

Agenda
Finance and Administration Committee
West Olive Administration Building
12220 Fillmore, West Olive, MI 49460
Tuesday, May 10, 2011
1:00 p.m.

Consent Items:

1. Approval of the Agenda
2. Approval of Minutes from the April 19, 2011 Meeting.

Action Items:

3. Brownfield Plan Amendment from Cedar Crest Dairy
Suggested Motion:
To approve and forward to the Board of Commissioners the resolution to support the Brownfield Plan Amendment from Cedar Crest Dairy (R Becker Properties, LLC) contingent upon the approval of the Hudsonville City Commission.

Discussion Items:

None

Adjournment

Comments on the day's business are to be limited to three (3) minutes.

FINANCE AND ADMINISTRATION COMMITTEE

Proposed Minutes

DATE: April 19, 2011

TIME: 9:30 a.m.

PLACE: Fillmore Street Complex

PRESENT: Robert Karsten, Joseph Baumann, Roger Rycenga, Donald Disselkoen

ABSENT: Dennis Swartout

STAFF & GUESTS: Alan Vanderberg, Administrator; Sherri Sayles, Deputy Clerk; Robert Spaman, Fiscal Services Director; Gary Scholten, Register of Deeds; Kathy Haiker, Chief Deputy Register of Deeds; Marie Waalkes, Human Resources Director; Dr. Michael Brashears, CMH Director; Keith VanBeek, Assistant Administrator; Ken Zarzecki, Road Commission; Brad Slagh, Treasurer; Mark Knudsen, Planning & Performance Measures Director; Greg Rappleye, Corporate Counsel; Mike Galligan, Equalization Director; David Hulst, IT Director; Jim Bush, Equalization; Jeff Balgooyen, Nederveld, Inc.; Media

SUBJECT: CONSENT ITEMS

FC 11-035 Motion: To approve the agenda of today as presented and to approve the minutes of the March 15, 2011, meeting as presented.
Moved by: Karsten UNANIMOUS

SUBJECT: BUDGET ADJUSTMENTS GREATER THAN \$50,000

FC 11-036 Motion: To approve budget adjustments #133, 184, 185, 212 and 213.
Moved by: Karsten UNANIMOUS

SUBJECT: MONTHLY BUDGET ADJUSTMENTS

FC 11-037 Motion: To approve and forward to the Board of Commissioners the appropriation changes greater than \$50,000 and those approved by the Administrator and Fiscal Services Director for \$50,000 or less which changed the total appropriation from the amended budget for the month of March 2011.
Moved by: Disselkoen UNANIMOUS

SUBJECT: STATEMENT OF REVIEW

FC 11-038 Motion: To approve the Statement of Review for the month of March 2011.
Moved by: Baumann UNANIMOUS

SUBJECT: PURCHASE OF DOCROUTER SOFTWARE

FC 11-039 Motion: To approve and forward to the Board of Commissioners the Agreement to purchase DocRouter Software for the Register of Deeds Office at a cost of \$15,000.00.
Moved by: Disselkoen UNANIMOUS

SUBJECT: PURCHASE OF FIDLAR TECHNOLOGIES
E-RETURN MODULE

FC 11-040 Motion: To approve and forward to the Board of Commissioners the Agreement to purchase the Fidlar Technologies e-Return module for the Register of Deeds Office at a cost of \$5,000.00.
Moved by: Baumann UNANIMOUS

SUBJECT: PURCHASE OF FIDLAR TECHNOLOGIES
INTELLIGENT DATA RECOGNITION (IDR)
DELIBERATE LEARNING MODULE

FC 11-041 Motion: To approve and forward to the Board of Commissioners the Agreement to purchase the Fidlar Technologies Intelligent Data Recognition (IDR) Deliberate Learning module for the Register of Deeds office at a cost of \$12,000.
Moved by: Karsten UNANIMOUS

SUBJECT: FISCAL SERVICES – CMH PERSONNEL
REQUEST TO CREATE A COST ANALYST

FC 11-042 Motion: To approve and forward to the Board of Commissioners the request from Fiscal Services to create one (1) FTE Cost Analyst (Group T, Paygrade 13, C Step) in Community Mental Health at a cost of \$63,300.00. Funding to come from Medicaid Funds.
Moved by: Disselkoen UNANIMOUS

SUBJECT: COMMUNITY MENTAL HEALTH PERSONNEL
REQUEST TO UPGRADE A MENTAL HEALTH
SPECIALIST TO A MENTAL HEALTH CLINICIAN

FC 11-043 Motion: To approve and forward to the Board of Commissioners the request from Community Mental Health to upgrade one (1) FTE Mental Health Specialist (Group T, Paygrade 12, C Step) to a one (1) FTE Mental Health Clinician (Group T, Paygrade 14, C Step) at a cost of \$6,462.00. Funding to come from Medicaid Funds.
Moved by: Karsten UNANIMOUS

SUBJECT: COUNTY CLERK'S OFFICE PERSONNEL
REQUEST TO DOWNGRADE AN RPC III TO A
VITAL RECORDS CLERK

FC 11-044 Motion: To approve and forward to the Board of Commissioners the request from the Clerk's Office to downgrade one (1) FTE RPC III (Group T, Paygrade 7) to one (1) FTE Vital Records Clerk (Group T, Paygrade 6), at a savings of \$1,897.00.
Moved by: Baumann UNANIMOUS

SUBJECT: EQUALIZATION REPORT

FC 11-045 Motion: To approve and forward to the Board of Commissioners the 2011 Equalization Report and to appoint the Equalization Director to represent Ottawa County at State Equalization hearings.
Moved by: Baumann UNANIMOUS

SUBJECT: QUARTERLY TREASURER'S REPORT

FC 11-046 Motion: To receive for information the Treasurer's Quarterly Investment Report as of March 2011.
Moved by: Disselkoe UNANIMOUS

SUBJECT: QUARTERLY FINANCIAL STATUS REPORT

FC 11-047 Motion: To receive for information the Interim Financial Statement for the General Fund, Mental Health Fund and Public Health Fund as of March 31, 2011.
Moved by: Baumann UNANIMOUS

SUBJECT: RESOLUTION TO AUTHORIZE "QUALIFYING
STATEMENTS" FOR BODING PURPOSES

FC 11-048 Motion: To approve and forward to the Board of Commissioners the Resolution to authorize certification of a "Qualifying Statement" for bonding purposes.
Moved by: Karsten UNANIMOUS

SUBJECT: ALLOCATION OF 2010 UNRESERVED UNDESIGNATED FUND BALANCE

FC 11-049 Motion: To approve and recommend to the Board of Commissioners to designate \$689,063 of the 2010 General Fund year-end unreserved undesignated fund balance for the 2012 budget. Moved by: Baumann UNANIMOUS

SUBJECT: NORTHWEST OTTAWA COUNTY WATER SYSTEM 2011 SERIES B IMPROVEMENTS

FC 11-050 Motion: To approve and forward to the Board of Commissioners the Resolution authorizing the County Road Commission to issue Act 342 Bonds not to exceed the amount of \$5,835,000 to finance the Northwest Ottawa Water System Series B Pumping System Project. Moved by: Disselkoen UNANIMOUS

SUBJECT: PURCHASE OF MERS (MICHIGAN MUNICIPAL EMPLOYEES RETIREMENT SYSTEM) MILITARY SERVICE CREDITS FROM BRADLEY S. NIEBOER

FC 11-051 Motion: To approve and forward to the Board of Commissioners the purchase of two (2) years of military service credits for Bradley S. Nieboer (Detective, Sheriff's Office)

County Cost:	\$26,163.36
Employee Cost:	\$ 6,609.64
Total Cost:	\$32,773.00

Moved by: Disselkoen MOTION PASSED

Yeas: Baumann, Disselkoen, Rycenga. (3)

Nays: Karsten. (1)

SUBJECT: BROWNFIELD PLAN AMENDMENT FROM CEDAR CREST DAIRY

FC 11-052 Motion: To approve and forward to the Board of Commissioners the Resolution to support the Brownfield Plan amendment from Cedar Crest Dairy (R Becker Properties, LLC) contingent upon the approval of the Hudsonville City Commission. Moved by: Baumann

FC 11-053 Motion: To table Motion FC 11-052 until the next scheduled Finance and Administration Committee Meeting to review additional information.
Moved by: Disselkoen UNANIMOUS

SUBJECT: COUNTYWIDE WIRELESS BROADBAND INITIATIVE

FC 11-054 Motion: To approve and forward to the Board of Commissioners, contingent upon Robinson Township’s land use approvals, construction of a new 199 foot communications tower for an estimated cost of \$200,000 to be located in the Southeast corner of the County’s Johnson Street Forest/Open Space property, provided as follows:

- a) The project budget shall not exceed \$200,000.
- b) Design and construction management services shall be provided by Tele-rad, Inc. for a fee of 7% of actual construction cost. Tele-rad will solicit bids for all construction related work.
- c) The Board Chairperson and Clerk are authorized to sign a “Marketing and Management agreement between Tele-rad, Inc. and the County of Ottawa”. The management fee shall be 10% of the co-location revenue for any vendors that Tele-rad obtains contacts with, limited to the initial five year term of the lease.
- d) Funding to come from the Public Improvement Fund.

Moved by: Disselkoen UNANIMOUS

SUBJECT: DISCUSSION ITEMS

- 1. Update – Passport Acceptance Process – Sherri Sayles, Chief Deputy Clerk, presented a brief update on the implementation of the new federal requirements. The Vital Records offices are ready for the May 1st start date. The only cost thus far has been the purchase of two safes totaling approximately \$900.00.

SUBJECT: ADJOURNMENT

FC 11-055 Motion: To adjourn at 10:42 a.m.
Moved by: Disselkoen UNANIMOUS

Action Request



Committee: Finance and Administration Committee

Meeting Date: 5/10/2011

Requesting Department: Planning & Performance Improvement

Submitted By: Mark Knudsen

Agenda Item: Brownfield Plan Amendment from Cedar Crest Dairy

SUGGESTED MOTION:

To approve and forward to the Board of Commissioners the resolution to support the Brownfield Plan Amendment from Cedar Crest Dairy (R Becker Properties, LLC) contingent upon the approval of the Hudsonville City Commission.

SUMMARY OF REQUEST:

R. Becker Properties LLC operating under *Cedar Crest Dairy* is proposing to renovate buildings and remediate contamination at 5800 Balsam Dr. in the City of Hudsonville to allow for the expansion of their distribution and cold storage business. The property has been determined to be a "facility" by Nederveld Inc., and therefore eligible for the Brownfield Program.

The proposed Brownfield Plan provides the details associated with the \$1,977,000 project which includes the extensive renovation of two buildings to be used by Cedar Crest Dairy and two building to be used by a tenant. The property will be developed in two phases. Phase 1 will start as soon as possible with an investment of \$577,357 for loading docks, insulation, electrical upgrades, roof repairs and interior renovations. It is projected by the applicant that this phase will increase the SEV by approximately \$230,942. Phase 2 will include an investment of \$1,399,650 for a 14,487 sq. ft. commercial freezer warehouse and shipping terminal and additional improvements. The applicant has projected that Phase 2 will increase the SEV by about \$559,860.

The Brownfield plan will allow the Brownfield Authority to reimburse the developer over 10 years for eligible activities that are identified in the plan by utilizing Tax Increment Financing (TIF). The total amount captured over the 10 years will be \$70,047 (County \$19,577, City \$43,728, and Library \$6,741). A description of the developers' activities and cost are as follows: Demolition (\$10,000), Environmental Oversight (\$6,300), Soil Capping (\$4,000), Soil Excavation and Removal (\$20,000), Contingency (\$6045), Pre-Brownfield Plan Activities (\$18,700). It is estimated by the applicant that this project will create 17-20 new jobs.

The resolution is contingent upon approval by the City of Hudsonville. The Hudsonville City Commission will be reviewing the project at their May 10, 2011 meeting.

FINANCIAL INFORMATION:

Total Cost: \$0.00 General Fund Cost: \$0.00 Included in Budget: Yes No

If not included in budget, recommended funding source:

ACTION IS RELATED TO AN ACTIVITY WHICH IS:

Mandated Non-Mandated New Activity

ACTION IS RELATED TO STRATEGIC PLAN:

Goal: 3: To Contribute to a Healthy Physical, Economic, & Community Environment.

Objective: 2: Consider opportunities to improve economic development in the region.

ADMINISTRATION RECOMMENDATION: Recommended Not Recommended Without Recommendation

County Administrator: **Alan G. Vanderberg**

Digitally signed by Alan G. Vanderberg
DN: cn=Alan G. Vanderberg, o=County of Ottawa, ou=Administrator's Office, email=avanderberg@ottawacounty.org
Reason: I am approving this document
Date: 2011.05.04 13:34:23 -0400

Committee/Governing/Advisory Board Approval Date:

COUNTY OF OTTAWA
STATE OF MICHIGAN

RESOLUTION

At a regular meeting of the Ottawa County Board of Commissioners, held at the Fillmore Complex in the Township of Olive, Michigan on May 10, 2011 at _____ o'clock p.m. local time.

PRESENT: Commissioners _____

ABSENT: Commissioners _____

It was moved by Commissioner _____ and supported by Commissioner _____ that the following Resolution be adopted:

WHEREAS, the Ottawa County Board of Commissioners established the Ottawa County Brownfield Redevelopment Authority on June 10, 2008, pursuant to the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of 1996 in order to redevelop one specific site; and

WHEREAS, on June 23, 2009 the Ottawa County Brownfield Redevelopment Authority was amended in order to provide for the administration of projects at any location in the County where the local unit of government does not have a brownfield authority and supports the project ; and

WHEREAS, pursuant to Act 381, a proposed amendment to the Ottawa County Brownfield Plan (Exhibit A) was received from R. Becker Properties, LLC (Cedar Crest Dairy) for a contaminated site located at 5800 Balsam Drive, in the City of Hudsonville, Michigan; and

WHEREAS, the contaminated site has been determined to be a "facility" as provided for

in the Michigan Natural Resources and Environmental Protection Act, Public Act 451 of 1994,
and

WHEREAS, the Brownfield Plan Amendment includes the use of tax increment financing to capture Ottawa County, City of Hudsonville, and Public Library taxes for a maximum of 10 years; and

WHEREAS, the total amount of taxes captured will be \$70,047 (County \$19,577, City \$43,728, and Library \$6,741) for this project over the 10 year period, \$66,545 of which will be used to reimburse the applicant for eligible activities and \$3,502 will be used to reimburse the Ottawa County Brownfield Redevelopment Authority for administrative expenses; and

WHEREAS, the Brownfield Plan Amendment complies with all requirements set forth in the Brownfield Redevelopment Refinancing Act; and

WHEREAS, the Brownfield Plan Amendment would provide for the clean-up of a contaminated site in the City of Hudsonville and create jobs through the expansion of Cedar Crest Dairy; and

WHEREAS, the Ottawa County Brownfield Redevelopment Authority approved the Brownfield Plan Amendment on April 27, 2011;

NOW, THEREFORE, BE IT RESOLVED that the Ottawa County Board of Commissioners approves the Amendment to the Ottawa County Brownfield Plan as submitted by R. Becker Properties, LLC (Cedar Crest Dairy) for the following reasons:

1. The Amendment constitutes a public purpose
2. The Amendment meets all requirements of Section 13 (1) of Act 381

3. The proposed method of financing the costs of the eligible activities as identified in the Amendment is feasible and the Authority has the ability to arrange the financing
4. The costs of the eligible activities proposed in the Amendment are reasonable and necessary to carry out the purpose of Act 381
5. The amount of captured taxable value included in the Amendment is reasonable; and

BE IT FURTHER RESOLVED that Ottawa County approves the use of Tax Increment Financing for this project site but under no circumstances will the amount reimbursed ever exceed \$66,454 or a payback period of 10 years.

BE IT FURTHER RESOLVED that by approval of the Amendment the County does not represent it has obtained, will obtain, or will be responsible for obtaining, for the benefit of owners or lessees of eligible property included in the Amendment, any Michigan business tax credit pursuant to the Michigan Business Tax Act, Act 36 of the Public Acts of Michigan, of 2007 as amended; and

BE IT FURTHER RESOLVED that the Board of Commissioners' approval of the Brownfield Plan Amendment is contingent upon receipt of a resolution of concurrence for the project from the City Commission of the City of Hudsonville, Michigan; and

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict with any of the provisions of this resolution are hereby repealed

YEAS: Commissioners _____

NAYS: Commissioners _____

RESOLUTION DECLARED ADOPTED.

Chairperson, Ottawa County
Board of Commissioners

Ottawa County Clerk

Ottawa County

BROWNFIELD REDEVELOPMENT AUTHORITY

Brownfield Plan for:
5800 Balsam Avenue,
City of Hudsonville
Ottawa County, Michigan
10902002

February 23, 2011

Prepared By:

Nederveld, Inc.
347 Hoover Blvd. Ste C
Holland, MI 49423
616.393.0449



TABLE OF CONTENTS

1.0 Introduction and Purpose	2
Description of the Project and Costs to be paid through the Brownfield Plan (MCL 125.2663(1)(a))	
2.0 Property Information	2
Property Identification	2
3.0 Proposed Redevelopment	2
Site Description and Building Construction	2
Costs to be Paid through the Brownfield Plan	3
4.0 Environmental Conditions	4
Existing Environmental Conditions and “Facility” status	4
5.0 Brownfield Plan Elements	4
A. Description of Costs to Be Paid for with Tax Increment Revenues & Summary of Eligible Activities	4
B. Estimate of Captured Taxable Value and tax Increment	6
C. Method of Financing and Description of Advances by the Municipality	6
D. Maximum Amount of Note or Bonded Indebtedness	6
E. Duration of Brownfield Plan	6
F. Estimated Impact of Tax Increment Financing on Revenues of Taxing Jurisdictions	6
G. Legal Description, Property Map, Statement of Quality Characteristics & Personal Property	7
H. Estimates of Residents and Displacement of Families	7
I. Plan for Relocation of Displaced Persons	7
J. Provisions for Relocation Costs	7
K. Strategy for Compliance with Michigan’s Relocation Assistance Law	8
L. Description of Proposed Use of Local Site Remediation Revolving Fund	8
M. Other Material that the Authority or Governing Body Considers Pertinent	8
Michigan Business Tax Credit	8

EXHIBITS

- A. Legal Description of Eligible Property
- B. Brownfield Eligible Cost Detail
- C. Tax Capture Schedule
- D. Figures
- E. Previous Environmental Reports

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

1.0 Introduction and Purpose

Ottawa County established the Ottawa County Brownfield Redevelopment Authority (“the Authority”) by resolution pursuant to the Brownfield redevelopment Financing Act (Public Act 381 of 1996, as amended, M.C.L. §125.2651 et seq., (“Act 381”)). The resolution was filed with the Michigan Department of State, Office of the Great Seal.

The purpose of this plan, to be implemented by Ottawa County, is to satisfy the requirements for a Brownfield Plan as specified in Act 381.

The Authority proposes to implement this Brownfield Plan (“Plan”) in an effort to promote economic development and redevelopment within Ottawa County.

2.0 Property Information

Property Identification

The proposed project, by R. Becker Properties, LLC operating under (Cedar Crest Dairy) (“the Project”) is to be located at 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan. The Subject Property consists of one (1) irregular-shaped parcel located along the eastern border of Balsam Drive, totaling 6.52-acres in size. The Subject Property is accessible from Balsam Drive to the west via two (2) curb cut entry areas. The Subject Property currently contains four (4) commercial buildings (formerly operated as Carter Lumber) with asphalt surfaced parking and drive areas, maintained grass lawn, a former railroad spur with loading dock area and unmaintained vegetated areas to the east of the commercial buildings. A legal description of the Subject Property and a map showing the location of the parcel is attached as Exhibit A.

3.0 Proposed Redevelopment

Site Description and Building Construction

The proposed Project will include extensive renovations in the two (2) easterly buildings. The expansion of current operations to include these two (2) buildings will require the addition of loading docks, insulation, electrical upgrades, roof repairs and many other interior renovations. The east portion of the Subject Property will be re-graded next to the easterly commercial buildings with some asphalt surface and gravel parking surface to accommodate the staging and

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

parking of Cedar Crest Dairy's delivery semi trucks. The two (2) westerly buildings will undergo significant interior and exterior renovations and will be the future location of a lease tenant, (retail lumber company) selling building supplies and lumber.

Phase II of the proposed project will include one (1) new, poured concrete foundation, steel frame, 1-story, 14,487 sq. ft., with flat roof, commercial freezer warehouse and shipping terminal. Demolition costs will include the removal of existing asphalt surfaced pavement in preparation of new loading docks and building additions. The confirmed presence of contaminated soils on the Subject Property requires Additional Due Care activities to be completed. These activities will include additional soil characterization testing and management through the new construction activities.

The current two (2) easterly commercial buildings will incorporate green energy (roof mounted solar panels) to supplement the electrical needs of the two storage buildings. Green energy in the form of roof mounted solar panels and potentially wind turbines will be installed on the roof of the future Phase II cold storage freezer warehouse building to supplement the high electric costs associated with freezer cold storage operation.

The estimated State Equalized Value (SEV) of the completed Project is \$1,869,850.00. Construction of the Project will be completed in two (2) phases, during which the, four (4) existing commercial buildings will be renovated. The second phase of the project will include the expansion of the current freezer/cold storage warehouse to be constructed along with adjoining parking area which will start within 5 years of the date of approval and require approximately nine (9) months for construction

Costs to be paid through the Brownfield Plan

The overall estimated investment for the Project will be approximately \$2,152,007.00. Construction activities are anticipated to commence in the Spring of 2011, with anticipated completion in the Fall of 2011 for Phase I. Phase II of the project will start in the Spring of 2015 and projected to be completed in the Fall of 2015. This Plan has been created to facilitate the renovation and redevelopment of the Subject Property to allow the Ottawa County Brownfield Redevelopment Authority to utilize Tax Increment Financing ("TIF") to reimburse the Developer for the Eligible Activities identified within this Plan, and to allow the Developer to apply for a Michigan Business Tax ("MBT") credit.

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

4.0 Environmental Conditions and Basis of Eligibility

Existing Environmental Conditions and “Facility” Status

Information from a Phase I Environmental Site Assessment (ESA), a Limited Phase II Investigation and a Category N Baseline Environmental Assessment (BEA), all completed by Equity Resource Environmental, indicated that the Subject Property meets the definition of a “facility” as defined in the NREPA 451, Part 201, Section 20101(1)(r).

Analytical data results from soil samples collected in the location of former owner activities identified concentrations of Arsenic in exceedance of applicable Part 201 risk-based Residential and Commercial 1 Direct Contact criteria. With soils within the Subject Property containing concentrations of Arsenic exceeding applicable MDEQ Part 201 criteria, the Subject Property qualifies as and meets the definition of a “facility” as defined in the NREPA 1994 PA 451, Part 201, Section 20101(1)(r).

5.0 Brownfield Plan Elements

A. A description of costs intended to be paid for with tax increment revenues (MCLA 125.2663(1)(a)) and a brief summary of the Eligible Activities that are proposed for each Eligible Property. (MCLA 125.2663(1)(b))

R. Becker Properties, LLC is requesting that the Ottawa County Brownfield Redevelopment Authority capture local taxes generated by the Project to reimburse the cost of certain “Eligible Activities” as provided in this Plan, totaling \$66,545.00. A detailed list of these costs is attached as Exhibit B.

“Eligible Activities” are defined in Act 381 as meaning one or more of the following: (i) Phase II Investigation, Baseline Environmental Assessment activities; (ii) Due Care activities; and (iii) additional response activities. In addition, qualified local governmental units such as the City of Hudsonville, the Act includes the following additional activities under the definition of Eligible Activities: (a) demolition of structures that are not a response activity under Part 201 of NREPA; (c) lead or asbestos abatement; Table 1 below present estimated costs of MDEQ and MEGA Eligible Activities which qualify for reimbursement from TIF

Table 1 – Eligible Activities	
Activity	Estimated Cost
1. Demolition	\$ 10,000
2. Due Care Activities	\$ 24,000
3. Environmental Oversight	\$ 6,300
4. Contingency (15%)	\$ 6,045
5. Pre-Brownfield Plan Environmental Activities	\$ 18,700
6. Local Administrative Operating Cost of BRA	\$ 1,500
	\$
TOTAL	\$ 66,545

The Eligible Activities estimated in Table 1 above included the following,

1. Demolition of asphalt surfaced drive areas on the Subject Property in preparation for new construction activities. Demolition of the railroad spur loading dock on the east side of the Subject Property. Also some interior and exterior demolition will occur in the four (4) existing commercial buildings located on the Subject Property.
2. Due Care Activities including capping of contaminated soils and/or the excavation and proper disposal of additional contaminated soils at a Type II landfill
3. Environmental oversight including characterization of soils to be removed from the Subject Property and confirmation sampling and additional reporting upon removal. Also includes monitoring of any clean fill caps installed on the Subject Property
4. A 15% contingency factor on the above items is included to accommodate unexpected conditions during the course of this Project.
5. Initial Phase II Investigation and identification of the impacted soil located on the Subject Property and due care activities associated with filing a Baseline Environmental Assessment and Section 7a Compliance Analysis Due Care Plan with the Michigan Department of Environmental Quality conducted prior to the date of the approved Brownfield Plan. Includes additional Phase II testing and soil characterization to further determine the horizontal extents of the Arsenic contamination. Also includes costs to be associated with the preparation and submittal of the Brownfield Plan amendment.
6. Local Administrative Operating Cost of BRA.

B. An estimate of the captured taxable value and tax increment revenues for each year of the Plan from each parcel of Eligible Property and in the aggregate. (MCLA 125.2663(1)(c))

An estimate of the captured taxable value and tax increment revenues by year for real property is attached as Exhibit C.

C. The method by which the costs of the Plan will be financed, including a description of any advances made or anticipated to be made for the costs of the Plan from the municipality. (MCLA 125.2663(1)(d))

The costs of the Plan will be financed by R. Becker Properties, LLC through, cash and loan financing. Eligible Activity costs will be reimbursed through tax increments generated from the Subject Property.

D. The maximum amount of the note or bonded indebtedness to be incurred, if any. (MCLA 125.2663(1)(e))

The Authority does not anticipated incurring new bond indebtedness for this Project.

E. The duration of the Brownfield Plan, which shall not exceed the lesser of (1) the period required to pay for the Eligible Activities from tax increment revenues plus the period of capture authorized for the local site remediation revolving fund or (2) 35 years. (MCLA 125.2663(1)(f))

The Subject Property will be subject to this Plan to the extent that all Eligible Activities undertaken in this Plan are repaid, but in no event will the Plan exceed the maximum duration provided for in (MCLA 125.2663(1)(f)).

F. An estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the Eligible Property is located. (MCLA 125.2663(1)(g))

Tabular estimated of the incremental tax increases are attached as Exhibit C.

G. A legal description of each parcel of Eligible Property to which the Plan applies, a map showing the locations and dimensions of each Eligible Property, a statement of the characteristics that qualify the property as an Eligible Property and a statement of whether personal property is included as part of the Eligible Property. (MCLA 125.2663(1)(h))

1. Legal Description: See attached Exhibit A.
2. Location and Site Maps: See attached Exhibit A.
3. Characteristics of the Subject Property: The “Eligible Property” was historically utilized as a lumber supply business. The vacated commercial buildings are of 1-story pole frame construction.

H. An estimate of the number of persons residing on each Eligible Property to which the Plan applies, and the number of families and individuals to be displaced, if any. (MCLA 125.2663(1)(i))

The Subject Property has historically been utilized by commercial purposes. There are no persons currently residing on the Subject Property; therefore, no individuals or families will be displaced.

I. A plan for establishing priority for the relocation of persons displaced by implementation of the Plan, if applicable. (MCLA 125.2663(1)(j))

This section is not applicable to this Project as there are no persons currently residing on the Subject Property.

J. Provision for the costs of relocating persons displaced by implementation of the Plan, and financial assistance and other reimbursement of expenses, if any. (MCLA 125.2663(1)(k))

This section is not applicable to this Project as there are no persons currently residing on the Subject Property.

K. A strategy for compliance with the Michigan Relocation Assistance Act, if applicable.

(MCLA 125.2663(1)(l))

This section is not applicable to this Project as there are no persons currently residing on the Subject Property.

L. A description of the proposed use of the local site remediation revolving fund.

(MCLA 125.2663(1)(m))

This local site remediation revolving fund will **not** be used for purposes authorized under the Act. The Ottawa County Brownfield Authority will **not** be collecting the local TIF for an additional 5 years beyond the applicant capture period.

M. Other material that the Authority or governing body considers pertinent. (MCLA

125.2663(1)(n))

The Project involves the renovation and redevelopment of a vacant and contaminated facility to allow for expansion of a locally owned dairy distribution and cold storage business. **The Project will create 17 to 20 new full-time jobs and 3 to 5 part-time jobs**, increase the local tax base and redevelop four (4) vacant, unoccupied commercial buildings.

Michigan Business Tax Credit

It is the intention of the Michigan Legislature to encourage redevelopment of brownfields using the Michigan Business Tax Credit (“MBT Credit”) permitted under Act 361, Public Acts of 2007, as amended (“MBT Act”). The MBT Credit is based on 12.5% to 20% of the “Eligible Investment” costs incurred at the Subject Property. “Eligible investment” means demolition, construction, restoration, alteration, renovation or improvement of buildings on Eligible Property and the addition of machinery, equipment and fixtures to the Subject Property. The Eligible Investment, made by a qualified taxpayer after approval of this Brownfield Redevelopment Plan, but not earlier than 90 days prior to the date of the preapproval letter from the Michigan Economic Growth Authority, may be used to calculate the MBT Credit.

