



**AMERICAN  
ENGINEERING  
TESTING, INC.**

CONSULTANTS  
• GEOTECHNICAL  
• MATERIALS  
• ENVIRONMENTAL

January 19, 2005

Kloldt, Inc.  
50 Groveland Terrace, Suite A  
Minneapolis, MN 55403

Attn: Mr. John Bell

RE: Phase I Environmental Site Assessment  
South Minneapolis Apartment Project  
East 44<sup>th</sup> Street & Snelling Avenue  
Minneapolis, Minnesota  
AET Project No. 03-02255

Dear Mr. Bell:

American Engineering Testing, Inc. has completed Phase I Environmental Site Assessment services at the above-referenced property in Minneapolis, Minnesota. This work was done in accordance with our proposal no. 3-04-400.

We appreciate the opportunity to have been of service to you on this project. If you have any questions regarding the information presented in this Phase I Environmental Site Assessment report, or if we may be of additional service, please contact me.

Sincerely,  
American Engineering Testing, Inc.

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Senior Environmental Scientist

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**PHASE I  
ENVIRONMENTAL SITE ASSESSMENT  
SOUTH MINNEAPOLIS APARTMENT PROJECT  
EAST 44TH STREET & SNELLING AVENUE**

**AET PROJECT NO. 03-02255**

**1.0 EXECUTIVE SUMMARY**

American Engineering Testing, Inc. (AET) was authorized by Klodt, Inc. (Klodt) to conduct a Phase I Environmental Site Assessment (ESA) for a parcel located north of East 44th Street and west of Snelling Avenue in Minneapolis, Minnesota. Hereafter, the parcel will be referred to as the PROPERTY.

**1.1 Findings**

The following known or suspected environmental conditions were identified at the PROPERTY.

- Former spills.
- Use of buildings as a laundry, creamery, car shop, machine shop, repair building, and manufacturing facility.
- ASTs, USTs, dispensing pumps, associated piping, and oil burners.
- Floor drains, associated separators and piping, and dry well.

**1.2 Opinions**

- Spills have potential to impact soil and/or groundwater in the event they are not completely cleaned up.
- The historical uses of the buildings at the PROPERTY have potential to impact the subsurface below the PROPERTY in the event products such as solvents, paints, petroleum, laboratory reagents, fungicides, etc. associated with historical uses are released, leak, or spilled.
- Spills or releases associated with ASTs, USTs, dispensing pumps, and associated piping have potential for impacting the subsurface.

- Floor drains, associated separators and piping and dry wells have the potential to impact the subsurface in the event leaks, breaks, or releases of the structures occur.

### **1.3 Conclusions**

We have performed a Phase I ESA in conformance with the scope and limitations of ASTM Practice E 1527-00 of the PROPERTY. Any exceptions to, or deletions from, this practice are described in Section 2.3 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the PROPERTY, except for the following:

- Former spills.
- Use of buildings as a laundry, creamery, car shop, machine shop, repair building, and manufacturing facility.
- ASTs, USTs, dispensing pumps, associated piping, and oil burners.
- Floor drains, associated separators and piping, and dry well.

## **2.0 INTRODUCTION**

### **2.1 Purpose**

The purpose of this Phase I ESA is to identify, to the extent reasonable pursuant to the methodology prescribed herein, recognized environmental conditions in connection with the PROPERTY.

"Recognized environmental conditions" are defined to mean the presence or likely presence of any *hazardous substances* or *petroleum products* on the 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 generally would not be the subject of an enforcement action if

brought to the attention of appropriate governmental agencies. Conditions determined to be "*de minimis*" are not recognized environmental conditions.

## **2.2 Scope of Services**

The scope of this Phase I ESA was defined in our proposal no. 3-04-400 with Klodt, Inc. As indicated in that proposal, we understand this Phase I ESA is being performed to satisfy one of the requirements to qualify for the innocent landowner defense to CERCLA liability. The scope of services includes the following items:

- Review federal, state, and local records to help identify recognized environmental conditions in connection with the PROPERTY.
- Review historical sources to develop a history of the previous uses or occupancies of the PROPERTY and surrounding area.
- Observe the PROPERTY to obtain information indicating the likelihood of identifying recognized environmental conditions in connection with the PROPERTY.
- Visually observe the PROPERTY for on-site solid or hazardous waste disposal.
- Identification of transformers, capacitors or other potential PCB containing equipment.
- Interview owners and/or occupants to obtain information indicating recognized environmental conditions in connection with the PROPERTY.
- Discussions with government officials.
- Preparation of a written report.

Our services to you are strictly limited to the scope described above. For your information, there may be certain environmental conditions on the PROPERTY that are beyond the scope of our Phase I ESA services. Some of these environmental conditions include substances that may be present on the PROPERTY in quantities and under conditions that may lead to contamination of the PROPERTY or of nearby properties but are not included in CERCLA's definition of hazardous substances or do not otherwise present potential CERCLA liability.

The following are non-scope considerations you may want to assess in connection with this property. No implication is intended as to the relative importance of inquiry into such non-scope considerations. This list of non-scope considerations is not intended to be all-inclusive.

- High voltage powerlines
- Radon
- Lead in drinking water
- Lead paint
- Wetlands
- Site flooding
- Indoor air quality
- Mold, fungi or bacterial growth in building structures
- Regulatory compliance
- Cultural and historic resources
- Industrial hygiene
- Health and safety
- Ecological resources
- Endangered species

If you desire to obtain more information on these and other non-scope considerations, please contact us.

The scope of AETs services included performing a pre-demolition asbestos and hazardous material survey. The results of those surveys will be reported under separate cover.

### **2.3 Limitations and Exceptions of Assessment**

You should be aware that, even though we follow the current ASTM practice standard for this service, there may be localized contamination on the PROPERTY we cannot ascertain and will not be responsible for, given this work scope. Such contamination could be related to disposal of contaminants not reported to appropriate government agencies, not made known to us or not reasonably visible to us at the time of our site observations as part of service for this Phase I ESA.

### **2.4 Reliance**

This Phase I ESA has been prepared for the exclusive use of Klodt, Inc. for specific application to the PROPERTY.

