LAWGIBB GROUP

REPORT OF

PHASE I ENVIRONMENTAL SITE ASSESSMENT UPDATE

YARN MANUFACTURING PLANT
1016 AND 1024 NORTH I-85 SERVICE ROAD
CHARLOTTE, NORTH CAROLINA

Prepared for:

PLIANA, INC.

POST OFFICE BOX 667669
CHARLOTTE, NORTH CAROLINA

Prepared by:

LAW ENGINEERING AND ENVIRONMENTAL SERVICES, INC.

2801 Yorkmont Road, Suite 100
Charlotte, North Carolina

JULY 26, 2002

LAW Project 30100-2-2640

LAW
RESOURCES CREATING SOLUTIONS

July 26, 2002

Mr. Eduardo Gonzalez
Pliana, Inc.
Post Office Box 667669
Charlotte, North Carolina 28266

Subject: **Report of Phase I Environmental Site Assessment Update**
Yarn Manufacturing Plant
1016 and 1024 North I-85 Service Road
Charlotte, North Carolina
LAW Project 30100-2-2640

Dear Mr. Gonzalez:

Law Engineering and Environmental Services, Inc. (LAW) is pleased to submit this report of our Phase I Environmental Site Assessment Update for the subject site. The purpose of our services as described in the attached report was to review the site for evidence of potential environmental contamination caused by past or present on-site or nearby off-site activities since the previous reports were completed. A previous Phase I assessment update report (LAW Project 30100-9-5092) of 1016 North I-85 Service Road was completed by LAW on November 5, 1999. A previous Phase I assessment report (LAW Project 30100-8-3716) of 1024 North I-85 Service Road was completed by LAW on June 12, 1998.

This report is intended for the use of Pliana, Inc. Use or reliance any other party signifies agreement to the terms and conditions agreed to by our primary client. The contents of this report; however, should not be relied upon by any other parties without the express written consent of Law Engineering and Environmental Services, Inc. The findings are relevant to the dates of our site work and should not be relied upon to represent site conditions on other dates.

We appreciate the opportunity to provide our environmental services on this project. We are available to discuss the contents of this report with you at your convenience.

Sincerely,

LAW ENGINEERING AND ENVIRONMENTAL SERVICES, INC.

Brian Sikes

Brian G. Sikes
Staff Scientist

Robert C. Foster, P.G.
Principal

BY _____ WITH PERMISSION

BGS/RCF:llr

Attachments

LAW Engineering and Environmental Services, Inc.
2801 Yorkmont Road
Suite 100 • Charlotte, NC 28208
704-357-8600 • Fax: 704-357-8638

TABLE OF CONTENTS

EXECUTIVE SUMMARY iv

1.0 INTRODUCTION 1-1

2.0 SITE RECONNAISSANCE 1-1

2.1 GENERAL PROPERTY DESCRIPTION AND SITE USE 2-1
2.1.1 Underground/Aboveground Storage Tanks 2-1
2.1.2 Electrical Transformers 2-2
2.1.3 Solid Waste 2-2
2.1.4 Chemicals and Hazardous Materials 2-2
2.1.5 Utilities 2-2
2.1.6 Floor Drains and Damaged Flooring 2-2
2.1.7 Previous Assessment at the 1016 Site 2-3
2.1.8 Water Supply and Wells 2-3
2.2 SURROUNDING PROPERTIES 2-3
2.2.1 North 2-3
2.2.2 South 2-3
2.2.3 East 2-4
2.2.4 West 2-4

3.0 REGULATORY REGISTRATION 3-1

3.1 EPA NATIONAL PRIORITIES LIST (NPL) 3-1
3.2 EPA AND STATE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY INFORMATION SYSTEM (CERCLIS) LIST 3-1
3.3 EPA RESOURCE CONSERVATION & RECOVERY INFORMATION SYSTEM (RCRIS) LIST 3-2
3.4 EPA EMERGENCY RESPONSE NOTIFICATION SYSTEM (ERNS) LIST 3-3
3.5 SOLID WASTE LANDFILLS 3-3
3.6 STATE LEAKING UNDERGROUND STORAGE TANK (LUST) LIST 3-3
3.7 UNDERGROUND STORAGE TANK DATABASE 3-3
3.8 STATE HAZARDOUS SUBSTANCE DISPOSAL SITE (HSDS) LIST 3-4
3.9 FINDS LIST 3-4

4.0 COMMENTS AND RECOMMENDATIONS 4-1

4.1 ON-SITE OBSERVATIONS 4-1
4.2 OFF-SITE OBSERVATIONS 4-2

APPENDIX A: FIGURE

APPENDIX B: PHOTOGRAPHS

APPENDIX C: EDR REGULATORY SEARCH REPORT

EXECUTIVE SUMMARY

PROJECT NAME: Yarn Manufacturing Plant
LOCATION: 1016 and 1024 North I-85 Service Road
Charlotte, North Carolina

This executive summary is provided for convenience and should not substitute for review of the complete report, including all attachments. Based on the data collected during the assessment, our findings and conclusions are summarized as follows:

Environmental Conditions	Acceptable	Further Research	Sampling and Testing
Site Regulatory Status	Yes	No	Not Recommended
Off-Site Listed Facilities	Yes	No	Not Recommended
Site Use History	**No**	**No**	**Recommended**
Present Site Use	Yes	No	Not Recommended
Surrounding Land Use	Yes	No	Not Recommended

Site Description and On-Site Observations

The 4.47-acre site is comprised of Tax Parcels 06915540 and 06915541. The site contains a light-industrial plant with associated warehouses for storage and an administrative building. Raw materials are blended and processed into polypropylene yarns, which are then transported off site in bulk containers or smaller drummed quantities. The site is listed on the regulatory databases searched for this report. The former occupant of 1016 North I-85 Service Road, Chemical Tex Laboratories, Inc., is listed on the Facility Index System. LAW conducted a Phase II Environmental Site Assessment at the former Chemical Tex facility (1016) in 1999.