EXHIBITS

EXHIBIT A
LEGAL DESCRIPTION

Legal Description

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

Parcel # 70-14-28-366-004:

PART SW ¼ & PART LOT 5, OHLMAN'S ASSESSOR'S PLAT NO 3 COM INTERS S 1/8 LI WITH E LI BALSAM DR, TH S 24D 57M W 247.79 FT ALG E'LY LI TO PT WHICH IS 841.61 FT FROM MOST S'LY COR SD LOT 5 & PT OF BEG, TH S 65D 03M E 234.48 FT, TH S 37D 05M E 187.58 FT, TH N 52D 55M E 600 FT ALG NW'LY ROW LI, TH N 60D 10M W 684.27 FT TO PT ON E'LY LI BALSAM DR, SD PT BEING N 24D 57M E 500 FT FROM PT OF BEG, TH S 24D 57M W 500 FT TO BEG. SEC 28 T6N R13W

EXHIBIT B
ELIGIBLE ACTIVITY COSTS

ESTIMATE OF ELIGIBLE COSTS

Description of Costs	Estimated Cost
Demolition	\$10,000
Environmental Oversight	\$6,300
Soil Capping	\$4,000
Soil Excavation and Removal	\$20,000
Sub Total	\$40,300
15% Contingency	\$6,045
Pre-Brownfield Plan Activities	\$18,700
Administrative Operating Cost of OCBRA	\$1,500
TOTAL FOR ELIGIBLE ACTIVITIES	\$66,545

EXHIBIT C
TAX INCREMENTAL REVENUE PROFORMA



Final Revised Reimbursement Schedule 04-27-2011

Project:

R. Becker Properties, LLC
Amendment to Brownfield Plan
TIF Reimbursement Schedule

Location:

5800 Balsam Avenue
City of Hudsonville
Ottawa County

2011 SEV Investment	\$261,500
Predicted Increase Over 2011 SEV	\$577,357.00
	\$230,942.80

Reimbursement Year	Predicted SEV Increase	Annual Increase in TV
1	\$230,942.80	
2	\$230,942.80	\$0.00
3	\$230,942.80	\$0.00
4	\$230,942.80	\$0.00
5	\$230,942.80	\$0.00

Local Increment					
County Operate	County E-911	County Parks	City	Library Operate	Library Building
3.60000	0.44000	0.31650	9.73030	1.00000	0.50000

\$831.39	\$101.61	\$73.09	\$2,247.14	\$230.94	\$115.47
\$831.39	\$101.61	\$73.09	\$2,247.14	\$230.94	\$115.47
\$831.39	\$101.61	\$73.09	\$2,247.14	\$230.94	\$115.47
\$831.39	\$101.61	\$73.09	\$2,247.14	\$230.94	\$115.47

Predicted 2016 SEV Investment	\$492,443
Predicted Increase Over 2011 SEV	\$1,399,650.00
	\$559,860.00

\$2,846.89	\$347.95	\$250.29	\$7,694.75	\$790.80	\$395.40
\$2,846.89	\$347.95	\$250.29	\$7,694.75	\$790.80	\$395.40
\$2,846.89	\$347.95	\$250.29	\$7,694.75	\$790.80	\$395.40
\$2,846.89	\$347.95	\$250.29	\$7,694.75	\$790.80	\$395.40

Years 1-9.5
Subtotals:

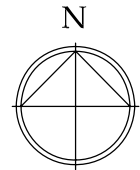
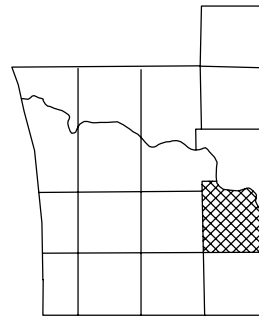
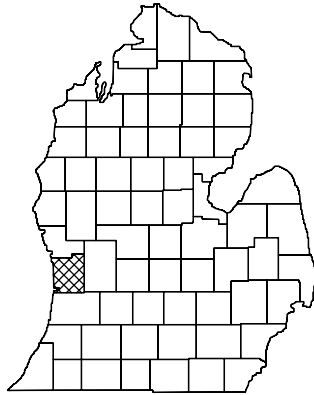
\$16,178 \$1,977 \$1,422 \$43,728 \$4,494 \$2,247

Annual Capture Available	BRA Capture	Applicant Capture	Cumulative Available for Capture By Applicant	Total Available for Capture By Applicant & BRA
\$3,599.66	\$179.98	\$3,419.68	\$3,419.68	\$3,599.66
\$3,599.66	\$179.98	\$3,419.68	\$6,839.35	\$7,199.32
\$3,599.66	\$179.98	\$3,419.68	\$10,259.03	\$10,798.98
\$3,599.66	\$179.98	\$3,419.68	\$13,678.71	\$14,398.64
\$3,599.66	\$179.98	\$3,419.68	\$17,098.38	\$17,998.30

\$12,326.09	\$616.30	\$11,709.78	\$28,808.16	\$30,324.38
\$12,326.09	\$616.30	\$11,709.78	\$40,517.94	\$42,650.47
\$12,326.09	\$616.30	\$11,709.78	\$52,227.72	\$54,976.55
\$12,326.09	\$616.30	\$11,709.78	\$63,937.50	\$67,302.64
\$2,744.73	\$137.24	\$2,607.50	\$66,545.00	\$70,047.37

Annual Increase in Taxable Value	0.00%
----------------------------------	-------

EXHIBIT D
FIGURES



10902002E-1800 02/15/11 14:35



ANN ARBOR
 920 N. Main St.
 Ann Arbor, MI 48104
 PHONE: 734.929.6963

CHICAGO
 1082 National Parkway
 Schaumburg, IL 60173
 PHONE: 312.878.3897

GRAND RAPIDS
 217 Grandville Ave., Suite 302
 Grand Rapids, MI 49503
 PHONE: 616.575.5190

HOLLAND
 347 Hoover Boulevard
 Holland, MI 49423
 PHONE: 616.393.0449

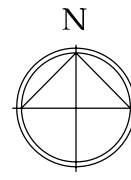
FIGURE 1 – SITE LOCATION

Part of NW 1/4 of SW 1/4
 Sec. 28, T6N, R13W
 City of Hudsonville
 Ottawa County, MI

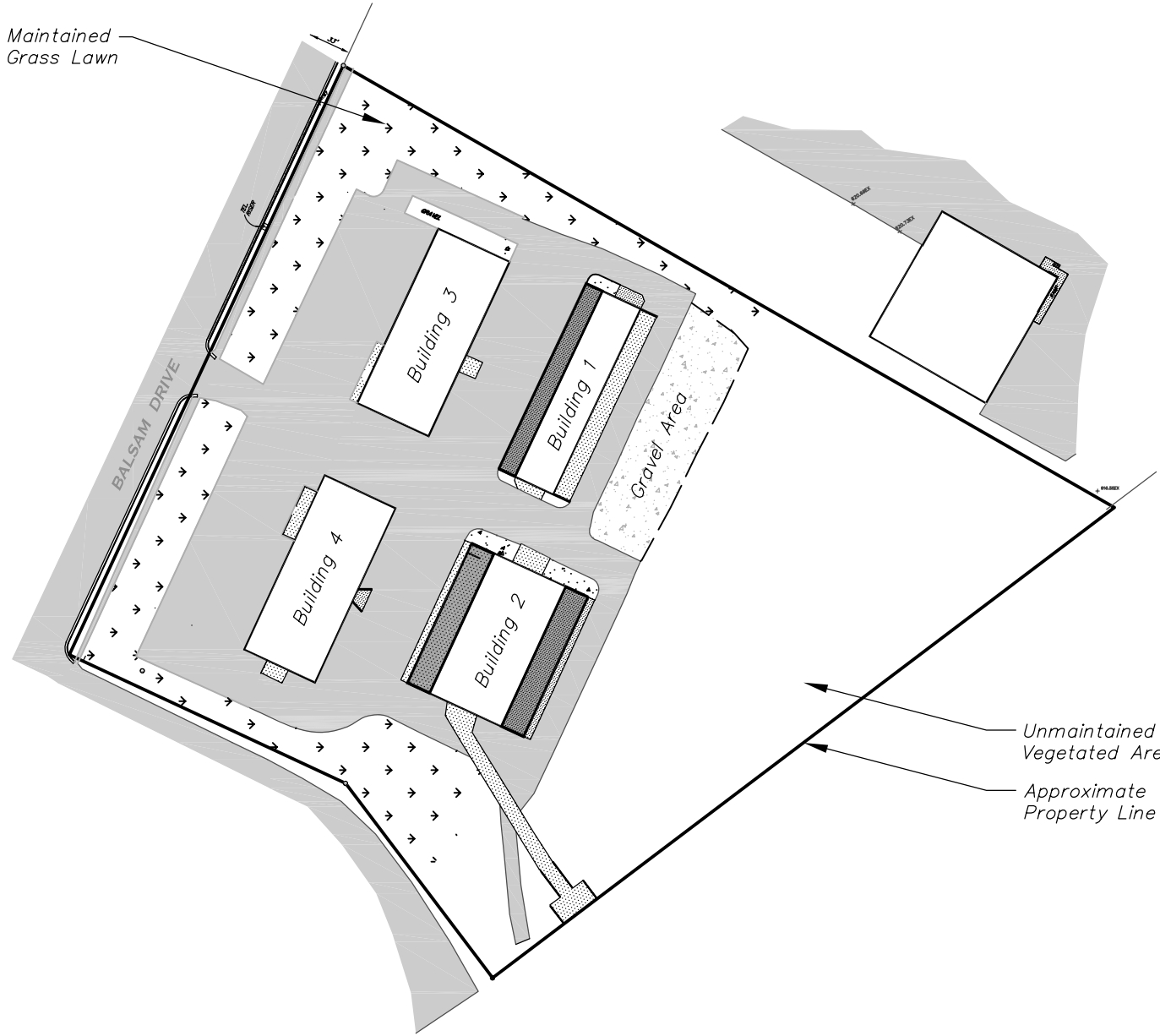
Site Name:
 5800 Balsam Drive
 Hudsonville, MI 49426

Project No.: 10902002
 Drawn by: NAV
 Date: 11-16-10

NOT TO SCALE
 NOT A SURVEY



Maintained
Grass Lawn



Unmaintained
Vegetated Area

Approximate
Property Line

10902002E-100 NV 02/15/11 14:38



ANN ARBOR
920 N. Main St.
Ann Arbor, MI 48104
PHONE: 734.929.6963

CHICAGO
1082 National Parkway
Schaumburg, IL 60173
PHONE: 312.878.3897

GRAND RAPIDS
217 Grandville Ave., Suite 302
Grand Rapids, MI 49503
PHONE: 616.575.5190

HOLLAND
347 Hoover Boulevard
Holland, MI 49423
PHONE: 616.393.0449

Figure 2 – Site Map

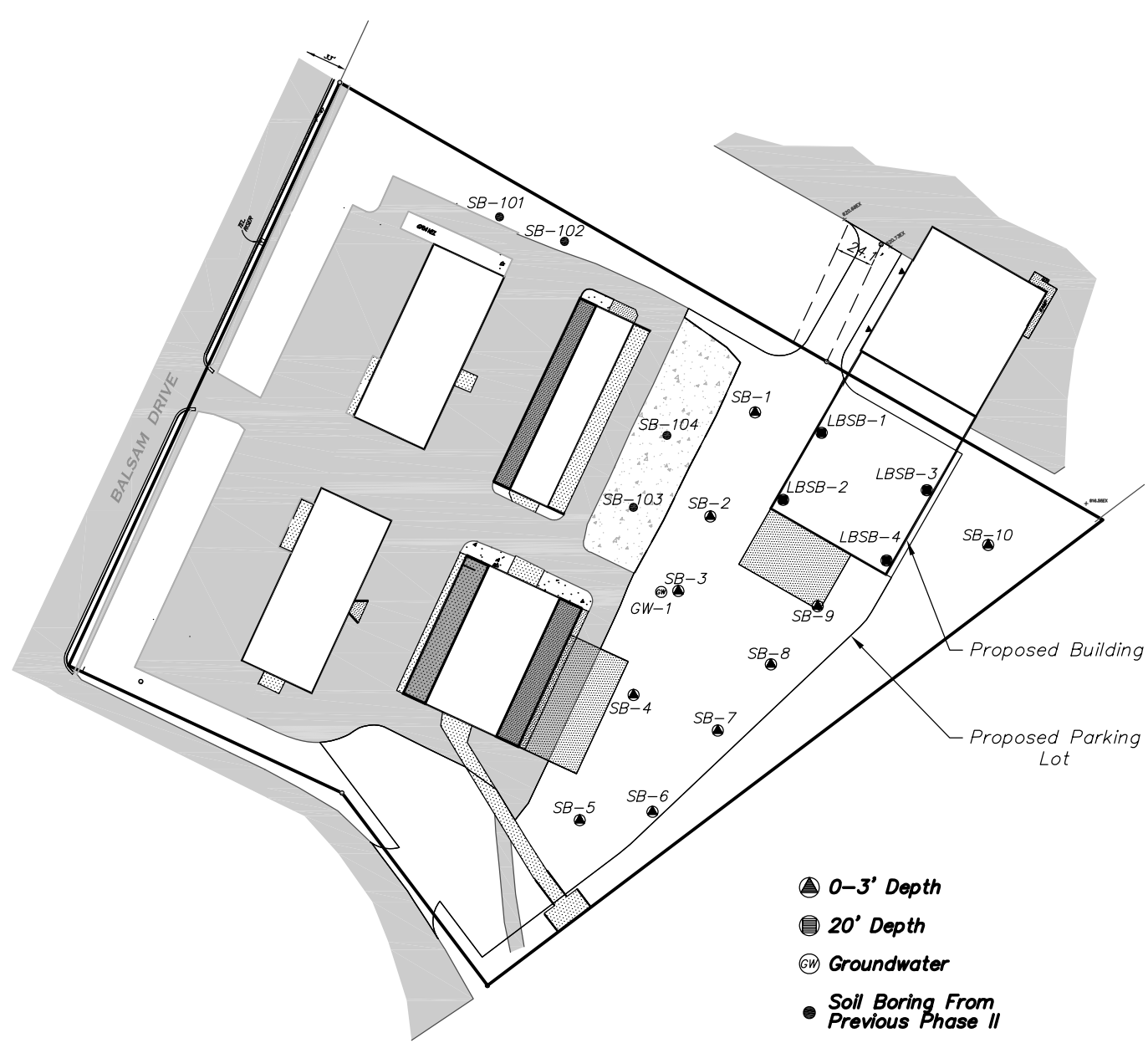
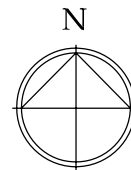
Part of NW 1/4 of SW 1/4
Sec. 28, T6N, R13W
City of Hudsonville
Ottawa County, MI

NOT TO SCALE

NOT A SURVEY

Site Name:
5800 Balsam Drive
Hudsonville, MI 49426

Project No.: 10902002
Drawn by: NAV
Date: 11-16-10



- ▲ 0-3' Depth
- 20' Depth
- ⊙ GW Groundwater
- Soil Boring From Previous Phase II

10902002E-100 NV 02/15/11 14:41

NEDERVELD
www.nederveld.com
800.222.1868

ANN ARBOR
920 N. Main St.
Ann Arbor, MI 48104
PHONE: 734.929.6963

CHICAGO
1082 National Parkway
Schaumburg, IL 60173
PHONE: 312.878.3897

GRAND RAPIDS
217 Grandville Ave., Suite 302
Grand Rapids, MI 49503
PHONE: 616.575.5190

HOLLAND
347 Hoover Boulevard
Holland, MI 49423
PHONE: 616.393.0449

Figure 3 – Boring Locations

Part of NW 1/4 of SW 1/4 Sec. 28, T6N, R13W City of Hudsonville Ottawa County, MI	Site Name: 5800 Balsam Drive Hudsonville, MI 49426
	Project No.: 10902002 Drawn by: NAV
	Date: 11-15-10
NOT TO SCALE	
NOT A SURVEY	

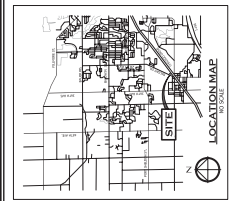
NEDERVELD
 www.nederveld.com
 10000 N. Lincoln Ave.
 Chicago, IL 60642
ANN ARBOR
 10000 N. Lincoln Ave.
 Ann Arbor, MI 48106
CHICAGO
 10000 N. Lincoln Ave.
 Chicago, IL 60642
GRAND RAPIDS
 10000 N. Lincoln Ave.
 Grand Rapids, MI 49508
HOLLAND
 10000 N. Lincoln Ave.
 Holland, MI 49424

CEDAR CREST DAIRY
 Phase 2 Site Plan for
 CITY OF HOSCHVILLE, OTTAWA COUNTY, MICHIGAN

CEDAR CREST DAIRY
 Attention:
Rob Becker
 5850 Balsam Drive
 Holland, Michigan 49426
 Phone: (616) 669-5170

Revised By	Rev.	Date	Description
	1		
	2		
	3		
	4		
	5		
	6		
	7		
	8		
	9		
	10		

Project No.: 10200546
C-205B
 Sheet No.: 2 OF 2
 © 2016 Nederveld, Inc.



SCALE: 1" = 40'

BENCHMARK #1:
 SET BENCHMARK STAKE IN NORTH CORNER OF PROPERTY. 2.0' ABOVE FINISHED GRADE.
 ELEVATION: 623.87

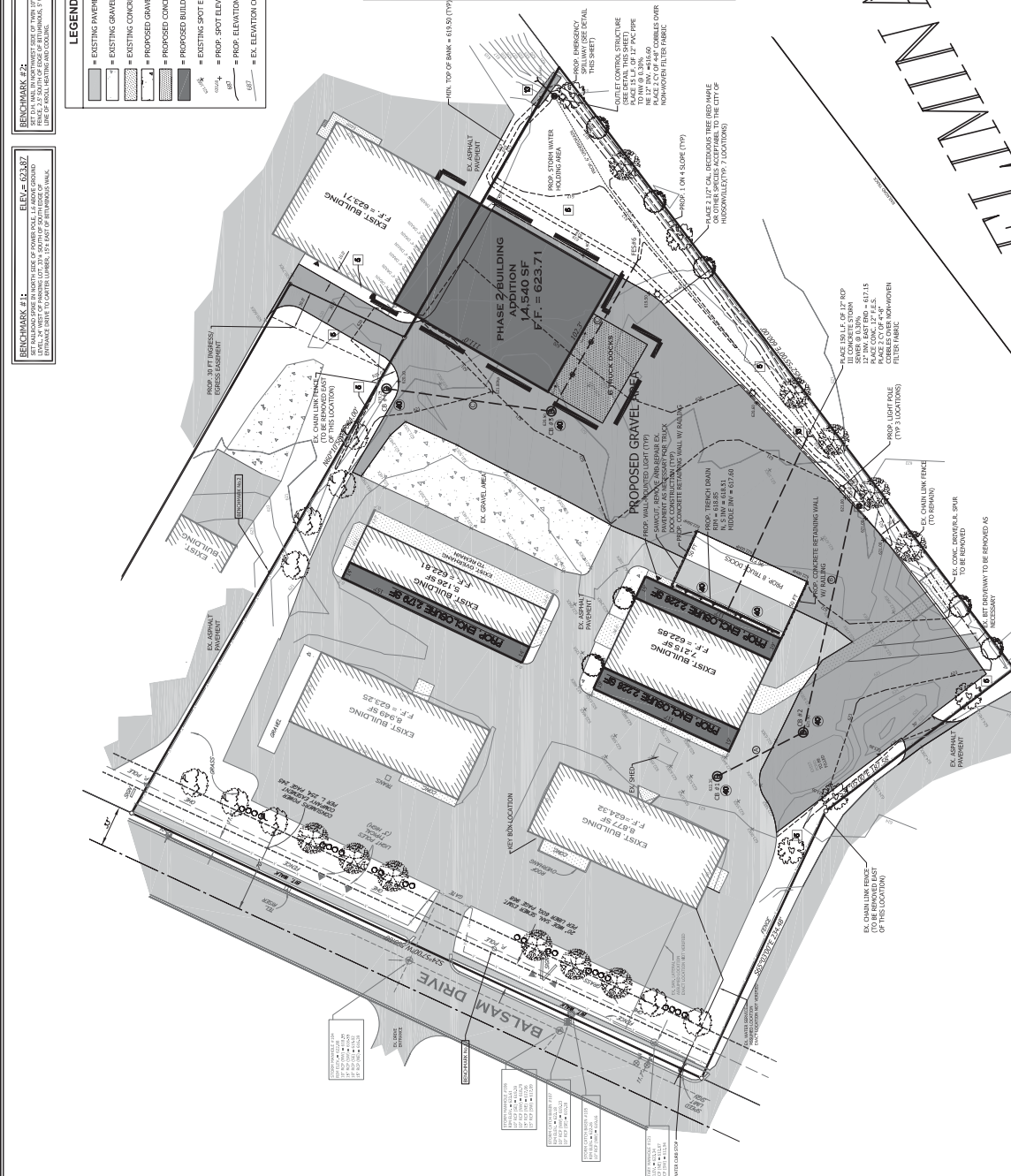
BENCHMARK #2:
 SET BENCHMARK STAKE IN NORTH CORNER OF PROPERTY. 2.0' ABOVE FINISHED GRADE.
 ELEVATION: 624.28

BENCHMARK #3:
 SET BENCHMARK STAKE IN NORTH CORNER OF PROPERTY. 2.0' ABOVE FINISHED GRADE.
 ELEVATION: 623.87

LEGEND

- EXISTING PAVEMENT
- EXISTING GRAVEL
- EXISTING CONCRETE
- PROPOSED GRAVEL
- PROPOSED CONCRETE
- PROPOSED BUILDING
- EXISTING SPOT ELEVATION
- PROG. SPOT ELEVATION
- EXIST. ELEVATION CONTOUR
- PROG. ELEVATION CONTOUR

- GENERAL NOTES**
- 1) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 2) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 3) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 4) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 5) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 6) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 7) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 8) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 9) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 10) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 11) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 12) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 13) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 14) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 15) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 16) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 17) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 18) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 19) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.
 - 20) ALL EXISTING UTILITIES ARE SHOWN AS APPROXIMATE LOCATIONS.



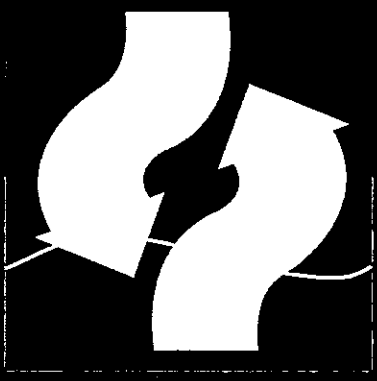
LEGAL DESCRIPTION: The combined lots 20, 20A, 20B, 20C, 20D, 20E, 20F, 20G, 20H, 20I, 20J, 20K, 20L, 20M, 20N, 20O, 20P, 20Q, 20R, 20S, 20T, 20U, 20V, 20W, 20X, 20Y, 20Z, 20AA, 20AB, 20AC, 20AD, 20AE, 20AF, 20AG, 20AH, 20AI, 20AJ, 20AK, 20AL, 20AM, 20AN, 20AO, 20AP, 20AQ, 20AR, 20AS, 20AT, 20AU, 20AV, 20AW, 20AX, 20AY, 20AZ, 20BA, 20BB, 20BC, 20BD, 20BE, 20BF, 20BG, 20BH, 20BI, 20BJ, 20BK, 20BL, 20BM, 20BN, 20BO, 20BP, 20BQ, 20BR, 20BS, 20BT, 20BU, 20BV, 20BW, 20BX, 20BY, 20BZ, 20CA, 20CB, 20CC, 20CD, 20CE, 20CF, 20CG, 20CH, 20CI, 20CJ, 20CK, 20CL, 20CM, 20CN, 20CO, 20CP, 20CQ, 20CR, 20CS, 20CT, 20CU, 20CV, 20CW, 20CX, 20CY, 20CZ, 20DA, 20DB, 20DC, 20DD, 20DE, 20DF, 20DG, 20DH, 20DI, 20DJ, 20DK, 20DL, 20DM, 20DN, 20DO, 20DP, 20DQ, 20DR, 20DS, 20DT, 20DU, 20DV, 20DW, 20DX, 20DY, 20DZ, 20EA, 20EB, 20EC, 20ED, 20EE, 20EF, 20EG, 20EH, 20EI, 20EJ, 20EK, 20EL, 20EM, 20EN, 20EO, 20EP, 20EQ, 20ER, 20ES, 20ET, 20EU, 20EV, 20EW, 20EX, 20EY, 20EZ, 20FA, 20FB, 20FC, 20FD, 20FE, 20FF, 20FG, 20FH, 20FI, 20FJ, 20FK, 20FL, 20FM, 20FN, 20FO, 20FP, 20FQ, 20FR, 20FS, 20FT, 20FU, 20FV, 20FW, 20FX, 20FY, 20FZ, 20GA, 20GB, 20GC, 20GD, 20GE, 20GF, 20GG, 20GH, 20GI, 20GJ, 20GK, 20GL, 20GM, 20GN, 20GO, 20GP, 20GQ, 20GR, 20GS, 20GT, 20GU, 20GV, 20GW, 20GX, 20GY, 20GZ, 20HA, 20HB, 20HC, 20HD, 20HE, 20HF, 20HG, 20HH, 20HI, 20HJ, 20HK, 20HL, 20HM, 20HN, 20HO, 20HP, 20HQ, 20HR, 20HS, 20HT, 20HU, 20HV, 20HW, 20HX, 20HY, 20HZ, 20IA, 20IB, 20IC, 20ID, 20IE, 20IF, 20IG, 20IH, 20II, 20IJ, 20IK, 20IL, 20IM, 20IN, 20IO, 20IP, 20IQ, 20IR, 20IS, 20IT, 20IU, 20IV, 20IW, 20IX, 20IY, 20IZ, 20JA, 20JB, 20JC, 20JD, 20JE, 20JF, 20JG, 20JH, 20JI, 20JJ, 20JK, 20JL, 20JM, 20JN, 20JO, 20JP, 20JQ, 20JR, 20JS, 20JT, 20JU, 20JV, 20JW, 20JX, 20JY, 20JZ, 20KA, 20KB, 20KC, 20KD, 20KE, 20KF, 20KG, 20KH, 20KI, 20KJ, 20KL, 20KM, 20KN, 20KO, 20KP, 20KQ, 20KR, 20KS, 20KT, 20KU, 20KV, 20KW, 20KX, 20KY, 20KZ, 20LA, 20LB, 20LC, 20LD, 20LE, 20LF, 20LG, 20LH, 20LI, 20LJ, 20LK, 20LL, 20LM, 20LN, 20LO, 20LP, 20LQ, 20LR, 20LS, 20LT, 20LU, 20LV, 20LW, 20LX, 20LY, 20LZ, 20MA, 20MB, 20MC, 20MD, 20ME, 20MF, 20MG, 20MH, 20MI, 20MJ, 20MK, 20ML, 20MN, 20MO, 20MP, 20MQ, 20MR, 20MS, 20MT, 20MU, 20MV, 20MW, 20MX, 20MY, 20MZ, 20NA, 20NB, 20NC, 20ND, 20NE, 20NF, 20NG, 20NH, 20NI, 20NJ, 20NK, 20NL, 20NM, 20NO, 20NP, 20NQ, 20NR, 20NS, 20NT, 20NU, 20NV, 20NW, 20NX, 20NY, 20NZ, 20OA, 20OB, 20OC, 20OD, 20OE, 20OF, 20OG, 20OH, 20OI, 20OJ, 20OK, 20OL, 20OM, 20ON, 20OO, 20OP, 20OQ, 20OR, 20OS, 20OT, 20OU, 20OV, 20OW, 20OX, 20OY, 20OZ, 20PA, 20PB, 20PC, 20PD, 20PE, 20PF, 20PG, 20PH, 20PI, 20PJ, 20PK, 20PL, 20PM, 20PN, 20PO, 20PP, 20PQ, 20PR, 20PS, 20PT, 20PU, 20PV, 20PW, 20PX, 20PY, 20PZ, 20QA, 20QB, 20QC, 20QD, 20QE, 20QF, 20QG, 20QH, 20QI, 20QJ, 20QK, 20QL, 20QM, 20QN, 20QO, 20QP, 20QQ, 20QR, 20QS, 20QT, 20QU, 20QV, 20QW, 20QX, 20QY, 20QZ, 20RA, 20RB, 20RC, 20RD, 20RE, 20RF, 20RG, 20RH, 20RI, 20RJ, 20RK, 20RL, 20RM, 20RN, 20RO, 20RP, 20RQ, 20RR, 20RS, 20RT, 20RU, 20RV, 20RW, 20RX, 20RY, 20RZ, 20SA, 20SB, 20SC, 20SD, 20SE, 20SF, 20SG, 20SH, 20SI, 20SJ, 20SK, 20SL, 20SM, 20SN, 20SO, 20SP, 20SQ, 20SR, 20SS, 20ST, 20SU, 20SV, 20SW, 20SX, 20SY, 20SZ, 20TA, 20TB, 20TC, 20TD, 20TE, 20TF, 20TG, 20TH, 20TI, 20TJ, 20TK, 20TL, 20TM, 20TN, 20TO, 20TP, 20TQ, 20TR, 20TS, 20TT, 20TU, 20TV, 20TW, 20TX, 20TY, 20TZ, 20UA, 20UB, 20UC, 20UD, 20UE, 20UF, 20UG, 20UH, 20UI, 20UJ, 20UK, 20UL, 20UM, 20UN, 20UO, 20UP, 20UQ, 20UR, 20US, 20UT, 20UU, 20UV, 20UW, 20UX, 20UY, 20UZ, 20VA, 20VB, 20VC, 20VD, 20VE, 20VF, 20VG, 20VH, 20VI, 20VJ, 20VK, 20VL, 20VM, 20VN, 20VO, 20VP, 20VQ, 20VR, 20VS, 20VT, 20VU, 20VV, 20VW, 20VX, 20VY, 20VZ, 20WA, 20WB, 20WC, 20WD, 20WE, 20WF, 20WG, 20WH, 20WI, 20WJ, 20WK, 20WL, 20WM, 20WN, 20WO, 20WP, 20WQ, 20WR, 20WS, 20WT, 20WU, 20WV, 20WW, 20WX, 20WY, 20WZ, 20XA, 20XB, 20XC, 20XD, 20XE, 20XF, 20XG, 20XH, 20XI, 20XJ, 20XK, 20XL, 20XM, 20XN, 20XO, 20XP, 20XQ, 20XR, 20XS, 20XT, 20XU, 20XV, 20XW, 20XX, 20XY, 20XZ, 20YA, 20YB, 20YC, 20YD, 20YE, 20YF, 20YG, 20YH, 20YI, 20YJ, 20YK, 20YL, 20YM, 20YN, 20YO, 20YP, 20YQ, 20YR, 20YS, 20YT, 20YU, 20YV, 20YW, 20YX, 20YY, 20YZ, 20ZA, 20ZB, 20ZC, 20ZD, 20ZE, 20ZF, 20ZG, 20ZH, 20ZI, 20ZJ, 20ZK, 20ZL, 20ZM, 20ZN, 20ZO, 20ZP, 20ZQ, 20ZR, 20ZS, 20ZT, 20ZU, 20ZV, 20ZW, 20ZX, 20ZY, 20ZZ.

EXHIBIT E
PREVIOUS ENVIRONMENTAL REPORTS

PHASE I ENVIRONMENTAL SITE ASSESSMENT
APRIL 27, 2010

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL
NATURAL RESOURCES

Department of Environmental
Natural Resources
Michigan Department of Environment
Natural Resources



ENVIRONMENTAL

A-5792 113rd Avenue, Suite A
Holland, Michigan 49423

TABLE OF CONTENTS

1.0	EXECUTIVE SUMMARY	1
2.0	INTRODUCTION	
2.1	Purpose	3
2.2	Definitions	3
2.3	Special Terms and Conditions	4
2.4	Limitations	4
2.5	Limiting Conditions	
3.0	SITE DESCRIPTION	
3.1	Site Location and Legal Description	5
3.2	Site Description and Vicinity Characteristics	5
3.3	Property Site Reconnaissance	7
3.4	Solid Waste Stream	11
3.5	Public or Private Utilities	11
3.6	USTs or Abandoned Containers	12
3.7	Site Topography	12
3.8	Soil Characteristics	12
4.0	HISTORICAL REVIEW	
4.1	City Directory Search	14
4.2	Sanborn Map Search	14
4.3	Oil and Gas Production Map	14
4.4	Aerial Photographs	15
4.5	Assessor's Card	16
4.6	Property Tax Files	16
4.7	Interviews	17
5.0	REGULATORY REVIEW	20
6.0	FINDINGS AND RECOMMENDATIONS	26
7.0	QUALIFICATIONS AND SIGNATURES	27
Appendix A	Figures	
Appendix B	Site Photographs	
Appendix C	Historical Documents	
Appendix D	Radius Map	
Appendix E	ERE Scope of Services	

1.0 EXECUTIVE SUMMARY

1.0 EXECUTIVE SUMMARY

Equity Resource Environmental, L.L.C. (ERE) was retained by R. Becker Properties, LLC, as the consultant, to perform a Phase I Environmental Site Assessment (ESA) on Parcel # 70-14-28-366-004, located at 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan (hereinafter referred to as the Subject Property). The location of the Subject Property is depicted on Figure 1 - Site Location Map. As stated formally in Section 6.0, our findings indicate one (1) Recognized Environmental Condition (REC) existing within the Subject Property. Following is a brief description of the REC:

- Through historical information, numerous bunks of treated lumber were staged to the north and east of the commercial buildings, specifically over exposed soils without the utilization of a roof shelter. Treated lumber was historically treated with a Copper, Chromate and Arsenic solution to be resistant to insects. Arsenic, Copper and Chromate are known to leach from large amounts of treated lumber into the underlying soils. As the exposed soils underlying the former treated lumber storage areas were potentially impacted by heavy metals, one (1) REC was noted for the Subject Property.

ERE recommends that additional investigation in the form of a Phase II sampling be conducted on the Subject Property to address the issues presented in the abovementioned REC.

To address potential environmental concerns and identify RECs, this assessment consisted of a walk-through site reconnaissance, a review of historical records, a radius search of governmental agency lists, and interviews.

This Phase I ESA was conducted in accordance with the scope and limitations of ASTM Standard E 1527-05, "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process," following *all appropriate inquiry* guidelines

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

for Commercial Real Estate Transactions. Please refer to Appendix E to review ERE's Phase I Scope of Services.

2.0 PURPOSE

2.0 INTRODUCTION

2.1 Purpose

The objective of this Phase I ESA is to investigate and identify RECs that may exist on or surrounding the Subject Property in an attempt to satisfy requirements of the “innocent landowner defense” to liability that exists with the Federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). CERCLA provides a defense to environmental liability if pre-acquisition practices are undertaken which constitute appropriate inquiry into the previous ownership and uses of the Subject Property consistent with good commercial or customary practice. Similarly, this ESA was performed to provide a “diligent purchaser defense” pursuant to Section 20126(3)(h) of Part 201 of the Michigan Natural Resources and Environmental Protection Act (Act 451 P.A. of 1994, as amended).

2.2 Definitions

“Recognized Environmental Conditions”, as defined in ASTM Standard E-1527-05, are as follows:

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

2.3 Special Terms and Conditions

The scope of this Phase I ESA was limited to the matters expressly presented in this report. Pursuant to ASTM Standard E 1527-05, no inspection for Radon, Asbestos-containing materials, wetlands, Lead in drinking water, or Lead-containing materials was conducted. This report has been prepared for the benefit of R. Becker Properties, LLC, and should not be relied upon by any other person or entity without written authorization of ERE.

2.4 Limitations

ERE has advised that the Phase I ESA conducted at the Subject Property is an *all appropriate inquiry* into a property's environmental status, and is not sufficient to discover every potential source of environmental liability, if any, at the Subject Property. This report is not limited by the standard inquiry procedures followed for Phase I ESAs performed under ASTM Standard E 1527-05 (AAI-All Appropriate Inquiry).

2.5 Limiting Conditions

Building foundation footprint, concrete walkways and asphalt surfaced parking and drive areas covered a large portion of the surface of the Subject Property, thereby limiting visual inspection of underlying soils. No additional limiting conditions were observed during the site reconnaissance of the Subject Property that would directly or indirectly compromise the findings of this report. Data gaps determined to be insignificant can be found in Section 6.0 – Findings and Recommendations.

3.0 SITE DESCRIPTION

3.0 SITE DESCRIPTION

3.1 Site Location and Legal Description

The Subject Property is located within the Northwest ¼ of the Southwest ¼ of Section 28, Town 6 North, Range 13 West, known as 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan. A scaled map of the Subject Property is presented in Figure 2 – Site Map. The legal description of the Subject Property is as follows:

Parcel #70-14-28-366-004

PART SW 1/4 & PART LOT 5, OHLMAN'S ASSESSOR'S PLAT NO 3 COM
INTERS S 1/8 LI WITH E LI BALSAM DR, TH S 24D57M W 247.79 FT ALG
E'LY LI TO PT WHICH IS 841.61 FT FROM MOST S'LY COR SD LOT 5 & PT
OF BEG, TH S 65D03M E 234.48 FT, TH S 37D05M E 187.58 FT, TH N 52D
55M E 600 FT ALG NW'LY ROW LI, TH N 60D10M W 684.27 FT TO PT ON
E'LY LI BALSAM DR, SD PT BEING N 24D57M E 500 FT FROM PT OF BEG,
TH S 24D57M W 500 FT TO BEG. SEC 28 T6N R13W

3.2 Site Description and Vicinity Characteristics

The Subject Property consists of one (1) irregular-shaped parcel located along the eastern border of Balsam Drive, totaling 6.52-acres in size. The Subject Property is accessible from Balsam Drive to the west via curb cut entry areas, entering the Subject Property's western border. The Subject Property contains four (4) commercial buildings with asphalt surfaced parking and drive areas, maintained grass lawn and landscaping and un maintained densely vegetated areas. Natural gas, municipal water, municipal sanitary sewer, electric and telecommunication utilities are available to and service the Subject Property. All utilities enter the Subject Property from Balsam Drive to the west via below grade distribution lines. Reference Figure 2 – Site Map for locations of all structures. At the time of site reconnaissance, the Subject Property existed as four (4) vacant commercial buildings formerly utilized as a lumber storage yard and retail center for Carter Lumber. Historically, the Subject Property was utilized by Carter Lumber since

the buildings were constructed in 1977. Prior to 1977, the Subject Property existed as undeveloped forested land.