## **2.5 Methodology Used**

This Phase I ESA was conducted in general accordance with ASTM Practice E 1527-00. Information was compiled through records review, on-site observation, and interviews with associated people.

## **3.0 PROPERTY DESCRIPTION**

### **3.1 Location and Description**

This PROPERTY is located west of Snelling Avenue, north of East 44<sup>th</sup> Street, east of railroad tracks, and south of East 43<sup>rd</sup> Street. The PROPERTY is located in Section 12, Township 28N, Range 23W, Hennepin County. The location of the PROPERTY is shown on Figure 1. The description of the PROPERTY is shown on the ALTA/ACSM Survey provided to us by Klodt. Figure 2, which is a reduction of the ALTA/ACSM Survey provided to us, also shows the configuration of the PROPERTY.

### **3.2 PROPERTY and Vicinity Characteristics**

The PROPERTY is comprised of about 4.16 acres located in an industrially developed area and adjacent to a residentially developed area in Minneapolis.

The PROPERTY is bordered as noted below.

North:

The north side of the PROPERTY is bordered by East 43<sup>rd</sup> Street with residential and commercial development beyond.

South:

The south side of the PROPERTY is bordered by East 44<sup>th</sup> Street with the City of Minneapolis Street Department facility beyond.



East:

An exception to the east side of the PROPERTY contains residences. Snelling Avenue is present beyond the residences with residential development beyond Snelling Avenue.

West:

The west side of the PROPERTY is bordered by Canadian Pacific Railway railroad tracks with a storage facility farther west. Hiawatha Avenue and the Hiawatha Light-Rail Line are located beyond the storage facility.

### **3.3 Description of Structures, Roads, and Other Improvements at the PROPERTY**

Structures:

This PROPERTY is occupied by three buildings.

The largest of the buildings fronts East 44<sup>th</sup> Street and has an address of 3612 East 44<sup>th</sup> Street. In this report this building will be referred to as the main building. This building is about 83,000 square feet in size and one to three stories high. Building records indicate the original part of the building was constructed in 1925 and the building has been added onto a number of times. A small basement, housing one of the buildings boiler rooms, is present near the southeast corner of the building. Another boiler room is present near the northwest corner of this building. This building is currently used for storage, though a limited amount of cosmetic manufacturing is reportedly being performed in part of the building. This building contains various offices, laboratories, production/mixing areas, a maintenance area, chemical storage areas, a hot room, a finished goods area, and warehouse space. Loading docks are present at the north end of the building.

A building in the northwest corner of the PROPERTY, with an address of 3515 East 43<sup>rd</sup> Street, is currently used for storage. This building is one to two stories high and does not

have a basement. The original part of this building was constructed in 1952 and has since been added onto.

A small building is present near the west side of the PROPERTY between the two buildings previously described. This building houses a well.

A small building that had previously been used in conjunction with unloading/transporting products from railroad cars to the main building is present west of the northwest corner of the main building at the PROPERTY. The survey provided to us shows this building located directly adjacent to but not on the PROPERTY.

**Drinking Water and Sanitary Sewer Source:**

The PROPERTY currently obtains drinking water and sanitary sewer services from the City of Minneapolis.

**Storm Water Run-off:**

Surface water at the PROPERTY drains to topographically lower areas on and adjacent to the PROPERTY. Storm sewers located within the adjacent streets further direct the run-off.

**Roads:**

The PROPERTY is accessible via a driveway off East 44<sup>th</sup> Street along the south and East 43<sup>rd</sup> Street along the north. Snelling Avenue extends along parts of the east side of the PROPERTY, though the PROPERTY is currently not accessible off Snelling Avenue.

**Other Improvements:**

Parts of the PROPERTY that are not covered with buildings are hard surfaced (bituminous pavement or concrete) or aggregate surfaced. The west, north, and east sides of the part of the PROPERTY north of the main building are surrounded by fences.

#### **4.0 USER PROVIDED INFORMATION**

Klodt provided AET with copies of Phase I ESA reports prepared by others for the PROPERTY. These reports include an October 16, 2000 report prepared by Summit Envirosolutions and a report dated September 13, 2002, prepared by Rizzo Associates. Klodt also provided AET with an ALTA/ACSM Land Title Survey prepared by Sunde Land Surveying, LLC. A reduction of the Sunde document is attached as Figure 2.

This Phase I ESA is being performed to facilitate a purchase of the PROPERTY by Klodt with plans to re-develop the PROPERTY for residential and retail use.

#### **5.0 RECORDS REVIEW**

##### **5.1 Physical Setting Sources**

###### **Review of Available Soil and Groundwater Information**

###### **Soils:**

Information published by the Minnesota Geological Survey (1989 Hennepin County Geologic Atlas, *Surficial Geology* by Gary N. Meyer and Howard C. Hobbs) indicates that surficial soils in the vicinity of the PROPERTY are middle terrace deposits. These soils consist of sand, gravelly sand and loamy sand.

Similar soils were encountered in borings that AET recently drilled at the PROPERTY.

###### **Groundwater:**

Our interpretation of the groundwater gradient is based on information published by the Minnesota Geological Survey (1989 Hennepin County Geologic Atlas, *Quaternary Hydrogeology* by Roman Kanivetsky). This information indicates the regional groundwater gradient in the vicinity of the PROPERTY is from the west to the east, i.e. toward the Mississippi River.

Installation of groundwater monitoring wells or piezometers would be required to perform a definitive gradient study at the PROPERTY.

### **Well Record Review**

The Minnesota Geological Survey (MGS) maintains a limited database of water well records (i.e., the Minnesota County Well Index). AET requested Historical Information Gatherers, Inc. (HIG) to review this database for logs of wells located at and near the PROPERTY.

This search identified one well at the PROPERTY. The log, included in Appendix A, indicates the well is registered to Tiro Industries, Inc. and that it was constructed in 1985. The well is 364' deep and water was measured at 42' below the ground surface at the time the well was constructed.

### **5.2 EDR Federal and State Database Search**

AET requested Environmental Data Resources, Inc. (EDR) to provide a Radius Map Report for reported state and federal pollution problems within ASTM specified minimum search distances of the PROPERTY. A copy of the EDR report, dated December 15, 2004, is attached as Appendix B. The results of the database searches are discussed below.

