

PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT



GEORGETOWN BUSINESS PARK

For
The City of Georgetown, Kentucky

Prepared By



BRIGHTON A & E, INC.
201 Brighton Park Boulevard
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May 10, 2002

PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT
Georgetown Business Park

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PHASE I ENVIRONMENTAL SITE ASSESSMENT
Georgetown Business Park
Georgetown, Kentucky

1. EXECUTIVE SUMMARY

Brighton A&E, Inc. has conducted a Phase I Environmental Site Assessment of the Georgetown Business Park. The purpose of the assessment is to identify any recognized environmental conditions using American Society for Testing and Materials (ASTM) Practice E 1527-00 and E 1528-00. Recognized environmental conditions means 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 assessment included a detailed examination of the property. A data search of state and federal government databases was conducted by EcoSearch Environmental Resources, Inc. for the property and surrounding property within a search radii specified by ASTM E 1527-00.

Several environmental conditions were identified, including trash, debris, abandoned furniture and appliances, abandoned pick-up trucks, an automobile battery, and roofing shingles. The report recommends a general policing of the property and removal and disposal of all identified materials.

A stack of white marble grave markers dating from the nineteenth century was found on the property. Attempts to establish the original location of the grave markers are detailed in the report, but were not successful. An archaeological investigation by Dr. Jack Schock is currently under way. Dr. Schock will conduct investigations directed toward determining if there is an unknown cemetery location within the Park property.

A 300-gallon underground storage tank is located on the southeastern portion of the Park property. The tank was used by the owner of the property to store farm fuel. The location of the tank is given in a map included in the text. The tank should be registered and removed. Sampling and testing should be performed to determine if leakage has occurred. There is no surface evidence of leakage or contamination.

2. INTRODUCTION

2.1 Purpose

The purpose of this report is to present a Phase I Environmental Site Assessment, prepared to comply with the American Society for Testing and Materials (ASTM) Practice E 1527-00 and E 1528-00. The Assessment is directed toward identifying recognized environmental conditions with respect to a range of contaminants within the scope of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and petroleum products. The Assessment is intended to reflect a commercially prudent and reasonable inquiry and to satisfy one of the requirements for innocent landowner defense to CERCLA liability.

2.2 Detailed Scope of Services

Brighton has produced a Phase I Environmental Site Assessment Report, prepared in conformance with ASTM Practice E 1527-00. A data search of state and federal environmental databases was performed to identify potential recognized environmental conditions on the property or within minimum search radii as specified in the above Practice. Records at the Kentucky Division of Waste Management were reviewed to assess the compliance history and current status of identified sites. A site inspection was conducted to observe the property and identify evidence of existing or threatened contamination. A history of the site was constructed based on a chain-of-title for the property and a review of historic aerial photographs and mapping.

2.3 Significant Assumptions

This report is based on data and information obtained by Brighton personnel while performing the scope of work. It is based solely on the condition of the property when inspections were made to the extent observable at that time, supplemented by such other information and data obtained by Brighton. Brighton relied in good faith upon the representations and information furnished to Brighton by the operators, managers and personnel of the property and all other persons and entities with whom Brighton conferred concerning the existing conditions and historic uses of the property.

2.4 Limitations and Exceptions

This report is intended to assist the City of Georgetown, Kentucky ("Client") in understanding the physical and environmental factors related to the property evaluated in this report by Brighton A&E, Inc. ("Brighton") following the agreed scope of work. Brighton will not accept liability for any loss, injury, claim or damage, arising directly or indirectly from any use or reliance on this report by any person or entity other than Client.

Furthermore, it must be understood that changing circumstances in the physical or regulatory

environment, the administration and use of the property, as well as changes in any substances stored, used or disposed at the property, could alter radically the conclusions and information contained in this report. Therefore, it is important that Client periodically re-evaluate the property and keep informed as to developments which may actually or potentially impact it.

Although a data search was performed for potential impacts of hazardous substances and petroleum products in the area, Brighton did not conduct testing, exploration, sampling or empirical evaluation of the potential for the sites to impact the property.

Notwithstanding the above, Brighton is not disclaiming liability for its errors, omissions, or negligence.

2.5 Special Terms and Conditions

The Phase I Environmental Site Assessment provides information on the existence or likely existence of any hazardous substance or petroleum products on the property under conditions that indicate an existing or past release or a material threat of a release into structures on the property or onto the ground, groundwater or surface water of the property. The Assessment is based on an on-site review and review of "practically reviewable" records as defined in ASTM E 1527-00. The Environmental Assessment is directed toward reducing, not eliminating, uncertainty regarding the existence of recognized environmental conditions on a property.

2.6 User Reliance

The user is cautioned that this assessment is based on readily reviewable records and does not reflect a comprehensive, analytical examination of the property.

3. SITE DESCRIPTION

3.1 Location and Description

The Georgetown Business Park is located in east-central Scott County, Kentucky, approximately two (2) miles east of the intersection of Interstate Highway 75 and Cherry Blossom Way. The property is situated to the immediate east of the Toyota Motor Manufacturing Plant on Cherry Blossom Way and is approximately 3.5 miles north of the central portion of Georgetown. The property is generally bounded by U.S. 62, Delaplain Road, and Barkley Pike. A site map is included in the Appendix showing the property and its location relative to roads in the vicinity. The property includes approximately 395 acres, most of which has historically been used for agriculture. Existing or previously existing known buildings on the property are farm houses, barns, and associated structures. The land is gently rolling. Drainage is to the south into Lanes Run Creek.



3.2 Site Vicinity and General Characteristics

The site and vicinity are characterized by open fields with wooded fence lines. The land has been used for both row crops and grazing. These uses continue on a portion of the property. The vicinity is dominated by the Toyota Motor Manufacturing Plant to the immediate west of the Park. Further to the west there are several transportation businesses and service centers at the intersection of Interstate 75 and Cherry Blossom Way. The other surrounding property is farm land with scattered residences.



3.3 Current Use of the Property

The western approximately one-third of the property has apparently been left fallow for the last few years. There are some remains of hay rolls indicating the most recent land use was hay land. The remainder of the property is being used for cattle grazing and hay production. Tobacco was produced on the property in 2001.

3.4 Description of Structures, Roads, Other Improvements on the Site

Barkley Pike, a two (2) lane county road, adjoins the western side of the Park and separates a small section of the park on the western side of that road. There are several structures on the property, and a review of historical photography indicates other structures. The Appendix contains an aerial photograph of the Park with individual parcels noted with the same numerical designations that appear on the Scott County Property Tax Maps. These designations are used for ease of reference. There are no structures on Parcels 61 and 4F. Farm structures that are shown on Parcel 61 on the 1974 aerial photography are no longer present.



