hanover County, North Carolina

ANALYTE	METHOD	BORING ID / SAMPLE DATE / CONC. (mg / Kg)	Soil Remediation Goal (mg / Kg)
		COMP	
		6/18/2010	
Organochlorine Pesticides			
Aldrin	8081	BDL	0.029
Alpha BHC	8081	BDL	0.077
Beta BHC	8081	BDL	0.27
Delta BHC	8081	BDL	120
Gamma BHC	8081	BDL	0.52
Chlordane	8081	BDL	1.6
4,4-DDD	8081	BDL	2
4,4-DDE	8081	BDL	1.4
4,4-DDT	8081	BDL	1.7
Dieldrin	8081	BDL	300
Endosulfan I	8081	BDL	74
Endosulfan II	8081	BDL	NL
Endosulfan sulfate	8081	BDL	NL
Endrin	8081	BDL	3.6
Endrin aldehyde	8081	BDL	NL
Endrin ketone	8081	BDL	NL
Hexachlorobenzene	8081	BDL	0.3
Heptchlor	8081	BDL	0.11
Heptchlor epoxide	8081	BDL	0.053
Methoxychlor	8081	BDL	62
Toxaphene	8081	BDL	0.44
PCBs			
PCB 1016	8081	BDL	1.0
PCB 1221	8081	BDL	1.0
PCB 1232	8081	BDL	1.0
PCB 1242	8081	BDL	1.0
PCB 1248	8081	BDL	1.0
PCB 1254	8081	BDL	1.0
PCB 1260	8081	BDL	1.0

Bold represents Soil Remediation Goal violation.
 Soil Remediation Goals set forth in the Inactive Hazardous Site Branch Soil Remediation Goals, NCDENR Soil-to-Groundwater Maximum Contaminant Concentrations not listed for regulated pesticides.
 Note: ND- Not Detected
 NL- Not Listed
 NT- Not Tested

TABLE 4
SUMMARY OF GROUNDWATER ANALYTICAL DATA
VOC Analysis
Point Harbor Site
1400 Point Harbor Road
Wilmington, New Hanover County, North Carolina

Compound	Method	TW-1	TW-2	TW-3	TW-4	TW-5	NCAC 2L STD (ug/L)	GCL (ug/L)
		6/18/2010	6/18/2010	6/18/2010	6/18/2010	6/18/2010		
Volatile Organics, ug/L								
Acetone	6200B	BDL	BDL	BDL	BDL	BDL	700	700,000
Benzene	6200B	BDL	BDL	BDL	BDL	BDL	1	5,000
Chlorobenzene	6200B	BDL	BDL	BDL	BDL	BDL	50	50,000
n-Butylbenzene	6200B	BDL	BDL	BDL	BDL	BDL	70	6,900
sec-Butylbenzene	6200B	BDL	BDL	BDL	BDL	BDL	70	8,500
1,1-Dichloroethane	6200B	BDL	BDL	BDL	BDL	BDL	6	6,000
1,2-Dichloroethane	6200B	BDL	BDL	BDL	BDL	BDL	0.40	400
cis-1,2-Dichloroethene	6200B	BDL	BDL	BDL	BDL	BDL	70	70,000
trans-1,2-Dichloroethene	6200B	BDL	BDL	BDL	BDL	BDL	100	100,000
Di-isopropyl ether	6200B	BDL	BDL	BDL	BDL	BDL	70	70,000
Isopropylbenzene	6200B	BDL	BDL	BDL	BDL	BDL	70	25,000
Ethylbenzene	6200B	BDL	BDL	BDL	BDL	BDL	550	84,500
Methyl tert-butyl ether (MTBE)	6200B	BDL	BDL	BDL	BDL	BDL	20	20,000
p-Isopropyltoluene	6200B	BDL	BDL	BDL	BDL	BDL	NL	NL
Naphthalene	6200B	BDL	BDL	BDL	BDL	BDL	21	15,500
n-Propylbenzene	6200B	BDL	BDL	BDL	BDL	BDL	70	30,000
Tetrachloroethene	6200B	BDL	BDL	BDL	BDL	BDL	0.7	700
1,2,4-Trimethylbenzene	6200B	BDL	BDL	BDL	BDL	BDL	350	28,500
1,3,5-Trimethylbenzene	6200B	BDL	BDL	BDL	BDL	BDL	350	25,000
Toluene	6200B	BDL	BDL	BDL	BDL	BDL	1,000	257,500
Total Xylenes	6200B	BDL	BDL	BDL	BDL	BDL	530	87,500

Note:

NL = Not Listed. NT = Not Tested.
GCL = Gross Contaminant Level ug/L - micrograms per liter.
BDL = Below Detection Limit 2L STD - Groundwater Quality Std (15A NCAC Subchapter 2L).
Parameters not listed were below detection limits - see complete laboratory report.
Results in **BOLD** exceed their respective 2L STD