The Subject Property is primarily adjoined and surrounded by commercial businesses with asphalt surfaced parking and drive areas, curb lawn areas, and maintained landscaping. The adjoining parcels to the north of the Subject Property at addresses 5850 Balsam Drive and 5820 Balsam Drive are Cedar Crest Dairy and Kroll Furnace Co. Kroll Furnaces is a commercial furnace and HVAC system repair and maintenance contractor. Kroll Furnace Co utilizes this adjoining parcel as administrative offices and storage/warehouse space for HVAC supplies. Hazardous substances are used and stored in the form of AC refrigerants on this adjoining parcel. Cedar Crest Dairy utilizes this adjoining parcel as a storage warehouse and shipping terminal building for milk and dairy products. No significant quantities of hazardous substances are known to be currently utilized and stored at these adjoining parcels. The Subject Property is adjoined to the south, at address 5710 Balsam Drive, by Quality Diesel. Quality Diesel is a commercial semi tractor/diesel engine repair business for Cedar Crest Dairy. This adjoining parcel utilizes one (1) waste oil burner with one (1) approximately 150 gallon self contained waste oil AST. This adjoining parcel also contains one (1) 55-gallon drum of new motor oil, 55-gallon drums of anti-freeze coolant and quart sized containers of transmission oil and windshield washer fluids. All hazardous substances are known to be stored within the commercial building. No releases have been discovered for this adjoining parcel; however, as hazardous substances are stored in significant quantities, it is of environmental concern however not an REC for the Subject Property. The Subject Property is adjoined to the west by Chicago Drive. The Subject Property is adjoined to the east by Vitales Pizza (5779 Balsam Drive), Hudsonville Family Dentistry (5813 Balsam Drive), Tropi Tan (5819 Balsam Drive) and Imperial Computer Solutions (5817 Balsam Drive). Vitale's Pizza is a commercial pizza restaurant offering dine-in and take-out food service. Hudsonville Family Dentistry is a commercial dentist office providing dental care. Hazardous substances stored and utilized at this adjoining parcel include x-

ray solvent and bio medical waste. All x-ray solvents and biomedical waste are containerized and taken off site by a licensed biomedical waste hauler. This adjoining parcel is connected to municipal water and municipal sanitary sewer. Tropi Tan is a commercial sunless tanning business. No significant quantities of hazardous substances are known to be used or stored at this adjoining parcel address. Imperial Computer Solution is a local computer repair and service business. No significant quantities of hazardous substances are known to used or stored at this adjoining parcel address. Local topography indicates that shallow groundwater flow at the Subject Property is likely in a northeasterly direction toward Rush Creek. Regional topography indicates that deep groundwater flow at the Subject Property is likely in a northeasterly direction toward Rush Creek.

No RECs were identified for the Subject Property in relation to adjoining and surrounding parcels.

3.3 Property Site Reconnaissance

On April 20, 2010 an Environmental Geologist representative of ERE conducted a site reconnaissance of the Subject Property to obtain information so as to identify any RECs which may exist as defined in Section 8 of ASTM E 1527-05.

Visual inspection of the Subject Property began along Balsam Road, located along the western border of the Subject Property, and progressed in a clockwise direction around the borders, throughout the interior and through the four (4) vacant commercial buildings. The Subject Property consists of 6.52-acres of commercial/industrial land with four (4) wood frame/metal sided commercial buildings, asphalt surfaced parking and drive areas, concrete walkways, maintained grass lawn areas and unmaintained densely vegetated area. The four (4) commercial buildings are located within the central portion of the Subject Property and are surrounded to the north, east, south and west by asphalt surfaced

parking and drive areas. Natural gas, municipal water, municipal sanitary sewer, electric and telecommunication utilities are available to and service the Subject Property. All utilities enter the Subject Property from Balsam Drive to the west via below grade distribution lines. One (1) concrete pad mount electric transformer was located to the west of the northwest commercial building at the time of site reconnaissance. The electric transformer is owned by Consumers Power and does not contain a "no PCB" containing label; however, Consumers Power was contacted and indicated that this electric transformer does not contain/ utilize PCB containing cooling oils. The eastern portion of the Subject Property contained unmaintained densely vegetated area and one (1) formerly utilized open raised concrete loading dock platform. The unmaintained densely vegetated area contained de minimis wind blow non hazardous debris. No evidence of illegal solid waste dumping or disposal was observed within this area at the time of site reconnaissance. The raised loading dock platform is located within the southeastern corner of the Subject Property and no evidence of stained soils or distressed vegetation was observed within this area at the time of site reconnaissance. One (1) portable wood storage shed was observed within the interior of the Subject Property. The storage shed was vacant and formerly utilized for the storage of various wood products. The southern and interior of the Subject Property contained asphalt surfaced parking and drive areas with landscaping and curb lawn areas. De minimis asphalt staining was observed within the asphalt surfaced parking and drive areas at the time of site reconnaissance.

No RECs were noted for the Subject Property through the exterior site investigation of the Subject Property.

The Subject Property contains four (4) commercial buildings labeled Building 1, 2, 3 (Building # 3 a.k.a. Building 3 & 4 on the Assessors Card) and 4. Building 1 is the northeastern building, Building 2 is the southeastern building, Building 3 is the northwestern building and Building 4 is the southwestern building. As all the commercial

buildings were vacant/ unoccupied, no furniture was located within the buildings with the exception of lumber storage racks.

Building 1

The site reconnaissance then continued to the interior of Building 1, commencing with the location of utilities. Building 1 was constructed in 1977 and is a 9,480 sq. ft. 1-story pole frame constructed metal sided commercial lumber storage building with outdoor canopy on the eastern and western side. Only electric utilities are connected to this building and the main electrical breaker panel is located along the southern wall. The interior of Building 1 was empty at the time of site reconnaissance, with no shelving units or inside structures.

No RECs were identified through the interior site investigation of Building 1.

Building 2

The site reconnaissance then continued to the interior of Building 2, commencing with the location of utilities. Building 2 was constructed in 1977 and is a 12,744 sq. ft. 1-story pole frame constructed metal sided commercial lumber storage building with outdoor canopy on the eastern and western side. Only electric utilities are connected to this building and the main electrical breaker panel is located along the northern wall. The interior of Building 2 contained one (1) former saw room, lumber storage racks and upper mezzanine storage areas along the western and eastern sides of the commercial building. No evidence of floor drains or floor staining were observed within this building at the time of site reconnaissance.

No RECs were identified through the interior site investigation of Building 2.

Building 3

The site reconnaissance then continued to the interior of Building 3, commencing with the location of utilities. Building 3 was constructed in 1977 and is a 8,880 sq. ft. 1-story

pole frame constructed metal sided commercial lumber storage building. Two (2) main electrical breaker panels are located along the western wall of the commercial building. The interior of Building 3 contained empty show rooms in the southwestern corner, wood lumber storage racks and upper mezzanine storage areas along the western side of the commercial building. Two (2) floor drains were observed along the western wall of the commercial building. Through information received from the Subject Property owner, no hazardous substances were stored within this building as it was utilized for lumber storage. These floor drains were associated with a restroom and utility room formerly located within this building. These floor drains discharge to municipal sanitary sewer as confirmed through the City of Hudsonville Board of Public Works.

No RECs were identified through the interior site investigation of Building 3.

Building 4

The site reconnaissance then continued to the interior of Building 4, commencing with the location of utilities. Building 4 was constructed in 1977 and is a 8,880 sq. ft. 1-story pole frame constructed metal sided commercial building (former) retail show room building. Two (2) main electrical breaker panels, one (1) 40-gallon natural gas fired water heater, one (1) natural gas fired forced air furnace and one (1) floor drain (which is connected to municipal sanitary sewer) were located within the mechanical room of the commercial building at the time of site reconnaissance. One (1) additional natural gas fired forced air furnace was located within the office area. The interior of Building 4 contained one (1) restroom with no floor drain, one (1) former retail sales display area, one (1) office area and one (1) back storage area. The retail sales display area was located within the northern portion of the building and contained one (1) retail service counter and open show room retail display floor space. The office area contained one (1) mechanical room, one (1) lunch room and one (1) executive style office. The back storage area was located within the southern portion of the building and contained

numerous wood lumber storage racks and upper mezzanine level within the eastern and western side of the area.

No RECs were identified through the interior site investigation of Building 4.

3.4 Solid Waste Stream

No solid or liquid waste was produced on the Subject Property at the time of site reconnaissance, as the Subject Property buildings are vacant/ unoccupied at the time of site reconnaissance. During operation of the Subject Property as a retail and storage lumber yard for Carter Lumber, solid waste consisted of non hazardous office type waste including paper products, cardboard, plastic products and food scraps metal straps and wood scraps. All solid waste was disposed of within solid waste dumpsters formerly located on the exterior of the Subject Property. No evidence of illegal solid waste disposal was evident within the borders of the Subject Property at the time of site reconnaissance.

3.5 Public or Private Utilities

Natural gas, municipal water, municipal sanitary sewer, electric and telecommunication utilities are available to and service the Subject Property. All utilities enter the Subject Property from Balsam Drive to the west via below grade distribution lines. One (1) concrete pad mount electric transformer was located to the west of the northwest commercial building at the time of site reconnaissance. The electric transformer is owned by Consumers Power and does not contain a "no PCB" containing label; however, Consumers Power was contacted and indicated that this electric transformer does not contain/ utilize PCB containing cooling oils. Additional utility and electric transformer information can be found above in Section 3.3 – Property Site Reconnaissance.

3.6 USTs, ASTs and Abandoned Containers

No abandoned containers, 55-gallon drums, USTs or ASTs were located on the Subject Property at the time of site reconnaissance.

No RECs were identified for the Subject Property in relation to abandoned containers, 55-gallon drums, USTs or ASTs.

A metal detector survey was conducted around the borders of the Subject Property and around the exterior of the commercial buildings utilizing a Chicago Steel Tape Metal Detector with a depth capacity of 15-feet. No large buried metal objects were observed through the metal detector survey of the Subject Property.

No RECs were identified for the Subject Property in relation to the metal detector survey.

3.7 Site Topography

The 1982 Hudsonville East Topographic Map, 7.5' series Quadrangle, issued by the United States Geological Survey (USGS), shows the Subject Property to lie centered at approximately 42° 52' 21.9" North latitude and 85° 51' 34.3" West longitude. The average elevation of the Subject Property is an average of 625 feet above mean sea level. The Subject Property is relatively flat with little to no relief. At the time of site reconnaissance, it was observed that storm water on the Subject Property discharges into stormwater catch basins within the interior of the Subject Property which are connected to the municipal stormwater system. Local topography indicates that shallow groundwater flow at the Subject Property is likely in a northeasterly direction toward Rush Creek. Regional topography indicates that deep groundwater flow at the Subject Property is likely in a northeasterly direction toward Rush Creek.

3.8 Soil Characteristics

Soils on the Subject Property consist of *Shoals Loam*, *Kibbie Loam* (0-2 percent slopes), and *Richter sandy loam* (0-2 percent slopes) per the Web Soil Survey of Ottawa County, Michigan. The description of these soil types are as follows:

Shoals Loam is found on the flood plains of streams throughout Ottawa County. This soil typically consists of strata of light brownish-gray, mottled friable sandy loam, overlain by dark brown, mottled very firm silty clay loam, overlain by dark gray, mottled, friable silty loam, and topped by dark grayish-brown loam. Available water capacity is high and permeability and runoff is slow to ponded.

Kibbie Loam (0 to 2 percent slopes) consists of nearly level, somewhat poorly drained, sloping soil on convex areas or in drainageways. Individual areas are irregular in shape and range from 4 to 60 acres. Typically, the surface layer is very dark grayish brown loam about 9 inches thick. The yellowish brown, mottled subsoil is about 23 inches thick. The upper part is friable, silt loam; and the lower part is firm, silty clay loam. The mottled underlying material is light yellowish brown and yellowish brown, stratified silty clay loam, silt loam, silt, and very fine sand to a depth of about 60 inches. In places, the soil is not stratified and is finer textured in the subsoil. Some areas have sandy material over clayey or loamy material. In places, the surface layer is lighter colored. Permeability of the Kibbie soil is moderate, and surface runoff is slow. The available water capacity is high. The surface layer is friable and easily tilled. The water table is at a depth of 1 foot to 2 feet from the surface during winter and early in spring.

Richter Sandy Loam (0 to 2 percent slopes) consists of somewhat poorly drained soils that occur on outwash plains and lake plains and in glacial drainageways. Typically the profile consists of strata of sandy loam, loamy sand, loamy fine sand, and fine sandy loam. Fertility is medium, and available water capacity is moderate. The water table is near the surface during wet periods and recedes during dry periods. If drained, the soil is well suited to most crops.

4.0 HISTORICAL REVIEW

4.0 HISTORICAL REVIEW

The following sources were used to define the historic site usage of the Subject Property:

4.1 City Directory Search

A search was completed of the Bressers Directories from 1950 through 2010 for the Subject Property address 5800 Balsam Drive. No listings were available from 1950-1986 for the Subject Property. The 1987 through 1994 Bressers Directories reflect the Subject Property address as being occupied by Carter Lumber. The 1995 through 1997 Bressers Directories reflect the Subject Property address as being occupied by Carter Plumbing, Electric and Heating. From 1998 through 2010, Bressers Directories reflect the Subject Property address (and new address of 1790 Balsam Drive) as being occupied by Carter Lumber. A copy of the Bresser's Directory search is included in Appendix C of this Phase I ESA report.

4.2 Sanborn Map Search

A Sanborn Map Search conducted by Environmental Data Resources, Inc. (EDR) was completed on April 7, 2010. The report stated that there was "No Coverage" of the Subject Property; therefore, it does not reference the Subject Property. This is the most current information available. A copy of the Sanborn Map Report is included in Appendix C of this Phase I ESA report.

4.3 Oil and Gas Production Map

An Oil and Gas Production Map of Ottawa County was obtained from the Michigan Department of Environmental Quality – Geological Survey Division to determine if any oil or gas wells have been drilled on the Subject Property in the past. From the map, it is apparent that no drilling or production activities have taken place on the Subject Property. The nearest evidence of any oil or gas drilling/production activity is approximately 0.50-miles to the northwest in the Northwest ¼ of the Northwest ¼ of Section 28, where a "dry hole" is located. A dry hole is defined as an oil production well not having economically

produced, or been utilized for its permitted use, for more than 12 consecutive months. Due to the distance from the Subject Property and its dry hole status, no REC is noted to exist on the Subject Property in relation to this location.

4.4 Aerial Photographs

Aerial photographs of the Subject Property were reviewed at the Ottawa County GIS Department for the years of 1973, 1984, 1989 & 1994. An aerial photograph for the year 2009 was reviewed by an online database.

From the 1973 aerial photograph, the Subject Property existed as vacant undeveloped land. From the 1973 aerial photograph, the Subject Property was adjoined to the north and west by vacant land, to the south by commercial businesses and to the east by Chicago Drive.

From the 1984 aerial photograph, the Subject Property contained four (4) commercial buildings with surrounding asphalt parking area and grass lawn areas. Lumber was observed staged to the north and east of the commercial buildings. From the 1984 aerial photograph, the Subject Property was adjoined to the north, south and west by commercial businesses and to the east by Chicago Drive.

From the 1989 aerial photograph, no significant changes were observed for the Subject Property since the 1984 aerial photograph. From the 1989 aerial photograph, an increase in commercial businesses was observed within the adjoining parcels to the north, west and south of the Subject Property since the 1984 aerial photograph.

From the 1994 aerial photograph, no significant changes were observed for the Subject Property since the 1989 aerial photograph. From the 1994 aerial photograph, no significant changes were observed for the parcels surrounding and adjoining the Subject Property since the 1989 aerial photograph.

From the 2009 aerial photograph, no significant changes were observed for the Subject Property since the 1994 aerial photograph. From the 2009 aerial photograph no significant changes were observed for the adjoining/ surrounding parcels since the 1994 aerial photograph. The 2009 aerial photograph reflects the current state and use of the Subject Property

4.5 Assessor's Card

A copy of the Assessor's Card was acquired from the City of Hudsonville Assessor's Office on April 20, 2010 and reviewed in order to determine the existence of improvements made to the Subject Property parcel # 70-14-28-366-004. The Assessor's Card indicates the Subject Property consists of 6.52 acres of industrial land. Information on the Assessor's Card indicates the Subject Property contains four (4) commercial buildings, known as Buildings 1, 2, 3 (Building # 3 a.k.a Building 3 & 4 on the Assessor's Card) and 5. All buildings were constructed in 1977 and are 1-story pole frame constructed metal sided commercial buildings with a poured concrete foundation. Building 1 is 9,480 sq. ft. in size, Building 2 is 12,744 sq. ft. in size, Buildings 3 & 4 are 8,880 sq. ft. in size and Public improvements include paved road, city water, city sewer, electric and gas. Information obtained from an online website states the 2010 S.E.V. as \$398,051 and the 2010 Taxable Value as \$ 398,051.

4.6 Property Tax Files

The tax sheets of the Subject Property were obtained from the City of Hudsonville Assessor's Office and reviewed. The Tax Parcel Number and S.E.V. for the Subject Property are listed below:

<u>Parcel Number</u>	<u>SEV</u>	<u>Taxable Value</u>
70-14-28-366-004	\$398,051	\$398,051

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

The SEV and taxable values for several nearby properties were reviewed to determine if the Subject Property possessed a diminished value significantly lower than comparable properties. The area surrounding the Subject Property is commercial, and values from the surrounding parcels are listed in the table below.

Address	Listed Usage	Observed Usage	Acreage	SEV Value	Taxable Value
5850 Balsam Drive	Commercial	Commercial	4.08	\$715,700	\$ 655,572
5710 Balsam Drive	Commercial	Commercial	3.53	\$207,500	\$ 207,464
5696 Balsam Drive	Commercial	Commercial	2.08	\$123,600	\$123,600
5713 Balsam Drive	Exempt	Exempt	NL	\$0	\$0
5775 Balsam Drive	Commercial	Commercial	1.96	\$395,400	\$331,382

From a review of the surrounding property tax files, it is apparent that the SEV for the Subject Property is not diminished compared to surrounding properties of the same use and/or comparable structure size. No REC was noted to exist in relation to the property value.

4.7 Interviews

On April 7, 2010 Fire Chief Dick Mohr with the City of Hudsonville Fire Department responded by fax to a FOIA request. Chief Mohr indicated they have no file on the Subject Property; therefore, they are unaware of any environmental concerns on or near the Subject Property in regard to discarded hazardous material or chemical spills, aboveground or underground storage tanks, or oil / gas exploration. They are also unaware of any previous environmental studies that have been completed on the Subject Property.

On April 12, 2008 the Kent County Environmental Health Department responded by telephone to a FOIA request. The Kent County Environmental Health Department indicated they have no file on the Subject Property; therefore, they are unaware of any environmental concerns on or near the Subject Property in regard to discarded hazardous material or chemical spills, aboveground or underground storage tanks, or oil/gas

exploration. They are also unaware of any previous environmental studies that have been completed on the Subject Property.

On April 19, 2010 Kurt Fay from Hudsonville Lanes was interviewed by telephone. Hudsonville Lanes is a locally owned bowling center and is located west of the Subject Property across Balsam Drive at 5775 Balsam Drive. Kurt is only aware of its utilization as a lumber yard. Kurt is unaware of any environmental concerns on the Subject Property in regard to discarded hazardous material or chemical spills, aboveground or underground storage tanks, or oil/gas exploration/production. He is also unaware of any previous environmental studies that have been completed on the Subject Property.

On April 19, 2010 Dave Schut from Imperial Computer Solutions was interviewed by telephone. Imperial Computer Solutions specializes in computer data recovery, web page design, and general computer repairs and is located southwest of the Subject Property across Balsam Drive at 5817 Balsam Drive. Dave is only aware of its utilization as a lumber yard. Dave is unaware of any environmental concerns on the Subject Property in regard to discarded hazardous material or chemical spills, aboveground or underground storage tanks, or oil exploration/production. He is also unaware of any previous environmental studies that have been completed on the Subject Property.

On April 19, 2010 Derek Bosch was interviewed by telephone. Derek Bosch is a property owner located within the area of the Subject Property. Derek also possesses a builder's license and used Carter Lumber as a supplier of building materials for approximately six years. Derek is only familiar with the use of the Subject Property as a lumber yard. Derek is unaware of any environmental concerns on the Subject Property in regard to discarded hazardous material or chemical spills, aboveground or underground storage tanks, or oil/gas exploration/production. He is also unaware of any previous environmental studies that have been completed on the Subject Property.

On April 20, 2010 Mr. Chuck Price was interviewed in by telephone. Mr. Price is a representative of the current owner of the Subject Property, Carter Lumber. He has been familiar with the Subject Property for 10 years and indicated that the Subject Property has existed as a commercial lumber storage/ retail yard since 1977 when the commercial buildings were constructed. Mr. Price indicated that treated wood was stored along the exterior of the Subject Property, specifically along the northern and eastern sides of the commercial building without the utilization of a canopy or over hang. He indicated that he is unaware of any spills or releases that have occurred on the Subject Property. Mr. Price is unaware of any environmental concerns on the Subject Property in regard to chemical spills or oil exploration/production. He is also unaware of any previous environmental studies that have been completed on the Subject Property.

Treated lumber was historically treated with a Copper, Chromate and Arsenic solution to resist the impact of insects. Arsenic, Copper and Chromate are known to leach from large amounts of stored treated lumber into underlying exposed soils when not stored under protective cover and over cement or asphalt surface. As large amounts of treated lumber was stored on the exterior borders of the Subject Property without cover shelter over exposed soils, one (1) REC was noted for the Subject Property.

5.0 REGULATORY REVIEW

5.0 REGULATORY REVIEW

The following state and federal regulatory agency lists were reviewed to identify regulated and/or environmentally impacted sites within the specified search radii of the property as defined by ASTM standards.

United States Environmental Protection Agency (USEPA) CERCLIS Sites 1/2 mile radius of the Subject Property

The Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) list is a compilation by the USEPA of sites under investigation for potential contamination under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), also known as "Superfund". Including sites with No Further Remedial Action Planned (NFRAP), as well as State and Tribal equivalent CERCLIS sites.

- No CERCLIS or CERCLIS equivalent sites were located within 1/2-mile radius of the Subject Property.
- No Tribal Reservations or lands were identified within 1/2-mile of the Subject Property.
- It has been determined that Michigan does not maintain a registry of CERCLIS equivalent sites. However, as listed below, Michigan does maintain a listing of Part 201 Sites of environmental contamination.

USEPA National Priorities List (NPL)

One (1) mile radius of the Subject Property

The NPL is a list of Superfund sites that qualify for federal funds for remedial action and appear on the federal CERCLIS list. Including sites which have subsequently been removed from the NPL which are located within 1/2-mile of the Subject Property.

- No active NPL sites were located within a one (1) mile radius of the Subject Property.
- No deleted NPL sites were located within a 1/2-mile radius of the Subject Property.

Federal Resource Conservation and Recovery Act (RCRA) Treatment Storage and Disposal (TSD) Facilities List

One (1) mile radius of the Subject Property

The RCRA TSD facilities list for Michigan includes sites which treat, store, or dispose of hazardous waste in the state of Michigan as regulated by the Resource Conservation Recovery Act of 1976 (RCRA).

- No RCRA TSD sites were located within a ½-mile radius of the Subject Property.

USEPA RCRA Generators List for Michigan

Subject Property and adjoining property

The RCRA Generators list includes sites and facilities in Michigan that generate hazardous waste as defined by RCRA. Since these sites are known and regulated, they are generally not considered an environmental concern unless known to have a history of RCRA violations.

- No RCRA Generators were located on or adjacent to the Subject Property.

USEPA Emergency Response Notification System (ERNS) List

Subject Property only

The USEPA maintains a list of reported CERCLA hazardous substance releases or spills in quantities greater than the reportable quantity, as maintained at the National Response Center. The database contains information from spill reports made within the referenced period to the USEPA, US Coast Guard, and the Michigan Department of Transportation.

- No reported releases or spills on the Subject Property.

Federal Resource Conservation and Recovery Information System (RCRIS) Corrective Action (CORRACTS) Facilities List

One (1) mile radius of the Subject Property

The CORRACTS list for Michigan includes sites which generate, treat, store, or dispose of hazardous waste and which are currently conducting corrective actions in the State of Michigan as regulated by RCRA.

- No CORRACTS Sites were located within a one (1) mile radius of the Subject Property.

Michigan Sites of Environmental Contamination, Part 201 of Act 451

One (1) mile radius of the Subject Property

This list identifies sites of environmental contamination in the State of Michigan and provides information pertaining to the risk assessment, evaluation, and cleanup of these sites.

- No Part 201 Sites were located within a one (1) mile radius of the Subject Property.

Tribal Sites of Environmental Contamination

½-mile radius of the Subject Property

Tribal owned hazardous waste sites identified for investigation or remediation (NPL equivalent).

- No Tribal Reservations or lands were identified within a ½-mile radius of the Subject Property.

Michigan Department of Environmental Quality (MDEQ) and Tribal Leaking Underground Storage Tank (LUST) Sites

1/2 mile radius of the Subject Property

LUST sites are regulated under Part 213 of Michigan Public Act 451 of 1994, as amended (PART 213). This list is comprised of sites where the source of release is a regulated UST.

- Seven (7) LUST sites were found within a ½-mile radius of the Subject Property.

Hudsonville Petroleum

3150 Chicago Drive

This site is located about 0.12 miles south of the Subject Property. This site utilizes two (2) 12,000 gallon gasoline USTs, one (1) 6,000 gallon gasoline UST and one (1) 6,000 gallon diesel UST. There was a leak discovered at this site in October of 1987. Groundwater flow in this area is to the northeast and away from the Subject Property; therefore, no REC was noted for the Subject Property in relation to this site.

Lee Edson Packaging

3007 Van Buren Street

This site is located 0.48 miles east of the Subject Property. This site utilized one (1) 1,000 gallon gasoline UST and one (1) 500 gallon gasoline UST, both USTs have been removed from this site. A release was discovered from this site on 7/9/1991. Groundwater flow in the area is towards the northeast, away from the Subject Property. Therefore, no REC was noted for the Subject Property in relation to this site.

Cedar Crest Dairy (Closed Site)

5850 Balsam Drive

This listing is for the adjoining parcel to the north of the Subject Property. This adjoining parcel utilized one (1) 4,000 gallon diesel UST which was removed from this adjoining parcel. A release was discovered on 5/10/1994 and was closed on 11/17/1994. Through an interview with the owner of this

adjoining parcel, when the UST was removed, no impacted groundwater was discovered at this adjoining parcel, and there is no evidence of contamination migrating beyond the borders of this adjoining parcel. As groundwater flow is toward the northeast and away from the Subject Property, it is of environmental concern, however not an REC for the Subject Property.

Elmwood Farms (Closed Site)

6021 Balsam Drive

This site is located 0.40 miles north of the Subject Property. This site utilized one (1) 1,200 gallon gasoline UST which has been removed from this site. A release was discovered from this site on 10/19/1992 and closed on 03/10/1997. Groundwater flow in the area is towards the northeast, away from the Subject Property. Therefore, no REC was noted for the Subject Property in relation to this site.

Rapid Oil Company (Closed Site)

6021 Balsam Drive

This site is located 0.07 miles south of the Subject Property. This site utilized one (1) 1,000 gallon diesel UST, one (1) 550 gallon gasoline UST, one (1) 1,000 gallon gasoline UST and one (1) 8,000 gallon diesel UST and all have been removed from this site. A release was discovered for this site on 1/6/1993 and closed on 5/11/1999. As this site has been closed by the MDEQ and there is no evidence of land use restrictions on this site, no REC was noted for the Subject Property.

Rapid Oil Company (Closed Site)

5713 Balsam Drive

This site is located 0.07 miles south of the Subject Property. This site utilized one (1) 4,000 gallon diesel UST, one (1) 4,000 gallon gasoline UST, both USTs have been removed from this site. A release was discovered from this site on 11/12/1992 and closed on 5/16/1994. As this site has been closed by the MDEQ and there is no evidence of land use restrictions on this site, no REC was noted for the Subject Property.

- No Tribal Reservations or lands were identified within a ½-mile radius of the Subject Property.

**MDEQ UST Division Registered and Tribal USTs
Subject Property or Adjacent Properties**

The MDEQ UST database provides information about current or previously registered UST systems in the State of Michigan. This list identifies sites which

have, or have had registered, regulated UST systems as defined by Part 211 of Michigan Public Act 451 of 1994, as amended (Part 211)

- One (1) UST was found on the Subject Property or Adjacent Properties.

Cedar Crest Dairy (Closed Site)
5850 Balsam Drive

Refer to LUST site section for additional information.

- No Tribal Reservations or lands were identified on or adjacent to the Subject Property.

MDEQ Waste Management Division and Tribal Lists of Active and Inactive Solid Waste Facilities

1/2 mile radius of the Subject Property

These lists identify known active and inactive landfills and transfer stations in the State of Michigan.

- No active or inactive solid waste landfills were located within a 1/2-mile radius of the Subject Property.
- No Tribal Reservations or lands were identified within a 1/2-mile radius of the Subject Property.

Michigan Department of Environmental Quality (MDEQ) Filed Baseline Environmental Assessment Sites

Subject Property or Adjoining Parcel

These are sites which are known to qualify as a "facility" as defined in the NREPA 1994 PA 451, Part 201, Section 20101(1)(o) and for which a BEA has been filed with the MDEQ.

- No Filed BEA sites were found on the Subject Property or Adjacent Properties.

MDEQ Regulated Waste Management Sites
Subject Property only

The MDEQ regulates activities at facilities regulated by the Solid Waste, Scrap Tire, Hazardous Waste, and Liquid Industrial Waste programs, regarding ownership and operation of the facility; the status of any required permits, licenses, registrations, or certifications; compliance status; authorized transporters; and shipments of hazardous or liquid industrial waste (manifest). Since these sites are known and regulated, they are generally not considered an environmental concern unless known to have a history of releases or violations.

- No Regulated Waste Management Sites were located on the Subject Property.

US INST CONTROL and ENG CONTROL Sites

Subject Property Only

The USEPA maintains a listing of sites with institutional and engineering controls in place, including administrative measures such as groundwater use restrictions, construction restrictions, property use restrictions, and post remediation care requirements intended to prevent exposure to contaminants remaining on site. Includes deed restrictions and remedial measures.

- No US INST CONTROL or ENG CONTROL sites were located on the Subject Property.

State and Tribal Voluntary Cleanup Sites

½-mile radius of the Subject Property.

The USEPA maintains a listing of sites in which owners and responsible parties have performed voluntary cleanup actions to address releases and contamination on site, both on Tribal and State lands.

- No State or Tribal voluntary cleanup sites were located within a ½-mile radius of the Subject Property.

State and Tribal Brownfield Sites

½-mile radius of the Subject Property

The USEPA maintains a map and listing, and the MDEQ maintains a listing of Brownfield Sites which have been redeveloped by private entities using the BEA process. These are not comprehensive listings of all potential Brownfield sites in Michigan.

- No Brownfield Sites were located within a ½-mile radius of the Subject Property.
- No Tribal Reservations or lands were identified within a ½-mile radius of the Subject Property.

Additionally, the State of Michigan does not maintain listings of NPL and CERCLIS equivalent sites, or sites with registered institutional or engineering controls in place. However, Michigan does maintain a list of contaminated sites which possess contamination exceeding Part 201 Criteria which lists sites both having been investigated and requiring investigation. Sites exceeding these criteria within the search radius are listed above in the Michigan Sites of Environmental Contamination, Part 201 of Act 451 section.

6.0 FINDINGS AND RECOMMENDATIONS

6.0 FINDINGS AND RECOMMENDATIONS

ERE has performed a Phase I ESA in conformance with the scope and limitations of ASTM Practice E 1527-05 on the Subject Property located at 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan, the legal description of which can be found in Section 3.1. Any exception to, or deletions from, this practice are described in Section 2.5 of this report. No data gaps were encountered during this Phase I ESA. Aerial photographs for the years 1973, 1984 & 1994 were reviewed; however, copies of the aerial photographs were not obtained and therefore noted as a limitation. This assessment has revealed that one (1) REC exists within the Subject Property. A description of the REC is as follows:

- Through historical information, numerous bunks of treated lumber were staged to the north and east of the commercial buildings, specifically over exposed soils without the utilization of a roof shelter. Treated lumber was historically treated with a Copper, Chromate and Arsenic solution to be resistant to insects. Arsenic, Copper and Chromate are known to leach from large amounts of treated lumber into the underlying soils. As the exposed soils underlying the former treated lumber storage areas were potentially impacted by heavy metals, one (1) REC was noted for the Subject Property.

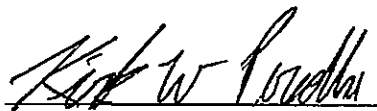
ERE recommends that additional investigation in the form of a Phase II sampling be conducted on the Subject Property to address the issues presented in the abovementioned REC.

7.0 QUALIFICATIONS AND SIGNATURES

7.0 QUALIFICATIONS AND SIGNATURES

The undersigned environmental professionals performed all work as defined in ASTM E 1527-05. Site reconnaissance of the Subject Property was conducted on April 20, 2010 using an Environmental Geologist representative of ERE.