Barkley Pike

Parcel 4C

This parcel has a somewhat dilapidated tobacco barn with attached tobacco stripping room. The barn and immediate surrounding area is being used by a wood industry.



Tobacco Barn - Parcel 4C



Barn and Stripping Room - Parcel 4C

There are two small ponds at the eastern boundary of Parcel 4C. Both ponds appear to be dry during substantial periods of the year.



Pond #1 - Parcel 4C



Pond #2 - Parcel 4C

Parcel 21

A dilapidated log house, barn and outbuilding are located on the north-central portion of Parcel 21. It has obviously been several decades since the house was occupied. It is possible that the log house will be dismantled and moved to another location in Scott County. A vacant mobile home is located on the north side of the parcel. The mobile home has apparently been moved to the site and not connected to utilities nor occupied.



Log House - Parcel 21



Barn - Parcel 21



Outbuilding - Parcel 21



Mobile Home - Parcel 21

A collapsed barn structure and concrete block remains of another building are on this parcel as are two small farm ponds.



Collapsed Barn - Parcel 21



Concrete Block Remains of Building - Parcel 21



Pond #1 - Parcel 21



Pond #2 - Parcel 21

Parcel 25

The only remaining structures on Parcel 25 are a tobacco barn with an attached tobacco stripping room and a small tool shed. Both structures are in good repair. A house is shown on the 1974 aerial photography, in the Appendix, but has since been removed. A small farm pond is located near the southwestern corner of the parcel.



Barn - Parcel 25



Tool Shed - Parcel 25



Previous House Site in Foreground - Parcel 25



Pond - Parcel 25

Parcel 33CI

One barn is situated in the pasture field on Parcel 33CI. A house is noted on the 1974 aerial photography but is now gone. No traces of the house remain.



Barn, View 1 - Parcel 33CI



Barn, View 2 - Parcel 33CI

Parcel 35

A barn and tool shed are located near the northern boundary of the parcel. Two small farm ponds in series are near the barn and are used for cattle watering.



Barn and Tool Shed - Parcel 35



Ponds in Series - Parcel 35

Parcel 3

The remains of two houses are located on Parcel 3. The foundation, a cellar, an outbuilding, and a well house remain from the first homestead. The foundation and chimney of the second house remain. One farm pond that only impounds in response to recent rainfall is located at the northeastern corner of the parcel.



House Site - Parcel 3



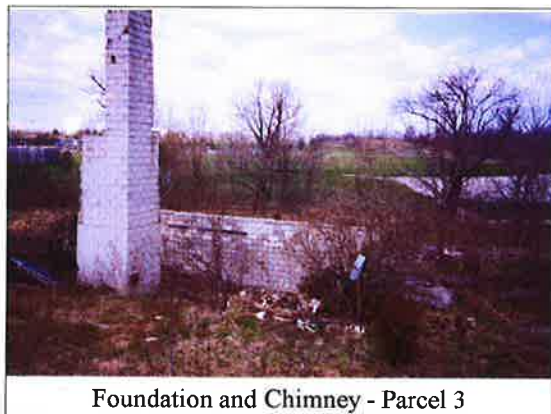
Cellar - Parcel 3



Outbuilding - Parcel 3



Well House - Parcel 3



Foundation and Chimney - Parcel 3



Dry Farm Pond - Parcel 3

3.5 *Current Use of Adjoining Property*

A City of Georgetown wastewater treatment plant is located to the immediate west of the Park, between Lanes Run Creek and Cherry Blossom Way. The northern approximately one-third of the wastewater treatment plant property is used for several soccer fields and a parking area.

The Toyota factory is located across Cherry Blossom Way west of the Park property. U.S. 62 and Delaplain Road front the Park in the east and north, respectively. The property across U.S. 62, Delaplain Road and adjoining on the south of the Park is farmland and scattered residences.



City of Georgetown Wastewater Treatment Plant



Soccer Fields



Adjoining Property on the South



Delaplain Road



Adjoining Property on North across Delaplain Rd.



U.S. 62



Adjoining Property on East across U.S. 62



Cherry Blossom Way



Toyota Plant

4. USER PROVIDED INFORMATION

4.1 Title Records

A Chain of Title for each parcel, keyed to the Property Tract Location Map in the Appendix, is included in the Appendix.

4.2 Environmental Liens or Activity and Use Limitations

No environmental lien against the property is known.

4.3 Specialized Knowledge

Brighton A&E, Inc. has worked in the Georgetown/Scott County area for several decades. Brighton designed Cherry Blossom Way.

4.4 Valuation Reduction for Environmental Issues

There has been no known valuation reduction for environmental issues.

4.5 Owner, Property Manager and Occupant Information

Mr. Doug Smith, Mr. Marion Cox, and Mr. Guy Barkley were interviewed. The questionnaires are included in the Appendix.

4.6 Reason for Performing Phase I Site Assessment

This Phase I Site Assessment is being prepared to verify site suitability for industrial development.

4.7 Other

No other information was furnished by the user.

5. RECORDS REVIEW

5.1 Standard Environmental Record Survey

A review of available federal and state government records was conducted by EcoSearch Environmental Resources, Inc. (EER), Indianapolis, Indiana, for the site using applicable ASTM search radii. A copy of the EER report is included in the Appendix. The property is not listed in any of the databases.

The data search listed one (1) underground storage tank (UST) site and one “unmappable” site where location information in the database is not sufficient to determine if the facility is within the ASTM search radius of the property.

<i>Facility</i>	<i>Discussion</i>
Tobacco Road BP #64 101 Shoney Drive Georgetown, KY 40324-9299	The data search mis-locates this facility. The facility is actually located 3.5 miles south of the Georgetown Business Park, well outside the ASTM search radius.
RAE Eastwood P.O. Box 541 Georgetown, KY 40324	This “unmappable” site is actually located east of Interstate 75, approximately 8 miles from the Park.

Although not identified in the data search, the files for the Toyota Plant at the Kentucky Department for Environmental Protection, Division of Waste Management (DWM) were reviewed. Toyota is identified as a large quantity generator and has the appropriate Certificate of Registration from DWM. The DWM files reveal several spill incidents at Toyota. All were contained and remediated. The most recent incident in the DWM files was for June 7, 1997. This was a spill of 400 gallons of hydraulic fluid. This incident was remediated, and DWM closed this issue.

Lloyd Funkhouser, Division of Waste Management Inspection, whose territory includes the Toyota Plant, was interviewed. Mr. Funkhouser confirms that there are no outstanding issues at the Toyota Plant relating to hazardous materials or petroleum products.