EDR identified the PROPERTY within the following Federal and/or State regulatory agency databases:

- Leaking Underground Storage Tank (LUST) - 1
- Minnesota Spills (MN Spills) - 4
- Underground Storage Tank (UST) - 2
- Resource Conservation and Recovery Information System -- Small Quantity Generator (RCRIS-SQG) - 1
- Facility Index System (FINDS) - 1
- Section 7 Tracking Systems (SSTS) - 1

## **LUST**

The Minnesota Pollution Control Agency (MPCA) information provided by EDR indicates a LUST incident at 3612 East 44<sup>th</sup> Street was reported on August 12, 1992 and that the MPCA subsequently assigned Leak # 5538 to that site. We requested the MPCA to recover this file from their archive system and we reviewed the file at the MPCA St. Paul office. Information in the MPCAs LUST file indicates the LUST site is actually located at another of Tiro facilities, i.e., at 2700 East 28<sup>th</sup> Street, or about two miles north of the PROPERTY.

Because this LUST is not at the PROPERTY, we do not consider LUST # 5538 a suspect environmental condition relative to the PROPERTY.

## **MN Spills**

Four MN Spill incidents were reported at the PROPERTY. EDR and MPCA information indicates that there are no files for one of the spills. A spill reported on August 24, 1999 involved a release of 30 gallons of Gaffix DZ-713 (a resin for hair spray) as a result of a drum falling from a pallet. The material was reportedly contained and cleanup up and the spill file was closed on August 24, 1999. A “start date” of October 9, 1997 for a spill involving an unknown quantity of shampoo occurred in loading a tank truck. The material was reportedly scraped up and placed in drums and disposed of by Safety Kleen and this file was closed on October 9, 1997. A spill reported on November 24, 1993 refers to an overflow of a UST. The file was closed the same day and there is no additional information pertaining to this spill.

Because there is no specific documentation relative to cleanup of some of the spills that reportedly occurred, and because there is no information pertaining to some of the spills, we consider the spills that occurred at the PROPERTY a suspect environmental condition.

## **UST**

The EDR information indicates a 10,000 gallon tank containing “other substance” as abandoned. This UST may actually be the alcohol tank currently located along the exterior east side of the

main building. EDR also reports a 10,000 and 6,000 gallon gasoline UST and a 10,000 gallon diesel fuel UST as removed.

Because there is no specific documentation pertaining to observations/testing performed in conjunction with removal of these USTs, we consider the USTs a suspect environmental condition.

### **RCRIS-SQG and FINDS**

Tiro Industries Inc. at 3612 East 44<sup>th</sup> Street is identified by EDR as a RCRIS-SQG and FINDS site. EDR noted no violations against Tiro Industries as a SQG.

### **SSTS**

SSTS records the registration of new establishments and records pesticide production at each establishment. The presence of an establishment within this database does not necessarily mean that a spill/release of a product has occurred.

## **Federal ASTM Standard Databases**

### **NPL – National Priorities List**

The NPL list is the Environmental Protection Agency's (EPA's) database of uncontrolled or abandoned hazardous waste sites identified for priority action under the Superfund Program.

EDR identified no mappable NPL or Proposed NPL sites within one mile of the PROPERTY.

### **CERCLIS and CERCLIS NFRAP**

CERCLIS is the national database and management system the Environmental Protection Agency (EPA) uses to track activities at sites considered for cleanup under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA),

also known as Superfund. CERCLIS contains the official inventory of Superfund sites and supports EPA's site planning and tracking functions. A Superfund site is any land in the United States that has been contaminated by hazardous waste and identified by the EPA as a candidate for cleanup because it poses a risk to human health and/or the environment. Sites designated as "No Further Remedial Action Planned" (NFRAP) have been removed from CERCLIS. NFRAP sites may be sites where, following an initial investigation, no contamination was found, contamination was removed quickly without the need for the site to be placed on the NPL, or the contamination was not serious enough to require Federal Superfund action of NPL consideration.

EDR identified no mappable CERCLIS site within one-half mile of the PROPERTY and no mappable CERCLIS-NFRAP sites adjacent to the PROPERTY.

#### **CORRACTS – Corrective Action Report**

The CORRACTS identifies hazardous waste handlers with Response Conservation and Recovery Act (RCRA) corrective action activity.

EDR identified no mappable CORRACTS sites within one mile of the PROPERTY.

#### **RCRIS – Resource Conservation and Recovery Information System**

RCRIS regulates the identification, transportation, treatment, storage, and disposal of solid and hazardous wastes. The act regulates such matters as: Hazardous waste generators and transporters; Land disposal restrictions; Federal procurement of products that contain recycled materials; Municipal solid waste landfill criteria; Solid and hazardous waste recycling; Treatment, storage and disposal (TSD) facilities; and Waste minimization and hazardous waste combustion.

EDR identified no mappable RCRIS-TSD sites within one-half mile of the PROPERTY.

A Large Quantity Generator (LQG) is a facility that generates in one or more months 2,200 pounds or more of hazardous waste. A Small Quantity Generator (SQG) is a facility that generates in one or more months between 220 pounds and 2,200 pounds of hazardous waste.

EDR identified the City of Minneapolis at 3607 East 44<sup>th</sup> Street as a mappable SQG and LQG site adjacent to the PROPERTY. This site is located south across East 44<sup>th</sup> Street from the south end of the PROPERTY. The EDR information indicates no violations found pertaining to this sites status as a LQG and SQG.

## **State of Minnesota ASTM Standard Databases**

### **State Haz. Waste – Permanent List of Priorities**

The Permanent List of Priorities identifies Hazardous Waste Sites (SHWS) where investigation and cleanup are needed, cleanups are underway, or cleanup has been completed and long-term monitoring or maintenance continues. This database is the state equivalent to the NPL.

EDR identified no mappable SHWS sites within one mile of the PROPERTY.