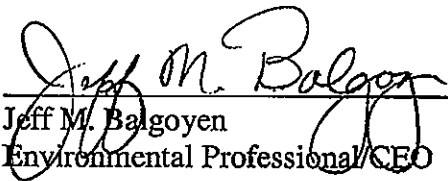
We declare that, to the best of our professional knowledge and belief, we meet the definition of *Environmental professional* as defined in §312.10 of 40 CFR 312, and we have the specific qualifications based on education, training, and experience to assess a *property* of the nature, history, and setting of the Subject Property. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.



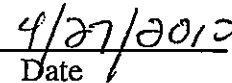
Kirk W. Perschbacher
Environmental Geologist



Date



Jeff M. Balgoyen
Environmental Professional/CEO



Date

Please contact Equity Resource Environmental with any questions or concerns.

Phone: (616) 392-6010

Fax: (616) 392-6080

Kirk W. Perschbacher

Holland, MI 49423

616.392.6010

616.886.7330

kirkpere@sbcglobal.net

RELATED EXPERIENCE

05/2006 - 06/2006	Western Michigan University Geology Field Camp Kalamazoo, MI	▪ 40 Hour OSHA HAZWOPER Certification
----------------------	---	--

EDUCATION

08/2002 - 04/2007	Bachelor of Science Geology Grand Valley State University Allendale, MI	▪ Plate Tectonics ▪ Structural Geology ▪ Geomorphology ▪ Sedimentary and Stratigraphy ▪ Mineralogy ▪ Petrology ▪ Hydrology ▪ Oceanography ▪ Environmental Geology ▪ Calculus I, II, III ▪ Calculus based Physics ▪ Chemistry
----------------------	---	---

WORK EXPERIENCE

06/2007 - Present	Environmental Geologist Equity Resource Environmental Holland, MI	▪ Transaction Screen Process ▪ Phase I ESA ASTM Standards E1527-00 and 1527-05 ▪ Phase II ESA ASTM Standards E1527-00 and 1527-05 ▪ Baseline Environmental Assessments (BEAs) ▪ Section 7a Compliance Analysis Due Care Plans ▪ Brownfield Redevelopments ▪ Project Management and Coordination with Regulatory Officials ▪ Risk Management at Industrial Facilities
05/2007 - 07/2007	Stormwater Research Assistant Grand Valley State University Allendale, MI	▪ Aid professor monitoring stormwater runoff ▪ Experience using Odyssey data recording software

Jeff M. Balgoyen

Professional Experience

Equity Resource Environmental, LLC **Holland, MI** **9/95 – Present**
CEO / Environmental Professional

- **Project Marketing and Management**
- **Development and Implementation of Field Work Plans**
- **Employee / Company Management**
- **Conduct Environmental Site Assessments**
- **Develop and Manage Field Investigation of Work Plans**
- **Market and Develop Brownfield Redevelopment Plans, TIF and SBT Credits**
- **Geotechnical Assessments**

Metropolitan Title Company **Holland, MI** **6/92 – 1/98**
Branch Manager / Production Manager

- **Managed Title/Abstract Production**
- **Managed Escrow Production**
- **Personnel Management**
- **Marketing and Budgeting**

Independent Oil and Gas Production Land Services **Hamilton, MI** **6/86 – 6/92**

- **Mineral Land Management**
- **Lease Acquisition / management**
- **Drilling Title Opinions and Curative Services**

Omni Petroleum Corporation **Allegan, MI** **1/80 – 6/86**
Senior Petroleum Landman

- **Mineral Land Management**
- **Lease Acquisition / management**
- **Oil and Gas Well Site Preparation**
- **Drilling Title Opinions / Title Curative Work**
- **Managed Leasing and office personnel**

Education

- **Western Michigan University** **Kalamazoo, MI** **1978**
Business Management
- **IED** **Houston, TX** **1981**
Land / Minerals Management

Qualifications:

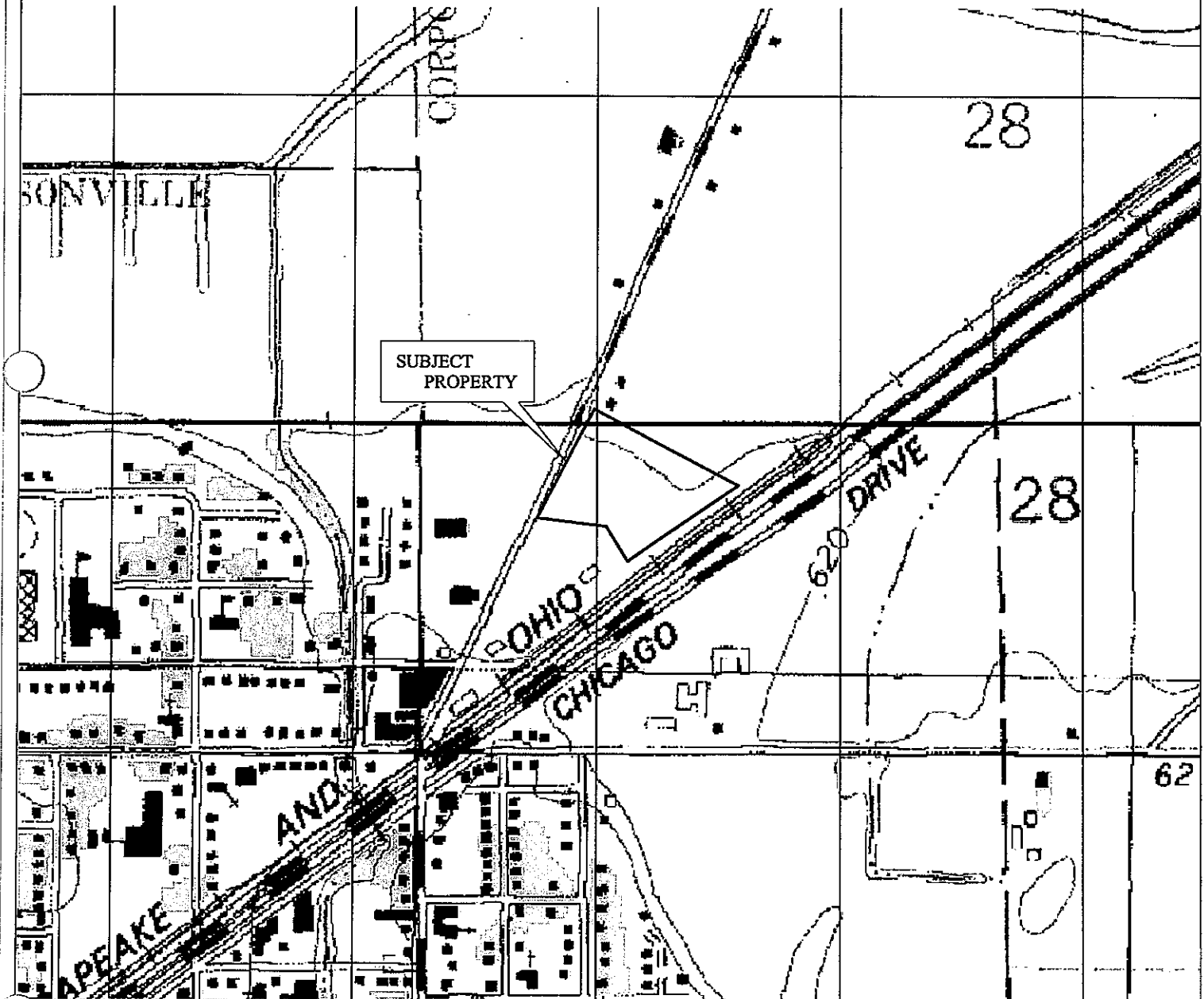
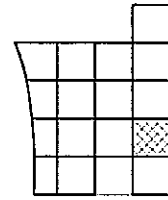
- **40 Hour HAZWOPER Certified**
- **Certified HAZWOPER Site Supervisor**
- **Environmental Professional**
- **Member Michigan Association of Environmental Professionals**
- **Certified Site Storm Water Operator**

APPENDICES

APPENDIX A
FIGURES



LAKE MICHIGAN



EQUITY RESOURCE



ENVIRONMENTAL

Equity Resource Environmental
 A-5792 143rd Avenue, Suite A
 Holland, MI 49423
 Ph: 616-392-6010
 Fax: 616-392-6080

FIGURE 1 - SITE LOCATION

NW 1/4 OF THE SW 1/4,
 SEC 28, T 6 N, R 13 W

NOT TO SCALE

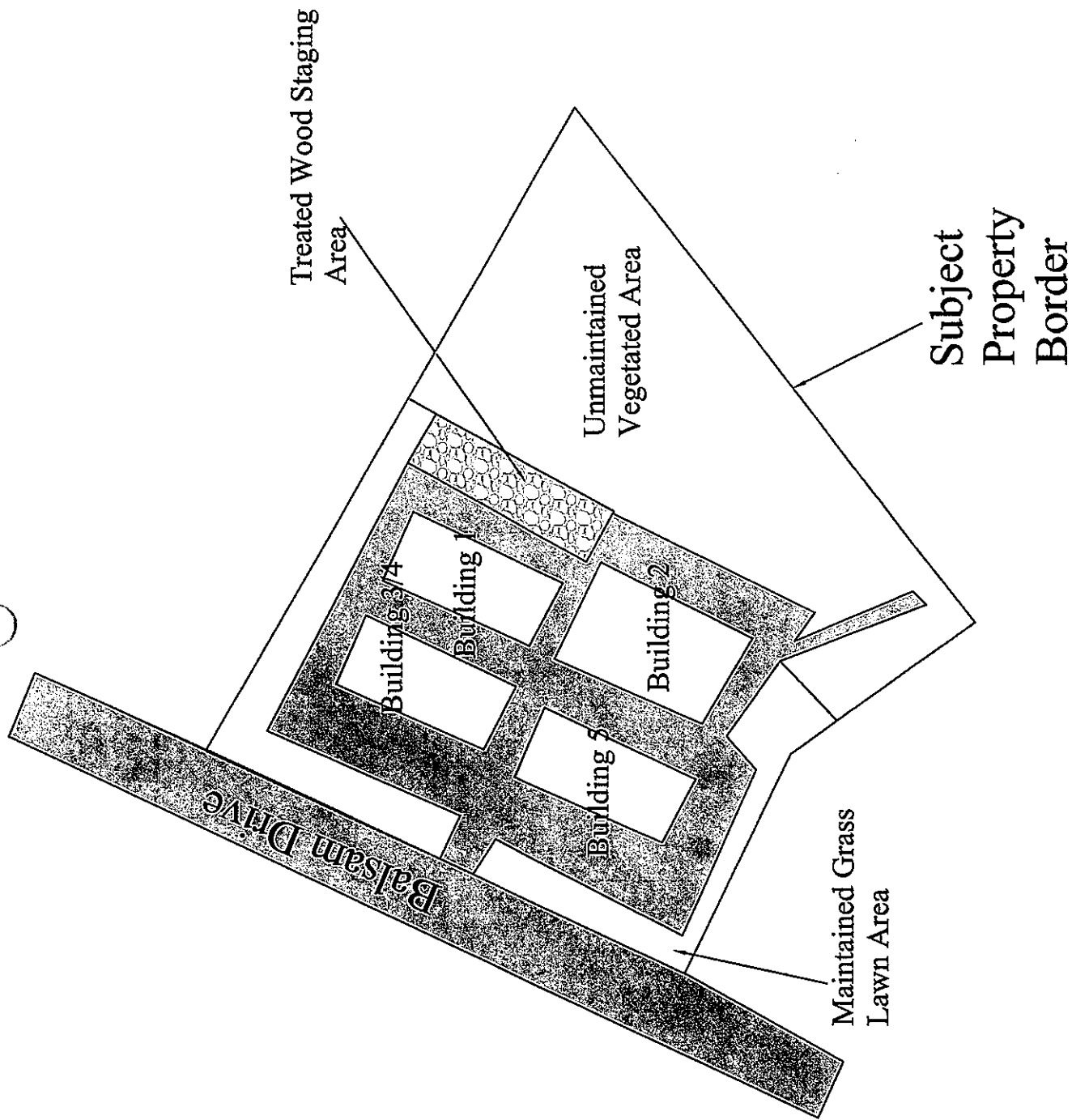
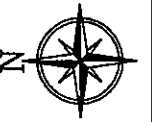
NOT A SURVEY

Site Name: 5800 Balsam Drive
 Hudsonville, MI

Project No: 10-1530

Drawn by: KWP

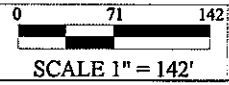
Date: 04/26/2010



Equity Resource Environmental
 A-5792 143rd Avenue, Suite A
 Holland, MI 49423
 Ph: 616-392-6010
 Fax: 616-392-6080

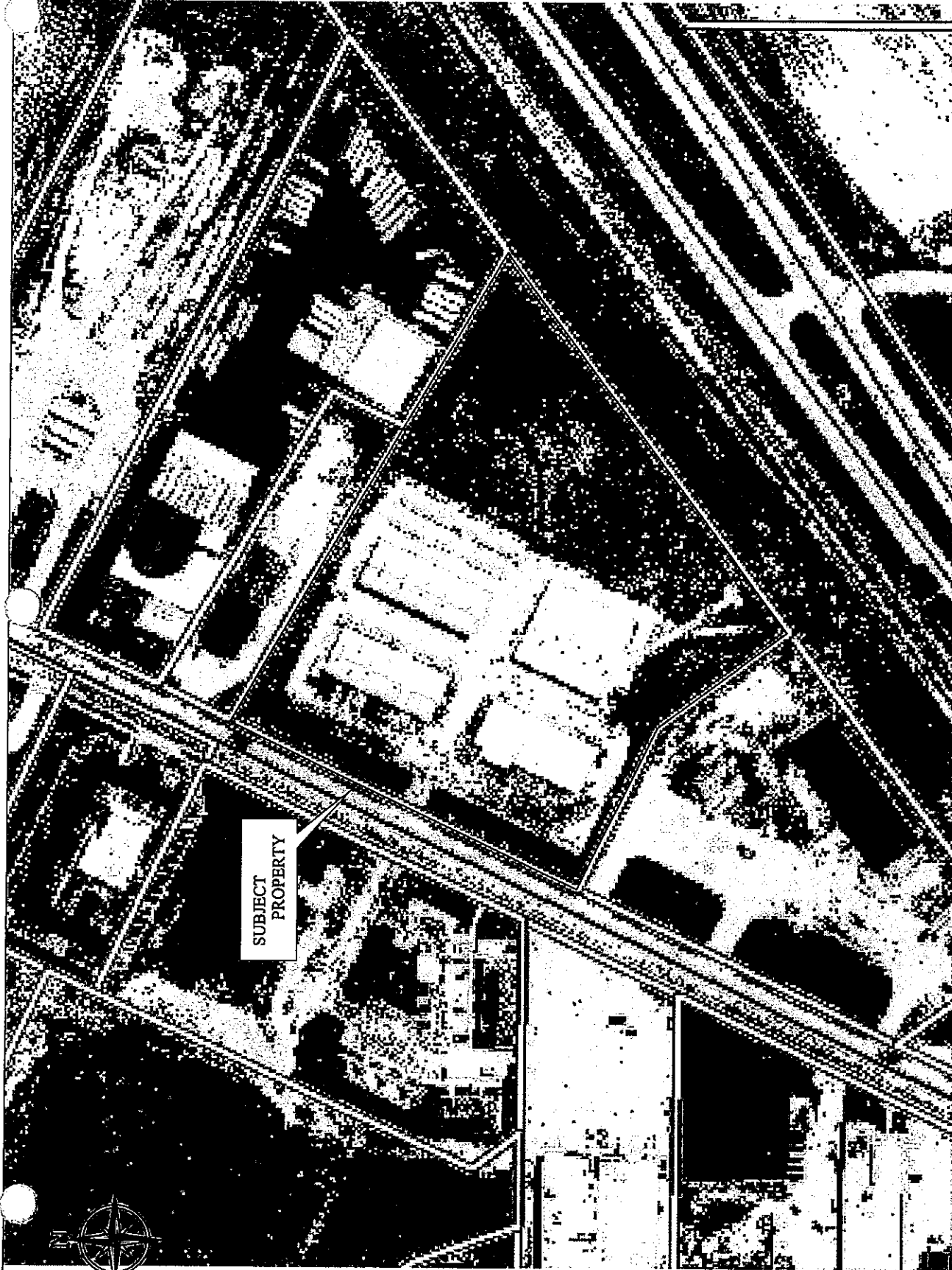
FIGURE 2 - SITE MAP

NW 1/4 OF THE SW 1/4 OF SECTION 28
 TOWN 6 NORTH, RANGE 13 WEST



NOT A SURVEY

Site Name: 5800 Balsam Drive
 Hudsonville, MI
 Project No: 10-1530
 Drawn by: KWP
 Date: 04/26/2010



SUBJECT
PROPERTY

FIGURE 3 - AERIAL PHOTOGRAPH

NW 1/4 OF THE SW 1/4 OF SECTION 28,
TOWN 6 NORTH, RANGE 13 WEST

Site Name: 5800 Balsam Drive
Hudsonville, MI
Project No: 10-1530
Drawn by: KWP
Date: 04/26/2010

NOT A SURVEY

Equity Resource Environmental
A-5792 143rd Avenue, Suite A
Holland, MI 49423
Ph: 616-392-6010
Fax: 616-392-6080

EQUITY RESOURCE



ENVIRONMENTAL

APPENDIX B
SITE PHOTOGRAPHS

1



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Adjoining parcels facing west.

2



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Adjoining parcels facing south.

3



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Adjoining parcels facing north.

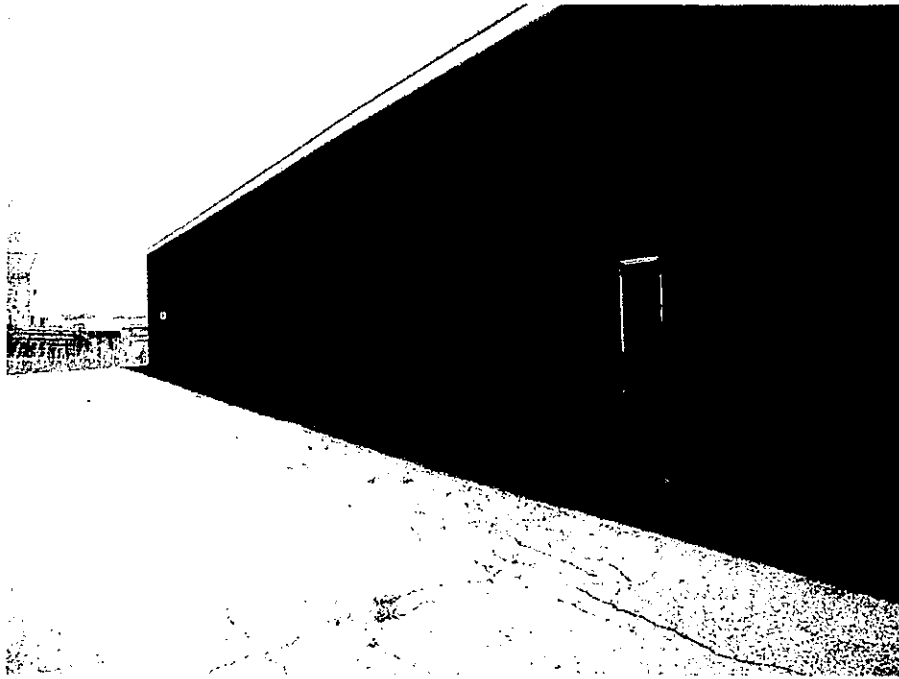
4



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Typical overview of the interior of Building 3/4.

5



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Typical storage canopy associated within Building 1 & 3.

6



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Typical breaker panel located within Building 1.

7



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Interior of Building 1.

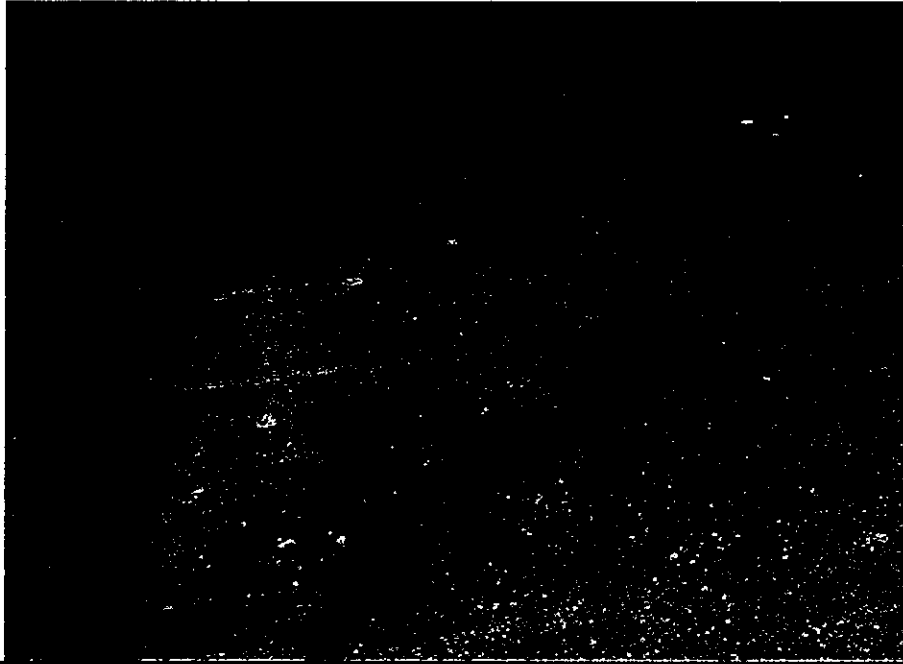
8



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Overview of the former treated wood staging area on the Subject Property.

9



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Overview of the southeastern loading dock area.

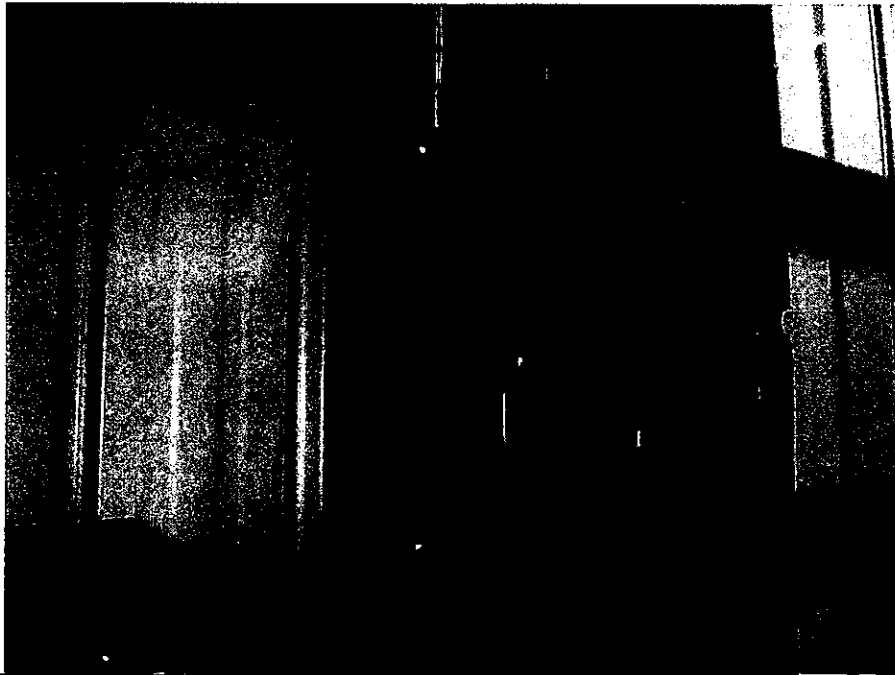
10



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Adjoining parcels facing east.

11



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Typical breaker panel located within Building 2.

12



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Interior of Building 2.

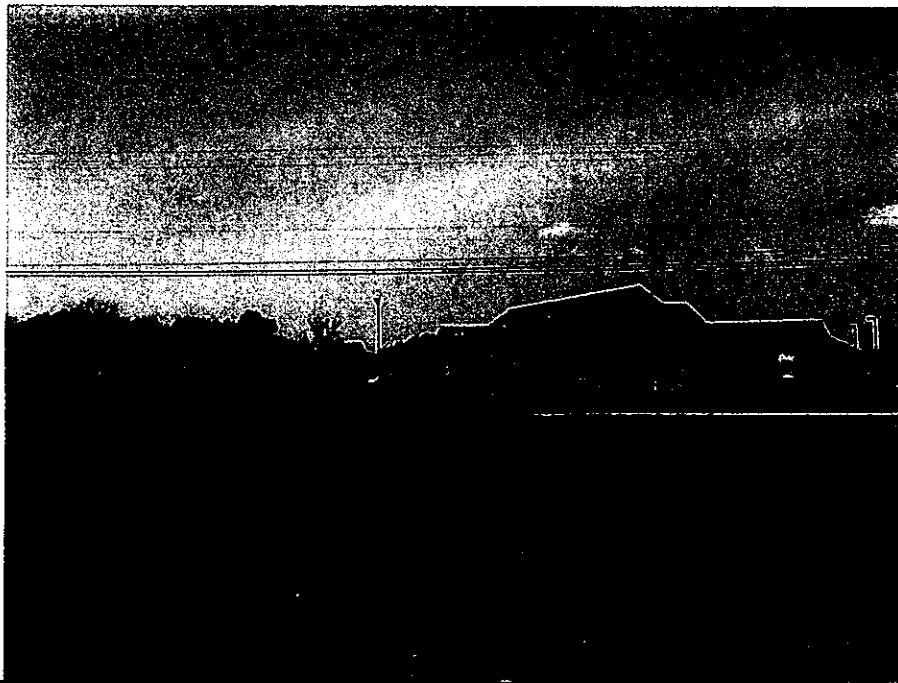
13



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Breaker panels located within Building 5.

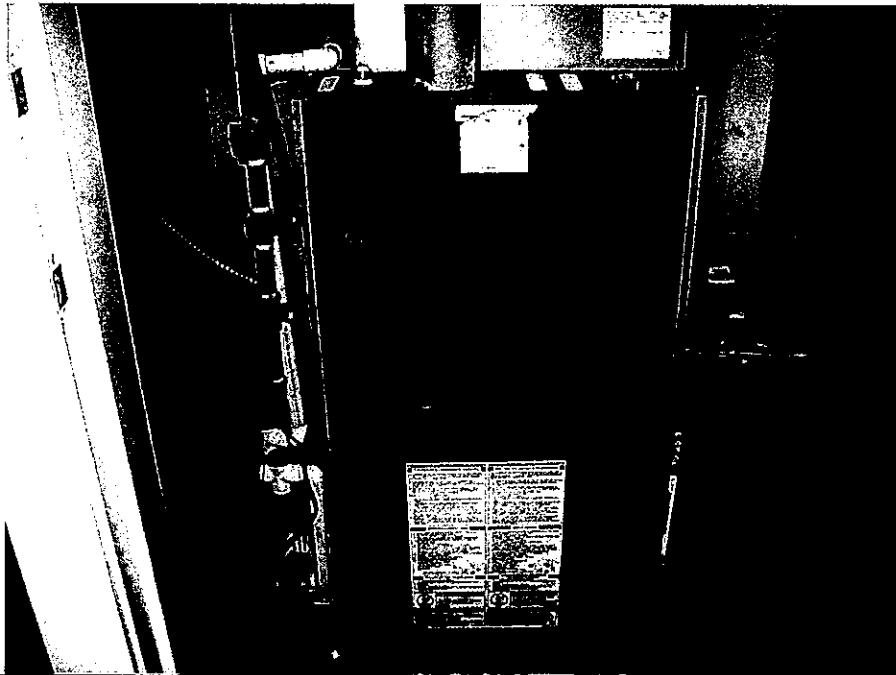
14



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Overview of the southern portion of the Subject Property.

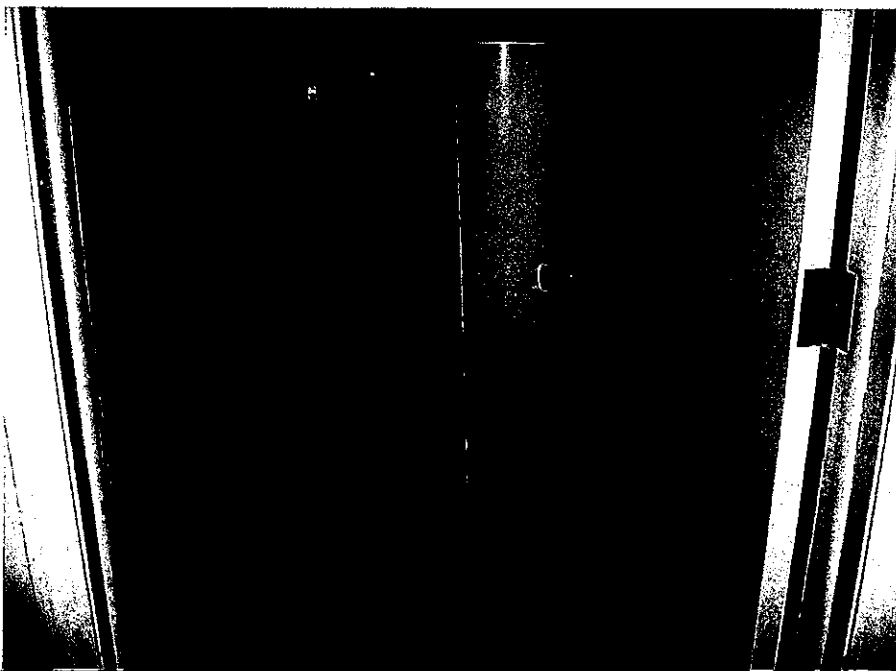
15



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Natural gas fired forced air furnace located within Building 5.

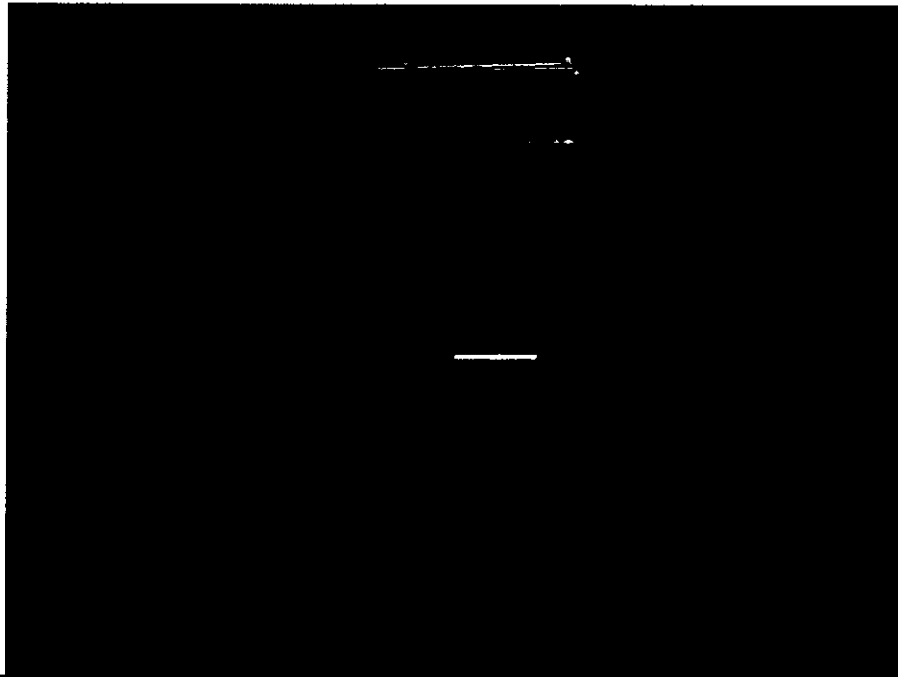
16



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

One (1) 40 gallon water heater located within Building 5.

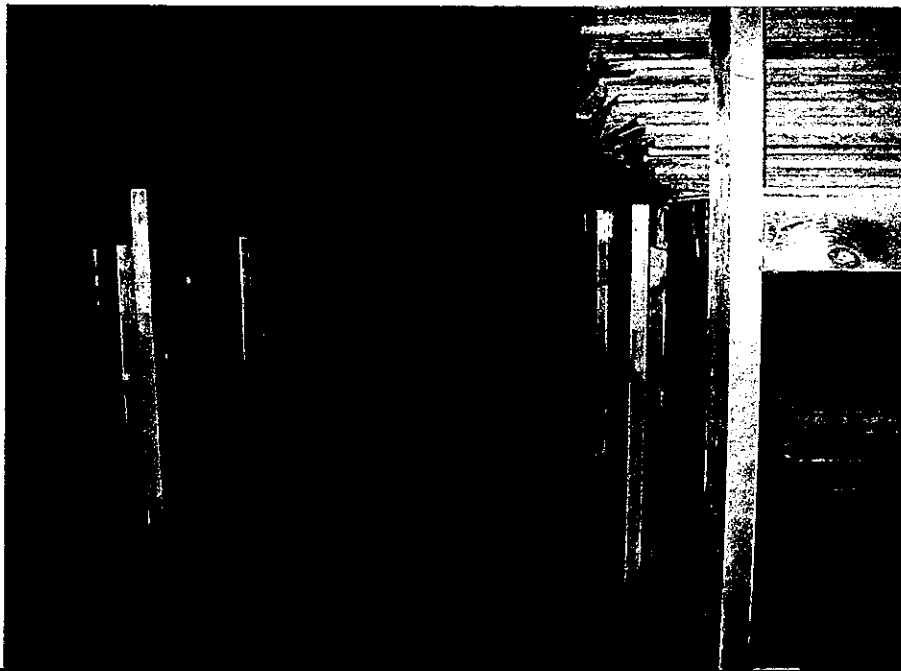
17



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Interior of the retail show room area within Building 5.