Based on the review of the DWM files and the interview with Mr. Funkhouser, it is unlikely that the above sites have impacted the Georgetown Business Park property.

5.2 Additional Environmental Record Sources

Historical records of past land use were examined at the Kentucky History Center in Frankfort, Kentucky.

5.3 Physical Setting Sources

The property is located on the Delaplain, USGS 7.5 Minute Topographic Quadrangle Map, approximately three miles north of the City of Georgetown Business District. A portion of the topographic map showing the property and surrounding features is included in the Appendix.

The U.S. Geological Survey Geologic Quadrangle Map shows the site to be underlain by the Clays Ferry Formation in the ridge tops and the Tanglewood and Millersburg members of the Lexington Limestone on the slopes and along the drainage. These formations are limestone and shale, with shale comprising 50-70 percent. The general dip of the strata at the site is to the northwest. There are no known mineral deposits in the vicinity of the site.

Soils at the site are, according to the USDA Soil Survey for Scott County, principally the Lowell silt loam 2-12 percent slopes. The soils are deep and well drained. The subsoil characteristically extends to approximately 50 inches.

5.4 Historical Use Information on the Property

Historical use information was obtained from personal interviews, chains-of-title, historical aerial photographs, and other historical records at the Kentucky History Center. This information indicates that the property has been used for grazing, hay, tobacco, and row crop production. No indication was found of other historic land uses.

5.5 Historical Use Information of Adjoining Properties

The above sources indicate that the historical use of the adjoining properties is also agricultural with some rural dwellings.

6. SITE RECONNAISSANCE

6.1 Methodology and Limiting Conditions

Dave Rosenbaum, P.E., visited the property several times to gather information in preparation of this report. The property was examined by vehicle and on foot to determine if any apparent recognized environmental conditions existed.

6.2 General Site Setting

The site is located in Scott County near the intersection of U.S. 62 and Delaplain Road and approximately 1.5 miles east of the Delaplain Exit on Interstate 75. The site is accessed by Cherry Blossom Way and Barkley Pike on the west, by Delaplain Road on the north, and by U.S. 62 on the east. There are several barns and farm buildings on the property, as well as one dilapidated log house, and the sites of other houses that are no longer there. The site is located to the immediate east of the Toyota Plant. The property and surrounding area have historically and, with the exception of the Toyota facility, continue to be used for agriculture and rural dwellings.

6.3 Exterior Observations

This section will address each parcel, as identified in the Property Tract Location Map in the Appendix, separately.

Parcel 4C

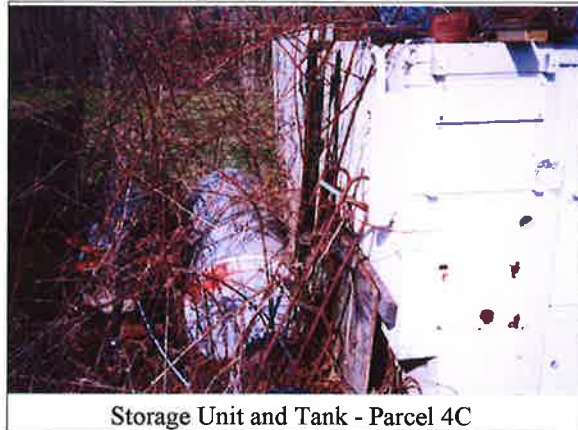
This parcel is located at the southeastern corner of the Park. A barn and surrounding area are being used for a wood industry. There are logs and wood pieces scattered around the barn. A stock watering tank is located on the east side of the barn.



A storage unit, empty aluminum tank, and steel and aluminum building products were observed on the property immediately adjacent to the eastern boundary of Parcel 4C. Although not located on Park property, this material is approximately fifteen feet from the Park property. The storage unit contains general rubbish and one five (5) gallon gasoline can. The aluminum tank appears to be empty. There is no observable evidence of leakage or contamination at this site.



Storage Unit - Parcel 4C



Storage Unit and Tank - Parcel 4C

Parcel 3

Several locations on Parcel 3 have scattered trash, furniture, abandoned appliances, and automobile motors, roofing shingles, and one empty 55-gallon drum. One discarded automobile battery was located. Many farms have an area where household trash, discarded furniture, and other debris have been dumped. These “farm dumps” characteristically contain material deposited over a significant number of years. A “farm dump” was located at the north-central boundary of Parcel 3.

The parcel should be policed, and all trash, debris, and other material noted above should be removed for proper disposal.



Discarded Lumber - Parcel 3



Trash & Joint Compound Buckets - Parcel 3



Discarded Mattress - Parcel 3



Discarded Battery - Parcel 3



Automobile Motors - Parcel 3



Discarded Appliances - Parcel 3



Roofing Shingles - Parcel 3



Auto Gas Tank & Discarded Refrigerator - Parcel 3



Empty Drum - Parcel 3



Farm Dump - Parcel 3

Parcel 35

Parcel 35 is used for cattle grazing. Hay rolls are stored outside the cattle shed near the cattle barn. The parcel is free of trash.



Cattle Shed and Barn - Parcel 35

Parcel 33CI

Parcel 33CI is used for cattle grazing, and the only remaining structure is one barn discussed earlier in this report. The 1974 and 1998 aerial photographs in the Appendix show a house and associated outbuildings located at the northwest corner of the parcel. This house and improvements have been removed. The site is not readily discernable in the field.



A stack of white marble grave markers is located at the fence line on the western side of the house site. One of the grave markers is inscribed “William Risk, August 21, 1841 - July 24, 1882.” Another marker notes that the person died on March 1, 1863 and was 35 years old.



Records at the Kentucky History Center in Frankfort were reviewed in an attempt to determine the original location of the grave markers. An 1879, Beers, Lanahan County Map of Scott County shows no cemetery on Park property. That map shows the house mentioned above is the J.A. Risk property. Additionally, a 1939 15-Minute Topographic Quadrangle Map was reviewed. That map shows no cemeteries on Park property.

The previous owners of the property, Doug Smith and Marion Cox were interviewed. These gentlemen had purchased the property in 1998. Neither Messrs. Doug Smith nor Marion Cox had knowledge of the source of the grave markers. Next, the previous owner, Fred K. Smith, was interviewed. The property had been in Mr. Fred K. Smith's family for several decades. He was not able to give any location information for the grave markers.

Mr. Guy Barkley, owner of Parcel 25, was interviewed. Mr. Barkley was born on Parcel 25 in the 1920's, and his extended family had owned much of the Park property. Mr. Barkley could not give a source for the grave markers.