Off-Site Potential Environmental Concerns

Ten nearby properties with documented releases were identified on the reviewed regulatory databases within the established ASTM search radii. The identified properties appear unlikely to adversely impact the site. Our assessment did not identify off-site environmental concerns relevant to the site that would require further assessment at this time.

Comments and Recommendations

LAW recommends that groundwater at the site be sampled to confirm that levels of constituents identified in the soil in 1999 are not present in the groundwater above the state groundwater standards.

LAW recommends soil sampling at 1024 North I-85 Service Road to evaluate the potential impact of chemical products to soil and/or groundwater. Sampling is recommended in areas that exhibited corroded flooring in the plant. Groundwater sampling is noted as for the 1016 facility.

REPORT OF
PHASE I ENVIRONMENTAL SITE ASSESSMENT UPDATE

YARN MANUFACTURING PLANT
1016 AND 1024 NORTH I-85 SERVICE ROAD
CHARLOTTE, NORTH CAROLINA

Prepared for:

PLIANA, INC.
POST OFFICE BOX 667669
CHARLOTTE, NORTH CAROLINA

Prepared By:

Law Engineering and Environmental Services, Inc.
2801 Yorkmont Road
Charlotte, North Carolina

July 26, 2002

LAW Project 30100-2-2640

1.0 INTRODUCTION

Pliana, Inc. engaged LAW to perform a Phase I Environmental Site Assessment Update for the site. A previous Phase I Environmental Site Assessment Update report and a Phase II Environmental Assessment report (LAW Projects 30100-9-5092) at 1016 North I-85 Service Road were completed by LAW on November 5, 1999 and December 10, 1999, respectively. A previous Phase I assessment report (LAW Project 30100-8-3716) of 1024 North I-85 Service Road was completed by LAW on June 12, 1998. The property is located at 1016 and 1024 North I-85 Service Road in Charlotte, North Carolina (Figure 1).

The Phase I Environmental Site Assessment Update was performed using procedures as documented by American Society for Testing and Materials (ASTM) specification ASTM E 1527-00. The following services were provided for the assessment:

-
- A review of selected environmental regulatory lists published by state and federal agencies to determine if the site or nearby properties are listed as having a present or past environmental problem, are under investigation, or are regulated by state or federal environmental regulatory agencies.
- A site and adjacent property reconnaissance for obvious indications of present or past activities which have or could have contaminated the site.
- An on-site limited polychlorinated biphenyl (PCB) survey consisting of a visual reconnaissance for fluid-containing major electrical devices (transformers and capacitor banks), excluding fluorescent light ballasts. The PCB status of these devices was determined by the presence or absence of labeling. The general condition of these devices was noted, especially evidence of leakage. The limited PCB survey did not include sampling or testing of dielectric fluids.
- Historical notations since the previous assessment report was completed.
- Preparation of this report presenting our findings and conclusions.
-

1.1 QUALIFICATIONS

The findings and opinions presented are relative to the dates of our site work and should not be relied on to represent conditions at substantially later dates. The opinions included herein are based on information obtained during the study and our experience. If additional information becomes available which might impact our environmental conclusions, we request the opportunity to review the information, reassess the potential concerns, and modify our opinions, if warranted.

Although this assessment has attempted to identify the potential for environmental impacts to the subject property, potential sources of contamination may have escaped detection due to: (1) the limited scope of this assessment, (2) the inaccuracy of public records, (3) the presence of undetected or unreported environmental incidents, (4) inaccessible areas, and/or (5) deliberate concealment of detrimental information. It was not the purpose of this study to determine the actual presence, degree or extent of contamination, if any, at the site. This could require additional exploratory work, including sampling and laboratory analysis.

ASTM E 1527-00 defines a "recognized environmental condition" as: "-the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property. The term includes hazardous substances or petroleum products even under conditions in compliance with laws. The term is not intended to include *de minimis* conditions that generally do not present a material risk of harm to public health or the environment and that would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies."

2.0 SITE RECONNAISSANCE

The site walkover was conducted on July 24, 2002 by our Mr. Brian G. Sikes. Aspects of the site reconnaissance included:

- observing the approximate project site boundaries and adjacent properties
- observing the topography and general surface drainage patterns
- noting evidence of current or past on-site management and/or disposal of potential sources of environmental contaminants
- documenting site features of potential environmental concern

2.1 GENERAL PROPERTY DESCRIPTION AND SITE USE

The 4.47-acre site is comprised of Tax Parcels 06915540 (1024 I-85 Service Road) and 06915541 (1016 I-85 Service Road). The site contains a light-industrial plant with associated warehouses for storage and an administrative building. Raw materials are blended and processed into polypropylene yarns, which are then transported off site in bulk containers or smaller drummed quantities. A site location and a site property map are included in Appendix A. Photographs of the site are included in Appendix B.