### **MN VIC – Voluntary Investigation and Cleanup Program**

This is the Minnesota Pollution Control Agency's Voluntary Investigation and Cleanup Program list. By obtaining MPCA approval of investigation and response action plans, landowners, lenders, and potential developers can be reasonably confident that they know the extent of any environmental problems on the property can determine the most appropriate cleanup action and can calculate the cost of cleanup measures needed to satisfy statutory requirements. This database is the state equivalent to CERCLIS.

EDR identified four mappable VIC sites within about one-half mile of the PROPERTY. These VIC sites are listed on Executive Summary page 4 of EDR's report and additional



information is included later in the EDR report. Our review of these VIC sites reveals they are both located cross and down groundwater gradient from the PROPERTY. As such, these VIC sites are not considered suspect environmental conditions relative to the PROPERTY.

#### **State Landfill – Permitted Solid Waste Disposal Facilities**

State records contain information on permitted solid waste disposal landfills (SWF/LF).

EDR identified no mappable SWF/LF sites within one-half mile of the PROPERTY.

#### **LUST – Leaking Underground Storage Tank**

The State maintains an inventory of reported LUST incidents.

EDR identified nine mappable LUST sites within about one-half mile of the PROPERTY. The LUST sites are listed on Executive Summary page 5 of the EDR report and discussed in the text of that report. Since the sites are not directly adjacent to the PROPERTY, are cross or down groundwater gradient, and/or their files have been closed by the MPCA, we do not consider these LUST sites as suspect environmental conditions relative to the PROPERTY.

#### **UST – Underground Storage Tank**

A record of registered UST sites is maintained by the State.

EDR identified the City of Minneapolis Equipment Service at 3607 East 44<sup>th</sup> Street as a mappable registered UST site adjacent to the PROPERTY. EDR reported this site with the following removed USTs: one 300 gallon and two 560 gallon motor oil tanks; one 10,000 gallon alcohol blend tank; one 1,000 gallon, one 2,000 gallon, one 2,800 gallon, and one 560 gallon and one 300 gallon used/waste oil tank; one 12,000 diesel fuel tank; one 560 gallon other substance tank.

## **Orphan Summary**

EDR also included a list of sites that could not be mapped due to poor or inadequate address information. This is referred to as the Orphan Summary.

Based on or review of the Orphan Summary list of sites, we do not consider these Orphan sites as suspect environmental conditions relative to the PROPERTY.

### **5.2.1 Summary of EDR Federal and State Database Search Review**

Based on our review of the EDR federal and state database information described above, we consider the following items suspect environmental conditions at the PROPERTY:

- Former spills
- Former and existing USTs

## **5.3 Historical Use Information**

The history of the PROPERTY was examined by reviewing topographic maps, aerial photographs, fire insurance maps, historical maps, street directories, and City records. These historical records were provided to AET by HIG and/or EDR.

### **Topographic Map Review**

We reviewed one 1896 St. Paul, United States Geological Survey (USGS) 15 Minute Series Topographic Map and five St. Paul West, Minnesota 7.5 Minute Series Topographic Maps (1951, 1967, 1967/photorevised 1972, 1967/photorevised 1972/photoinspccted 1977, 1967/revise 1993). The maps were provided to AET by HIG and are included in Appendix A.

The earliest map shows the PROPERTY as vacant/undeveloped. Railroad tracks are present along the west side of the PROPERTY and the general area appears relatively flat.

The other maps show the PROPERTY and surrounding area as developed. Adjacent streets to the north, east, and south are apparent on all these maps.

All the maps show the PROPERTY and general area as relatively flat with a slight slope down to the east, i.e., toward the river. The topography at the PROPERTY is shown at about elevation 830'.

### **Aerial Photograph Review**

AET reviewed aerial photographs that include the PROPERTY area for the following years: 1937, 1938, 1940, 1950, 1953, 1956, 1957, 1961, 1964, 1967, 1969, 1970, 1978, 1979, 1983, 1984, 1991, 1993 1997, and 2003. The aerial photographs were provided to AET by HIG and are included in Appendix A. Below is a summary of each year.

#### **Flight Years 1937, 1938, and 1940:**

An oddly configured building is present at the south end of the PROPERTY. This building fronts East 44<sup>th</sup> Street and based on its shape the building has likely been added onto. A smaller building is present west of the northwest corner of this building. A few small buildings, likely dwellings, front streets along the north, east, and south sides of the PROPERTY. Scattered trees are present at the north end of the PROPERTY and the southwest corner appears more heavily wooded. The remainder of the PROPERTY is mostly open. The surface of about the center of the PROPERTY appears disturbed, suggesting some surficial dumping may have occurred in this area.

#### **Flight Years 1950 and 1953:**

The building at the south end of the PROPERTY has been added onto since the previous photograph. In addition, buildings are apparent in the northwest corner. The ground surface in areas adjacent to the driveway extending from East 43<sup>rd</sup> Street to the building in the northwest corner is disturbed. On some of these

photographs it is apparent that many (unknown) items are stored in the center and northwest corner of the PROPERTY.

These photographs also show that the entire parcel west of the railroad tracks located along the west side of the PROPERTY is covered with a building. Additional dwellings are also present within the exception to the east side of the PROPERTY.

Flight Year 1956:

This photograph shows additional buildings in the northwest corner. A building previously shown west of the northwest corner of the larger building at the south end is no longer present.

Flight Years 1957 and 1961:

Additions to the larger building at the south end of the PROPERTY and the building in the northwest corner are apparent. The 1961 photograph shows many items stored throughout about the north third of the PROPERTY. The 1961 photograph also shows parts of the ground surface in the north half of the PROPERTY “darker” and a “lighter” disturbed area.

Flight Years 1964 through 2003:

These photographs show the buildings at the PROPERTY as having been added onto. The 1969 and later photographs show that a building previously present south of the building in the northwest corner is no longer present. The later photographs show dock additions to the north end of the main building. Many items, possibly drums, are shown scattered throughout parts of about the north third of the PROPERTY, mostly south-southeast of the northwest building, on a number of these photographs.

Although the scale of the 1938, 1950, 1956, 1961, 1967, 1970, 1978, 1983, and 1993 photographs is expanded, the scales on all the photographs are relatively small making it difficult to decipher specific site features.