Next, Ms. Anne Bevins, a local Scott County historian, was interviewed. Ms. Bevins referred to a Rev. Charles Egbert who was previously pastor of the nearby Oxford Presbyterian Church. Rev. Egbert had written an index of cemeteries in Scott County. That index did not have a listing for William Risk.

Rev. Charles Egbert was contacted by telephone. Rev. Egbert is in ill health, and his wife relayed the questions to him. Rev. Egbert did not know of any cemeteries on the Park property.

Dr. Jack Schock is conducting a Phase I Archaeological Survey of the Park property. Dr. Schock will conduct archaeological investigations to determine the existence of any unknown cemeteries on the Park property.

Parcels 25 and 22

The 1978 aerial photography shows two house locations on this parcel. One house was located just east of the barn structure described earlier. The 1998 photography shows that this house has been removed. The owner, Mr. Guy Barkley, stated that there was a water well at the house. The following photograph likely is of the well site. Its location is near the site of the house.

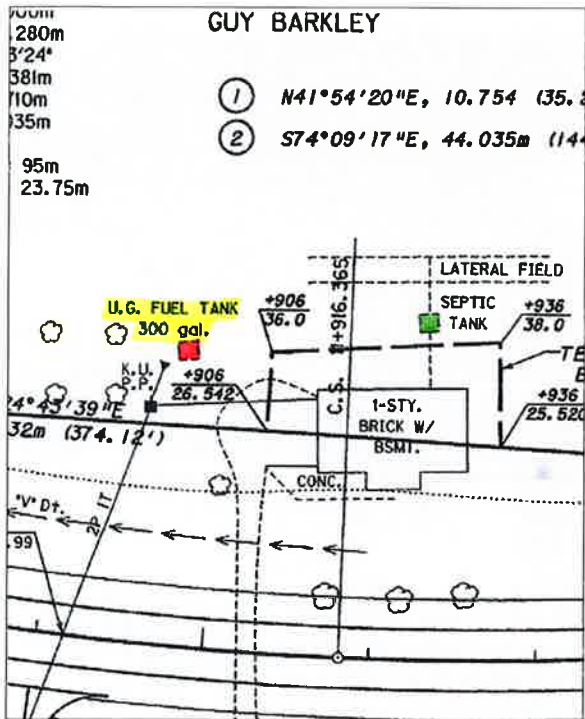


Potential Water Well - Parcel 25

Another house was located at the southeastern corner of the property on Parcel 22. This house was Mr. Barkley's residence and was taken by the improvements to U.S. 62. Mr. Barkley mentioned the existence of a 300-gallon storage tank buried near this second house. The following map is from the right-of-way plans for the reconstruction of U.S. 62. The location of the buried tank is shown.

This tank should be registered with the Department for Environmental Protection, Division of Waste Management. Documents should be filed requesting removal and closure of the tank site. Funds for remediation of any contamination are probably available from the Kentucky Petroleum Storage Tank Environmental Assurance Fund.

A household septic tank, which was located immediately behind the Barkley house, is also shown on the following drawing. This tank should be filled.



Location of Buried Tank

Parcel 21

Parcel 21 has most recently been used for hay crops. A well is located near the log house. The well has a concrete encasement and a hatch. A small amount of rubbish is located behind the log house. Two very old pick-up trucks are located in the central portion of the parcel. Two trucks appear to have been parked for several years. There is no readily identifiable contamination from the trucks. Lastly, rusted, horse-drawn farm implements are also located on the parcel.

All of the debris, the farm implements, and the trucks should be removed. After removal of the trucks, the site should be examined in the unlikely event that there has been some contamination from fuel and lubricant leaking.



Parcel 61

Parcel 61 is located at the northwest corner of the Park property. It has obviously been several years since the land was used for crops or grazing. The land is overgrown with thick fescue and small trees.



Typical View - Parcel 61

The 1974 aerial photographs included in the Appendix shows a large building, probably a barn and other smaller buildings, near the southwestern corner of the parcel. These buildings are no longer present. A pile of logs, metal, and used tires is located near the old barn location and probably contains residue from the structures.



Former Building Site - Parcel 61



Discarded Tires - Parcel 61

6.4 INTERIOR OBSERVATIONS

The barn on Parcel 4C has several items that should be removed for property disposal, including:

- 1 - gallon jug of bar and chain oil
- 1 - 2½ gallon gasoline can
- 1 - empty anti-freeze containers
 - several used tires
 - used appliances
 - trash
- 2 - unlabeled plastic drums



Used Tires - Parcel 4C



Drums - Parcel 4C

A small outbuilding on Parcel 3 contains two (2) used oil filters, an empty paint can, a food freezer, and other household trash.

The remaining barns throughout the Park are being used, or have been used, for cattle and tobacco housing and stripping. The barns on Parcels 35, 33 and 25 are in good repair. No items constituting recognized environmental conditions were observed. The barns on Parcel 21 are either partially or totally collapsed. The only remaining house on the Park property is the log house on Parcel 21. The building is unsafe for entry. No recognized environmental conditions were observed from the doorways or windows.

7. INTERVIEWS

7.1 Interview with Owner

Messrs. Doug Smith and Marion Cox, owners of Parcel 33; the previous owner of Parcel 33, Mr. Fred K. Smith; and Mr. Guy Barkley, owner of Parcels 25 and 22, were interviewed. Phase I Environmental Site Assessment Questionnaires were completed for the Doug Smith and Guy Barkley interviews and are included in the Appendix.

7.2 Interview with Site Manager

There is currently no site manager for the Park.

7.3 Interview with Occupant

There are currently no residents on the property.

7.4 Interview with Local Government Officials

Information used in preparation of this report was obtained from Mr. Steven Gravitt, Finance Director, City of Georgetown.

7.5 Interview with Others

No other individuals were interviewed.

8. FINDINGS

ASTM Standards on Environmental Site Assessments for Commercial Real Estate, Practice 1527-00, established a procedure for examination of a parcel of property to identify recognized environmental conditions. The term “recognized environmental conditions” means the presence or likely presence of any hazardous substance 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 substance or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property. The term is not intended to include *de minimus* conditions that do not present a material risk to health, safety, or the environment. Practice 1527-00 also identifies “historical recognized environmental conditions” as a past release of any hazardous substance or petroleum product that has been remediated and the remediation has been accepted by the responsible regulatory agency.

