

LAW OFFICES OF
PARKER, POE, ADAMS & BERNSTEIN L. L. P.

2500 CHARLOTTE PLAZA
CHARLOTTE, NORTH CAROLINA 28244
TELEPHONE 704-372-9000 FACSIMILE 704-334-4706

MAX E. JUSTICE
PARTNER

June 28, 1996

Mr. Landon Davidson
North Carolina Department of Environment,
Health & Natural Resources
Monroe Regional Office
910 North Main Street
 Mooresville, North Carolina 28116

**RE: REEVES BROTHERS, INC. OSAGE PLANT
BESSEMER CITY, GASTON COUNTY, N.C.**

Dear Mr. Davidson:

We represent Reeves Brothers, Inc. ("Reeves") which owns a former spinning and weaving plant located at the corner of Alabama Avenue and 12th Street in Bessemer City. In preparation for a proposed real estate transaction Reeves recently had Aware Environmental, Inc. conduct a soil and groundwater investigation at the plant. A copy of Aware's Site Soil and Groundwater Investigation Report dated June, 1996 ("Report") is attached.

The Report notes limited groundwater impact. The constituents are petroleum hydrocarbons and chlorinated organic compounds as described in the Report. Well W-2 at the southern end of the Reeves property and the outfall where limited impacts were found are associated with a stormwater sewer installed and maintained by the City of Bessemer City. The stormwater sewer originates upstream of the Reeves plant and traverses a portion of the Reeves plant property before discharging at an outfall across Alabama Avenue on the property also owned by Reeves. The locations of the investigation activity and the stormwater sewer are described and mapped in the Report.

Reeves has carefully investigated the historical uses of the plant and the use of the stormwater sewer both on-site and off-site of its property. From its ownership by Reeves in the 1920s until it was closed in 1995 the plant has been a cotton mill (in the earlier years) and a spinning and weaving plant in the later years until it was closed. This investigation has revealed that tetrachloroethene has not been used at the facility. On-site soil and groundwater sampling and analysis upgradient of the inspected area and near the plant facility did not reveal the presence of tetrachloroethene that could have originated from plant operations.

RALEIGH OFFICE

P.O. BOX 389
ONE EXCHANGE PLAZA
RALEIGH, NORTH CAROLINA 27602-0389

RESEARCH TRIANGLE PARK OFFICE

P.O. BOX 13039
RESEARCH TRIANGLE PARK, N.C. 27709
1000 PARK FORTY PLAZA, SUITE 595

SOUTHPARK OFFICE

4201 CONGRESS ST., SUITE 145
CHARLOTTE, NORTH CAROLINA 28209

SPARTANBURG OFFICE

101 WEST SAINT JOHN ST., SUITE 203
SPARTANBURG, SOUTH CAROLINA 29306

FILE NUMBER

DIRECT DIAL

Mr. Landon Davidson
North Carolina Department of Environment,
Health & Natural Resources

**RE: REEVES BROTHERS, INC. OSAGE PLANT
BESSEMER CITY, GASTON COUNTY, N.C.**

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The petroleum hydrocarbons in groundwater at W-2, which is adjacent to a bend in the stormwater sewer, would not appear to be related to the former or current USTs or ASTs on the Reeves property inasmuch as soil data in the vicinity of those activities did not reveal petroleum hydrocarbons in the soil near groundwater at those locations.

Further, sampling of stormwater, surficial sediments and groundwater at the stormwater outfall revealed petroleum hydrocarbons, tetrachloroethene and other constituents not attributable to Reeves which were consistent with the groundwater results from Well W-2, as discussed in the Report.

The stormwater sewer, which is very old, is constructed of terra cotta and concrete piping. At the outfall numerous pieces of broken terra cotta and concrete were observed in the investigation to have exited the sewer, thus indicating a lack of integrity in the piping. The on-site impacts are within a few feet of the bend in the pipe.

Reeves has not discharged any petroleum hydrocarbons or chlorinated solvents to the stormwater sewer traversing its property. The only connections to the stormwater sewer are from roof drains at a plant building.

In summary, the on-site soil and groundwater data and the data associated with the stormwater sewer rule out Reeves as a source of the detected contamination and suggest that the stormwater sewer is the source.

Potential sources of the detected petroleum hydrocarbons and chlorinated solvents exist upstream of the Reeves property. Attached is documentation of a discharge of petroleum at an upstream location to the subject stormwater sewer in late 1991. To Reeves' knowledge, the cleanup suggested by the Division of Environmental Management was not completed in the manner suggested by the agency.

Further, Reeves' investigation has revealed that currently there are several potential sources of petroleum hydrocarbon and chlorinated solvent releases upstream of the Reeves plant at and near portions of the stormwater sewer upgradient of Reeves' property. There is evidence of surface staining and storage of petroleum hydrocarbons and solvents in the vicinity of upstream stormwater sewer grates. The presence of various solvents and TPH at the outfall in

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proportions which vary from time to time suggests a continuing source other than the Reeves facility whose operations have been discontinued since November, 1995.