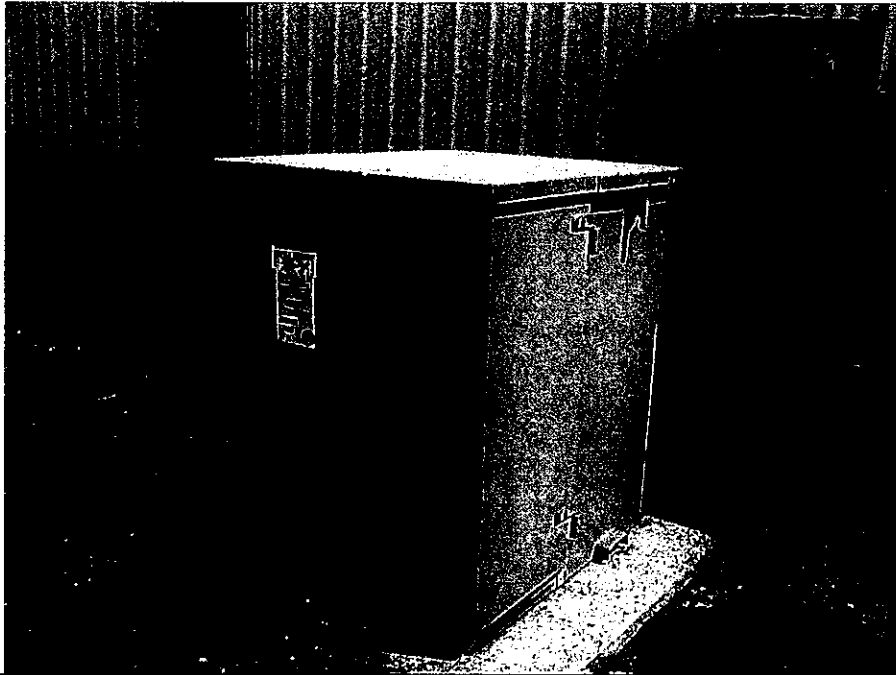
18



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Lumber storage area within the back storage area of Building 5.

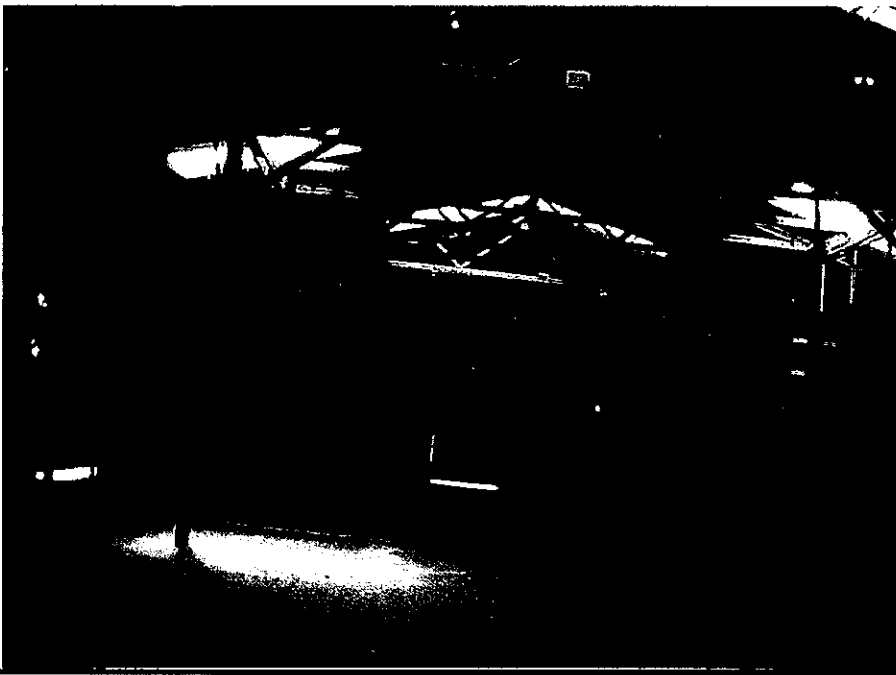
19



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

One (1) electric transformer located on the Subject Property.

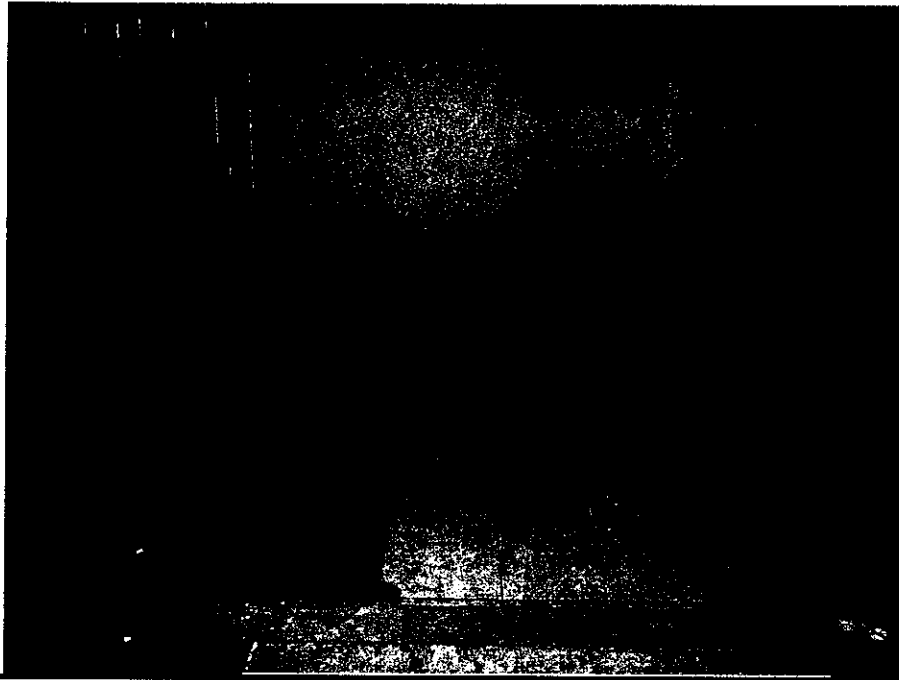
20



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Overview of the interior of Building 3/4.

21



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Floor drains and former restroom within Building 3/4.

APPENDIX C
HISTORICAL DOCUMENTS

5800 Balsam, Hudsonville

Gary Byker Memorial Library
Bresser's Search 04/07/2010

Edition	Address	Name	Year	Phone
06-07 ed		5790 * Carter Lumber	2002	616-669-0680
05-06 ed		5800 XX'X		NP
04-05 ed				
03-04 ed				
[REDACTED]				
02-03 ed		5790 * Carter Lumber		616-669-0680
	no 5800 number			
[REDACTED]				
01-02 ed		5790 * Carter Lumber	1991	616-669-0680
	no 5800 number			
[REDACTED]				
00-01 ed		5790 * Carter Lumber	1991	616-669-5870
99-00	no 5800 number			
98-99				
97-98				
[REDACTED]				
96-97		5790 * Carter Elec & Htg	1991	616-669-5870
		5800 * Carter Lumber	1986	616-669-0680
[REDACTED]				
95-96		5790 * Carter Plb Elec & Htg	1991	616-669-5870
94-95		5800 * Carter Lumber	1986	616-669-0680
93-94				

Note

5800 disappeared after 96-97 edition, showed up in 2003, but with XX's. Moved to 5790 + took over Carter Elec & Htg address, but phone for only one year.

Before 86 it was part of Edson Farm

Melissa Anisman
owned by Ralph Serum.

5800 Balsam Drive
5800 Balsam Drive
Hudsonville, MI 49426

Inquiry Number: 2739067.1
April 07, 2010

Certified Sanborn® Map Report



440 Wheelers Farms Road
Milford, CT 06461
800.352.0050
www.edrnet.com

Certified Sanborn® Map Report

4/07/10

Site Name:

5800 Balsam Drive
5800 Balsam Drive
Hudsonville, MI 49426

Client Name:

Equity Resource Environmental
A-5792 143rd Avenue
Holland, MI 49423



EDR Inquiry # 2739067.1

Contact: Kirk Perschbacher

The complete Sanborn Library collection has been searched by EDR, and fire insurance maps covering the target property location provided by Equity Resource Environmental were identified for the years listed below. The certified Sanborn Library search results in this report can be authenticated by visiting www.edrmet.com/sanborn and entering the certification number. Only Environmental Data Resources Inc. (EDR) is authorized to grant rights for commercial reproduction of maps by Sanborn Library LLC, the copyright holder for the collection.

Certified Sanborn Results:

Site Name: 5800 Balsam Drive
Address: 5800 Balsam Drive
City, State, Zip: Hudsonville, MI 49426
Cross Street:
P.O. # NA
Project: NA
Certification # F722-4EE0-BCB1



Sanborn® Library search results
Certification # F722-4EE0-BCB1

UNMAPPED PROPERTY

This report certifies that the complete holdings of the Sanborn Library, LLC collection have been searched based on client supplied target property information, and fire insurance maps covering the target property were not found.

The Sanborn Library includes more than 1.2 million Sanborn fire insurance maps, which track historical property usage in approximately 12,000 American cities and towns. Collections searched:

- Library of Congress
- University Publications of America
- EDR Private Collection

The Sanborn Library LLC Since 1866™

Limited Permission To Make Copies

Equity Resource Environmental (the client) is permitted to make up to THREE photocopies of this Sanborn Map transmittal and each fire insurance map accompanying this report solely for the limited use of its customer. No one other than the client is authorized to make copies. Upon request made directly to an EDR Account Executive, the client may be permitted to make a limited number of additional photocopies. This permission is conditioned upon compliance by the client, its customer and their agents with EDR's copyright policy; a copy of which is available upon request.

Disclaimer - Copyright and Trademark notice

This Report contains certain information obtained from a variety of public and other sources reasonably available to Environmental Data Resources, Inc. It cannot be concluded from this Report that coverage information for the target and surrounding properties does not exist from other sources. NO WARRANTY EXPRESSED OR IMPLIED, IS MADE WHATSOEVER IN CONNECTION WITH THIS REPORT. ENVIRONMENTAL DATA RESOURCES, INC. SPECIFICALLY DISCLAIMS THE MAKING OF ANY SUCH WARRANTIES, INCLUDING WITHOUT LIMITATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. ALL RISK IS ASSUMED BY THE USER. IN NO EVENT SHALL ENVIRONMENTAL DATA RESOURCES, INC. BE LIABLE TO ANYONE, WHETHER ARISING OUT OF ERRORS OR OMISSIONS, NEGLIGENCE, ACCIDENT OR ANY OTHER CAUSE, FOR ANY LOSS OF DAMAGE, INCLUDING, WITHOUT LIMITATION, SPECIAL, INCIDENTAL CONSEQUENTIAL, OR EXEMPLARY DAMAGES. ANY LIABILITY ON THE PART OF ENVIRONMENTAL DATA RESOURCES, INC. IS STRICTLY LIMITED TO A REFUND OF THE AMOUNT PAID FOR THIS REPORT. Purchaser accepts this Report "AS IS". Any analyses, estimates, ratings, environmental risk levels or risk codes provided in this Report are provided for illustrative purposes only, and are not intended to provide, nor should they be interpreted as providing any facts regarding, or prediction or forecast of, any environmental risk for any property. Only a Phase I Environmental Site Assessment performed by an environmental professional can provide information regarding the environmental risk for any property. Additionally, the information provided in this Report is not to be construed as legal advice.

Copyright 2010 by Environmental Data Resources, Inc. All rights reserved. Reproduction in any media or format, in whole or in part, of any report or map of Environmental Data Resources, Inc., or its affiliates, is prohibited without prior written permission.

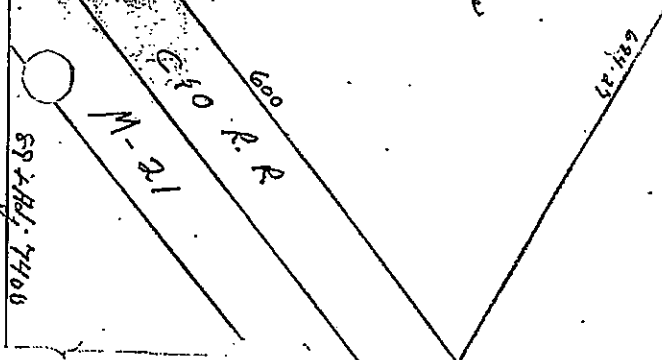
EDR and its logos (including Sanborn and Sanborn Map) are trademarks of Environmental Data Resources, Inc. or its affiliates. All other trademarks used herein are the property of their respective owners.

Date of Transfer	Grantor's Name	Address	Revenue Stamp	Verified Sale Price	Map No.	Book No.	Page No.	Parcel Code No.
	CARTER-JONES LUMBER CO.	601 PALMADGE RD KENT, OHIO 44240						
Property Address					5800 BALSAM DR	St. Ave.		
Building or Alteration Permit					#2198 - new garage		3/25/28	\$ 3000
Date					4/18/90	2500		

DESCRIPTION

PART SW 1/4 & PART LOT 5, OHMANS ASSRS PLAT NO 3, COM INTERS S 1/8 LI W E LI BALSAM DR, TH S 24D 57M W 247.79 FT ALG E'LY LI TO PT WHICH IS 841.61 FT FROM MOST S'LY COR SD LOT 5 & PT OF BEG, TH S 65D 03M' E 234.48 FT, TH S 37D 05M E 187.58 FT, TH N 52D 55M E 600 FT ALG NW'LY ROW LI, TH N 60D 10M W 684.27 FT TO PT ON E'LY LI BALSAM DR, SD PT BEING N 24D 57M E 500 FT FROM PT OF BEG, TH S 24D 57M W 500 FT TO BEG. SEC 28 T6 R13

LAND SKETCH



LAND IMPROVEMENTS

Zoned Industrial			
Dirt	Sidewalk	Gas	
Gravel	Water	Electric	
Paved	Sewer	Fence	
Curb			

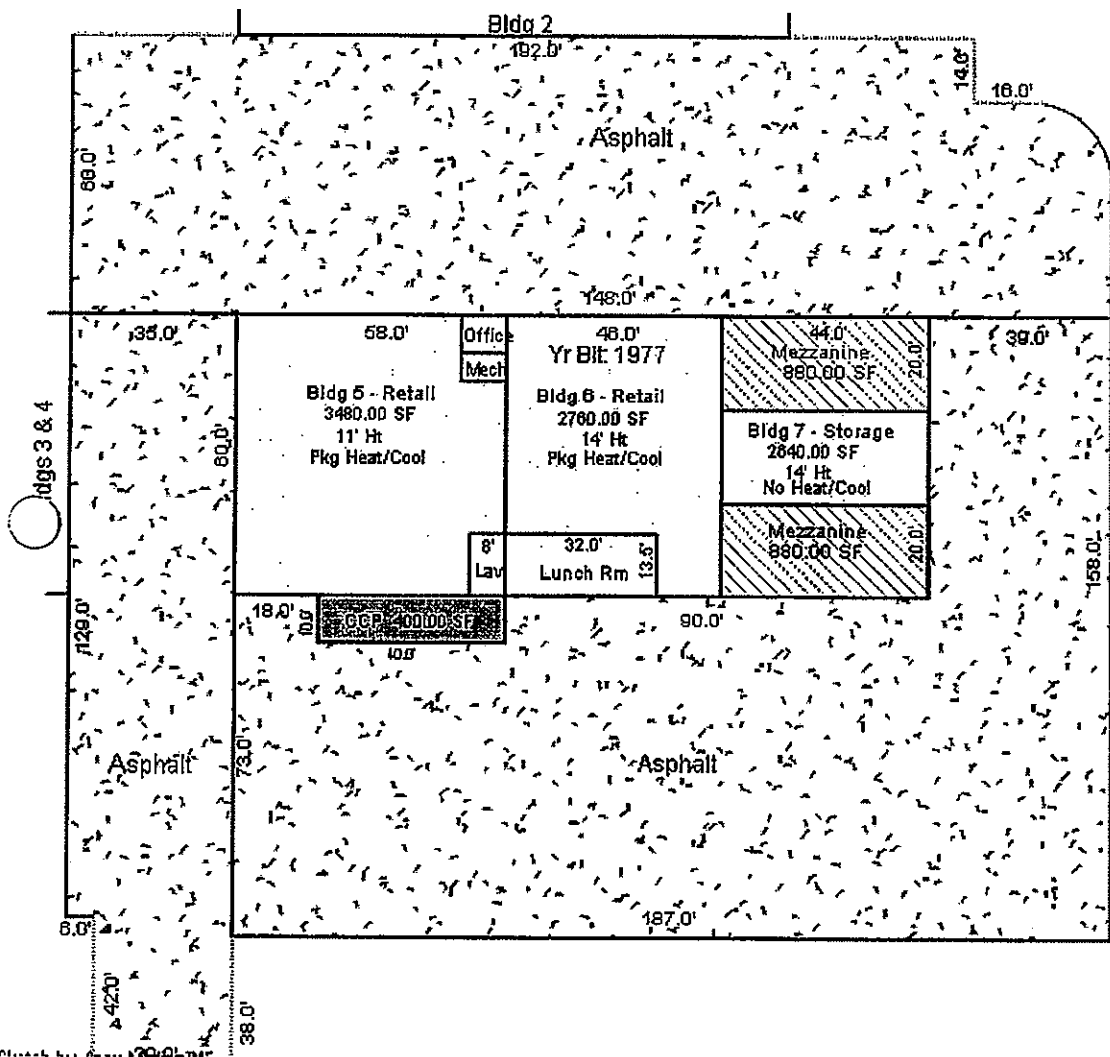
LAND VALUE COMPUTATIONS

Lot Size	Depth Factor	Equiv. Front	Rate	Base Value
6.22 Hc		19900		\$ 62,600
TOTAL LAND				\$ 62,600
TOTAL LAND IMPROVEMENTS				\$ 4,915
TOTAL BUILDING				\$ 264,536
TOTAL APPRAISED VALUE				\$ 598,051

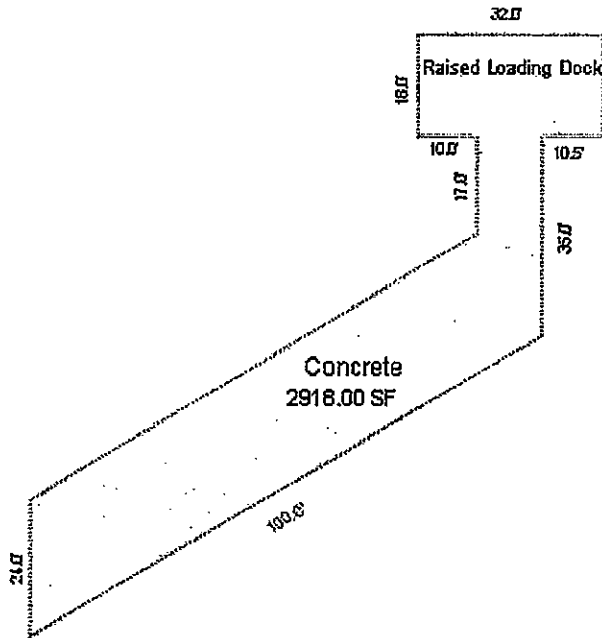
91	217,200	Board of Review	Tax Commission
28-366-004	88	191,600	?
93	232,400	28-366-004	89
28-366-004	89	199,000	
95	232,400	28-366-004	90
28-366-004	87	184,600	203,800
28-366-004			28-366-004



Carter Lumber Company
 Bldgs 5, 6 & 7
 D-Pole Constr.



CXS Railroad

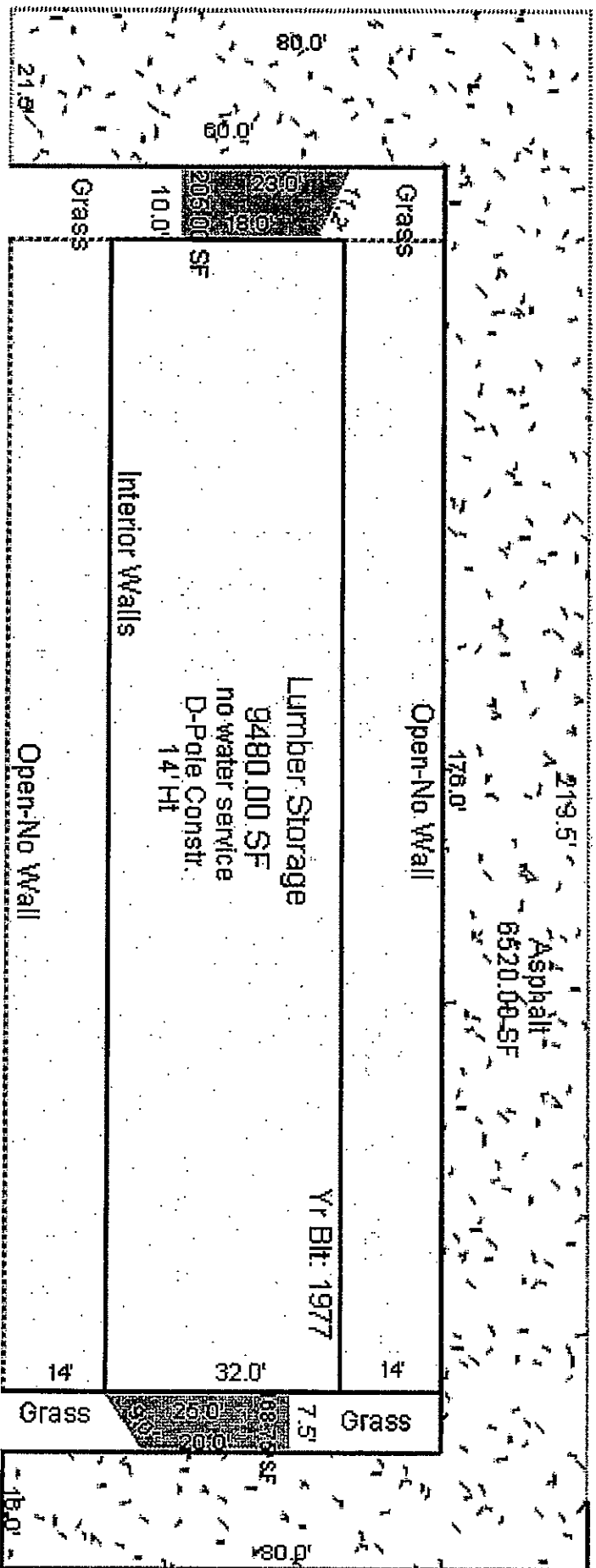


Bldg 2

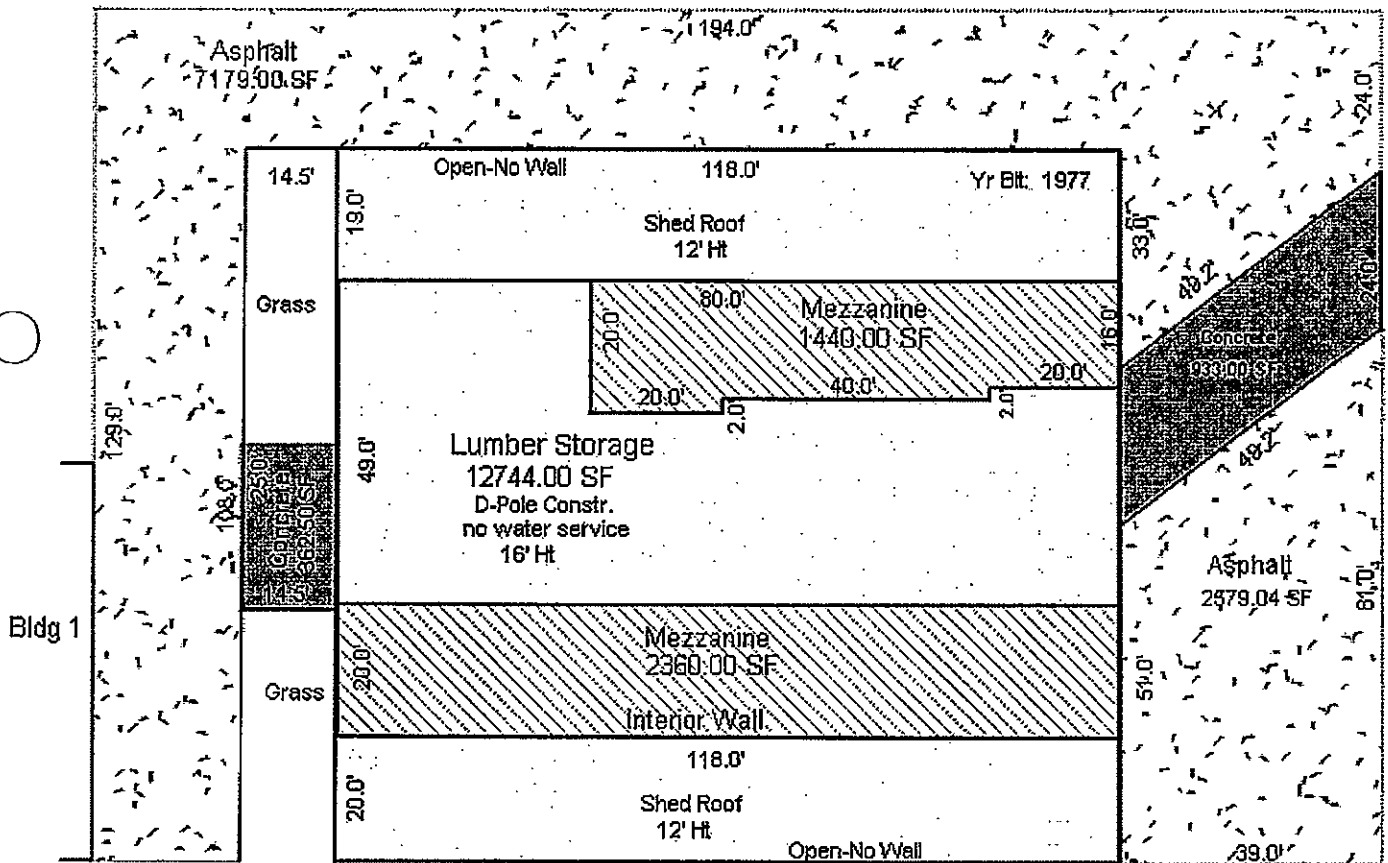
Carter Lumber Company

Carter Lumber Company

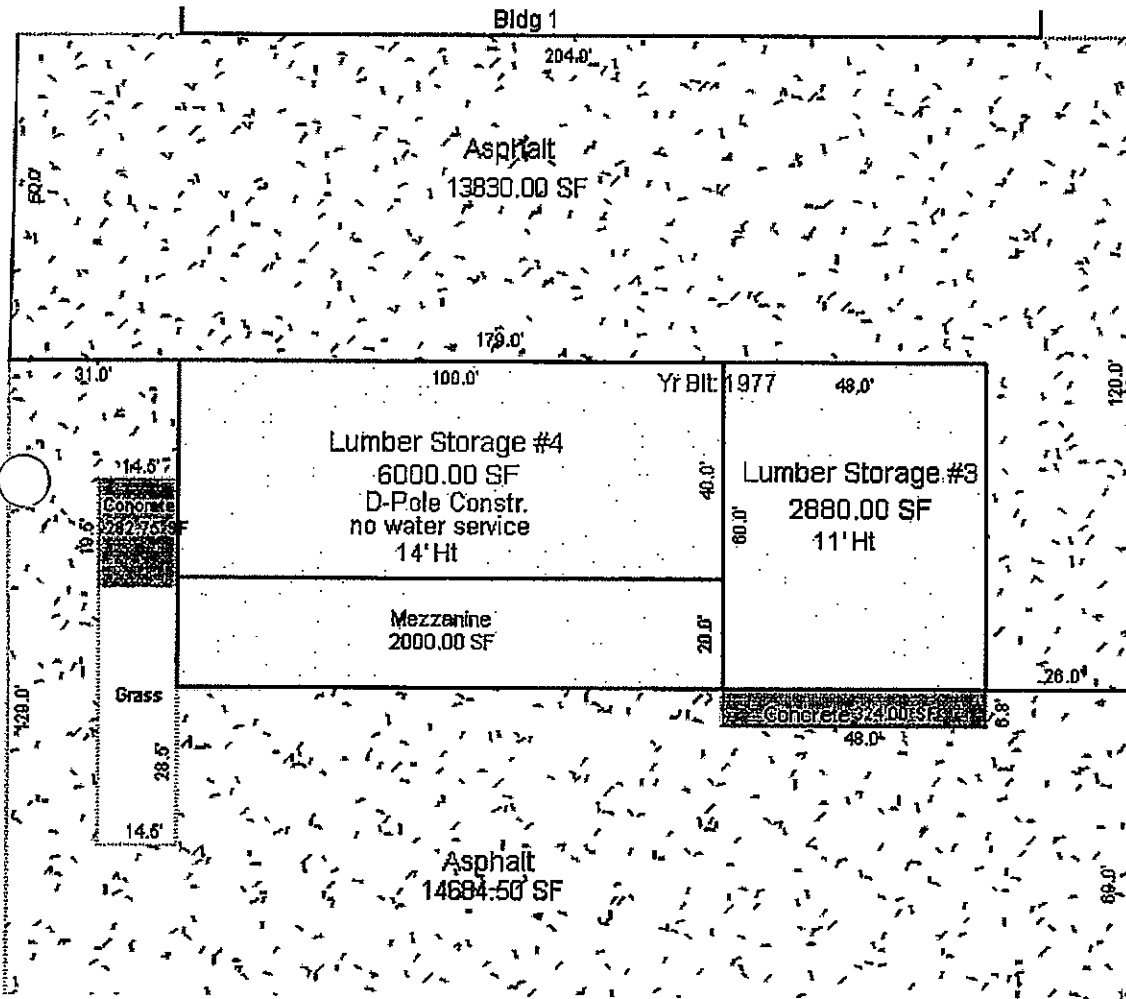
Bldg 1



Carter Lumber Co.
Bldg 2



Bldg 1



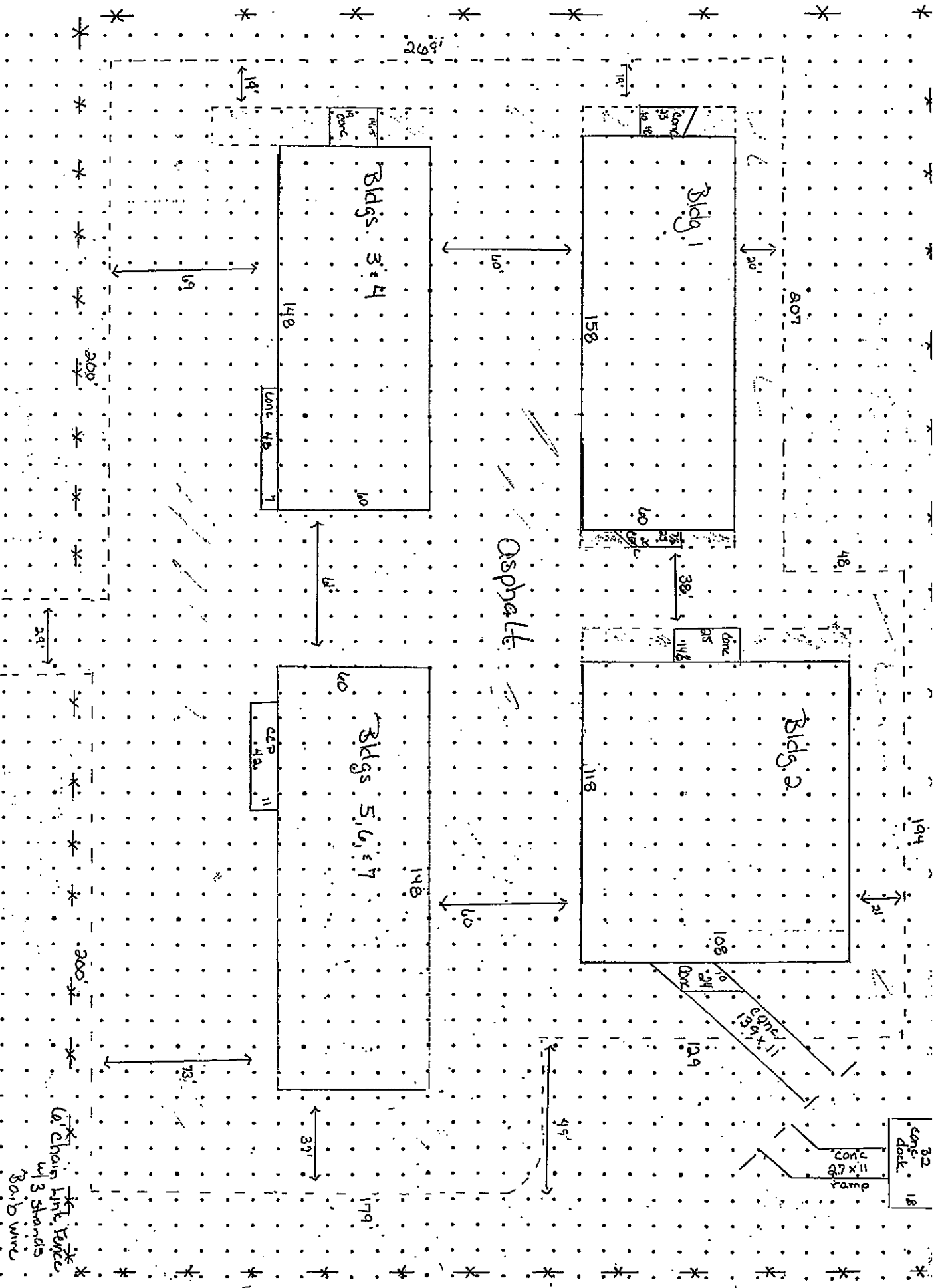

 Carter Lumber Company
 Bldgs 3 & 4

1. TYPE	6. APARTMENTS	10. FLOORS	16. PLAN OF BUILDING
Store	1 Room Apartments	Pine	
Store Flat	2 Room Apartments	Hardwood	
Apartment	3 Room Apartments	Concrete	
Office Bldg.	Basement Apartments	Tile	
Hotel	Stores		
Theatre			
Garage			
Gas Station			
Model			
✓ Warehouse	7. INTERIOR FINISH	11. BASEMENT	
	Pine Trim	None	
	Hardwood Trim	Part	
	Plaster	Full	
	Wall Board	Dirt Floor	
	Mepl	Concrete Floor	
	Concrete		
	Brick		
	Pile		
	Concrete Block	12. MISCELLANEOUS	
	Stone	Air Conditioning	
		Inch. radiator	
		Steel Sash	
		Sprinkler	
		Kitchen	
		Store front	
3. CONSTRUCTION			
✓ Wood Frame	Oil Burner		
Concrete Block	Gas Burner		
Brick	Conversion		
Steel Frame	Stoker		
Rein. Concrete	Blower		
✓ Pole			
4. EXT. WALLS	9. PLUMBING	13. CONSTRUCTION	
Drip Siding	None	Good	
Lap Siding	Bath	Poor	
Stucco	Tile Floor	Average	
Brick, Face	Tile Walls	Cheap	
Brick, Common	Shower Stall		
Wood Shingle	Washer (2 Pc.)		
Concrete Block	Extra Sill		
✓ Std	Extra Wash Bowl		
5. ROOF		17. PERCENT CONDITION	
✓ Wood Deck	19. WIRING		
Steel Deck	Incandescent	Person Interviewed:	
Concrete Deck	Fluorescent	Examined By	
Tar and Gravel		Date:	
Roll		Remarks:	
Insulation			
✓ Std			