The Georgetown Business Park property has historically been used for cattle grazing, row crops, and hay production. Several environmental conditions were identified during the conduct of this Assessment. These environmental conditions were:

- Used tires at the barn - Parcel 4C
- Plastic 55-gallon drums - Parcel 4C
- Gasoline, anti-freeze, and oil containers - Parcel 4C
- Debris, used appliances - Parcel 4C
- Debris, buckets, furniture - Parcel 21
- Two (2) old pick-up trucks - Parcel 21
- Trash, debris, appliances, roofing, automobile battery, buckets, automobile gasoline tanks - Parcel 3
- A “farm dump” on the northern side of Parcel 3
- General trash and debris throughout the western approximately one-half of the Park property

The only recognized environmental condition identified during the investigation was a 300-gallon buried underground storage tank on Parcel 22.

9. OPINION

The condition of the 300-gallon buried underground storage tank on Parcel 22 is not known. If the tank has leaked there may be resulting contamination. An excavation and removal of the tank, with necessary sampling and laboratory work, will be necessary in order to determine if any contamination is present. It is unlikely that any contamination will be beyond the capability for clean-up. The tank should be registered with the Department for Environmental Protection,

Division of Waste Management. Proper procedures should be followed to remove and close the tank site. If contamination is identified, the costs of remediation will likely be paid by the Petroleum Storage Tank Environmental Assurance Fund.

Other identified environmental conditions described are not recognized environmental conditions. Nevertheless, all the items described should be collected and removed for proper disposal. The site of the two rusted trucks on Parcel 21 should be examined to determine if any leakage of fuel or lubricants has occurred. Any significant contamination is unlikely.

10. CONCLUSIONS

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00 of the Georgetown Business Park located at the intersection of U.S. 62 and Delaplain Road in Scott County, Kentucky. The Assessment has revealed no evidence of recognized environmental conditions in connection with the property except for the buried 300-gallon underground storage tank located on Parcel 22.

11. DEVIATIONS

None

12. ADDITIONAL SERVICES

Brighton is also providing further services to the Client in developing the Georgetown Business Park, including:

- Archaeology Survey
- Wetlands Assessment
- Threatened or Endangered Species Assessment
- Access Planning and Design
- Utility Planning and Design

13. REFERENCES

Chain-of-Title researched by Dave Rosenbaum, P.E.

U.S.G.S. Geological Quadrangle Map for the Delaplain Quadrangle

U.S.G.S. Topographic Quadrangle Map for the Delaplain Quadrangle

Aerial Photographs: 1974, 1998, 2001

Kentucky Division of Waste Management Files

Soil Survey of Scott County, Kentucky, U.S.D.A. Soil Conservation Service

Phase I Environmental Site Assessment Radial Search Report, EcoSearch Environmental Services, Inc., Indianapolis, Indiana, March 21, 2002

14. SIGNATURE OF ENVIRONMENTAL PROFESSIONAL

A handwritten signature in black ink, appearing to read "Dave Rosenbaum". The signature is fluid and cursive, with a large initial "D" and "R".

Dave Rosenbaum, P.E.

A collapsed barn structure and concrete block remains of another building are on this parcel as are two small farm ponds.



Parcel 25

The only remaining structures on Parcel 25 are a tobacco barn with an attached tobacco stripping room and a small tool shed. Both structures are in good repair. A house is shown on the 1974 aerial photography, in the Appendix, but has since been removed. A small farm pond is located near the southwestern corner of the parcel.



Barn - Parcel 25



Tool Shed - Parcel 25



Previous House Site in Foreground - Parcel 25



Pond - Parcel 25

Parcel 33CI

One barn is situated in the pasture field on Parcel 33CI. A house is noted on the 1974 aerial photography but is now gone. No traces of the house remain.



Barn, View 1 - Parcel 33CI



Barn, View 2 - Parcel 33CI

Parcel 35

A barn and tool shed are located near the northern boundary of the parcel. Two small farm ponds in series are near the barn and are used for cattle watering.



Barn and Tool Shed - Parcel 35



Ponds in Series - Parcel 35

Parcel 3

The remains of two houses are located on Parcel 3. The foundation, a cellar, an outbuilding, and a well house remain from the first homestead. The foundation and chimney of the second house remain. One farm pond that only impounds in response to recent rainfall is located at the northeastern corner of the parcel.



House Site - Parcel 3



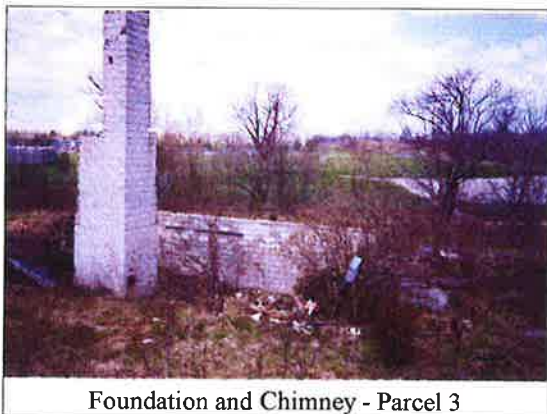
Cellar - Parcel 3



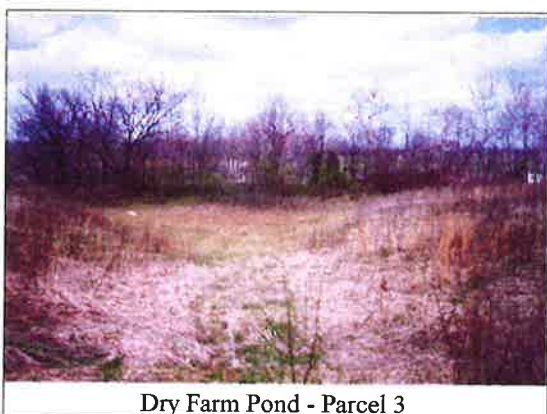
Outbuilding - Parcel 3



Well House - Parcel 3



Foundation and Chimney - Parcel 3



Dry Farm Pond - Parcel 3

3.5 Current Use of Adjoining Property

A City of Georgetown wastewater treatment plant is located to the immediate west of the Park, between Lanes Run Creek and Cherry Blossom Way. The northern approximately one-third of the wastewater treatment plant property is used for several soccer fields and a parking area.

The Toyota factory is located across Cherry Blossom Way west of the Park property. U.S. 62 and Delaplain Road front the Park in the east and north, respectively. The property across U.S. 62, Delaplain Road and adjoining on the south of the Park is farmland and scattered residences.



City of Georgetown Wastewater Treatment Plant



Soccer Fields



Adjoining Property on the South



Delaplain Road



Adjoining Property on North across Delaplain Rd.