### **Fire Insurance Map Review**

Various mapping companies originally generated fire insurance maps depicting site specific land uses and construction information for the insurance industry to allow them to evaluate the fire risks associated with each property. Today, these maps are used for reviewing past land use and construction activities and the potential for environmental impact to property. EDR maintains a collection of such maps.

Fire Insurance maps for the PROPERTY area for the years 1930, 1941, 1951, 1952, and 1966 were provided to us by EDR. Copies of the maps that include the PROPERTY area are included in Appendix B. Addresses associated with the PROPERTY as shown on the Fire Insurance Maps include the following: 3515, 3601, 3605, and 3609 East 43<sup>rd</sup> Street; 4300, 4304, 4308, and 4360 Snelling Avenue; 3610, 3612, and 3614 East 44<sup>th</sup> Street. Below is a summary of each year.

#### **Year 1930:**

The 1930 map shows dwellings along the north and east sides of the PROPERTY.

A building, identified as “Office” and “Progress Steam Laundry” is shown at the south end of the PROPERTY. The address associated with this building is 3610-12 East 44<sup>th</sup> Street.

Land south across East 44<sup>th</sup> Street is shown as vacant and residential; residential development is east across Snelling Avenue; railroad tracks with vacant land farther west are shown to the west; dwellings and vacant land are north across East 43<sup>rd</sup> Street.

Year 1941:

This map also shows dwellings along most of the north and east sides of the PROPERTY. The building at 3610-14 East 44<sup>th</sup> Street is now identified as “Office” and “Bottling Works”.

No significant changes from the previous map are apparent to the south, east, and west. The vacant lot north of East 43<sup>rd</sup> Street is now labeled “Tractor Repair”.

Years 1951 and 1952:

These maps identify a building in the northwest corner of the PROPERTY, address 3515 East 43<sup>rd</sup> Street, as “Tool Repair Shop”. The building at 3610 East 44<sup>th</sup> Street is labeled “Office” and the building at 3612-14 East 44<sup>th</sup> Street is identified as “Lull Manufacturing”. Notes on the maps identify a machine shop within the building and a detached building as “Paint Spraying”.

No significant changes from the previous map are apparent to the south and east. A large building, covering all the land between the railroad tracks and Hiawatha Avenue between East 43<sup>rd</sup> Street and East 44<sup>th</sup> Street, is present is present west of the railroad tracks. The building is labeled “Char Gale Mfg Co – Sheet Metal Works”. The “Tractor Repair” building shown north of East 43<sup>rd</sup> Street on the previous map has been enlarged and is now labeled “Machine Shop”.

Year 1966:

The building in the northwest corner previously identified as “Tool Repair Shop” on the previous map is no longer labeled. The building at 3610-14 East 44<sup>th</sup> Street is labeled “Seven Up Bottling”. Notes on the map identify “Auto Repair, Truck Repair, Private Garage and Case Storage, and Bottle and Case Warehouse” and a detached building as “Bottle Storage”.

The vacant land south across East 44<sup>th</sup> Street is now occupied by a building labeled “City Road Equipment Garage”. No significant changes from the previous map are apparent to the east and north. Parts of the building to the west are labeled “Manufacturing” and “Printer”.

Please be advised that the Sanborn fire insurance maps included within this report are protected by copyright law. AET has been granted permission to make a limited number of photocopies. Use of these documents in a manner contrary to the scope of services provided in this report cannot be done without written permission of EDR. To do otherwise or use these documents for commercial purposes is a direct violation of copyright law.

### **Historical Map Review**

We reviewed City of Minneapolis or Hennepin County Historical Maps for the years 1892, 1914, and 1940. The maps were provided to AET by HIG and are included in Appendix A.

The two earlier maps show the PROPERTY as vacant land. The railroad tracks are in place along the west on both these maps. The 1914 map shows East 43<sup>rd</sup> Street along the north and Snelling Avenue along the east side of just the north end of the PROPERTY.

The 1940 map shows dwellings fronting East 43<sup>rd</sup> Street at the north end and adjacent to Snelling Avenue along the east. A building is also shown fronting East 44<sup>th</sup> Street at the south end of the PROPERTY.

### **Street Directories Review**

We reviewed street directories (reverse telephone directories) for the City of Minneapolis as part of this Phase I ESA. Directory pages for selected years 1930, 1935, 1940, 1946, 1952, 1957, 1962, 1966-67, 1972, 1977, 1981-82, 1987, 1993, and 1999 were provided to

us by HIG and are included in Appendix A. Addresses associated with the PROPERTY are registered in the directories as follows:

**East 43<sup>rd</sup> Street**

Year	3515	3601	3605	3609
1930, 1935	No listing	Res	Res	Res
1940, 1946	No listing	No listing	Res	Res
1952	Holman Erection	No listing	Res	Res
1957, 1962, 1966-67	No listing	Holman Erection	Res	Res
1972, 1977	No listing	Seven Up bottle storage	No listing	No listing
1981-82	No listing	Vacant	No listing	No listing
1987	No listing	Vacant	No listing	No listing
1993	No listing	Not verified	No listing	No listing
1999	No listing	No listing	No listing	No listing

Res: Residence

**Snelling Avenue**

Year	4300	4304	4308	4360
1930	Res	Vacant	Res	Res
1935, 1940, 1946, 1952, 1957	Res	Res	Res	Res
1966-67	Res	Res	Vac	Res
1972, 1977, 1981-82, 1987, 1993, 1999	No listing	No listing	No listing	No listing

Res: Residence



**East 44<sup>th</sup> Street**

<b>Year</b>	<b>3610-14</b>
1930	Progress Laundry
1935	Northwest Dairy Inc.
1940	Seven Up Bottling Company
1946, 1952	Lull Manufacturing
1957, 1962	Seven Up Bottling Company
1966-67, 1972, 1977	Dr. Pepper & Seven Up Bottling Company
1981-82	Trio
1987, 1993	Trio Industries, Tech Unique Inc.
1999	Main Street Products

**City Records Review**

AET requested the HIG to conduct a file search of Minneapolis Fire Department, tax assessor, and building department files. A copy of their response is included in Appendix A.