BUILDING VALUE COMPUTATIONS

Type of Building	No. Stys.	Sq. Ft.	Cu. Ft.	Unit Cost	Base Value	Item	Amount	Reproduction Cost New	Phys. Dep. % Cond.	Reproduction Cost Dep'd.	Economic Cond. %	True Cash Value
Hydralft.	51	87,039		\$ 76	\$ 66,150				.80			\$ 52,920
Chainlink Fence		2206		10.38	22,898	X .97 X .85		18,899	.80			15,109
2 Gates (15')				410	820	X .97 X .85		676	.80			541
Loading Dk		5444		655	3563	X .97 X .85		2938	.80			2350
												70,915

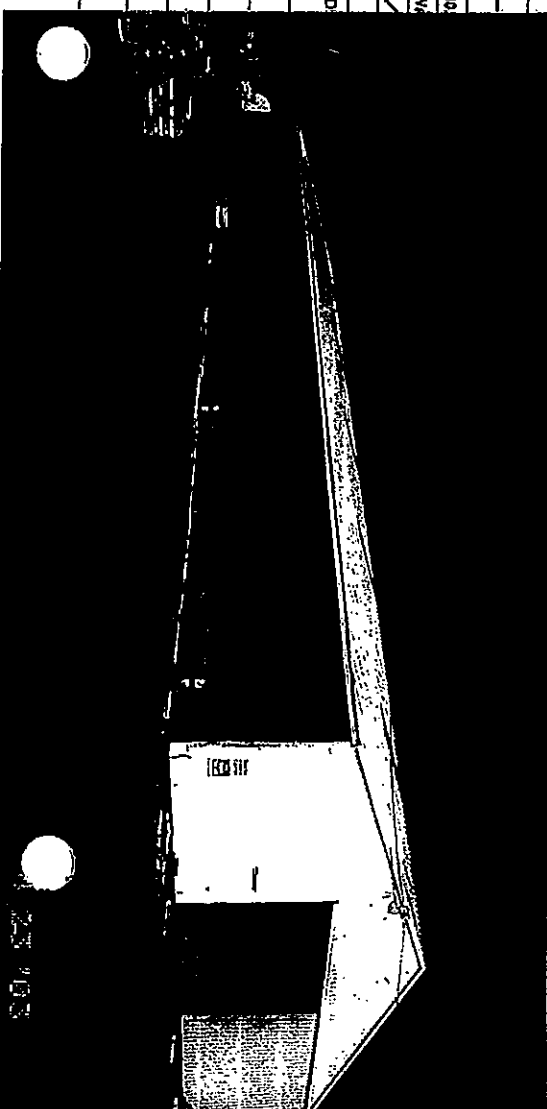
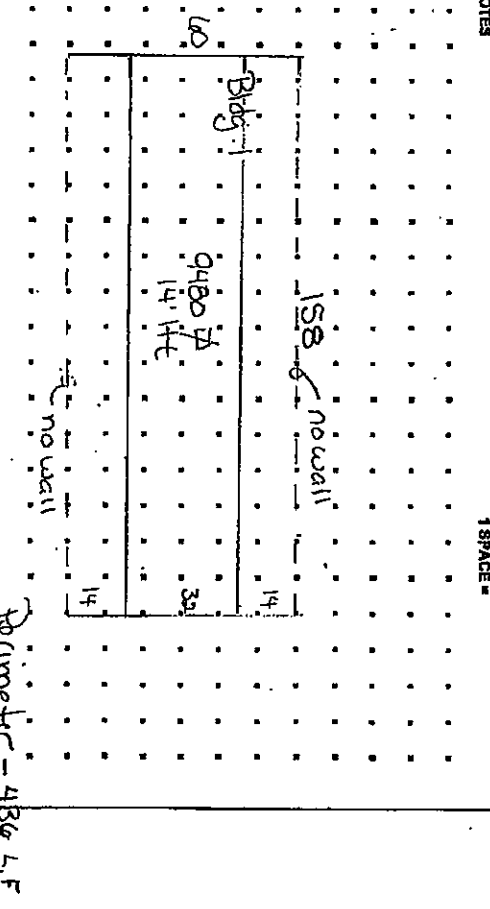
11/12/41
M 132



Bldg 1 - lumber Storage

BUILDING NO. 1001, Steel Mill - 4 Well Pass 5-10-68

2. FOUNDATION		6. CEILING		10. HEATING & COOLING		NO. STORIES		BLDG. HT.		AVG. STORY HT.			
<input checked="" type="checkbox"/>	concrete footing	<input type="checkbox"/>	acoustical tile	<input type="checkbox"/>	gas	<input type="checkbox"/>	1	11	11	11	11		
<input type="checkbox"/>	brick wall	<input type="checkbox"/>	suspended	<input type="checkbox"/>	oil	<input type="checkbox"/>	1	11	11	11	11		
<input type="checkbox"/>	poured wall	<input type="checkbox"/>	gypsum board	<input type="checkbox"/>	steam	<input type="checkbox"/>	1	11	11	11	11		
<input type="checkbox"/>	stone wall	<input type="checkbox"/>	plaster	<input type="checkbox"/>	forced air	<input type="checkbox"/>	1	11	11	11	11		
3. FRAME		wood		Combined Heat & Cool:		hot & cold water		warm & cool air		package			
<input type="checkbox"/>	steel	<input type="checkbox"/>	concrete	Insulation		refrigerated AC		heat pump		Other:			
<input type="checkbox"/>	precast slab					warm & cool air		package		refrigerated AC			
<input type="checkbox"/>	pre-engineered steel					heat pump		package		heat pump			
<input type="checkbox"/>	bay spacing	X				Other:				ventilation only			
4. FLOOR STRUCTURE		7. INTERIOR		11. ELECTRIC & LIGHTING		- Minimal							
<input type="checkbox"/>	concrete	<input type="checkbox"/>	stud framing	Outlets:		few		avg.		many			
<input type="checkbox"/>	on ground	<input type="checkbox"/>	masonry	flexible cond.		rigid cond.		many					
<input type="checkbox"/>	elevated slab			armored cable		non/mt.							
<input type="checkbox"/>	precast joist-deck			bus duct		transformer							
<input type="checkbox"/>	concrete			Lighting Fixtures:		few		avg.		many			
<input type="checkbox"/>	wood joist & deck			incand.		mercury		fluor.		sodium			
<input type="checkbox"/>	sheathing			mercury									
5. FLOOR COVER		8. PLUMBING		13. ROOF STRUCTURE		Steel Joist Plus:							
<input type="checkbox"/>	carpet	<input type="checkbox"/>	3-piece bath	steel joist plus		conc. slab		steel deck					
<input type="checkbox"/>	ceramic tile	<input type="checkbox"/>	2-piece bath	precast deck		precast deck		gypsum					
<input type="checkbox"/>	quarry tile			steel deck plus concrete		wood deck							
<input type="checkbox"/>	concrete hardener												
<input type="checkbox"/>	vinyl asbestos												
9. SPRINKLERS		14. ROOF COVER		14. ROOF COVER		Other:							
<input type="checkbox"/>	wet/dry	<input type="checkbox"/>	upside	<input type="checkbox"/>	wood joist & deck	Solid Masonry Walls:							
<input type="checkbox"/>	dry/wet/dry	<input type="checkbox"/>	wash bowl	<input type="checkbox"/>	concrete plank on 14" joist	<input type="checkbox"/>	brick w/block	<input type="checkbox"/>	face brick	Basement Walls:			
<input type="checkbox"/>	wet/dry	<input type="checkbox"/>	water heater	<input type="checkbox"/>	open steel w/wood deck	<input type="checkbox"/>	precast concrete	<input type="checkbox"/>	basement insulation	block			
<input type="checkbox"/>	wet/dry	<input type="checkbox"/>	water softener	<input type="checkbox"/>	open wood w/wood deck	<input type="checkbox"/>	conc. block			poured			
<input type="checkbox"/>	dry/concealed									MISCELLANEOUS			
CONCRETE JOIST PLUS:										elevators			
slab										enclosures			
BUILDING		NO. STYS.		SQUARE FEET		UNIT COST		MULT.		BASE VALUE		ADDITIONS AND D.	



1 23 703

Bldg 3-24 - Lumber Storage Bldg.

14-20-2000

4880 sq. Total
 410 Diameter
 2000 sq. Mezz. Storage

NO. STORIES	BLDG. HT.	AVG. STORY HT.
4	14	14

2. FOUNDATION	6. CEILING	10. HEATING & COOLING
concrete footing	acoustical tile	gas
block wall	unpainted	oil
poured wall	gypsum board	steam
stone wall	plaster	forced air
	paint	storage space h/c.
	wood	
	insulation	
		Combined Heat & Cool:
		hot & cold water
		warm & cool air
		package
		Other:
		refrigerated AC ...
		heat pump
		ventilation only

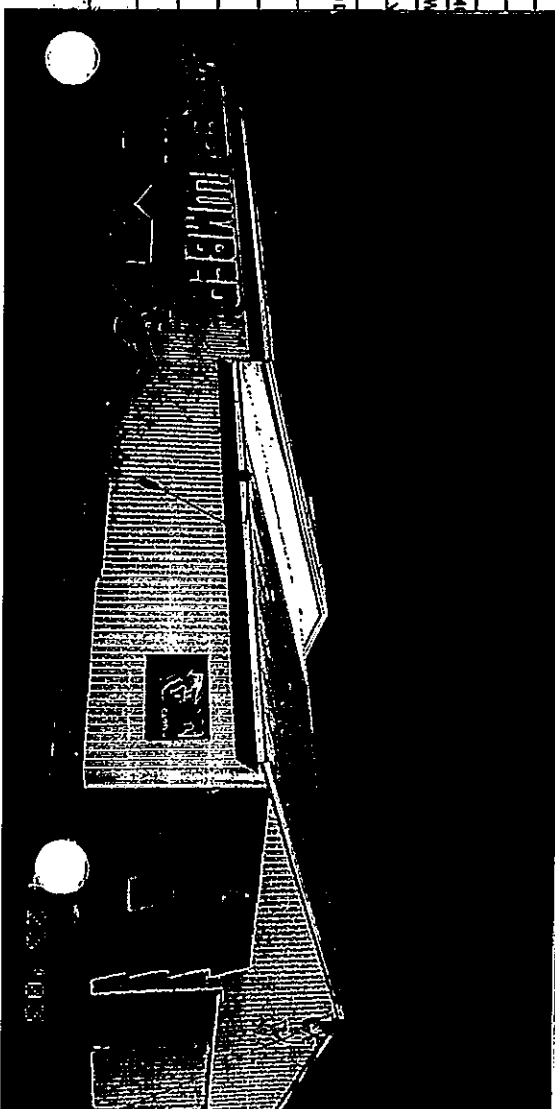
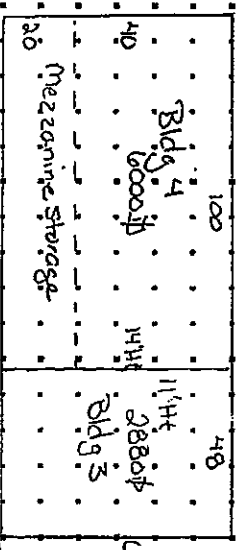
4. FLOOR STRUCTURE	7. INTERIOR	11. ELECTRIC & LIGHTING
Concrete:	zoid framing	Outside: <i>Mixed</i>
on ground	masonry	few
elevated slab	plaster	flexible cond.
precast job-deck	drywall	armored cable
concrete plank	movable	bus duct
		Lighting Fixtures:
		few
		incand.
		mercury

5. FLOOR COVER	9. SPRINKLERS	13. ROOF STRUCTURE
carpet		Steel Joist Plus:
ceramic tile		concr. slab
quarry tile		precast deck
concrete hardener		slab deck plus concrete
vinyl		wood deck
vinyl asbestos		Concrete Joist Plus:
		slab

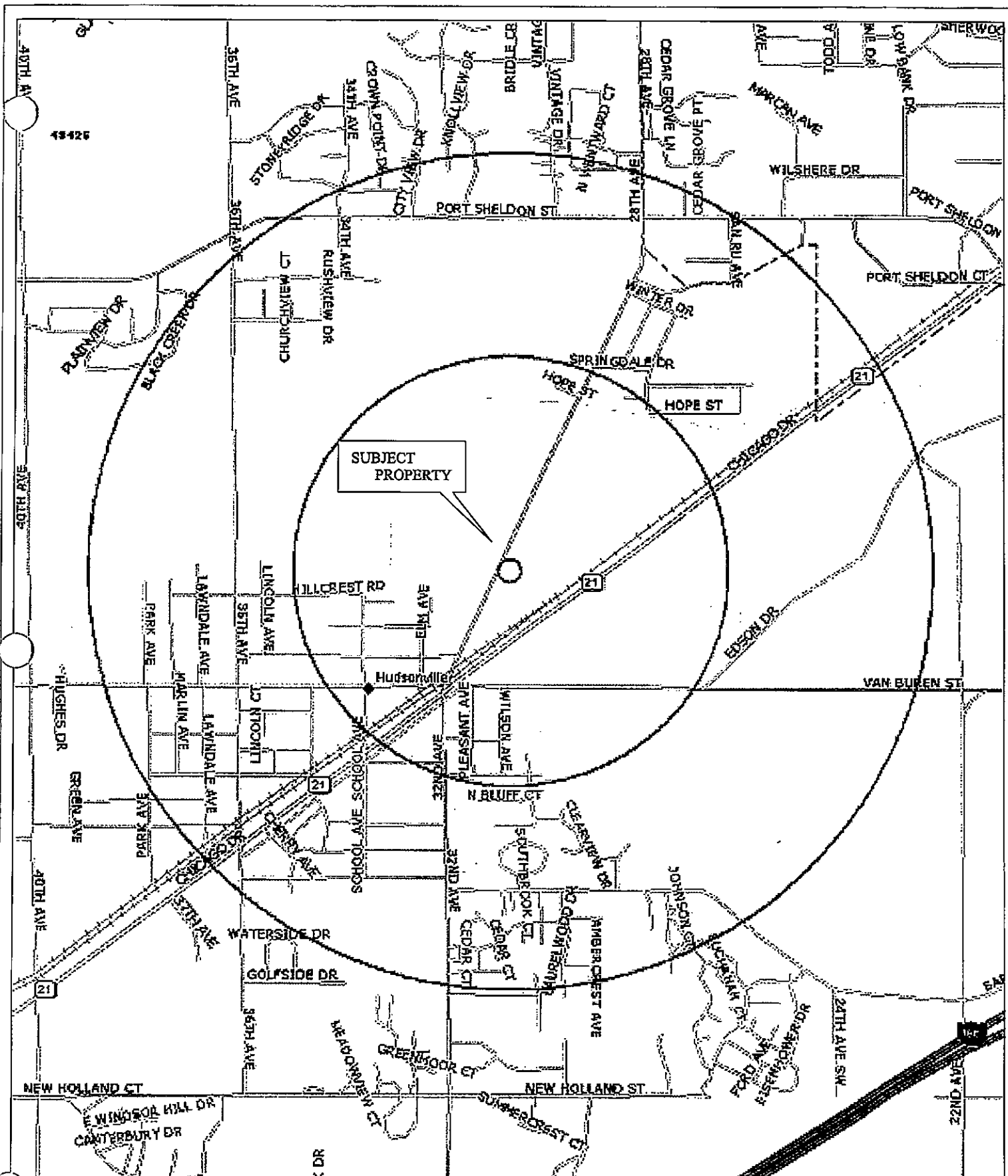
14. ROOF COVER	MISCELLANEOUS	YEAR BUILT	YEAR REMODELED
aluminum	Other Walls:	1977	
sandwich	sandwich		
shingles	concr.		
butt up	elevators		
	escalators		

Other Roofs:	Solid Masonry Walls:	Basement Walls:	CONSTRUCTION COST
wood joist & deck	brick without	brick	high
board plank on bry wall	concr. brick	face brick	avg.
open steel woodfrd deck	precast concrete	block	low
open wood woodfrd metal	rein. concrete	basement insulation	
	concr. block		

Other notes: *Raised loading dock 55' x 7'*



**APPENDIX D
RADIUS MAP**



EQUITY RESOURCE



ENVIRONMENTAL

Equity Resource Environmental
 A-5792 143rd Ave., Ste. A
 Holland, MI 49423
 Ph: 616.392.6010
 Fax: 616.392.6080

REGULATORY RADIUS MAP

NW 1/4 OF THE SW 1/4 OF SECTION 28,
 TOWN 6 NORTH, RANGE 13 WEST

NOT TO SCALE

NOT A SURVEY

Site Name: 5800 Balsam Drive
 Hudsonville, MI
 Project No: 10-1530
 Drawn by: KWP
 Date: 04/26/2010

APPENDIX E
ERE SCOPE OF SERVICES



Scope of Services
Phase I Investigation Procedure
ASTM E 1527-05
All Appropriate Inquiry

**Standard Practice for Environmental Site Assessments:
Phase I Assessment Process**

- ❖ Obtain preliminary information
 - Legal property description
 - Subject Property boundary survey (if available)
- ❖ Conduct a Subject Property site walkover to identify any evidence of recognized environmental conditions
 - ASTs, USTs, and abandoned drums
 - Waste storage, treatment and/or disposal
 - Chemical use and storage
 - Stained soils, odors, distressed vegetation, debris, or fill material
 - Surface water, pits, ponds, lagoons or drywells
 - Immediately adjoining properties with recognized environmental conditions which may impact the Subject Property
 - Current and/ or former operations, activities, or processes conducted on the Subject Property
 - Ownership and general condition of electrical equipment that may contain PCBs
 - Potable water supply, septic systems, wastewater, and wells
- ❖ Obtain aerial photographs and past photographs depicting past Subject Property conditions
- ❖ Conduct a review of the Subject Property history from the first reasonable ascertainable developed use present or 60 yrs prior and summarize historical information

Historical ownership and use information sources may include:

- Aerial photographs
- Sanborn Fire insurance maps
- Local street directories
- R.L. Polk Directories
- Property tax files
- Zoning/ Land use records
- Land title ownership records

❖ Conduct interviews with Subject Property owner(s), adjoining parcel owners, past users, local Health Department, local Fire Department, Township Supervisors, or other individuals with current or past knowledge of conditions of the Subject Property. The interviews may be conducted in person, in writing, or by telephone.

❖ Review the following lists of regulated and/ or environmentally impacted sites:

○ Federal NPL site list	1.0 Mile Radius
○ Federal CERCLIS list	0.5 Mile Radius
○ Federal RCRA TSD Non-CORRACTS list	0.5 Mile Radius
○ Federal RCRA TSD CORRACTS list	1.0 Mile Radius
○ Federal RCRA generators adjoining parcels	S.P & Adj. Properties
○ Federal ERNS list	S.P only
○ State list of hazardous waste sites	1.0 Mile Radius
○ State landfill and /or solid waste disposal sites	0.5 Mile Radius
○ State (LUST) leaking USTs sites	0.5 Mile Radius
○ State registered UST list	S.P & Adj. Properties
○ State list of Filed BEAs	S.P & Adj. Properties
○ Federal institutional and engineering controls	S.P only
○ State and Tribal voluntary cleanup sites	0.5 Mile Radius
○ State and Tribal brownfield sites	0.5 Mile Radius
○ State and Tribal equivalent NPL sites	1.0 Mile Radius
○ State and Tribal equivalent CERCLIS list	0.5 Mile Radius

❖ Review of governmental agency records and discussion with agency staff, if practical, regarding recognized environmental conditions at or within specified search distances. Sources may include

- MDEQ
- USEPA
- County Health Department
- Local Government Agencies

❖ Conduct a review of relevant documents concerning the Subject Property

- ESA reports
- Environmental Permits
- Registration for USTs
- Hydrogeological Reports
- Geotechnical Reports
- Notices to or from governmental agencies regarding environmental conditions and/ or violations
- Record of any pending, threatened, or past litigation regarding environmental conditions
- Material Safety Data Sheets

❖ Prepare a Phase I ESA Report including the following:

- **Summary of the scope of work**
- **Summary of the observed Subject Property conditions**
- **Visual inspection of the Subject Property and surrounding adjoining parcels**
- **Summary of record search results**
- **Summary of the interviews with public agencies**
- **Conclusions and recommendations regarding recognized environmental conditions at the Subject Property, based on the results of the assessment**

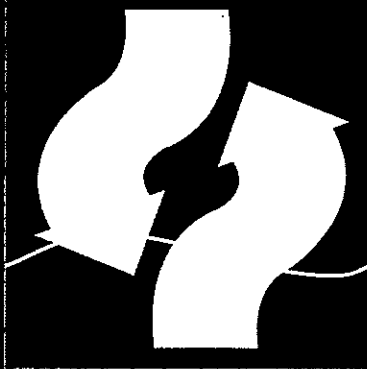
**LIMITED PHASE II INVESTIGATION
MAY 28, 2010**

LIMITED RELEASE II
INVESTIGATION

5800 Balsam Drive, City of Hudsonville
Ontonagon County, Michigan

May 28, 2010

EQUITY RESOURCE



ENVIRONMENTAL

A-5792 143rd Avenue, Suite A
Holland, MI 49423

Phone (616) 392-6010 Fax (616) 392-6080

500 East 96th Street, Suite 400
Indianapolis, IN 46240

Phone (317) 218-8012 Fax (616) 392-6080

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Equity Resource Environmental (ERE) conducted a Limited Phase II Investigation on the Subject Property located at property address 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan, which includes Parcel # 70-14-28-366-004, (hereinafter referred to as the Subject Property). The Subject Property was found to have one (1) Recognized Environmental Condition (REC) that required additional investigation, through a Phase I ESA dated April 27, 2010 conducted by ERE.

Analytical data results indicated the soil samples collected from the Subject Property contained concentrations of Arsenic exceeding applicable MDEQ Part 201 Residential and Commercial I Direct Contact Criteria (DCC). Therefore, with soils within the Subject Property containing concentrations of Arsenic exceeding applicable MDEQ Part 201 DCC the Subject Property qualifies as a "facility" as defined in the NREPA 451, Part 201, Section 20101(1)(o).

Refer to Section 4.0 Analysis and Conclusions for a comprehensive review of the analytical data and further recommendations.

1.0 SCOPE OF WORK

1.0 SCOPE OF WORK

1.1 Scope of Work

On May 20, 2010 ERE conducted field activities to characterize the soils within four (4) predetermined locations to investigate one (1) REC identified in the Phase I ESA dated April 27, 2010 conducted by ERE to determine if soils within the Subject Property contained concentrations of Arsenic, Chromium (III & VI) and Copper exceeding applicable MDEQ Part 201 risk-based criteria. Specifically, soil borings SB-1, SB-2, SB-3 & SB-4 were analyzed for Arsenic, Chromium (III & VI) and Copper.

2.0 INTRODUCTION

2.0 INTRODUCTION

2.1 Introduction

ERE was retained by the R. Becker Properties, LLC, to conduct a Limited Phase II Investigation on the Subject Property located at property address 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan.

2.2 Limiting Conditions and Methodology Used

Four (4) soil borings were extended to depth to collect four (4) soil samples on the Subject Property in the most likely areas of historical impact. No limiting conditions were encountered while extending the soil borings. All samples were collected according to USEPA guidelines for sampling soils for analysis of Arsenic, Chromium (III & VI) and Copper. Sampling tools and containers were constructed of a material that would not compromise the analytical results of the samples. The soil samples were collected using a stainless steel, bucket type hand auger. The soil samples analyzed for Arsenic, Chromium (III & VI) and Copper were kept intact as they were collected, preserved in appropriate 4 oz. glass sampling jars and chilled on ice. The sample containers were clearly labeled with the date, time, boring number, sampler initials and job reference number. The containers were appropriately documented using the sample chain of custody report and delivered to Lakeland Laboratories to be analyzed for Arsenic, Chromium (III & VI) and Copper.

3.0 EVALUATION AND PRESENTATION OF RESULTS

4.0 ANALYSIS AND CONCLUSIONS

3.0 EVALUATION AND PRESENTATION OF RESULTS

Subject Property Soil and Groundwater Characterization

Summaries of the laboratory results are included in Table 1 in Appendix C, while the laboratory reports for the samples are included in Appendix B of this report. Refer to Figure 3 – Sample Map for the location of each sample location.

SB-1

Soil boring SB-1 was extended within the northern former treated lumber staging area along the northern Subject Property border. The soil sample was collected within loamy soils from a depth of 8-inches below ground surface (bgs) and analyzed Arsenic, Chromium (III & VI) and Copper. Analytical data results indicated the soil sample collected at this soil boring location contained concentrations of Arsenic at 7,900 ppb exceeding applicable MDEQ Part 201 Residential and Commercial I Direct Contact Criteria (DCC) of 7,600 ppb for Arsenic.

SB-2

Soil boring SB-2 was extended within the northern former treated lumber staging area also along the northern Subject Property border approximately 20-feet east of SB-1. The soil sample was collected within loamy soils from a depth of 8-inches below ground surface (bgs) and analyzed Arsenic, Chromium (III & VI) and Copper. Analytical data results indicated the soil sample collected at this soil boring location contained concentrations of Arsenic at 21,000 ppb exceeding applicable MDEQ Part 201 Residential and Commercial I Direct Contact Criteria (DCC) of 7,600 ppb for Arsenic.

SB-3

Soil boring SB-3 was extended within the eastern former treated lumber staging area. The soil sample was collected within loamy soils from a depth of 12-inches below ground surface (bgs) and analyzed Arsenic, Chromium (III & VI) and Copper. Analytical data results indicated the soil sample collected at this soil boring location contained concentrations of Arsenic at 22,000 ppb exceeding applicable MDEQ Part 201 Residential and Commercial I Direct Contact Criteria (DCC) of 7,600 ppb for Arsenic.

SB-4

Soil boring SB-4 was extended within the eastern former treated lumber staging area approximately 30-feet north of SB-3. The soil sample was collected within loamy soils from a depth of 12-inches below ground surface (bgs) and analyzed Arsenic, Chromium (III & VI) and Copper. Analytical data results indicated the soil sample collected at this soil boring location contained concentrations of Arsenic, Chromium (III) and Copper; however, not at concentrations exceeding applicable MDEQ Part 201 risk based criteria.

EB-1

Exploratory boring EB-1 was extended within the northern former treated lumber staging area approximately 15-feet east of SB-1. EB-1 was extended to maximum depth of 36" bgs at which depth shallow groundwater was encountered. Loamy soils were observed from 0"-8" bgs and sandy soils were observed from 9"-36" bgs within this exploratory boring. No soil sample was collected from this exploratory boring location.

EB-2

Exploratory boring EB-2 was extended within the northern former treated lumber staging area approximately 10-feet west of SB-2. EB-2 was extended to maximum

depth of 36" bgs at which depth shallow groundwater was encountered. Loamy soils were observed from 0"-8" bgs and sandy soils were observed from 9"-36" bgs within this exploratory boring. No soil sample was collected from this exploratory boring location.

EB-3

Exploratory boring EB-3 was extended within the eastern former treated lumber staging area approximately 10-feet south of SB-3. EB-3 was extended to maximum depth of 36" bgs at which depth shallow groundwater was encountered. Sandy soils with minimal loam content were observed from 0"-12" bgs and sandy soils were observed from 13"-36" bgs within this exploratory boring. No soil sample was collected from this exploratory boring location.

EB-4

Exploratory boring EB-4 was extended within the northern former treated lumber staging area approximately 15-feet south of SB-4. EB-4 was extended to maximum depth of 36" bgs at which depth shallow groundwater was encountered. Loamy soils were observed from 0"-10" bgs and sandy soils were observed from 11"-36" bgs within this exploratory boring. No soil sample was collected from this exploratory boring location.

4.0 ANALYSIS AND CONCLUSIONS

The soil samples collected from the Subject Property were analyzed for Arsenic, Chromium (III & VI) and Copper. Specifically, soil borings SB-1, SB-2, SB-3 & SB-4 were analyzed for Arsenic, Chromium (III & VI) and Copper. Analytical data results indicated the soil samples collected from the Subject Property contained concentrations of Arsenic exceeding applicable MDEQ Part 201 Residential and Commercial I Direct Contact Criteria (DCC). Therefore, with soils within the Subject Property containing concentrations of Arsenic exceeding applicable MDEQ Part 201 DCC the Subject Property qualifies as a "facility" as defined in the NREPA 451, Part 201, Section 20101(1)(o).

ERE recommends that a Baseline Environmental Assessment (BEA) be completed for the Subject Property to address the liability issues associated with the potential future purchase and/or operation of a known facility. Results from the Limited Phase II sampling and analysis presented in this report should be incorporated into the overall site characterization of the environmental impacts existing on the Subject Property for the completion of the BEA.

The primary purpose of a BEA is to gather sufficient information about a facility to allow a historic release to be distinguished from a potential new release. The completion and submittal of a BEA to the State of Michigan will exempt the purchaser of a facility from the liability associated with the contaminants present on the site. A site must first be classified as a facility prior to evaluation for one of the three BEA categories. When considering the BEA categories, it is imperative that one knows the types of hazardous substances, if any, which will be used or stored on the Subject Property after purchase, occupancy or foreclosure.

The three (3) BEA categories defined by the MDEQ are as follows:

- **Category N:** Applies to facilities where new owners and operators will **not** use or store significant quantities of hazardous substances.
- **Category D:** Applies to facilities where hazardous substances will be used or stored. The hazardous substances to be used at the site must be **different** from those substances known, or likely to be known as, facility contaminants.
- **Category S:** Applies to facility where the **same** hazardous substances as those identified as facility contaminants will be used.

These considerations, solely applicable to the BEA program, are in addition to any other applicable requirements of state or federal laws and regulations, and do not limit the obligation of an owner or operator to comply with any other state or federal law.

5.0 REFERENCES

5.0 REFERENCES

The following documents were referenced in the preparation of this Limited Phase II Environmental Investigation:

Equity Resource Environmental, *Phase I Environmental Site Assessment, 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan*. April 27, 2010.


1998 Annual Book of ASTM Standards, Section 11, Water and Environmental Technology, *Guide for Environmental Site Assessments: Phase II Environmental Site Assessment Process*, E 1903-97.

Michigan Department of Environmental Quality, *Training Manual for Part 201 Cleanup Criteria*, January 1998. Updated June 11, 2007.

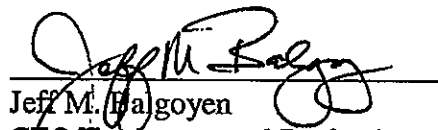
6.0 QUALIFICATIONS AND CERTIFICATIONS

6.0 QUALIFICATIONS AND SIGNATURES

All work was performed by the undersigned Environmental Professionals. Site reconnaissance and sampling activities completed on the Subject Property were conducted on May 20, 2010 using qualified environmental geologist Kirk W. Perschbacher.


Kirk W. Perschbacher
Environmental Geologist

5/28/2010
Date


Jeff M. Balgoyen
CEO/Environmental Professional

5-28-10
Date

Please contact Equity Resource Environmental with any questions or concerns.