U.S. 62



Adjoining Property on East across U.S. 62



Cherry Blossom Way



Toyota Plant

4. USER PROVIDED INFORMATION

4.1 Title Records

A Chain of Title for each parcel, keyed to the Property Tract Location Map in the Appendix, is included in the Appendix.

4.2 Environmental Liens or Activity and Use Limitations

No environmental lien against the property is known.

4.3 Specialized Knowledge

Brighton A&E, Inc. has worked in the Georgetown/Scott County area for several decades. Brighton designed Cherry Blossom Way.

4.4 Valuation Reduction for Environmental Issues

There has been no known valuation reduction for environmental issues.

4.5 Owner, Property Manager and Occupant Information

Mr. Doug Smith, Mr. Marion Cox, and Mr. Guy Barkley were interviewed. The questionnaires are included in the Appendix.

4.6 Reason for Performing Phase I Site Assessment

This Phase I Site Assessment is being prepared to verify site suitability for industrial development.

4.7 Other

No other information was furnished by the user.

5. RECORDS REVIEW

5.1 Standard Environmental Record Survey

A review of available federal and state government records was conducted by EcoSearch Environmental Resources, Inc. (EER), Indianapolis, Indiana, for the site using applicable ASTM search radii. A copy of the EER report is included in the Appendix. The property is not listed in any of the databases.

The data search listed one (1) underground storage tank (UST) site and one “unmappable” site where location information in the database is not sufficient to determine if the facility is within the ASTM search radius of the property.

<i>Facility</i>	<i>Discussion</i>
Tobacco Road BP #64 101 Shoney Drive Georgetown, KY 40324-9299	The data search mis-locates this facility. The facility is actually located 3.5 miles south of the Georgetown Business Park, well outside the ASTM search radius.
RAE Eastwood P.O. Box 541 Georgetown, KY 40324	This “unmappable” site is actually located east of Interstate 75, approximately 8 miles from the Park.

Although not identified in the data search, the files for the Toyota Plant at the Kentucky Department for Environmental Protection, Division of Waste Management (DWM) were reviewed. Toyota is identified as a large quantity generator and has the appropriate Certificate of Registration from DWM. The DWM files reveal several spill incidents at Toyota. All were contained and remediated. The most recent incident in the DWM files was for June 7, 1997. This was a spill of 400 gallons of hydraulic fluid. This incident was remediated, and DWM closed this issue.

Lloyd Funkhouser, Division of Waste Management Inspection, whose territory includes the Toyota Plant, was interviewed. Mr. Funkhouser confirms that there are no outstanding issues at the Toyota Plant relating to hazardous materials or petroleum products.

Based on the review of the DWM files and the interview with Mr. Funkhouser, it is unlikely that the above sites have impacted the Georgetown Business Park property.

5.2 Additional Environmental Record Sources

Historical records of past land use were examined at the Kentucky History Center in Frankfort, Kentucky.

5.3 Physical Setting Sources

The property is located on the Delaplain, USGS 7.5 Minute Topographic Quadrangle Map, approximately three miles north of the City of Georgetown Business District. A portion of the topographic map showing the property and surrounding features is included in the Appendix.

The U.S. Geological Survey Geologic Quadrangle Map shows the site to be underlain by the Clays Ferry Formation in the ridge tops and the Tanglewood and Millersburg members of the Lexington Limestone on the slopes and along the drainage. These formations are limestone and shale, with shale comprising 50-70 percent. The general dip of the strata at the site is to the northwest. There are no known mineral deposits in the vicinity of the site.

Soils at the site are, according to the USDA Soil Survey for Scott County, principally the Lowell silt loam 2-12 percent slopes. The soils are deep and well drained. The subsoil characteristically extends to approximately 50 inches.

5.4 Historical Use Information on the Property

Historical use information was obtained from personal interviews, chains-of-title, historical aerial photographs, and other historical records at the Kentucky History Center. This information indicates that the property has been used for grazing, hay, tobacco, and row crop production. No indication was found of other historic land uses.

5.5 Historical Use Information of Adjoining Properties

The above sources indicate that the historical use of the adjoining properties is also agricultural with some rural dwellings.

6. SITE RECONNAISSANCE

6.1 Methodology and Limiting Conditions

Dave Rosenbaum, P.E., visited the property several times to gather information in preparation of this report. The property was examined by vehicle and on foot to determine if any apparent recognized environmental conditions existed.

6.2 General Site Setting

The site is located in Scott County near the intersection of U.S. 62 and Delaplain Road and approximately 1.5 miles east of the Delaplain Exit on Interstate 75. The site is accessed by Cherry Blossom Way and Barkley Pike on the west, by Delaplain Road on the north, and by U.S. 62 on the east. There are several barns and farm buildings on the property, as well as one dilapidated log house, and the sites of other houses that are no longer there. The site is located to the immediate east of the Toyota Plant. The property and surrounding area have historically and, with the exception of the Toyota facility, continue to be used for agriculture and rural dwellings.

6.3 Exterior Observations

This section will address each parcel, as identified in the Property Tract Location Map in the Appendix, separately.

Parcel 4C

This parcel is located at the southeastern corner of the Park. A barn and surrounding area are being used for a wood industry. There are logs and wood pieces scattered around the barn. A stock watering tank is located on the east side of the barn.



Barn - Parcel 4C



Watering Tank - Parcel 4C

A storage unit, empty aluminum tank, and steel and aluminum building products were observed on the property immediately adjacent to the eastern boundary of Parcel 4C. Although not located on Park property, this material is approximately fifteen feet from the Park property. The storage unit contains general rubbish and one five (5) gallon gasoline can. The aluminum tank appears to be empty. There is no observable evidence of leakage or contamination at this site.



Parcel 3

Several locations on Parcel 3 have scattered trash, furniture, abandoned appliances, and automobile motors, roofing shingles, and one empty 55-gallon drum. One discarded automobile battery was located. Many farms have an area where household trash, discarded furniture, and other debris have been dumped. These “farm dumps” characteristically contain material deposited over a significant number of years. A “farm dump” was located at the north-central boundary of Parcel 3.

The parcel should be policed, and all trash, debris, and other material noted above should be removed for proper disposal.





Discarded Mattress - Parcel 3



Discarded Battery - Parcel 3



Automobile Motors - Parcel 3



Discarded Appliances - Parcel 3



Roofing Shingles - Parcel 3



Auto Gas Tank & Discarded Refrigerator - Parcel 3



Empty Drum - Parcel 3



Farm Dump - Parcel 3

Parcel 35

Parcel 35 is used for cattle grazing. Hay rolls are stored outside the cattle shed near the cattle barn. The parcel is free of trash.