LAW interviewed Mr. Mario Zetina, Plant Manager, on July 24, 2002 about environmental concerns associated with the site. He stated that he was not aware of (1) any pending, threatened, or past litigation relevant to hazardous substances or petroleum products in or on or from the subject property, (2) any pending, threatened, or past administrative proceedings relevant to hazardous substances or petroleum products in or on or from the subject property, (3) any notices from any governmental entity regarding any possible violations of environmental laws or possible liability relating to hazardous substances or petroleum products. Mr. Zetina also has no knowledge of any petroleum storage tanks operated or maintained on the site.

2.1.1 Underground/Aboveground Storage Tanks

Two silos were observed adjacent to the plant and individually hold up to 150,000 lbs. and 90,000 lbs. of solid, bead-like polypropylene (Photograph 3). A storage tank containing compressed air is located nearby (Photograph 2). Numerous tanks of propane were observed within the plant

(Photograph 5). No evidence of leakage or staining was observed near the tanks. No evidence of underground storage tanks was observed on the site.

2.1.2 Electrical Transformers

Most electrical transformers are considered a potential source of environmental concern due to the presence of coolant oils within the transformers that may contain polychlorinated biphenyl (PCB) compounds. Dry-type transformers contain no dielectric oils and are therefore not considered an environmental concern. Two pole-mounted transformers and one pad-mounted transformer were observed on the site (Photograph 4). No staining was noted near the transformers. Duke Power owns and maintains the transformers and accepts responsibility for damages or releases from the transformers.

2.1.3 Solid Waste

An area of trash and debris, including an empty chemical tote, were observed near the southern boundary of the 1024 site (Tax Parcel 06915540). This debris is shown in Photograph 6. No evidence of staining or stressed vegetation was observed.

2.1.4 Chemicals and Hazardous Materials

Solid polypropylene, polyethylene, and pigments were observed. No hazardous materials were observed on the site.

2.1.5 Utilities

Domestic waste is discharged into the sanitary sewer system operated by Charlotte-Mecklenburg Utilities. Potable water is provided to the site area by the local municipality.

2.1.6 Floor Drains and Damaged Flooring

Several areas of corroded concrete flooring were observed adjacent to floor drains within the 1024 plant buildings. Corroded flooring beneath a vat located within the 1024 plant building was observed (Photograph 1). The area of corroded concrete flooring led from the vat to a nearby sump. The observed damaged flooring appears to be the result of activities performed by former occupants of the plant.

2.1.7 Previous Assessment at the 1016 Site

LAW performed a Phase II Environmental Site Assessment at 1016 North I-85 Service Road in 1999 (LAW Project 30100-9-5092). Five soil samples were collected from the interior of the warehouse. Analyses indicated the presence of 2-Butanone (MEK) and Acetone at concentrations of 0.11 mg/kg and 0.66 mg/kg, respectively. Trace amounts of Tetrachloroethene and 1,1,1-Trichloroethane were also identified. Total chromium concentrations were identified in two samples approximately 5 to 9 times higher than background levels. The laboratory results identified elevated concentrations of Cadmium, Lead and Mercury; however, these concentrations were within a similar range of concentrations indicated by background data.

2.1.8 Water Supply and Wells

Water-supply wells were not observed on the site. The Mecklenburg County Well Information System did not identify wells on the site. The City of Charlotte provides public water to the site.

2.2 SURROUNDING PROPERTIES

A vehicular reconnaissance (drive-by) of accessible adjacent property was conducted during the Phase I assessment update to identify current potential off-site sources of contaminants that might adversely impact the site. Our reconnaissance was performed along public right-of-ways within an approximate one-half mile radius of the site. The results of our vehicular reconnaissance are discussed below.

Adjacent properties are listed according to their geographic relationship to the site: north, south, east and west.

2.2.1 North

The site is bounded to the north by North I-85 Service Road. Further to the north are Interstate 85 and commercial properties.

2.2.2 South

The site is bounded to the south by wooded areas and residential properties.

2.2.3 East

The site is bounded to the east by wooded areas and residential properties.

2.2.4 West

The site is bounded to the west by a distribution facility. Further to the west of the site are wooded areas.

3.0 REGULATORY REGISTRATION

LAW contacted Ms. Sally Young of the Charlotte Fire Department on July 25, 2002 about environmental concerns associated with the site. Ms. Young was not aware of any incidents regarding fires or spills at the site.

LAW conducted a review of regulatory search information prepared by Environmental Data Resources, Inc. (EDR) as contained in Appendix B. This regulatory records search is based on information published by State and Federal regulatory agencies and is used to evaluate the site or nearby properties as having a past or present record of actual or potential environmental impact. Please note that regulatory listings include only those sites, which are known to the regulatory agencies at the time of publication as being 1) contaminated, 2) in the process of evaluation for potential contamination, or 3) regulated.