Phone: (616) 392-6010

Fax: (616) 392-6080

Kirk W. Perschbacher

Holland, MI 49423

616.392.6010

616.886.7330

kirkpere@sbcglobal.net

RELATED EXPERIENCE

05/2006 - 06/2006	Western Michigan University Geology Field Camp Kalamazoo, MI	▪ 40 Hour OSHA HAZWOPER Certification
----------------------	---	--

EDUCATION

08/2002 - 04/2007	Bachelor of Science Geology Grand Valley State University Allendale, MI	▪ Plate Tectonics ▪ Structural Geology ▪ Geomorphology ▪ Sedimentary and Stratigraphy ▪ Mineralogy ▪ Petrology ▪ Hydrology ▪ Oceanography ▪ Environmental Geology ▪ Calculus I, II, III ▪ Calculus based Physics ▪ Chemistry
----------------------	---	---

WORK EXPERIENCE

06/2007 - Present	Environmental Geologist Equity Resource Environmental Holland, MI	▪ Transaction Screen Process ▪ Phase I ESA ASTM Standards E1527-00 and 1527-05 ▪ Phase II ESA ASTM Standards E1527-00 and 1527-05 ▪ Baseline Environmental Assessments (BEAs) ▪ Section 7a Compliance Analysis Due Care Plans ▪ Brownfield Redevelopments ▪ Project Management and Coordination with Regulatory Officials ▪ Risk Management at Industrial Facilities
05/2007 - 07/2007	Stormwater Research Assistant Grand Valley State University Allendale, MI	▪ Aid professor monitoring stormwater runoff ▪ Experience using Odyssey data recording software

Jeff M. Balgoyen

Professional Experience

Equity Resource Environmental, LLC **Holland, MI** **9/95 – Present**
CEO / Environmental Professional

- **Project Marketing and Management**
- **Development and Implementation of Field Work Plans**
- **Employee / Company Management**
- **Conduct Environmental Site Assessments**
- **Develop and Manage Field Investigation of Work Plans**
- **Market and Develop Brownfield Redevelopment Plans, TIF and SBT Credits**
- **Geotechnical Assessments**

Metropolitan Title Company **Holland, MI** **6/92 – 1/98**
Branch Manager / Production Manager

- **Managed Title/Abstract Production**
- **Managed Escrow Production**
- **Personnel Management**
- **Marketing and Budgeting**

Independent Oil and Gas Production Land Services **Hamilton, MI** **6/86 – 6/92**

- **Mineral Land Management**
- **Lease Acquisition / management**
- **Drilling Title Opinions and Curative Services**

Omni Petroleum Corporation **Allegan, MI** **1/80 – 6/86**
Senior Petroleum Landman

- **Mineral Land Management**
- **Lease Acquisition / management**
- **Oil and Gas Well Site Preparation**
- **Drilling Title Opinions / Title Curative Work**
- **Managed Leasing and office personnel**

Education

- **Western Michigan University** **Kalamazoo, MI** **1978**
Business Management
- **IED** **Houston, TX** **1981**
Land / Minerals Management

Qualifications:

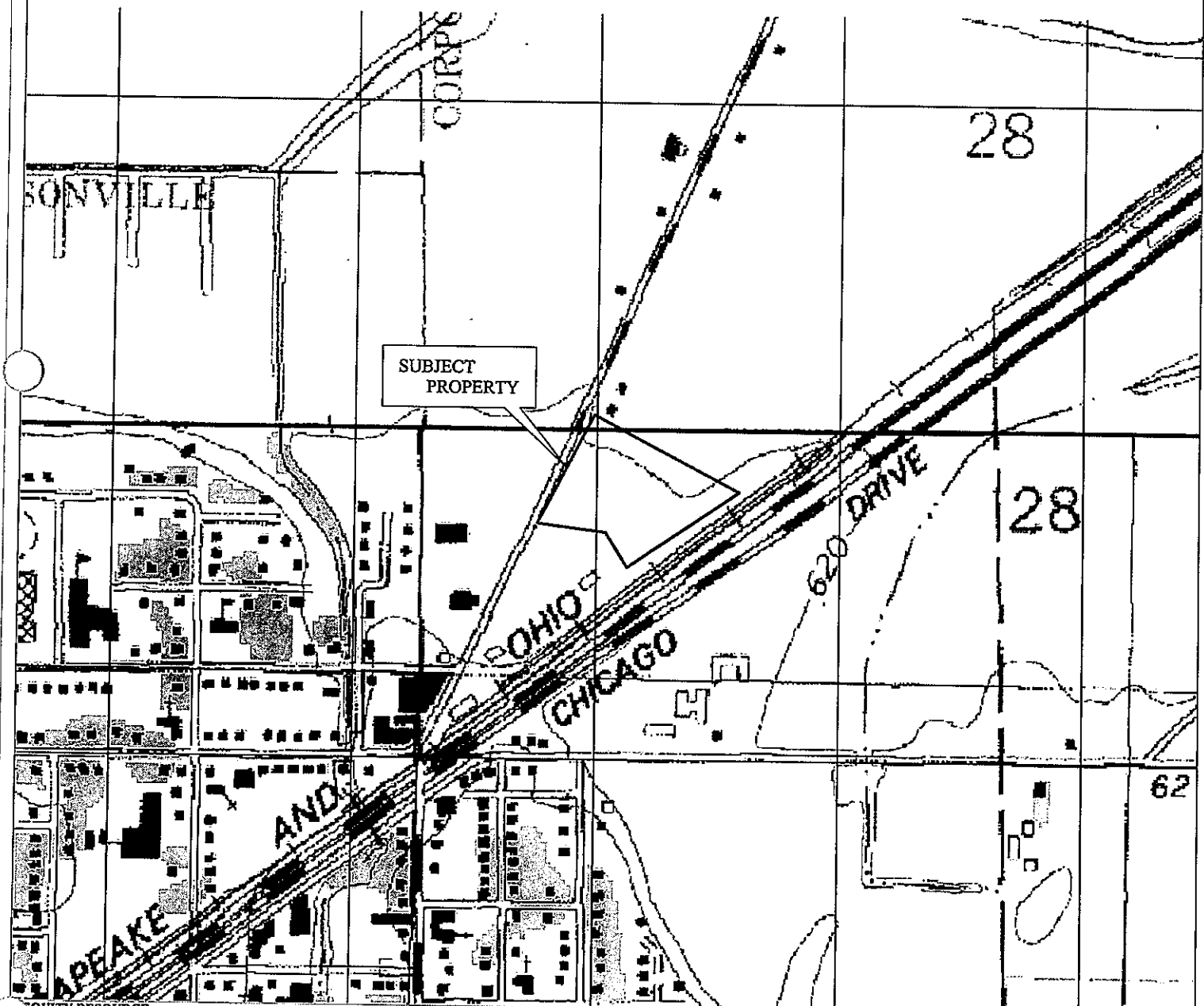
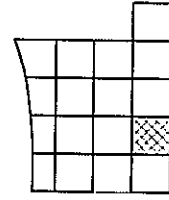
- **40 Hour HAZWOPER Certified**
- **Certified HAZWOPER Site Supervisor**
- **Environmental Professional**
- **Member Michigan Association of Environmental Professionals**
- **Certified Site Storm Water Operator**

APPENDICES

APPENDIX A
FIGURES



LAKE MICHIGAN



Equity Resource Environmental
 A-5792 143rd Avenue, Suite A
 Holland, MI 49423
 Ph: 616-392-6010
 Fax: 616-392-6080

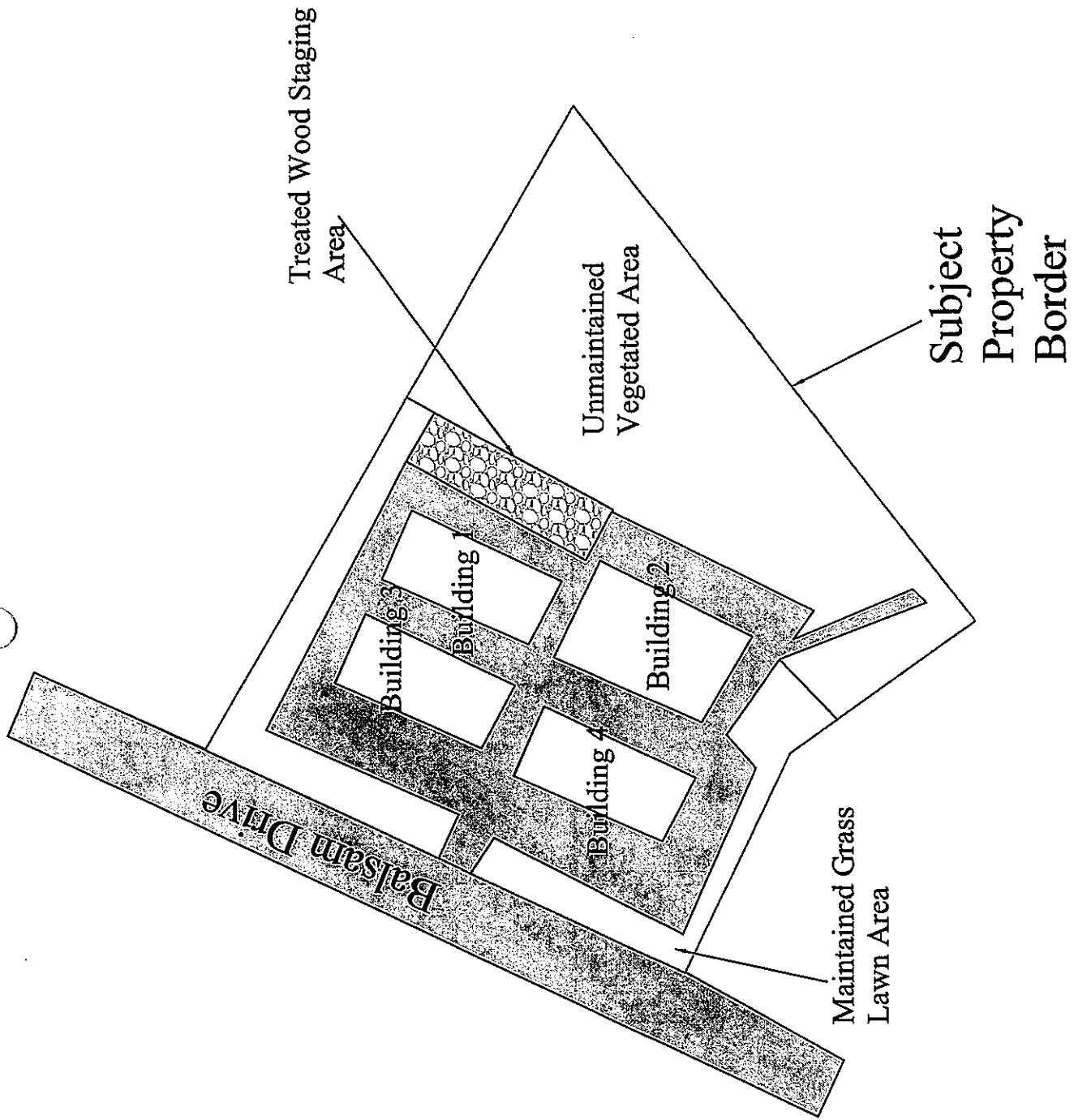
FIGURE 1 - SITE LOCATION

NW 1/4 OF THE SW 1/4,
 SEC 28, T 6 N, R 13 W

Site Name: 5800 Balsam Drive
 Hudsonville, MI
 Project No: 10-1543
 Drawn by: KWP
 Date: 05/27/2010

NOT TO SCALE

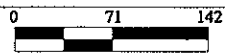
NOT A SURVEY



Equity Resource Environmental
A-5792 143rd Avenue, Suite A
Holland, MI 49423
Ph: 616-392-6010
Fax: 616-392-6080

FIGURE 2 - SITE MAP

NW 1/4 OF THE SW 1/4 OF SECTION 28
TOWN 6 NORTH, RANGE 13 WEST



SCALE 1" = 142'

NOT A SURVEY

Site Name: 5800 Balsam Drive
Hudsonville, MI
Project No: 10-1543
Drawn by: KWP
Date: 05/27/2010



Subject
Property
Border

Treated Wood Staging
Area

Unmaintained
Vegetated Area

Maintained Grass
Lawn Area

Balsam Drive

SB-1

SB-2

SB-3

Building 1

Building 2

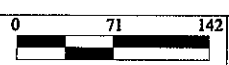
Building 3

Building 4

FIGURE 3- SAMPLE MAP

NW 1/4 OF THE SW 1/4 OF SECTION 28
TOWN 6 NORTH, RANGE 13 WEST

Site Name: 5800 Balsam Drive
Hudsonville, MI



NOT A SURVEY

Project No: 10-1530
Drawn by: KWP
Date: 04/26/2010

SCALE 1" = 142'

EQUITY RESOURCE



Equity Resource Environmental
A-5792 143rd Avenue, Suite A
Holland, MI 49423
Ph: 616-392-6010
Fax: 616-392-6080

APPENDIX B
LABORATORY REPORTS



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79774

Sample ID: SB-1

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	7.9	0.1	mg/Kg	SW846 7060	5/27/2010	LLW
Copper	26	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	6.8	2	mg/Kg	SW846 7190	5/26/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Lorri White

Date: 5/28/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79775

Sample ID: SB-2

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	21	0.1	mg/Kg	SW846 7060	5/27/2010	LLW
Copper	38	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	20	2	mg/Kg	SW846 7190	5/26/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

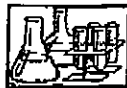
Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Lois White

Date: 5/28/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79776

Sample ID: SB-3

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	22	0.1	mg/Kg	SW846 7060	5/27/2010	LLW
Copper	30	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	12	2	mg/Kg	SW846 7190	5/26/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Lorri White

Date: 5/28/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79777

Sample ID: SB-4

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	6.0	0.1	mg/Kg	SW846 7060	5/27/2010	LLW
Copper	98	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	6.3	2	mg/Kg	SW846 7190	5/26/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Lori White

Date: 5/28/2010

APPENDIX C
TABLES

Table 1
Soil
Heavy Metals

Analyte	SB-1	SB-2	SB-3	SB-4	Criteria		
					DCC	DWPC	GSIPC
Arsenic	7,900	21,000	22,000	6,000	7,600	4,600	70,000
Chromium III	6,800	20,000	12,000	98,000	3.3E+08	1.9E+09	7.5E+04
Chromium VI	ND	ND	ND	ND	30,000	3,300	260,000
Copper	26,000	38,000	30,000	6,300	1.3E+8	5,800,000	7.50E+04

bolded text represents value(s) exceeding applicable criteria

DCC = Direct Contact Criteria

DWPC = Drinking Water Protection Criteria

GSIPC = Groundwater Surface water Interface Protection Criteria

SDBL = Statewide Default Background Level

all values represented in ug/Kg (parts per billion)

**BASELINE ENVIRONMENTAL ASSESSMENT
JULY 16, 2010**

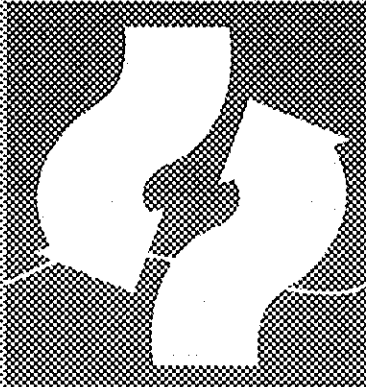
BASELINE ENVIRONMENTAL ASSESSMENT

Conducted Pursuant to Section 20126(1)(c)
of 1994 PA 451, Part 201, as amended,
and the Rules promulgated thereunder

5800 Balsam Drive,
City of Hudsonville,
Ottawa County, Michigan

July 16, 2010

EQUITY RESOURCE



ENVIRONMENTAL

Baseline Environmental Assessment Summary Sheet

Site Address: 5800 Balsam Drive, City of Hudsonville
Ottawa County, Michigan

Tax Parcel Number: # 70-14-28-366-004

Future Owner: R. Becker Properties, LLC

Former Owner: Carter Jones Lumber Company

BEA Category: Category N

Former Property Uses: Commercial: Lumber Retail and Storage Yard

Intended Future Use: Commercial: Frozen Products Warehouse Storage

**Intended Future
Hazardous Substance Use:** None

Current Zoning: Class: Industrial, Zoning: I-1

Utilities Available: Municipal Water, Municipal Sewer, Municipal Storm
Sewer, Natural Gas, Municipal sewer, Electric

Identification of Author: Kirk W. Perschbacher, Environmental Geologist
Equity Resource Environmental, L.L.C.

TABLE OF CONTENTS

	<u>Page</u>
Baseline Environmental Assessment Summary Sheet	i
Definitions	iii
1.0 Identification of Author and Date of BEA Completion	1
2.0 Introduction	
2.1 General Circumstances of Subject Property	2
2.2 Historical Use of Property	3
2.3 Proposed Future Use	3
2.4 BEA Category Type	4
2.5 Facility Status	4
2.6 Limitations	5
3.0 Property Description	
3.1 Legal Property Description	6
3.2 Scaled Map	6
3.3 Site Characteristics	6
3.4 Site Photographs	7
4.0 Known Contamination	
4.1 Phase I Environmental Site Assessment	8
4.2 Limited Phase II Investigation	8
4.3 Extent of Known Contamination	8
4.4 Chemical Abstract Service Numbers (CAS)	9
4.5 USTs, ASTs or Abandoned Containers	9
5.0 Likelihood of Other Contaminants	10
6.0 Conclusions	11
7.0 References	12
Appendix A	Figures
	Figure 1-Site Location
	Figure 2-Site Map
	Figure 3-Sample Map
Appendix B	Site Photographs
Appendix C	Previous Environmental Reports
	Phase I ESA Report
	Phase II ESA Report
Appendix E	Analytical Report
Appendix F	MDEQ Guidance Document

DEFINITIONS

AST:	Aboveground Storage Tank
BEA:	Baseline Environmental Assessment
bgs:	below ground surface
BTEX:	Benzene, Toluene, Ethylbenzene, o-Xylene, and mp-Xylene
CAS:	Chemical Abstract Service Number
GCC:	Groundwater Contact Criteria as established NREPA 1994 PA 451, Part 201
DWC:	Drinking Water Criteria as established NREPA 1994 PA 451, Part 201
DWPC:	Drinking Water Protection Criteria as established NREPA 1994 PA 451, Part 201
ERE:	Equity Resource Environmental
ESA:	Environmental Site Assessment
LUJST:	Leaking Underground Storage Tank
MDEQ:	Michigan Department of Environmental Quality
MW:	Monitoring Well
NREPA:	Natural Resources and Environmental Protection Act
REC:	Recognized Environmental Condition
Subject Property:	5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan
TMB:	Trimethylbenzene
UST:	Underground Storage Tank

**1.0 IDENTIFICATION OF AUTHOR AND
DATE OF BEA COMPLETION**

1.0 IDENTIFICATION OF AUTHOR AND DATE OF BEA COMPLETION

The person with the primary responsibility for the data assembly, interpretation, and technical conclusions of this BEA is Kirk W. Perschbacher, Environmental Geologist, of Equity Resource Environmental, L.L.C.

Signature of Author: Kirk W Perschbacher

Date BEA Conducted: 7/2/2010

Date BEA Completed: 7/16/2010

2.0 INTRODUCTION

2.0 INTRODUCTION

This Baseline Environmental Assessment (BEA) was conducted by Equity Resource Environmental, L.L.C. (ERE) for R. Becker Properties, LLC in accordance with Section 20126(1)(c) of Part 201 of the Natural Resources and Environmental Protection Act (NREPA) 1994 PA, 451, as amended ("Part 201"). The purpose of this BEA is to evaluate the environmental conditions at the time of purchase so that, in the event of a subsequent release of hazardous substances, there is a means of distinguishing the new release from existing contamination.

2.1 General Circumstance of Subject Property

ERE was retained by R. Becker Properties, LLC to conduct a Category N BEA on the Subject Property located at 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan (Tax Parcel # 70-14-28-366-004), which is depicted in Figure 1 - Site Location, and Figure 2 - Site Map. Prior to completing this Category (N) BEA, Equity Resource Environmental conducted a Phase I Environmental Site Assessment (ESA) dated April 27, 2010 for the Subject Property to determine if Recognized Environmental Conditions (RECs) existed. A copy of the Phase I ESA is attached in Appendix C. ERE identified the following one (1) REC:

- Through historical information, numerous bunks of treated lumber were staged to the north and east of the commercial buildings, specifically over exposed soils without the utilization of a roof shelter. Treated lumber was historically treated with a Copper, Chromate and Arsenic solution to be resistant to insects. Arsenic, Copper and Chromate are known to leach from large amounts of treated lumber into the underlying soils. As the exposed soils underlying the former treated lumber storage areas were potentially impacted by heavy metals, one (1) REC was identified for the Subject Property.

ERE conducted a Limited Phase II Investigation to characterize the soils within four (4) predetermined locations to investigate one (1) REC identified in the Phase I ESA dated April 27, 2010 and determine if soils within the Subject Property contained concentrations of Arsenic, Chromium (III & VI) and Copper exceeding applicable MDEQ Part 201 risk-based criteria. Soil sample analytical data results indicated the soils on Subject Property contained concentrations of Arsenic exceeding applicable MDEQ Part 201 Residential and Commercial I Direct Contact Criteria (DCC). Therefore, with soils within the Subject Property containing concentrations of Arsenic exceeding applicable MDEQ Part 201 Residential and Commercial I DCC, the Subject Property qualifies as a "facility" as defined in the NREPA 451, Part 201, Section 20101(1)(o).

2.2 Historical Use of Property

Historical use of the Subject Property has been a commercial retail lumber yard and retail center for Carter Lumber since the four (4) commercial buildings were constructed in 1977. The Subject Property was also utilized as a plumbing and lighting show room and retail center for Carter Lumber. Numerous outdoor storage racks were utilized for the storage of treated lumber within the northern and eastern portions of the Subject Property. Prior to 1977, the Subject Property existed as undeveloped forested land with no buildings or structures.

2.3 Proposed Future Use

The intended future use of the Subject Property, to which the BEA and this Section 7a CA Due Care Plan applies, will be to utilize the two (2) western existing commercial buildings on the Subject Property as lease tenant space and the two (2) eastern commercial buildings will be utilized by Cedar Crest Dairy as storage for small individual portable freezer units and retail dairy supplies with potentially adding loading docks to the eastern side of the two (2) eastern commercial buildings. Plans also include adding on a large addition to the existing freezer warehouse building along with surrounding asphalt parking and drive surface connecting to the adjoining parcels to the

northeast and southeast, owned by Cedar Crest Dairy, within the eastern portion of the Subject Property. Interior demolition and exterior construction activities are anticipated on the Subject Property by R. Becker Properties, LLC. No significant quantities of hazardous substances will be used or stored, on the Subject Property as a result of its proposed future use.

2.4 BEA Category Type

This BEA is intended to satisfy the requirements for a Category N BEA, as specified in the MDEQ's *Instructions for Preparing and Disclosing Baseline Environmental Assessments and Section 7a Compliance Analyses to the Michigan Department of Environmental Quality and for Requesting Optional Determinations*, dated March 11, 1999 and the Part 9 Administrative Rules under Part 201. R. Becker Properties, LLC plans to utilize the two (2) western existing commercial buildings on the Subject Property as lease tenant space and the two (2) eastern commercial buildings will be utilized by Cedar Crest Dairy as storage for small individual portable freezer units and retail dairy supplies with potentially adding loading docks to the eastern side of the two (2) eastern commercial buildings. Plans also include adding on a large addition to the existing freezer warehouse building along with surrounding asphalt parking and drive surface connecting to the adjoining parcels to the northeast and southeast, owned by Cedar Crest Dairy, within the eastern portion of the Subject Property. R. Becker Properties, LLC will not engage in the use, storage or handling of significant quantities of hazardous substances on the Subject Property. This lack of significant hazardous substance use is the basis for being able to distinguish existing contamination from any potential future release.

2.5 Facility Status

Through a Limited Phase II Investigation completed by ERE dated May 28, 2010, four (4) soil borings were extended and four (4) soil samples were collected from two (2) areas known to have been utilized for the unsheltered outdoor storage of treated lumber.

The four (4) soil samples were analyzed for Arsenic, Chromium (III & VI) and Copper. The analytical results of the analysis are described in Section 2.1 above. The laboratory data certificates are attached as Appendix D. Based on concentrations of Arsenic in soils exceeding applicable MDEQ Part 201 Residential and Commercial 1 Direct Contact Criteria (DCC), the Subject Property qualifies as a "facility" as defined in the NREPA 451, Part 201, Section 20101(1)(o).

2.6 Limitations

No limiting conditions were encountered during the compilation of acquired data that would directly or indirectly compromise the findings of this BEA.

3.0 PROPERTY DESCRIPTION

3.0 PROPERTY DESCRIPTION

3.1 Legal Property Description

The Subject Property is located within the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 28, Town 6 North, Range 13 West, known as property address 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan. The legal description of the Subject Property is as follows:

Parcel #70-14-28-366-004

PART SW $\frac{1}{4}$ & PART LOT 5, OHLMAN'S ASSESSOR'S PLAT NO 3 COM
INTERS S $\frac{1}{8}$ LI WITH E LI BALSAM DR, TH S 24D57M W 247.79 FT ALG
E'LY LI TO PT WHICH IS 841.61 FT FROM MOST S'LY COR SD LOT 5 &
PT OF BEG, TH S 65D03M E 234.48 FT, TH S 37D05M E 187.58 FT, TH N
52D 55M E 600 FT ALG NW'LY ROW LI, TH N 60D10M W 684.27 FT TO PT
ON E'LY LI BALSAM DR, SD PT BEING N 24D57M E 500 FT FROM PT OF
BEG, TH S 24D57M W 500 FT TO BEG. SEC 28 T6N R13W

3.2 Scaled Map

A scaled map of the Subject Property is presented in Figure 2 -- Site Map.

3.3 Site Characteristics

The Subject Property consists of one (1) irregular-shaped parcel located along the eastern border of Balsam Drive, totaling 6.52-acres in size. The Subject Property is accessible from Balsam Drive to the west via two (2) curb cut entry areas, entering the Subject Property's western border. The Subject Property contains four (4) commercial buildings with asphalt surfaced parking and drive areas, maintained grass lawn and landscaping area and unmaintained densely vegetated areas. Natural gas, municipal water, municipal sanitary sewer, municipal storm sewer, electric and telecommunication utilities are

available to and service the Subject Property. All utilities enter the Subject Property from Balsam Drive to the west via below grade distribution lines.

The 1982 Hudsonville East Topographic Map, 7.5' series Quadrangle, issued by the United States Geological Survey (USGS), shows the Subject Property to lie centered at approximately 42° 52' 21.9" North latitude and 85° 51' 34.3" West longitude. The average elevation of the Subject Property is an average of 625 feet above mean sea level. The Subject Property is relatively flat with little to no relief. At the time of site reconnaissance, storm water on the Subject Property discharges into a stormwater basin within the interior of the Subject Property which is not connected to the municipal stormwater system. Local topography indicates that shallow groundwater flow at the Subject Property is likely in a northeasterly direction toward Rush Creek. Regional topography indicates that deep groundwater flow at the Subject Property is likely in a northeasterly direction toward Rush Creek.

3.4 Site Photographs

Site photographs and their descriptions are located in Appendix B-Site Photographs.

4.0 KNOWN CONTAMINATION

4.0 KNOWN CONTAMINATION

Areas of known and suspected contamination were identified through the following sources:

- Phase I Environmental Site Assessment dated April 27, 2010
- Limited Phase II Investigation dated May 28, 2010

4.1 Phase I Environmental Site Assessment dated April 27, 2010

Equity Resource Environmental (ERE) conducted a Phase I ESA dated April 27, 2010 on the Subject Property to determine if RECs existed. The Phase I ESA identified one (1) REC. The REC is described in Section 2.1 and in the attached Phase I ESA report.

4.2 Limited Phase II Investigation dated May 28, 2010

The Limited Phase II Investigation included extending four (4) soil boring and the collection of four (4) soil samples from the most likely areas of historical impact. All soil samples were analyzed for Arsenic, Chromium (III & VI) and Copper. Analytical data results indicated the soils on Subject Property contained concentrations of Arsenic exceeding applicable MDEQ Part 201 Residential and Commercial I Direct Contact Criteria (DCC). Therefore, with soils within the Subject Property containing concentrations of Arsenic exceeding applicable MDEQ Part 201 Residential and Commercial I DCC, the Subject Property qualifies as a “facility” as defined in the NREPA 451, Part 201, Section 20101(1)(a).

4.3 Extent of Known Contamination

Through the analytical data results of the Limited Phase II Investigation conducted by ERE, the extent of known soil contamination on the Subject Property is likely limited to exposed soils off the northern and northeastern areas of the asphalt surfaced parking and drive areas. The impacted soils were discovered within loamy sandy soils from a depth of 8”-12” bgs. The full horizontal and vertical extent of the impacted soils has not been fully

determined at this time. Shallow groundwater has not been analyzed on the Subject Property.

4.4 Chemical Abstract Service Numbers (CAS)

This section includes Chemical Abstract Service (CAS) numbers for all known analytes which were detected during the Limited Phase II sampling event. These analyte concentrations were compiled from the Limited Phase II Investigation dated May 28, 2010, conducted by ERE. The two (2) tables below identify those hazardous substances identified above applicable Residential and Commercial I criteria.

Known Soil Contaminants Exceeding Residential & Commercial I DCC

Hazardous Substance	CAS	Concentration (ug/kg)	Residential/ Commercial Criteria
Arsenic	7440-38-2	22,000	7,600

Known Contaminants Not Exceeding Applicable Risk-Based Criteria

Hazardous Substance	CAS	Concentration (ug/kg)
Chromium III	16065-83-1	98,000
Copper	7440-50-8	38,000

4.5 USTs, ASTs or Abandoned Containers

No 55-gallon drums, abandoned containers, USTs or ASTs were located on the Subject Property at the time of the Phase I site reconnaissance or at the time of the preparation of this Category N Baseline Environmental Assessment.

5.0 LIKELIHOOD OF OTHER CONTAMINANTS

5.0 LIKELIHOOD OF OTHER CONTAMINANTS

Due to the nature of the environmental due diligence process, including this Category N Baseline Environmental Assessment, the nature and extent of contamination throughout the Subject Property has not been fully defined. Accordingly, contaminants beyond those detected and in locations not sampled may be present on the Subject Property. R Becker Properties, LLC intends to utilize the two (2) western existing commercial buildings on the Subject Property as lease tenant space and the two (2) eastern commercial buildings will be utilized by Cedar Crest Dairy as storage for small individual portable freezer units and retail dairy supplies with potentially adding loading docks to the eastern side of the two (2) eastern commercial buildings. Plans also include adding on a large addition to the existing freezer warehouse building along with surrounding asphalt parking and drive surface connecting to the adjoining parcels to the northeast and southeast, owned by Cedar Crest Dairy, within the eastern portion of the Subject Property. No significant quantities of hazardous substances will be utilized, stored, managed or handled on the Subject Property by R. Becker Properties, LLC during its ownership, which will make it possible to distinguish existing contamination from any potential future release.

6.0 CONCLUSIONS

6.0 CONCLUSIONS

This Category N BEA was conducted pursuant to the requirements set forth in MDEQ's *Instructions for Preparing and Disclosing Baseline Environmental Assessments and Section 7a Compliance Analyses to the Michigan Department of Environmental Quality and for Requesting Optional Determinations*, dated March 11, 1999 and the Part 9 Rules of the Part 201 Administrative Rules promulgated under Part 201. The Subject Property meets the definition of a "facility" (as defined in the NREPA 451, Part 201, Section 20101(1)(o).) based on sampling, laboratory analysis results, and field observations conducted on May 28, 2010. Known contamination is identified as concentrations of Arsenic within soils exceeding applicable MDEQ Part 201 Residential and Commercial I DCC.

The intended future use of the Subject Property by R. Becker Properties, LLC is to utilize the two (2) western existing commercial buildings on the Subject Property as lease tenant space and the two (2) eastern commercial buildings will be utilized by Cedar Crest Dairy as storage for small individual portable freezer units and retail dairy supplies with potentially adding loading docks to the eastern side of the two (2) eastern commercial buildings. Plans also include adding on a large addition to the existing freezer warehouse building along with surrounding asphalt parking and drive surface connecting to the adjoining parcels to the northeast and southeast, owned by Cedar Crest Dairy, within the eastern portion of the Subject Property. R. Becker Properties, LLC will not use any hazardous substances in significant quantities greater than utilized in typical household applications. Therefore, this investigation is believed to be adequate in providing a basis to distinguish potential future hazardous substance releases from existing conditions.

7.0 REFERENCES

7.0 REFERENCES

The following documents were referenced in the preparation of this BEA:

Equity Resource Environmental, *Phase I Environmental Site Assessment, 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan, April 27, 2010*

Equity Resource Environmental, *Limited Phase II Investigation, 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan, May 28, 2010*

Michigan Department of Environmental Quality, *Instructions for Preparing and Disclosing Baseline Environmental Assessments and Section 7a Compliance Analyses to the Michigan Department of Environmental Quality and for Requesting Optional Determinations, March 11, 1999.*

Part 9 of the Part 201 Administrative Rules

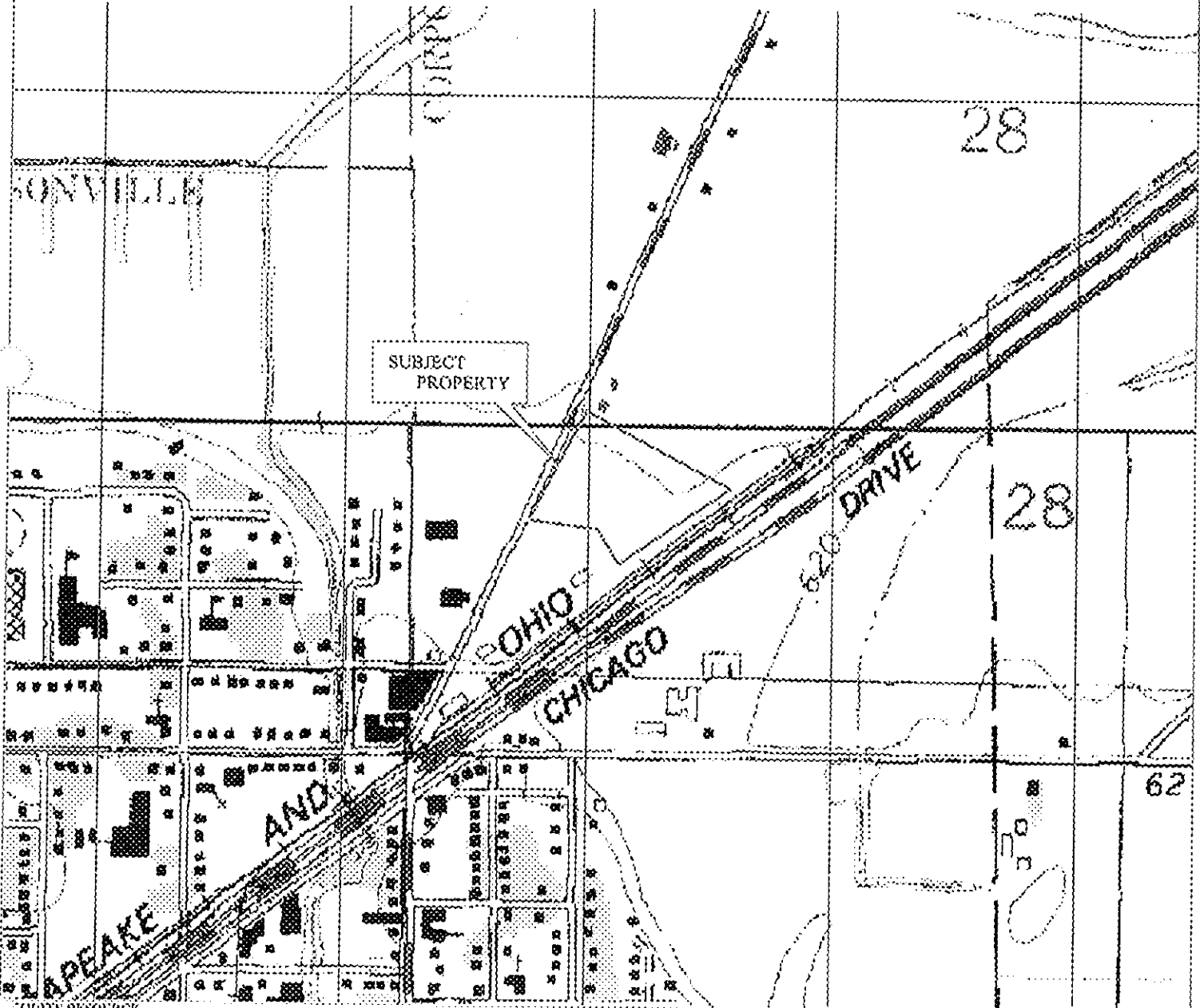
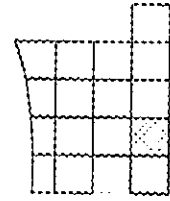
A copy of the above referenced documents can be found within the Appendices of this report.