Cattle Shed and Barn - Parcel 35

Parcel 33CI

Parcel 33CI is used for cattle grazing, and the only remaining structure is one barn discussed earlier in this report. The 1974 and 1998 aerial photographs in the Appendix show a house and associated outbuildings located at the northwest corner of the parcel. This house and improvements have been removed. The site is not readily discernable in the field.



House Site - Parcel 33CI

A stack of white marble grave markers is located at the fence line on the western side of the house site. One of the grave markers is inscribed “William Risk, August 21, 1841 - July 24, 1882.” Another marker notes that the person died on March 1, 1863 and was 35 years old.



Grave Markers - Parcel 33CI



Grave Markers - Parcel 33CI

Records at the Kentucky History Center in Frankfort were reviewed in an attempt to determine the original location of the grave markers. An 1879, Beers, Lanahan County Map of Scott County shows no cemetery on Park property. That map shows the house mentioned above is the J.A. Risk property. Additionally, a 1939 15-Minute Topographic Quadrangle Map was reviewed. That map shows no cemeteries on Park property.

The previous owners of the property, Doug Smith and Marion Cox were interviewed. These gentlemen had purchased the property in 1998. Neither Messrs. Doug Smith nor Marion Cox had knowledge of the source of the grave markers. Next, the previous owner, Fred K. Smith, was interviewed. The property had been in Mr. Fred K. Smith's family for several decades. He was not able to give any location information for the grave markers.

Mr. Guy Barkley, owner of Parcel 25, was interviewed. Mr. Barkley was born on Parcel 25 in the 1920's, and his extended family had owned much of the Park property. Mr. Barkley could not give a source for the grave markers.

Next, Ms. Anne Bevins, a local Scott County historian, was interviewed. Ms. Bevins referred to a Rev. Charles Egbert who was previously pastor of the nearby Oxford Presbyterian Church. Rev. Egbert had written an index of cemeteries in Scott County. That index did not have a listing for William Risk.

Rev. Charles Egbert was contacted by telephone. Rev. Egbert is in ill health, and his wife relayed the questions to him. Rev. Egbert did not know of any cemeteries on the Park property.

Dr. Jack Schock is conducting a Phase I Archaeological Survey of the Park property. Dr. Schock will conduct archaeological investigations to determine the existence of any unknown cemeteries on the Park property.

Parcels 25 and 22

The 1978 aerial photography shows two house locations on this parcel. One house was located just east of the barn structure described earlier. The 1998 photography shows that this house has been removed. The owner, Mr. Guy Barkley, stated that there was a water well at the house. The following photograph likely is of the well site. Its location is near the site of the house.

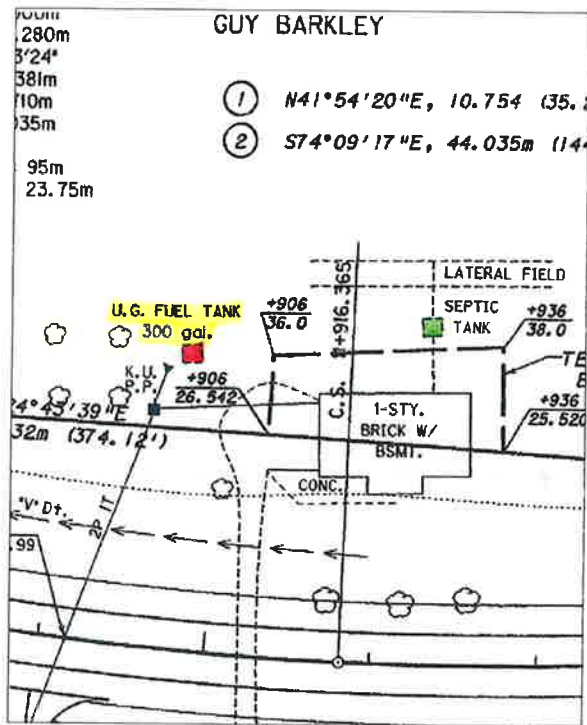


Potential Water Well - Parcel 25

Another house was located at the southeastern corner of the property on Parcel 22. This house was Mr. Barkley's residence and was taken by the improvements to U.S. 62. Mr. Barkley mentioned the existence of a 300-gallon storage tank buried near this second house. The following map is from the right-of-way plans for the reconstruction of U.S. 62. The location of the buried tank is shown.

This tank should be registered with the Department for Environmental Protection, Division of Waste Management. Documents should be filed requesting removal and closure of the tank site. Funds for remediation of any contamination are probably available from the Kentucky Petroleum Storage Tank Environmental Assurance Fund.

A household septic tank, which was located immediately behind the Barkley house, is also shown on the following drawing. This tank should be filled.



Location of Buried Tank

Parcel 21

Parcel 21 has most recently been used for hay crops. A well is located near the log house. The well has a concrete encasement and a hatch. A small amount of rubbish is located behind the log house. Two very old pick-up trucks are located in the central portion of the parcel. Two trucks appear to have been parked for several years. There is no readily identifiable contamination from the trucks. Lastly, rusted, horse-drawn farm implements are also located on the parcel.

All of the debris, the farm implements, and the trucks should be removed. After removal of the trucks, the site should be examined in the unlikely event that there has been some contamination from fuel and lubricant leaking.



Well - Parcel 21



Farm Implements - Parcel 21



Trucks - Parcel 21

Parcel 61

Parcel 61 is located at the northwest corner of the Park property. It has obviously been several years since the land was used for crops or grazing. The land is overgrown with thick fescue and small trees.



Typical View - Parcel 61

The 1974 aerial photographs included in the Appendix shows a large building, probably a barn and other smaller buildings, near the southwestern corner of the parcel. These buildings are no longer present. A pile of logs, metal, and used tires is located near the old barn location and probably contains residue from the structures.



Former Building Site - Parcel 61



Discarded Tires - Parcel 61

6.4 INTERIOR OBSERVATIONS

The barn on Parcel 4C has several items that should be removed for property disposal, including:

- 1 - gallon jug of bar and chain oil
- 1 - 2½ gallon gasoline can
- 1 - empty anti-freeze containers
 - several used tires
 - used appliances
 - trash
- 2 - unlabeled plastic drums



Used Tires - Parcel 4C



Drums - Parcel 4C

A small outbuilding on Parcel 3 contains two (2) used oil filters, an empty paint can, a food freezer, and other household trash.

The remaining barns throughout the Park are being used, or have been used, for cattle and tobacco housing and stripping. The barns on Parcels 35, 33 and 25 are in good repair. No items constituting recognized environmental conditions were observed. The barns on Parcel 21 are either partially or totally collapsed. The only remaining house on the Park property is the log house on Parcel 21. The building is unsafe for entry. No recognized environmental conditions were observed from the doorways or windows.