**Fire Department Files**

Our review of Fire Department records identified the following:

- 1930 permit to Progress Laundry to install a tank; a note to the permit in 1958 states there is no way to locate tank(s) or no way to know if the tank(s) had been removed.
- 1952 permit to 7 Up Bottling Company to install one 6,000 gallon UST and pump and a 550 gallon drain oil UST near the southwestern corner of the PROPERTY.
- 1958 permit to Seven Up Bottling Company (same as the 1952 permit) with a note that states these tanks were installed without a permit. (It is likely the tanks installed under the 1952 permit were re-located in conjunction with constructing an addition(s) to the building in 1958.)

- 1967 permit to install a 10,000 gallon gasoline UST and a 10,000 gallon alcohol UST; notes on the permit indicate the 10,000 gallon alcohol UST was removed in 1984 and the 10,000 gallon gasoline UST was removed in 1990.
- Letter by Tiro to Minneapolis Fire Department in 1986 concerning seven above ground storage tanks used for storage of fishbase and liquid fertilizer. The tanks were located within a diked area at the northwest corner of main building.
- 1999 letter by Environmental Resources, Inc. to the Minnesota Pollution Control Agency indicating that a 10,000 gallon storage tank containing alcohol used at the Tiro Industries site at 3612 44<sup>th</sup> Street in Minneapolis in the manufacturing of shampoos, cosmetics, etc. was upgraded to comply with 1998 regulations.
- Undated sketch showing a 6,000 gallon tank located 66' north of the East 44<sup>th</sup> Street sidewalk and 5' east of fence along railroad and a 550 gallon drain oil tank 31' from the fence and adjacent to a building.
- Undated sketch showing a 10,000 gallon alcohol tank along the east side of main building and a 550 gallon drain oil tank along the north side of the main building.
- This sketch also shows a 550 gallon drain oil tank near the northeast corner of the garage building and a 10,000 gallon gasoline tank south of the east end of a building located along the south side of East 43<sup>rd</sup> Street and east of the driveway onto the PROPERTY. This tank is shown as 20' west of a fence and 16' south of the building. The word "out" is circled on the 10,000 gallon tank.

#### **Tax Assessor Files**

Tax assessor files indicate the PROPERTY is within a Light Industrial District.

#### **Building Records**

Building records for the main building indicate the original part of this building was initially constructed in 1925 and that the building has been added onto a number of times. The building has been occupied by a laundry, creamery, manufacturing

facility, and bottling plant and uses of the building included a car shop, machine shop, repair building, and warehouse.

Records for the building in the northwest corner of the PROPERTY indicate this building was initially constructed in 1949 as a shed for contractor's equipment and that warehouse additions onto the building have been made since that time. The records also refer to installing oil burners.

The other building records we reviewed indicate the structures along Snelling Avenue and East 43<sup>rd</sup> Street (east of the building in the northwest corner) were dwellings.

### **5.3.1 Summary of Historical Document Review**

Based on our review of the historical document information described above, we consider the following items suspect environmental conditions at the PROPERTY:

- Usage of buildings as a laundry, creamery, car shop, machine shop, repair building, and manufacturing facility.
- ASTs, USTs, pumps, associated piping, and oil burners.
- Floor drains, associated separators and piping, and dry well.

### **5.4 Additional Record Sources**

#### **Previous Phase I ESAs**

We reviewed a Phase I ESA prepared for the subject site by Summit EnviroSolutions, Inc. (Summit Project No. 1453-001, report dated October 16, 2000). This report identified a former laundry facility, former USTs, dry well, observed vents and fill pipe, potential asbestos containing building materials and potential PCB containing electrical equipment as potential on-site environmental concerns and LUSTs, USTs, and small/large quantity generator sites as potential off-site environmental concerns.

We also reviewed a Phase I ESA prepared for the site by Rizzo Associates (report dated September 13, 2002). The Rizzo report concluded the following: "Based on these findings,

Rizzo Associates, Inc. did not identify releases at the Site that have potential to adversely impact Site soil or groundwater. No conditions were noted which would warrant additional environmental work at this time”.

### **Underground Pipelines Review**

We reviewed 1989 and 1997 maps prepared by the Minnesota Department of Transportation regarding underground petroleum pipelines in the vicinity of the PROPERTY.

The maps do not show any petroleum pipelines extending through or adjacent to the PROPERTY.

## **6.0 INFORMATION FROM PROPERTY VISIT**

Charles Bisek of AET visited the PROPERTY on December 17 and 21, 2004. Photographs taken at the time of our visits are included in Appendix C.

### **6.1 Hazardous Substances or Containers**

The main building at the PROPERTY contains many containers including drums, storage and mixing tanks, etc. A complete listing of chemicals used and stored at the facility was not available. Some of the chemicals or compounds identified on containers and drums in conjunction with a previous Phase I ESA by others included Ameroxol, Lanolin, GAT Quat, Monamic, Promidium CO, Miratine CBS, Stanapol ES-40, Plantarar 1300, Citric Acid, Lexaine C, turfactin, alcohol, and mineral spirits. A previous Phase I also referred to material safety data sheets (MSDS) for the following materials used at the site: carbowax polyethylene glycol 3350 flake, Blue No. 2, Glitterex DSCO MX, Citric acid anhydrous, yellow no. 6, polyvinylpyrrolidone, 200 proof anhydrous modified SDA 4DB, and paraffin wax. The ESA report indicates the listing provided above is not a complete list. In addition, parts of the main building were occupied by laboratories. Many containers of laboratory reagents were observed within the laboratory facilities.

## **6.2 Petroleum Products**

Various different sized containers of lubricants, etc. were noted within the shop area of the main building. These containers were generally covered/sealed.

## **6.3 Storage Tanks**

A 10,000 gallon underground storage tank that had been used to store alcohol is located slightly north of the southeast corner along the east side of the building fronting East 44<sup>th</sup> Street. This tank has reportedly been temporarily closed and contains only a small amount of residual alcohol. Equipment for monitoring tank leaks is present on the interior east wall of the building adjacent to where the tank is located.

The building at 3612 East 44<sup>th</sup> Street contains multiple above ground mixing and processing tanks used in the manufacture of shampoos/cosmetics. Most of these tanks are located in the southern portion of the building.

