

DATE August 15, 2014

DECISION MEMORANDUM

FROM: Sam Watson
TO: BF Assessment File
RE: Wetsig Yachts Property
4022 Market Street
Wilmington, New Hanover County
18016-14-65

Based on the following information, it has been determined that the above referenced site, whose intended use is restricted to commercial, can be made suitable for such uses. The site is comprised of 4.0 acres and is the former site of the Pearsall and Company Fertilizer Works facility. Operations at the facility included mixing, bagging and distribution of fertilizer. Manufacturing of the fertilizer did not occur at the site. The fertilizer operations occurred at the site between the 1920s and 1980. The site was then used as a Garden Center, with the same owner, until the property was sold in 1984. The site was purchased by Mr. Wetsig in 1984. Mr. Wetsig renovated the property and operated a fiberglass yacht manufacturing facility, doing business as Wetsig Yachts, until 2008. The current owner, MW4, LLC, purchased the property in 2008 and renovated one of the existing buildings to house professional office space. The initial plans of the prospective developer are to expand and or add buildings on the site to house additional office space. Groundwater at the site is impacted with arsenic, which has been attributed to the operation of the fertilizer facility in the past. A possible additional source of the arsenic is the railroad ties used in the rail line.

Contaminated Media:

Groundwater:

Groundwater at the site is impacted with arsenic at levels exceeding the 2L standard. The arsenic impacts are isolated to the area between the southern building and the southern property boundary, and align almost precisely with the rail line along that property boundary. In 2013, three wells had concentrations of arsenic of 52 ug/L, 31 ug/L and 29 ug/L. The 2L standard is currently 10 ug/L. Groundwater flow in this area is to the southwest, which is would carry the arsenic immediately offsite. Downgradient, offsite monitoring wells, however, do not indicate the presence of arsenic at concentrations exceeding 2L.

The site is hooked up to municipal water. The risk of exposure from groundwater is not considered significant at this site. However, a restriction on use of groundwater has been placed on the property to prevent potential groundwater use in the form of irrigation wells in the future.

Soil:

Soil is impacted with low levels of arsenic along the southern boundary adjacent to the rail line. The levels are beneath the 22 mg/kg threshold that IHSB has set for sites that have no other

contaminants. Arsenic concentrations range from 4.49 mg/kg to 6.48 mg/kg at 4 sample locations adjacent to the southern property line and rail line, and 1 location adjacent to the northern side of the building located along this same property boundary (possibly former a loading area). The levels are not inconsistent with naturally occurring levels at other areas in the county, however given the alignment with the rail line, it is likely that these particular impacts are a result of the historical operations at the site.

Given the low concentrations and the location of the arsenic impacts, the risk from the soil impact is not considered significant at the site. As such, no restrictions have been placed on the soils at the site.

Vapor Intrusion:

Vapor intrusion is not considered to be a risk at the site. No volatile compounds have been detected at the site.

Potential Receptors:

The primary potential receptors to consider in the risk evaluation are workers (office/construction/outdoor/indoor), site visitors and potential trespassers.

Work to Be Performed:

Active remediation is not being required by the PD for this site.

Required Land Use Restrictions:

In order to make the site suitable for its intended reuse, the brownfields agreement will contain the following land use restrictions:

- a. No use may be made of the Property other than for commercial purposes. For purposes of this restriction, commercial is defined as an enterprise carried on for profit by the owner, lessee or licensee.
- b. Groundwater at the Property may not be used for any purpose without the prior written approval of DENR.
- c. None of the contaminants known to be present in the environmental media at the Property, including those appearing in Exhibit 2 to this Agreement, may be used or stored at the Property without the prior written approval of DENR, except in *de minimis* amounts for cleaning and other routine housekeeping activities.
- d. The Property may not be used as a playground, or for child care centers or schools.
- e. The Property may not be used for kennels, private animal pens or horse-riding.
- f. The owner of any portion of the Property where any existing, or subsequently installed, DENR-approved monitoring well is damaged shall be responsible for repair of any such wells to DENR's written satisfaction and within a time period acceptable to DENR.

g. Neither DENR, nor any party conducting environmental assessment or remediation at the Property at the direction of, or pursuant to a permit, order or agreement issued or entered into by DENR, may be denied access to the Property for purposes of conducting such assessment or remediation, which is to be conducted using reasonable efforts to minimize interference with authorized uses of the Property.

h. During January of each year after the year in which the Notice referenced below in paragraph 18 is recorded, the owner of any part of the Property as of January 1st of that year shall submit a notarized Land Use Restrictions Update ("LURU") to DENR, and to the chief public health and environmental officials of New Hanover County, certifying that, as of said January 1st, the Notice of Brownfields Property containing these land use restrictions remains recorded at the New Hanover County Register of Deeds office and that the land use restrictions are being complied with, and stating:

i. the name, mailing address, telephone and facsimile numbers, and contact person's e-mail address of the owner submitting the LURU if said owner acquired any part of the Property during the previous calendar year; and

ii. the transferee's name, mailing address, telephone and facsimile numbers, and contact person's e-mail address, if said owner transferred any part of the Property during the previous calendar year.