7. INTERVIEWS

7.1 Interview with Owner

Messrs. Doug Smith and Marion Cox, owners of Parcel 33; the previous owner of Parcel 33, Mr. Fred K. Smith; and Mr. Guy Barkley, owner of Parcels 25 and 22, were interviewed. Phase I Environmental Site Assessment Questionnaires were completed for the Doug Smith and Guy Barkley interviews and are included in the Appendix.

7.2 Interview with Site Manager

There is currently no site manager for the Park.

7.3 Interview with Occupant

There are currently no residents on the property.

7.4 Interview with Local Government Officials

Information used in preparation of this report was obtained from Mr. Steven Gravitt, Finance Director, City of Georgetown.

7.5 Interview with Others

No other individuals were interviewed.

8. FINDINGS

ASTM Standards on Environmental Site Assessments for Commercial Real Estate, Practice 1527-00, established a procedure for examination of a parcel of property to identify recognized environmental conditions. The term “recognized environmental conditions” means the presence or likely presence of any hazardous substance 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 substance or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property. The term is not intended to include *de minimus* conditions that do not present a material risk to health, safety, or the environment. Practice 1527-00 also identifies “historical recognized environmental conditions” as a past release of any hazardous substance or petroleum product that has been remediated and the remediation has been accepted by the responsible regulatory agency.

The Georgetown Business Park property has historically been used for cattle grazing, row crops, and hay production. Several environmental conditions were identified during the conduct of this Assessment. These environmental conditions were:

- Used tires at the barn - Parcel 4C
- Plastic 55-gallon drums - Parcel 4C
- Gasoline, anti-freeze, and oil containers - Parcel 4C
- Debris, used appliances - Parcel 4C
- Debris, buckets, furniture - Parcel 21
- Two (2) old pick-up trucks - Parcel 21
- Trash, debris, appliances, roofing, automobile battery, buckets, automobile gasoline tanks - Parcel 3
- A “farm dump” on the northern side of Parcel 3
- General trash and debris throughout the western approximately one-half of the Park property

The only recognized environmental condition identified during the investigation was a 300-gallon buried underground storage tank on Parcel 22.

9. OPINION

The condition of the 300-gallon buried underground storage tank on Parcel 22 is not known. If the tank has leaked there may be resulting contamination. An excavation and removal of the tank, with necessary sampling and laboratory work, will be necessary in order to determine if any contamination is present. It is unlikely that any contamination will be beyond the capability for clean-up. The tank should be registered with the Department for Environmental Protection,

Division of Waste Management. Proper procedures should be followed to remove and close the tank site. If contamination is identified, the costs of remediation will likely be paid by the Petroleum Storage Tank Environmental Assurance Fund.

Other identified environmental conditions described are not recognized environmental conditions. Nevertheless, all the items described should be collected and removed for proper disposal. The site of the two rusted trucks on Parcel 21 should be examined to determine if any leakage of fuel or lubricants has occurred. Any significant contamination is unlikely.

10. CONCLUSIONS

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 1527-00 of the Georgetown Business Park located at the intersection of U.S. 62 and Delaplain Road in Scott County, Kentucky. The Assessment has revealed no evidence of recognized environmental conditions in connection with the property except for the buried 300-gallon underground storage tank located on Parcel 22.

11. DEVIATIONS

None

12. ADDITIONAL SERVICES

Brighton is also providing further services to the Client in developing the Georgetown Business Park, including:

- Archaeology Survey
- Wetlands Assessment
- Threatened or Endangered Species Assessment
- Access Planning and Design
- Utility Planning and Design

13. REFERENCES

Chain-of-Title researched by Dave Rosenbaum, P.E.

U.S.G.S. Geological Quadrangle Map for the Delaplain Quadrangle

U.S.G.S. Topographic Quadrangle Map for the Delaplain Quadrangle

Aerial Photographs: 1974, 1998, 2001

Kentucky Division of Waste Management Files

Soil Survey of Scott County, Kentucky, U.S.D.A. Soil Conservation Service

Phase I Environmental Site Assessment Radial Search Report, EcoSearch Environmental Services, Inc., Indianapolis, Indiana, March 21, 2002

14. SIGNATURE OF ENVIRONMENTAL PROFESSIONAL

A handwritten signature in black ink, appearing to read "Dave Rosenbaum". The signature is fluid and cursive, with a large initial "D" and "R".

Dave Rosenbaum, P.E.

APPENDIX

Qualifications of Environmental Professional

Site Plan

Aerial Photographs

- 1974

- 1998

- 2001

Property Tract Location Map

Chain of Title

Phase I ESA Radial Search Report

Phase I Environmental Assessment Questionnaires

DAVID H. ROSENBAUM, P.E.
Vice President

At Brighton Mr. Rosenbaum is responsible for a broad range of environmental and engineering work. In particular, he leads Brighton's efforts in evaluating regional industrial park sites for the Kentucky Economic Development Cabinet and resolving coal mining, reclamation, and environmental permitting disputes between companies and regulatory agencies, both state and federal. He has been instrumental in obtaining reclamation bond releases involving millions of dollars for coal companies. Mr. Rosenbaum is also experienced in performing Phase I Environmental Site Assessments according to ASTM Standards.

Prior to joining Brighton in 1996, Mr. Rosenbaum served in the Kentucky Division of Water Resources, rising to the position of Division Director and then, from 1980 through 1995, he served in the Kentucky Department of Surface Mining Reclamation and Enforcement, first as the Director of the Division of Abandoned Mine Lands, and finally as the Commissioner of the Department. In his various positions Mr. Rosenbaum was responsible for administering the regulatory and abandoned mine land programs for the Commonwealth of Kentucky and had a staff of five-hundred located in Frankfort and field offices throughout the eastern and western Kentucky coalfields. The regulatory program processed permit applications for all coal and non-coal mining operations in Kentucky and inspected approximately 3,800 permitted areas throughout the state. The abandoned mine land program yearly contracted for up to \$25 million in reclamation construction projects. He managed engineers, biologists, foresters, geologists, and administrative staff. While in the Division of Water Resources he administered Kentucky's dam safety, floodplain management and flood control programs, including the Community Flood Damage Abatement Program which provided financial and technical assistance to local governments in addressing flooding problems.

Mr. Rosenbaum is a Registered Professional Engineer in Kentucky (#7507). He received his Bachelor of Science and Master of Science in Civil Engineering from the University of Kentucky.

Site Plan, Aerial Photographs, Maps