Based upon the Report and information assembled by Reeves, Reeves is not responsible for the noted groundwater impacts under the North Carolina Groundwater Standards. While Reeves is not responsible, we wanted to provide you with this information. We request that upon review of this information your agency acknowledge the lack of responsibility by Reeves and issue a No Further Action determination.

We appreciate your attention to this matter. Inasmuch as Reeves would like to move forward with a real estate transaction so that this property can be returned to beneficial and economic use in the community, we would appreciate anything you can do to expedite the matter. If you have any questions or if you need anything further, please let me know. If a meeting with Reeves representatives and its consultants would be useful, we will be happy to arrange it.

Very truly yours,



Max E. Justice

MEJ/mcs
Enclsoures

Mr. Landon Davidson
North Carolina Department of Environment,
Health & Natural Resources

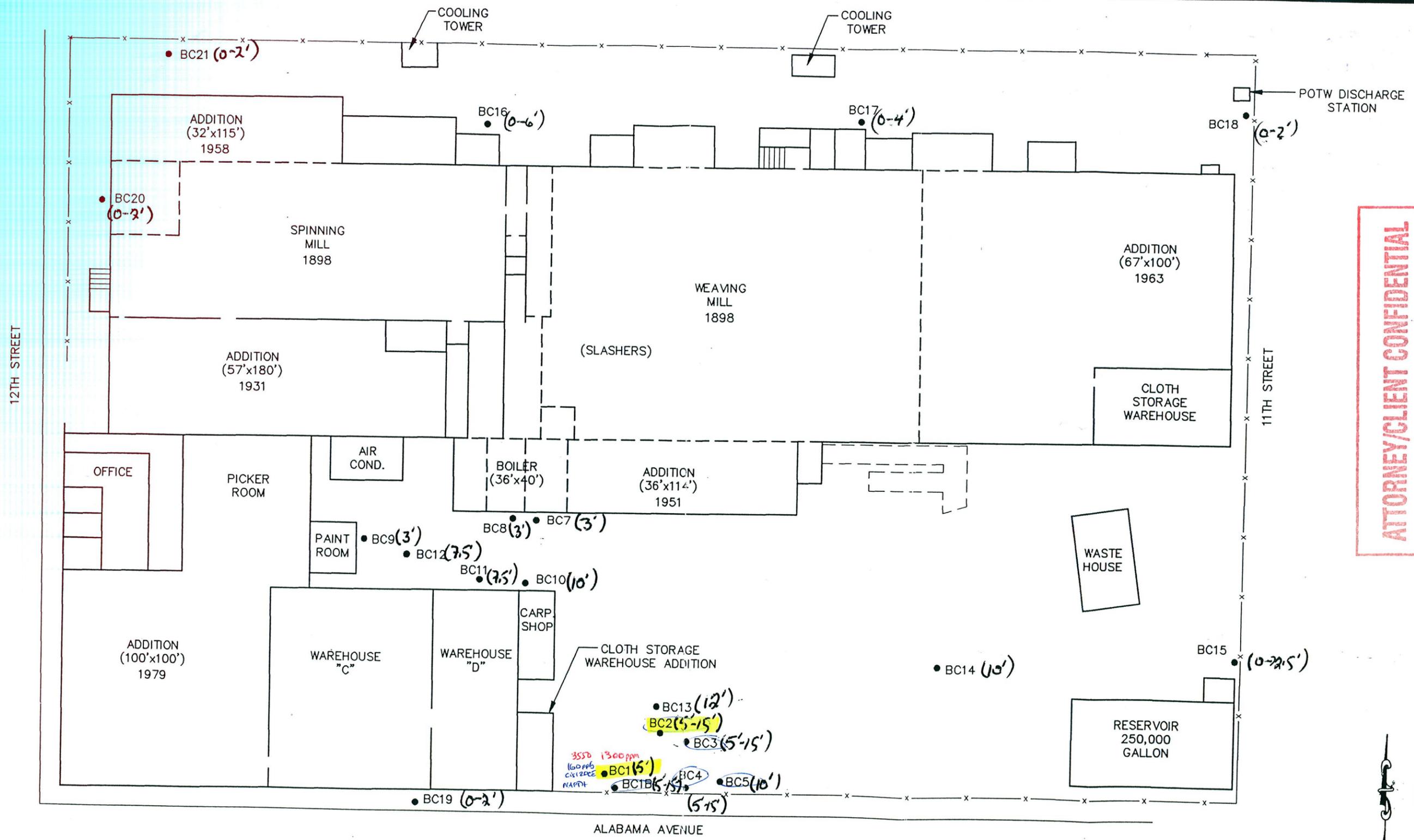
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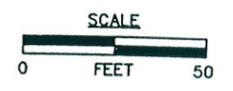
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BCC w/o Encs: Robert F. Ivey, Esq.
 Mr. Patrick M. Walsh
 Robert H. Emmel, Ph.D.