3.1 EPA NATIONAL PRIORITIES LIST (NPL)

The Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) established the EPA National Priorities List (NPL) of federal "superfund" sites. These are the contaminated sites that have been assigned a high ranking, in terms of potential public health effects, by the EPA. The following information was found on the NPL, dated April 2002.

- The site does not appear on the NPL.
- There are no facilities listed on the NPL within a one-mile radius from the site.
-

3.2 EPA AND STATE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY INFORMATION SYSTEM (CERCLIS) LIST

The CERCLIS list is a compilation of sites of suspected contamination that are currently being investigated or have been assessed by the EPA for releases or threatened releases of hazardous substances pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980. The State (NCDENR Superfund Section) inventory includes the following equivalent category to the CERCLIS list: SCL; sites with investigations pending; responsible party voluntary remedial action sites; state cleanup sites; and no further action sites. On the EPA CERCLIS list

dated February 2002, and the State CERCLIS (also SHWS) list, dated March 2002, the following information was found.

- The site is not listed on the Federal and State CERCLIS lists.
- There are three properties identified on the State CERCLIS list located within a one-half mile radius from the site. The properties are not considered to be environmental concerns due to topographic position with respect to interpreted groundwater flow direction.

3.3 EPA RESOURCE CONSERVATION & RECOVERY INFORMATION SYSTEM (RCRIS) LIST

RCRIS is the EPA database of facilities that generate, transport, store, or dispose of hazardous wastes. Generators are found on the RCRIS list of Notifiers. Treatment, Storage and Disposal facilities are found on the RCRIS TSD list, and TSD facilities requiring corrective actions are found on the CORRACTS list. The following information was found on the RCRIS List of Notifiers, dated June 2002.

- The site is not identified as a generator of hazardous waste.
- There were no adjacent properties identified on the RCRIS List of Notifiers.

The following information was found on the TSD list, dated June 2002.

- The site does not appear on the RCRIS non-CORRACTS TSD list.
- There are no properties identified on the RCRIS non-CORRACTS TSD list within a one-half mile radius from the site.

The following information was found on the CORRACTS TSD list, dated May 2002.

- The site does not appear on the RCRIS CORRACTS TSD list.
- The Heritage Environmental Service property, located at 4132 Pompano Street, was identified on the RCRIS CORRACTS TSD list within a one-mile radius of the site. The Heritage property is located in a separate local watershed, therefore the property does not appear to be an environmental concern.

3.4 EPA EMERGENCY RESPONSE NOTIFICATION SYSTEM (ERNS) LIST

The EPA Emergency Response Notification System (ERNS) list is a list of hazardous material spills reported to various State agencies. The following information was found on the ERNS, dated August 2000.

- The site is not identified on the ERNS list.

3.5 SOLID WASTE LANDFILLS

Lists of active and inactive landfills, artificial fills, and disposal sites are maintained by the North Carolina Department of Environment and Natural Resources. The landfill listings do not include unpermitted landfills or dumps. The following information was found on the Solid Waste Landfill lists, dated April 2002.

- The site does not appear on the landfill lists.
- There are no sites within a one-half mile radius listed as a landfill or disposal site.

3.6 STATE LEAKING UNDERGROUND STORAGE TANK (LUST) LIST

The North Carolina Leaking Underground Storage Tank (LUST) includes registered UST systems within the state of North Carolina which have reported releases of UST contents. This list is maintained by the North Carolina Department of Environment and Natural Resources. The following information was found on the LUST list, dated June 2002.

- The site does not appear on the LUST list.
- Five properties were identified on the LUST list within a one-half mile radius from the site. The properties are not considered to be environmental concerns due to topographic position with respect to interpreted groundwater flow direction.

3.7 UNDERGROUND STORAGE TANK DATABASE

The Underground Storage Tank Database is a listing of underground storage tank systems, which are registered with the North Carolina Department of Environment and Natural Resources. The following information was found on the UST list, dated November 2001.

- The site is not identified on the UST list.
- There are no properties located adjacent to the site identified on the UST list.

3.8 STATE HAZARDOUS SUBSTANCE DISPOSAL SITE (HSDS) LIST

The Hazardous Substance Disposal Site List is maintained by the State of North Carolina. On the NC HSDS list, dated June 1995, the following information was found:

- The site does not appear on the HSDS list.
- There were two properties identified on the HSDS list within a one-mile radius of the site. The properties are not considered to be environmental concerns due to topographic position with respect to interpreted groundwater flow direction.

3.9 FINDS LIST

The Facility Index System/Facility Identification Initiative Program Summary Report (FINDS) is maintained by the EPA and contains both facility information and "pointers" to other sources that contain more detail. EDR includes the following FINDS databases in their reports: PCS (Permit Compliance System), AIRS (Aerometric Information Retrieval System), DOCKET (Enforcement Docket used to manage and track information on civil judicial enforcement cases for all environmental statutes), FURS (Federal Underground Injection Control), C-DOCKET (Criminal Docket System used to track criminal enforcement actions for all environmental statutes), FFIS (Federal Facilities Information System), STATE (State Environmental Laws and Statutes), and PADS (PCB Activity Data System).