There are three 18,000 gallon above ground storage tanks located in the northwest corner of this building. These tanks were initially used for storing sugar/syrup used in manufacturing carbonated beverages and more recently used for storage of fish fertilizer.

Pipes along the exterior east side of the building near the basement boiler room were observed. Most of these pipes appear to be vent pipes, though one of the pipes appears that it may be associated with a former tank within the basement boiler room.

## **6.4 Alcohol and Hot Rooms**

A room labeled “alcohol” is present north of the fenced maintenance area. We understand that explosive chemicals are stored in this room. Another room, labeled “hot” contains heat sensitive chemicals. Both rooms contained drum and smaller sized containers. However, we were unable to observe whether floor drains were present within the rooms.

## **6.5 Odors**

“Fragrant” odors were noted within the main building.

## **6.6 Pools of Liquid or Stained Surfaces**

Minor staining of the concrete floor was noted within the fenced maintenance area. Some of the concrete floors in parts of the batch mixing appear “corroded”.

## **6.7 Stressed Vegetation**

The PROPERTY is basically covered with buildings and parking/drive areas and therefore surface vegetation is not present.

## **6.8 Drains and Waste Traps/Sumps**

Floor drains, trench and circular drains, are present throughout the main building. We were also able to remove the cover of a manhole structure located in the batch mixing area near the southeast corner of the main building. The underlying structure appeared to be a sediment trap. Other manholes were observed in this building, though we did not access/view the interior of these other structures.

We observed what appears to be a dry well in the basement boiler room. The dry well consists of an uncovered manhole structure. The base of the drywell, which is about 4’ below the basement floor slab, is soil.

## **6.9 Indications of Polychlorinated Biphenyls (PCBs)**

We observed electrical switchgear equipment within the buildings. Some of the switchgear equipment may be PCB containing.

Light fixtures at the PROPERTY may utilize PCB containing ballasts. We did not observe any of the ballasts for the presence of PCBs. Since much of the building construction at the

PROPERTY occurred prior to July of 1978 when PCBs were banned, it is likely some of the ballasts contain PCBs.

### **6.10 Indications of Solid Waste Disposal**

Other than observing one lead acid battery along the west side of the main building, we did not observe any evidence of indiscriminate dumping or disposal on the ground surface at the PROPERTY. The battery was in an upright position and intact.

### **6.11 Physical Setting Analysis**

The PROPERTY is located adjacent to railroad tracks in a commercial and residential developed area of Minneapolis.

### **6.12 Other Observations**

Most buildings contain thermostats, switches, door closers (hydraulic), etc. Some of these components contain regulated materials.

### **6.13 Mercury Vapor**

The PROPERTY is mostly illuminated with fluorescent lighting. Fluorescent lamps are known to contain mercury vapor, which is currently considered regulated waste.

## **7.0 INFORMATION FROM INTERVIEWS**

AET interviewed various parties as part of this Phase I ESA. The results of the interviews are summarized below.

### **Robert Vaa-President of Tiro Industries**

Mr. Vaa reported Tiro moved into this facility in about 1980. Tiro produced hair care products (hair sprays, shampoos, conditioners, etc.) at this facility from 1980 until they moved their operations to another facility in 2001. He reported that Tiro also produced an organic fertilizer at this site from about the mid to late 1980s. A fish emulsion was transported to the site, stored in the three large above ground storage tanks located in the

northwest corner of the building, and mixed with kelp and minerals and then bottled. Mr. Vaa reported Tiro also produced the fungicide Phyton-27 (active ingredient copper sulfate pentahydrate) and various products for the Ringer Corporation. He reported these products were produced in a room north of the maintenance shop area. Mr. Vaa also reported that Tech Unique, a laboratory, was located in the main building. Tech Unique was a laboratory that did consulting and product development. Regarding some of the materials located within the laboratories in the main building, Mr. Vaa reported his partner had purchased these materials at an auction in about 1986 and that they have basically been stored on-site since that time and that he is currently in the process of having these materials properly disposed. Mr. Vaa reported that prior to Tiro acquiring the PROPERTY, the facility housed the Seven-Up Bottling Company.

Mr. Vaa reported the only underground storage tank (UST) that he is aware of is a 10,000 gallon UST that was used to store alcohol. The UST is located along the east side of the building and it has been temporarily closed and contains only a small amount of alcohol. He also reported this tank has the appropriate leak detection systems. Mr. Vaa also reported that a manhole associated with a below floor structure is present in the southeast area of the main building. He stated this is a trap used to capture sediments prior to discharge of sewage to the sanitary sewer system. He has no knowledge of the purpose of the dry well located in the basement boiler room.

Mr. Vaa reported that a well located in the well house along the west side of the PROPERTY is 364' deep and that the water from the well was used as cooling water in tanks and that the water was then discharged to the sanitary sewer system.



**Brian Haugstad-Regulatory Affairs Manager with Tiro Industries**

Mr. Haugstad reported the buildings at the PROPERTY are connected to the municipal sanitary sewer system and water supply. He indicated he is not aware of any on-site septic systems and that water from the well located in the well house along the west side of the PROPERTY provided water used for rinsing operations. When asked about below grade tanks within the buildings, he reported the only such tank that he is aware of is a tank in the southeast area of the main building. He stated that it his understanding this tank may be a sediment separator and that water sampling, for Metropolitan Council purposes, was performed at this location. He indicated he is also aware of a dry well within the basement boiler room, but he did not have knowledge of what, if anything, that may have been discharged to the sump. When asked about Tech Unique, a former tenant of the PROPERTY as listed in City Directories, he indicated this company performed water analysis and environmental monitoring (air settling plates) for drug companies.

Mr. Haugstad reported he is not aware of any spills or releases that occurred at this facility.

**Tim Lenz-Tiro Industries Maintenance Worker**

Mr. Lenz reported he has worked at the Tiro facility for about the past eleven years. To his knowledge the only underground storage tank is the 10,000 gallon alcohol UST along the east side of the building. He recalled that a UST had been removed from near the northeast corner of the main building a number of years ago, though he did not recall what was stored in the tank. He speculated the UST was about 300 gallons in size.