ATTORNEY/CLIENT CONFIDENTIAL
ATTORNEY WORK PRODUCT



LEGEND
 ● BC9 APPROXIMATE PHASE II SAMPLE LOCATION



SCALE: AS SHOWN
 CHECKED BY: *[Signature]*
 DRAWN BY: SB
 DATE: 12-01-95



SITE PLAN
 REEVES INDUSTRIES
 OSAGE PLANT
 BESSEMER CITY, NORTH CAROLINA
 JOB NO: 1264-95-506

FIGURE NO:
 2





State of North Carolina
Department of Environment, Health, and Natural Resources
Mooresville Regional Office

James C. Martin, Governor
William W. Cobey, Jr., Secretary

Albert F. Hilton, Regional Manager

DIVISION OF ENVIRONMENTAL MANAGEMENT

October 23, 1991

Mr. W. L. White
Route 3 Box 917-A
Bessemer City, NC 28016

Subject: Complaint Investigation
White's Hobby Shop Oil Release
Gaston County

Dear Mr. White:

Please find attached a copy of the Report of Investigation for the investigation conducted at your facility on October 21, 1991 by Mr. Jeff Fritts of this Office. The Report should be self-explanatory.

Please be advised that the discharge of petroleum, and the disposal of wastewater without a proper permit is in violation of North Carolina General Statute 143-215.75 and 143-215.1, respectively.

You are required to notify this Department in the event of petroleum releases. You are also required to restore the area that is affected by such a release. As discussed during the time of investigation, please remove the affected soil and have it properly disposed. Also, remove any oil that you can access in the storm sewer. In addition to these, please contact the City's water and/or fire department(s) and have the storm sewer flushed so that you can (in a controlled manner) collect any oil that may be washed out.

If you have any questions, please feel free to contact Mr. Fritts or me.

Sincerely,

A handwritten signature in cursive script that reads "D. Rex Gleason".

D. Rex Gleason, P. E.
Water Quality Regional Supervisor

cc: Gaston County Health Department
Attachment
919 North Main Street, Mooresville, NC 28115 • Telephone 704-663-1699 • FAX 704-663-6040

JF

NORTH CAROLINA DEPARTMENT OF ENVIRONMENT, HEALTH
AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL MANAGEMENT
WATER QUALITY SECTION
POST OFFICE BOX 950
MOORESVILLE, NORTH CAROLINA 28115

REPORT OF: Complaint Investigation
PLACE VISITED: White's Hobby Shop
DATE: October 21, 1991
ADDRESS: Corner of 12th Street and Penn. Ave.
Rt. 3 Box 917-A
Bessemer City, North Carolina 28016
RIVER BASIN: Catawba
BY WHOM: Jeff Fritts *JF*
TIME SPENT: Two (2) hours
PERSONS CONTACTED: W. L. White, Manager
REASON FOR VISIT: Complaint concerning waste oil being
released to a storm drain.
COPIES TO: Gaston County Health Department

REPORT: The establishment is a small, car maintenance and repair shop. The property is owned by Mr. Joe Lamaster who leases the shop area to Mr. W. L. White.
It was noted during the investigation that used oil had been released to the storm sewer. This practice had already been ceased with the oil being stored in a 55 gal. drum for proper disposal. During the conversation with shop personnel, it was discovered that the short, concrete drive was washed to the storm drain and that water/anti-freeze was released to the storm sewer. The inspector notified the shop personnel that all wastewater (and oil) releases to the storm sewer must be ceased. The inspector also informed them that all affected soil must also be removed, the small amount of oil noted in the closest storm drain should be removed, and that any oil that is washed from the storm sewer should be collected for proper disposal. The shop should contact the city water department or the fire department and have the storm sewer flushed out so that all the released oil may be collected in a controlled manner, so as to prevent release of the used oil to the waters of the State.



State of North Carolina
Department of Environment, Health, and Natural Resources
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DIVISION OF ENVIRONMENTAL MANAGEMENT

October 23, 1991

Mr. Ralph S. Messera, Manager
City of Bessemer City
132 W. Virginia Ave.
Bessemer City, NC 28016

Subject: Complaint Investigation
Whites Hobby Shop Oil Release
Gaston County

Dear Mr. Messera:

Attached please find a copy of the Report of Investigation prepared by Mr. Jeff Fritts with this Office regarding the complaint filed by you on October 15, 1991.

The report should be self-explanatory; however, should there be any questions or if you need assistance from this Office in the future, please do not hesitate to contact Mr. Fritts or me.

Sincerely,

D. Rex Gleason, P. E.
Water Quality Regional Supervisor

Attachment

JF