- The 1016 site was listed on the FINDS List. Apparently, Chemical Tex Laboratories Inc. (former occupants) were listed relative to the Permit Compliance System (PCS), Facility Registry System (FRS) and Toxic Chemical Release Inventory System (TRIS). This finding is considered an environmental concern.

4.0 COMMENTS AND RECOMMENDATIONS

4.1 ON-SITE OBSERVATIONS

The 4.47-acre site is comprised of Tax Parcels 06915540 (1024 I-85 Service Road) and 06915541 (1016 I-85 Service Road). The site contains a light-industrial plant with associated warehouses for storage and an administrative building. Raw materials are blended and processed into polypropylene yarns, which are then transported off site in bulk containers or smaller drummed quantities.

1016 I-85 Service Road

The address is listed on the regulatory databases searched for this report. The former occupant of 1016 North I-85 Service Road, Chemical Tex Laboratories, Inc., is listed on the Facility Index System.

Based on the results of our 1999 Phase I Environmental Update (November 5, 1999), LAW conducted a Phase II Environmental Site Assessment at the former Chemical Tex facility (1016). In 1999, analysis of soil samples collected at the 1016 site indicated elevated concentrations of Total Chromium above background levels. Concentrations of organic compounds were detected, including the presence of 2-Butanone (MEK) and Acetone at concentrations of 0.11 mg/kg and 0.66 mg/kg, respectively, as well as, trace amounts of Tetrachloroethene and 1,1,1-Trichloroethane.

In our Phase II report, (dated December 10, 1999), LAW recommended that groundwater at the site be sampled to confirm that levels of constituents identified were not present in the groundwater above the state groundwater standards. If the groundwater assessment was not completed, LAW recommends that it be completed at this time.

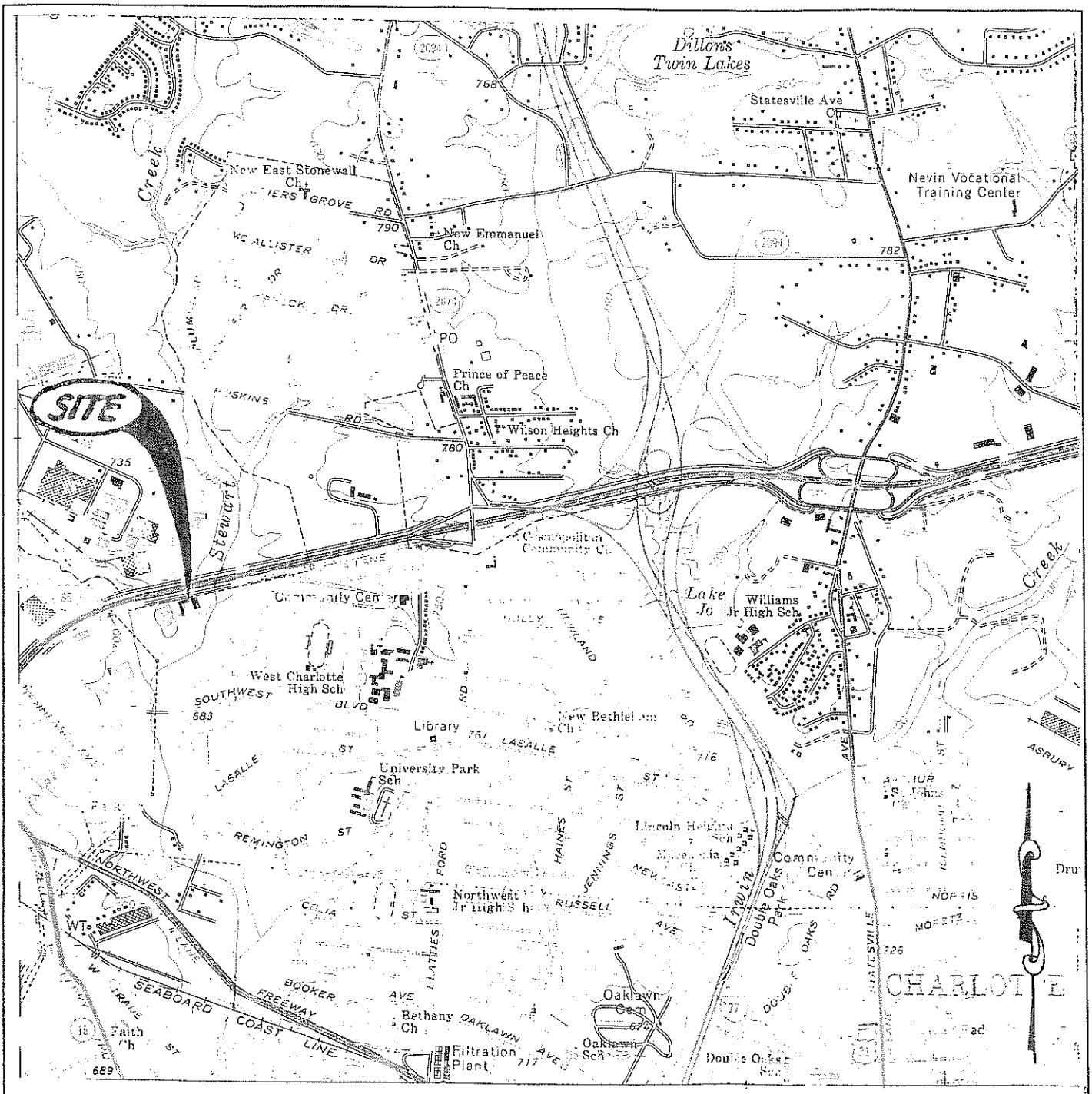
1024 I-85 Service Road

Several areas of corroded concrete flooring related to the former occupants use of the facility were observed adjacent to floor drains within the 1024 plant building. Corroded flooring beneath a vat located within the plant was observed (Photograph 1). The area of corroded concrete flooring led from the vat to a nearby sump.