Regarding sediment or waste traps, Mr. Lenz stated he is aware of five such traps within the main building. The largest of the traps is located in the southeast area of the main building with the others scattered throughout the building. He also reported that a dry well is present in the basement boiler room, and that the only liquid that he is aware of

having been discharged to the dry well is water from the tank that feeds the boiler and occasional water resulting from cleaning the floor in that area.

Mr. Lenz reported he is not aware of any sediment or waste traps within the garage building present in the northwest corner of the PROPERTY, though he indicated a floor drain is present in that building. He also indicated this building has been used exclusively for storage during the time he has been employed by Tiro.

Mr. Lenz also reported there are no floor drains in the alcohol room or the hot room.

Mr. Lenz reported he is not aware of any spills or releases that occurred at this facility.

## **8.0 CLOSURE**

The services performed by American Engineering Testing, Inc. for this project have been conducted in a manner consistent with that level of skill and care ordinarily exercised by other members of the profession currently practicing in this area, under similar budgetary and time constraints.

The findings, opinions and conclusions presented in this report are based on AET's understanding of the clients intended use of the PROPERTY. If the intended use of the PROPERTY changes, AET should be notified to review these changes and to determine the impact, if any, of the changes on the presented findings, opinions and conclusions

If conditions differing from our original findings are found, AET should be immediately contacted to review these conditions and determine if there are any material impacts on any of our findings, opinions and conclusions.

## 9.0 SIGNATURES AND QUALIFICATIONS

Refer to Appendix D for resumes of the environmental professionals associated with this Phase I ESA.

Report Prepared By:  
American Engineering Testing, Inc.

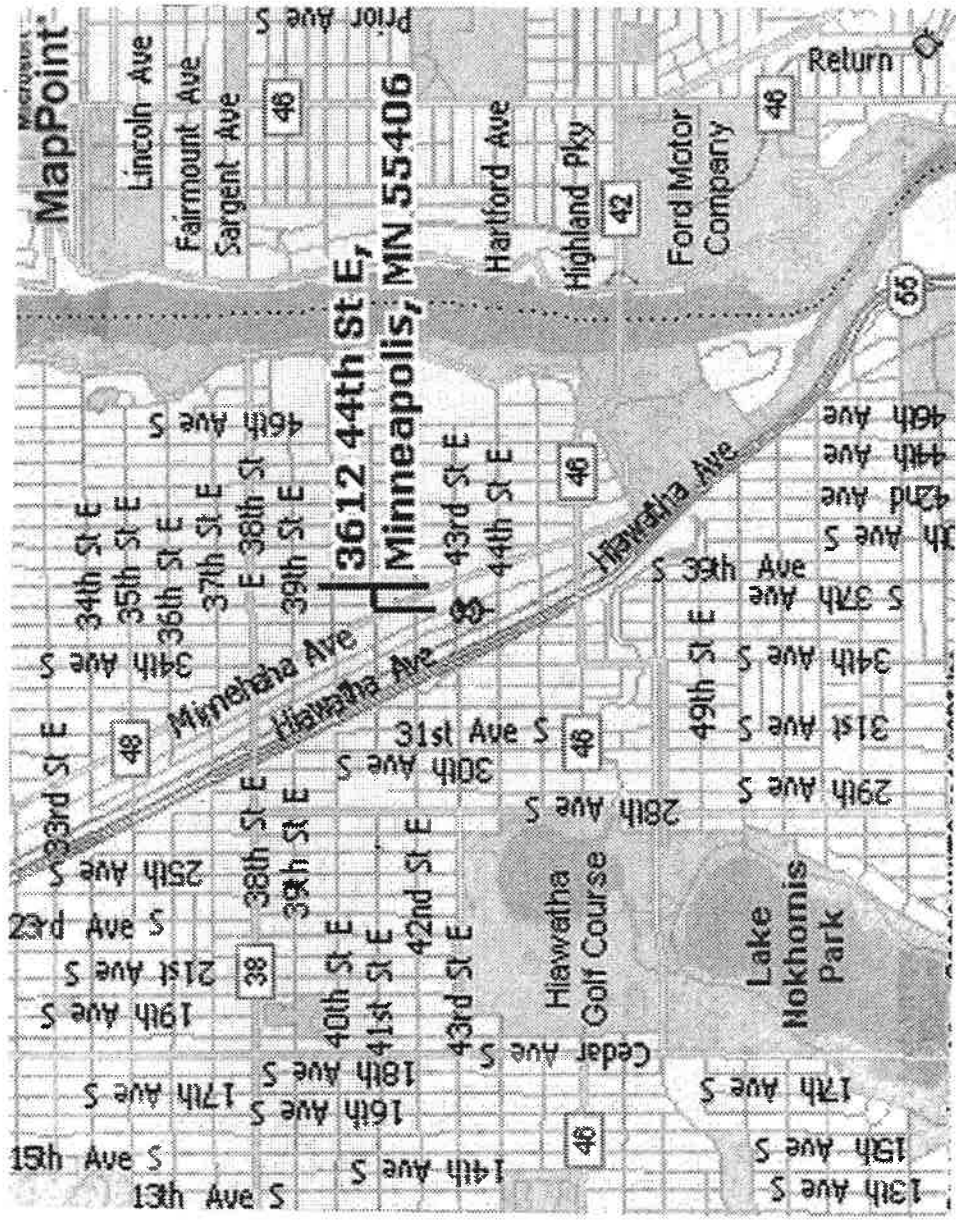


Charles W. Bisek  
Senior Environmental Scientist

Report Reviewed By:  
American Engineering Testing, Inc.



Richard D. Lowe  
Environmental Engineer



<b>AMERICAN ENGINEERING TESTING, INC.</b>	<b>PROJECT:</b> So. Minneapolis Apartment Project, Minneapolis, MN	<b>AET #03-02255</b>
	<b>SUBJECT:</b> PROPERTY Location Map	<b>DATE</b> Jan-05
	<b>SCALE:</b> None	<b>CHECKED BY:</b> <i>CP:scb</i>
		<b>FIGURE 1</b>