LAW recommends soil sampling at 1024 site to evaluate the potential impact of chemical products to soil and/or groundwater. Groundwater sampling is recommended as noted for the 1016 site.

4.2 OFF-SITE OBSERVATIONS

Ten nearby properties with documented releases were identified on the reviewed regulatory databases within the established ASTM search radii. The identified properties appear unlikely to adversely impact the site. Our assessment did not identify off-site environmental concerns relevant to the site that would require further assessment at this time.



EXPLANATION

★ APPROXIMATE SITE LOCATION

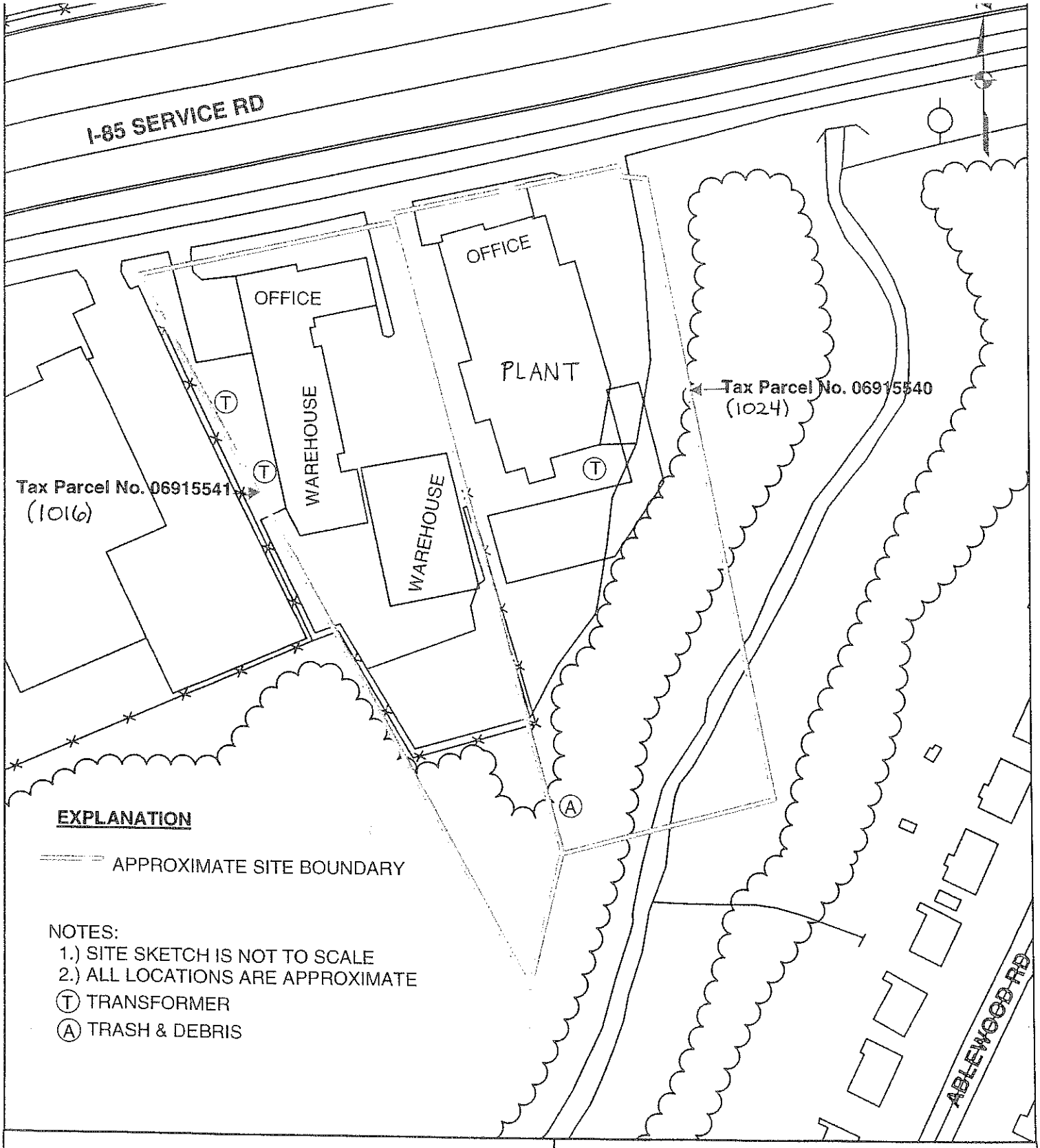
2,400 1,200 0 2,400 Feet

REF: U.S.G.S. 7.5 MINUTE TOPOGRAPHIC MAP OF CHARLOTTE EAST N.C. DATED 1967; PHOTOREVISED 1988

LAW
RESOURCES CREATING SOLUTIONS
CHARLOTTE, NORTH CAROLINA

SITE LOCATION/SURROUNDING PROPERTIES
1016 AND 1024 I-85 SERVICE ROAD
CHARLOTTE, NORTH CAROLINA

PREPARED BY:	DATE	CHECKED	DATE	JOB NO.	FIGURE
		RLW	9-26-02	30100-2-2640	1



EXPLANATION

APPROXIMATE SITE BOUNDARY

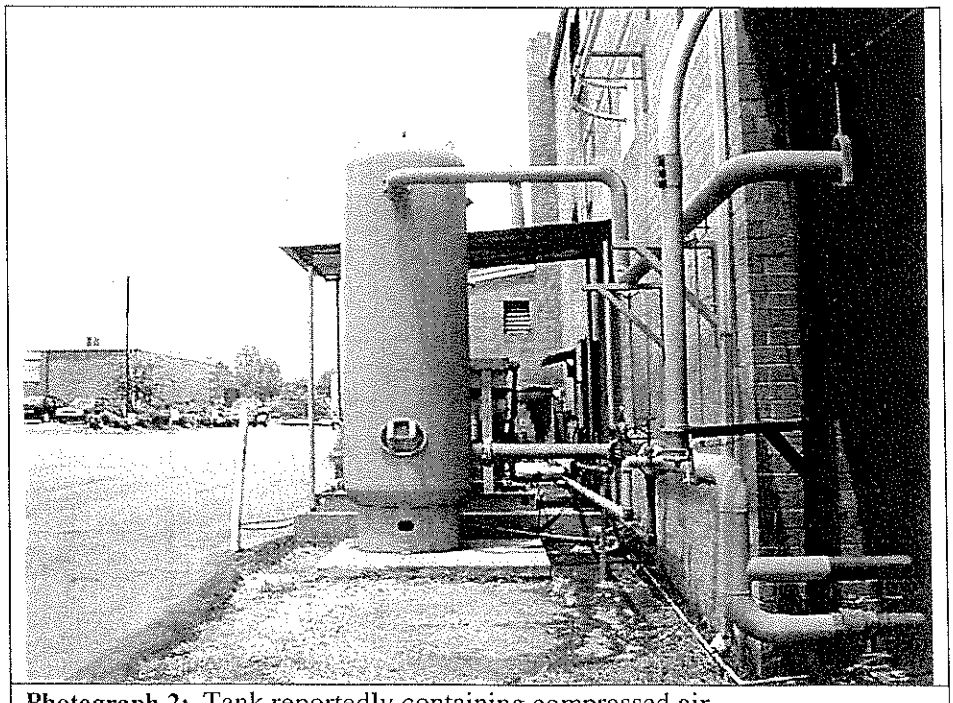
NOTES:
1.) SITE SKETCH IS NOT TO SCALE
2.) ALL LOCATIONS ARE APPROXIMATE
(T) TRANSFORMER
(A) TRASH & DEBRIS

LAW
RESOURCES CREATING SOLUTIONS
CHARLOTTE, NORTH CAROLINA

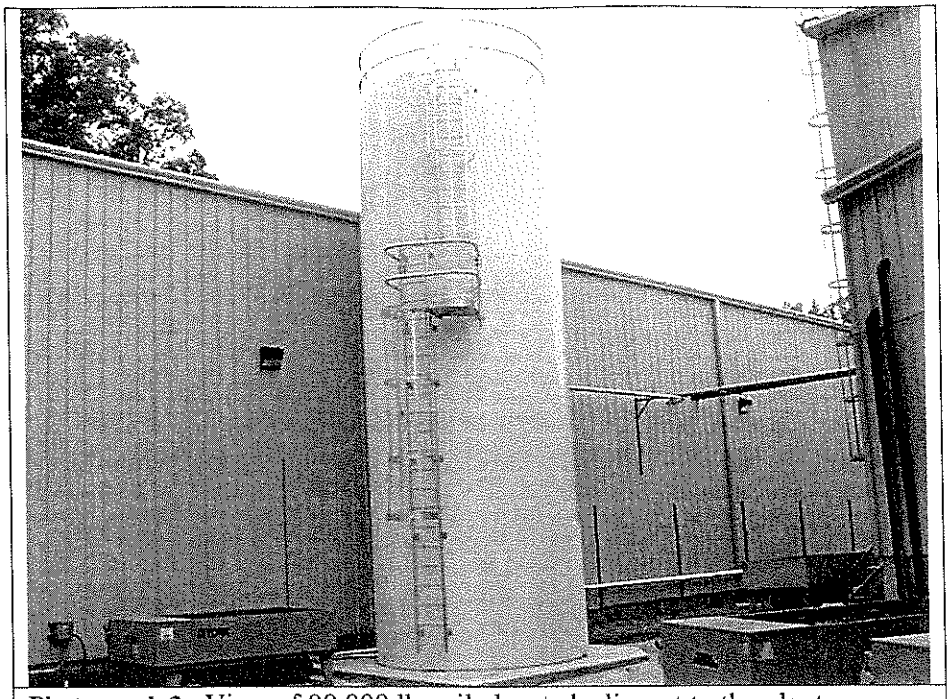
ONSITE OBSERVATIONS
1016 AND 1024 I-85 SERVICE ROAD
CHARLOTTE, NORTH CAROLINA

PREPARED BY:	DATE	CHECKED RVF	DATE 7-26-02	JOB NO. 30100-2-2640	FIGURE 2

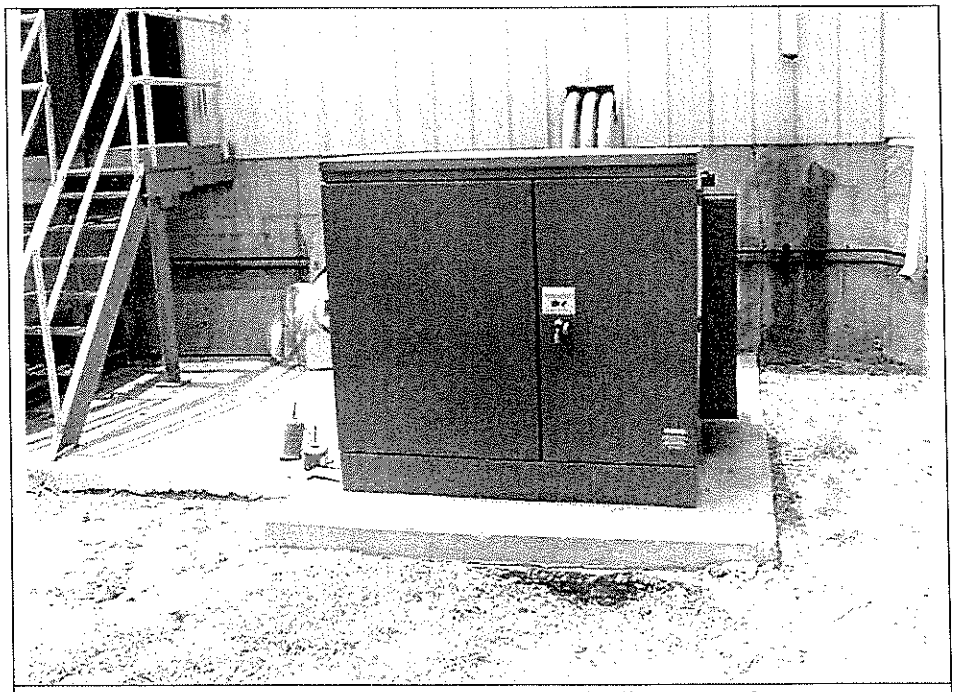
Photograph 1: Corroded concrete flooring located within plant.



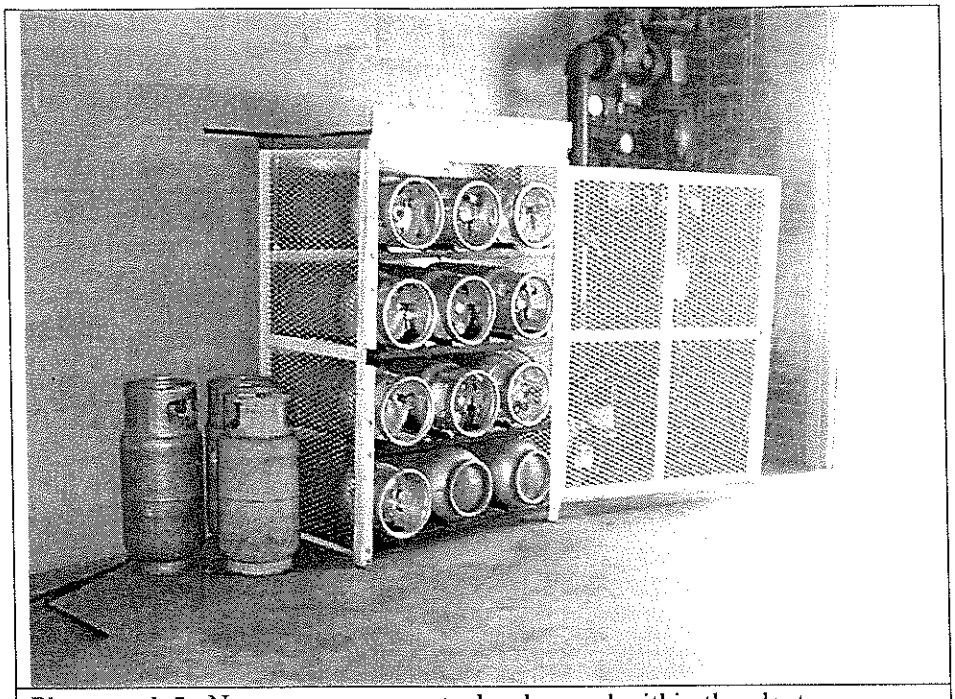
Photograph 2: Tank reportedly containing compressed air.



Photograph 3: View of 90,000 lbs. silo located adjacent to the plant.



Photograph 4: Pad-mounted transformer located adjacent to plant.



Photograph 5: Numerous propane tanks observed within the plant.

Photograph 6: Trash and debris located near the southern boundary of Tax Parcel 06915540.