APPENDICES

APPENDIX A
FIGURES



LAKE MICHIGAN



Equity Resource Environmental
A-5792 143rd Avenue, Suite A
Holland, MI 49423
Ph: 616-392-6010
Fax: 616-392-6080

FIGURE 1 - SITE LOCATION

NW 1/4 OF THE SW 1/4,
SEC 28, T 6 N, R 13 W

Site Name: 5800 Balsam Drive
Hudsonville, MI
Project No: 10-1543
Drawn by: EWP
Date: 05/27/2010

NOT TO SCALE

NOT A SURVEY



Treated Wood Staging Area

Unmaintained Vegetated Area

Subject Property Border

Maintained Grass Lawn Area

Balsam Drive

Building 1
Building 3

Building 2

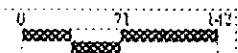
Building 4



Equity Resource Environmental
A-5792 143rd Avenue, Suite A
Holland, MI 49423
Ph: 616-392-6010
Fax: 616-392-6080

FIGURE 2 - SITE MAP

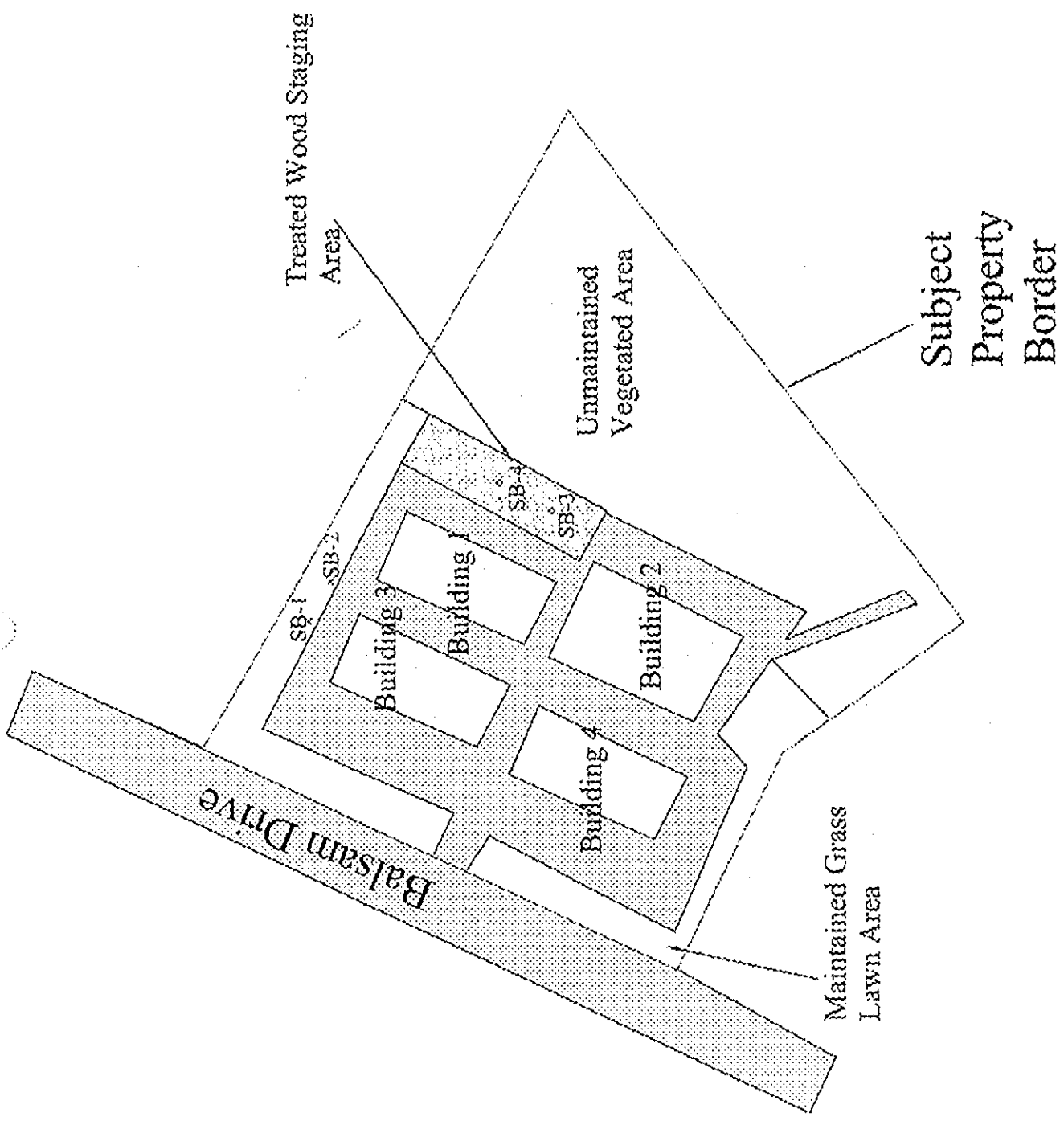
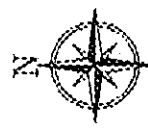
NW 1/4 OF THE SW 1/4 OF SECTION 28
TOWN 6 NORTH, RANGE 13 WEST



SCALE 1" = 142'

NOT A SURVEY

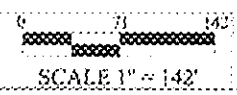
Site Name: 5800 Balsam Drive
Hudsonville, MI
Project No: 10-1543
Drawn by: KWP
Date: 03/27/2010



Equity Resource Environmental
 A-5792 143rd Avenue, Suite A
 Holland, MI 49423
 Ph: 616-392-6010
 Fax: 616-392-6080

FIGURE 3- SAMPLE MAP

NW 1/4 OF THE SW 1/4 OF SECTION 28
 TOWN 6 NORTH, RANGE 13 WEST



NOT A SURVEY

Site Name: 3800 Balsam Drive
 Hudsonville, MI
 Project No: 10-1530
 Drawn by: KWF
 Date: 04/26/2010

APPENDIX B
SITE PHOTOGRAPHS

1



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Adjoining parcels facing west.

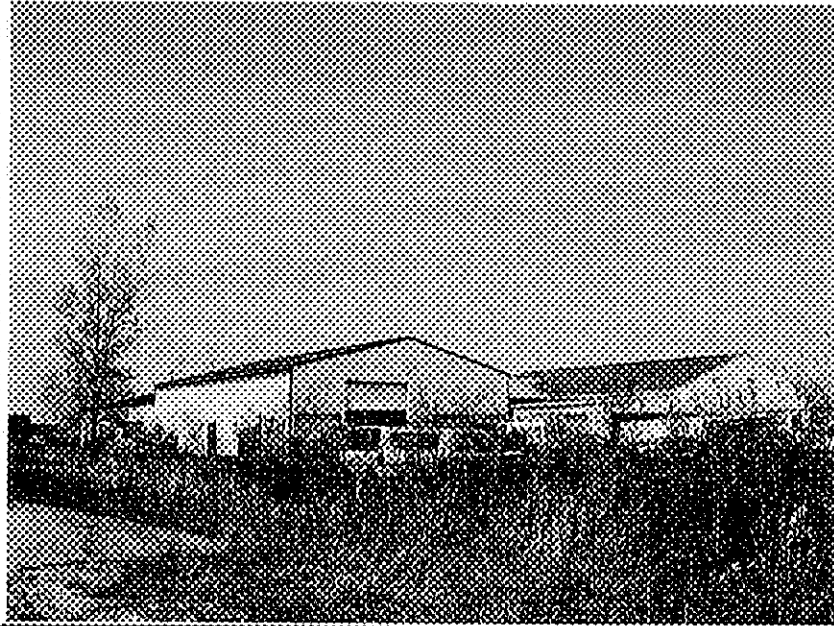
2



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Adjoining parcels facing south.

3



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Adjoining parcels facing north.

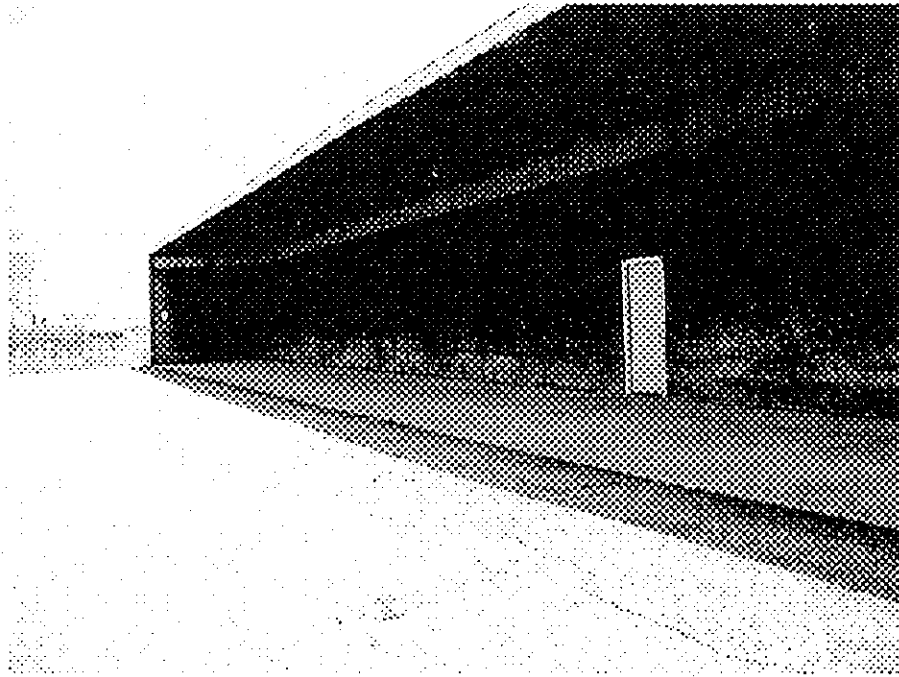
4



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Typical overview of the interior of Building 3/4.

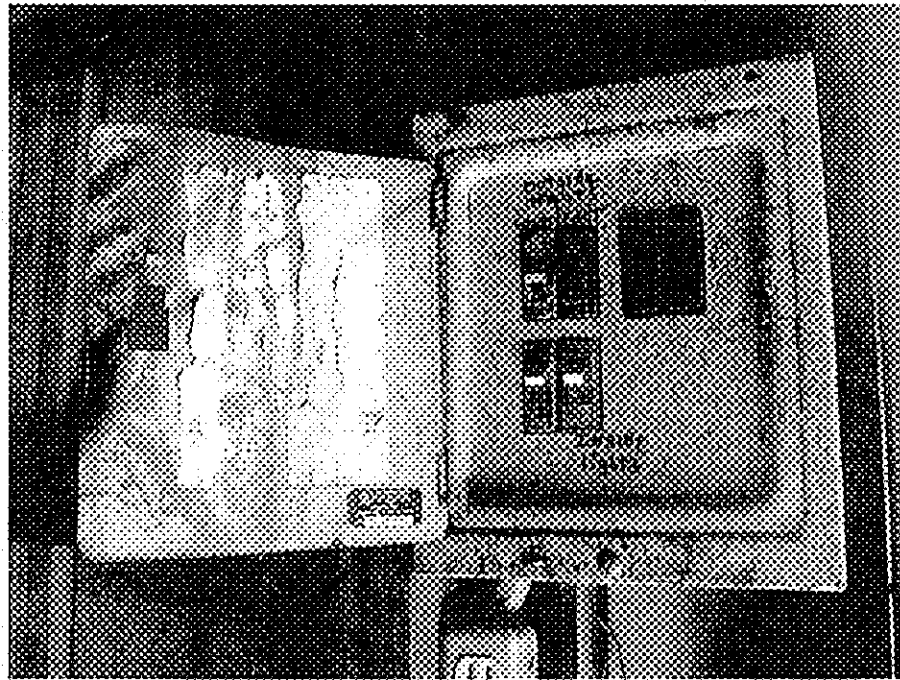
5



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Typical storage canopy associated within Building 1 & 3.

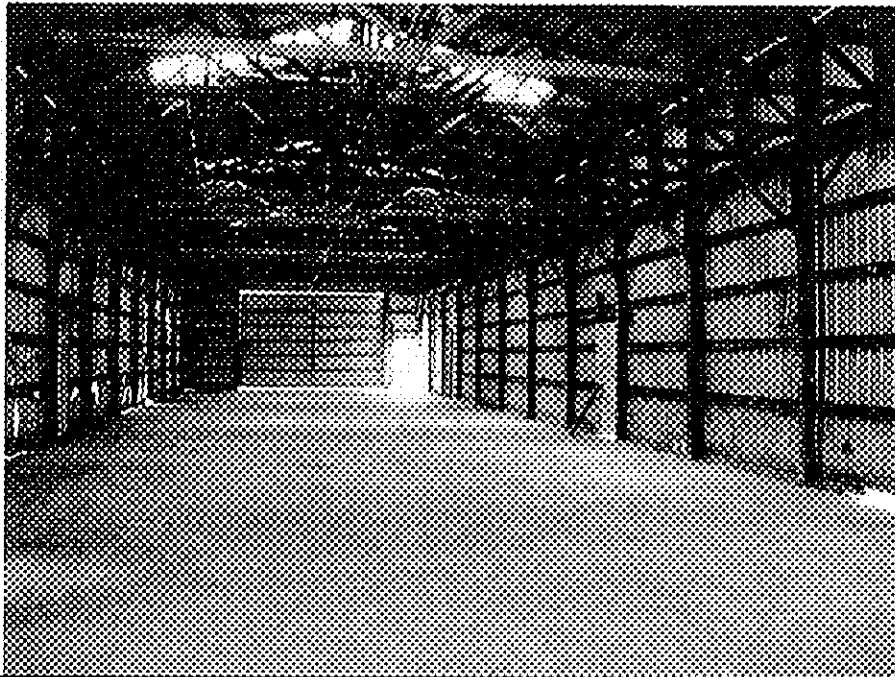
6



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Typical breaker panel located within Building 1.

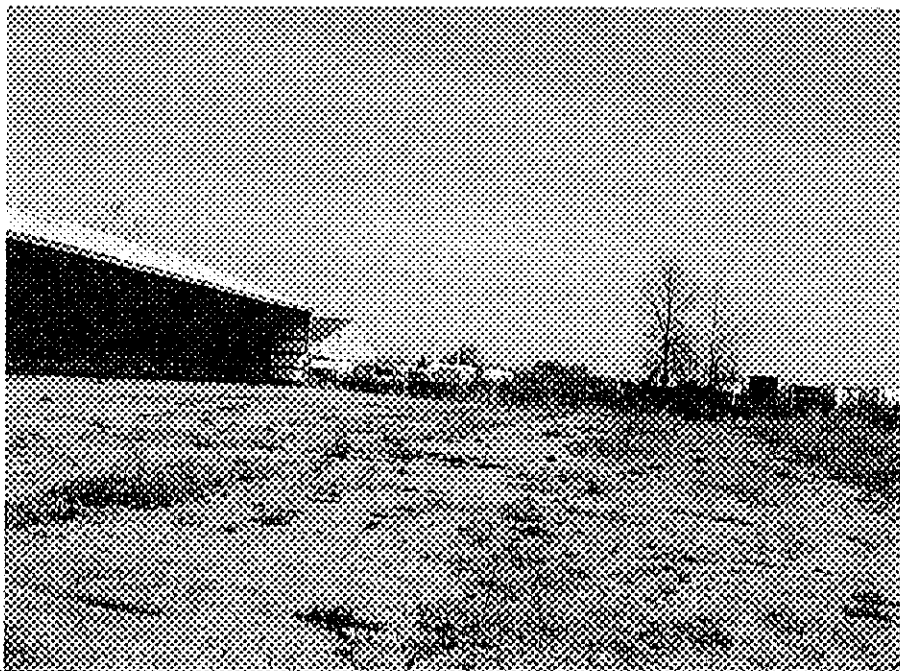
7



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Interior of Building 1.

8



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Overview of the former treated wood staging area on the Subject Property.

9



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Overview of the southeastern loading dock area.

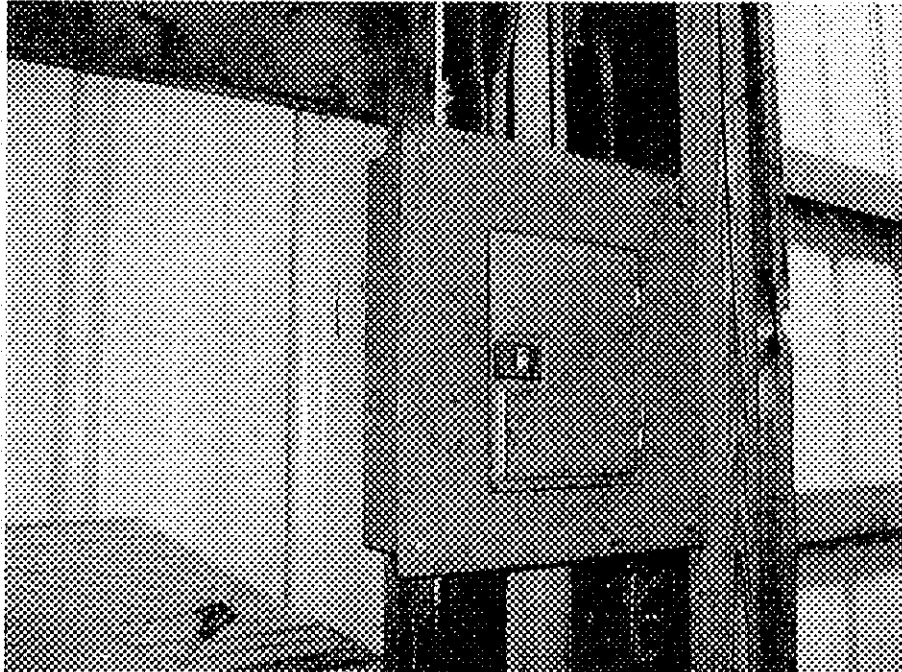
10



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Adjoining parcels facing east.

11



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Typical breaker panel located within Building 2.

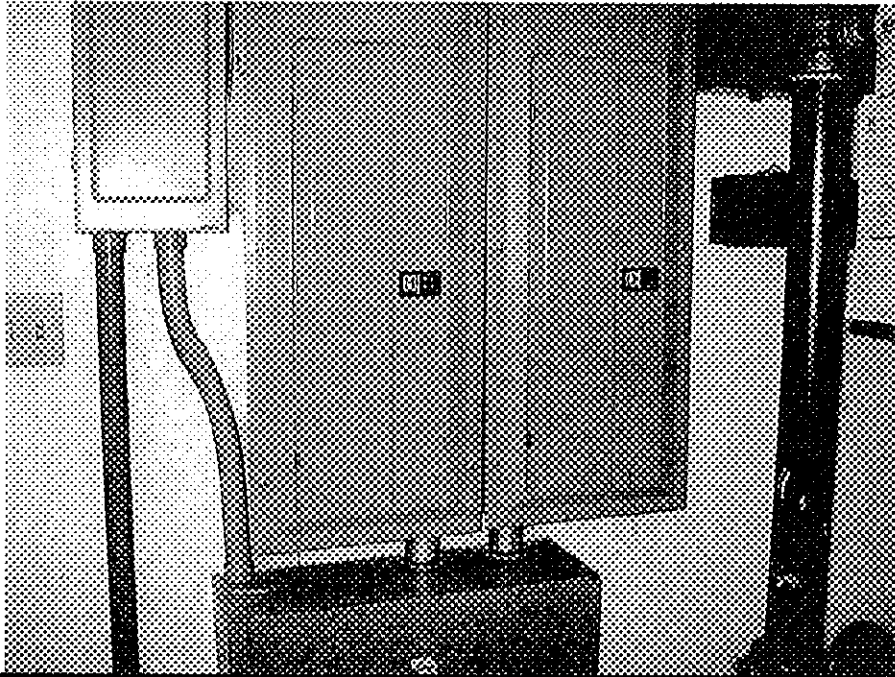
12



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Interior of Building 2.

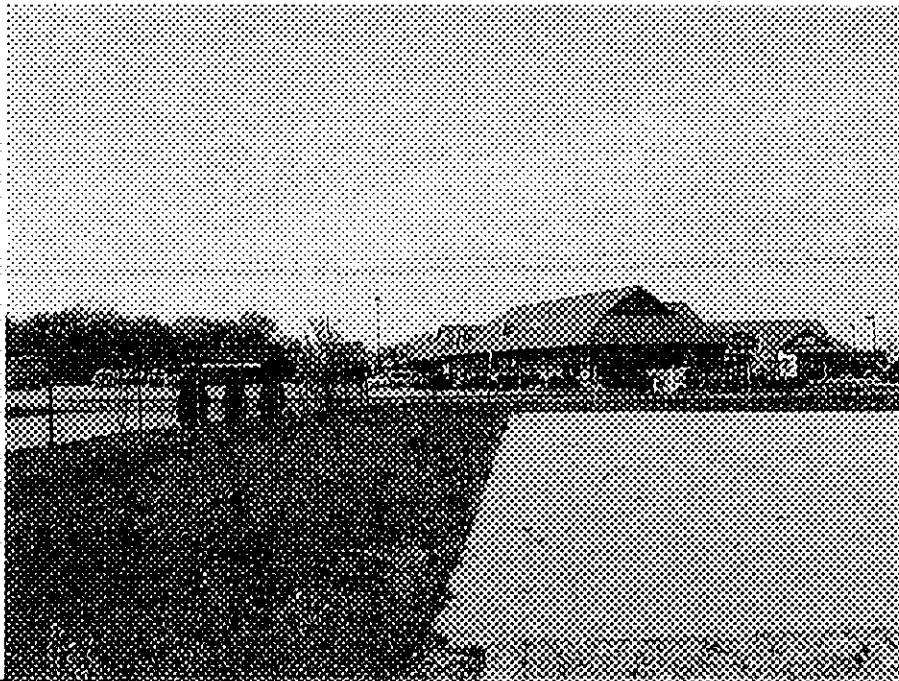
13



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Breaker panels located within Building 5.

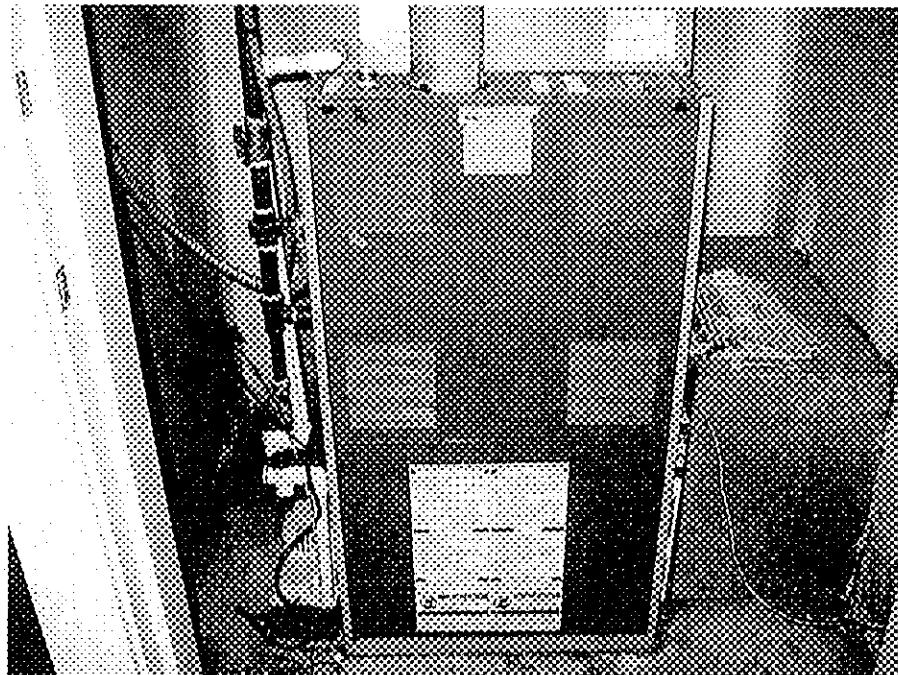
14



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Overview of the southern portion of the Subject Property.

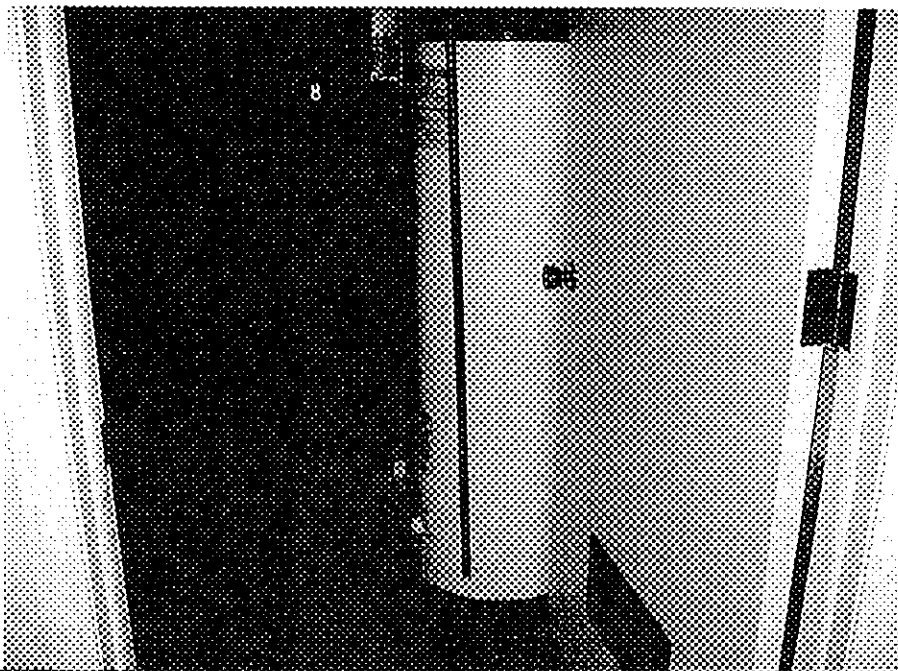
15



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Natural gas fired forced air furnace located within Building 5.

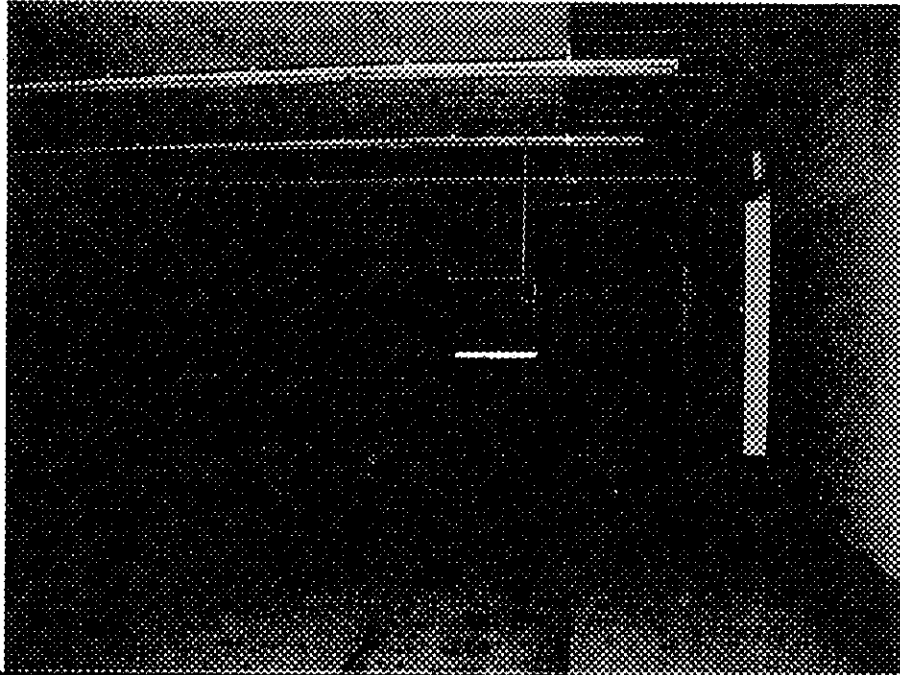
16



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

One (1) 40 gallon water heater located within Building 5.

17



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Interior of the retail show room area within Building 5.

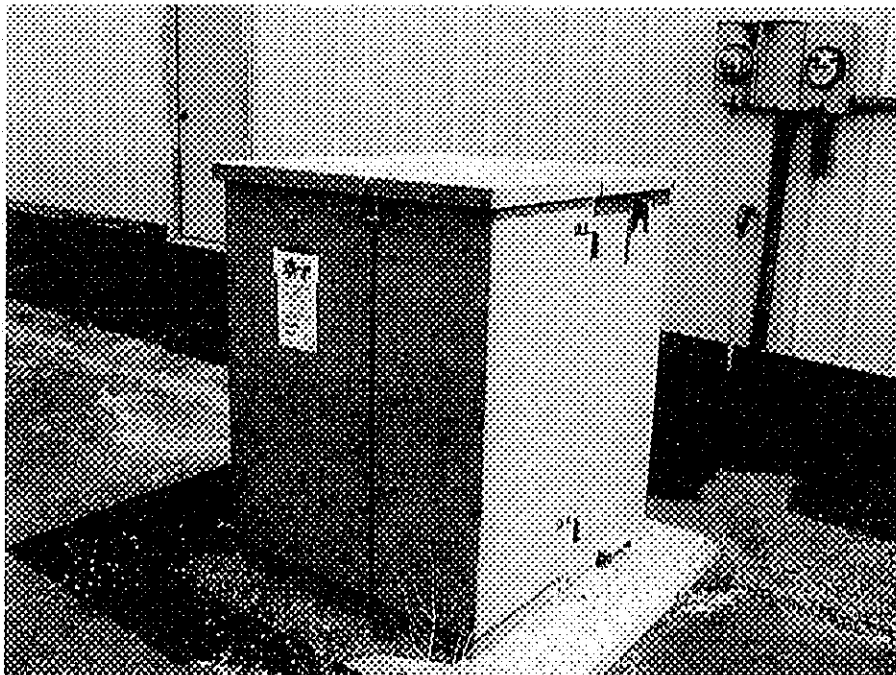
18



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Lumber storage area within the back storage area of Building 5.

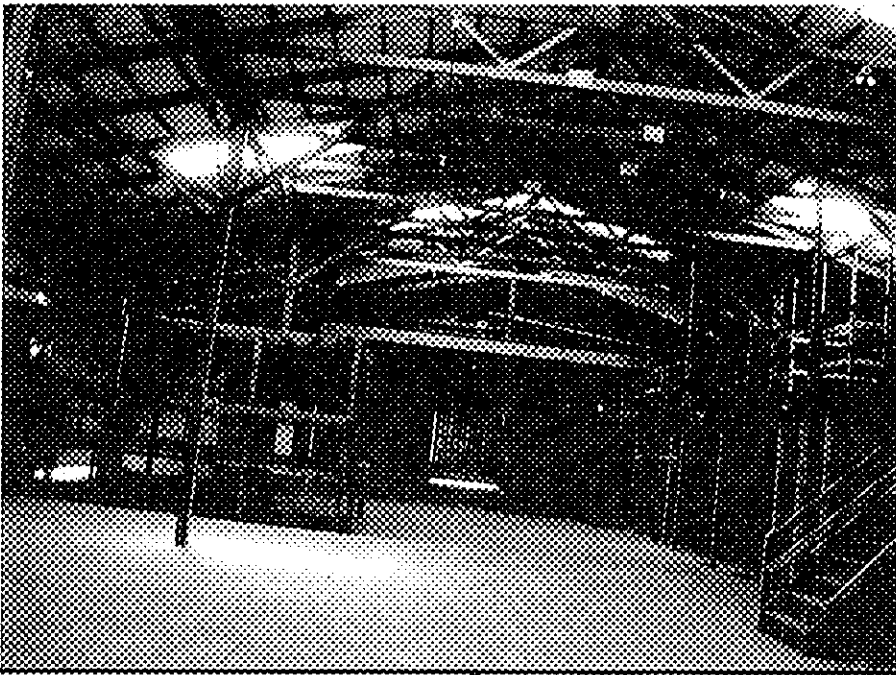
19



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

One (1) electric transformer located on the Subject Property.

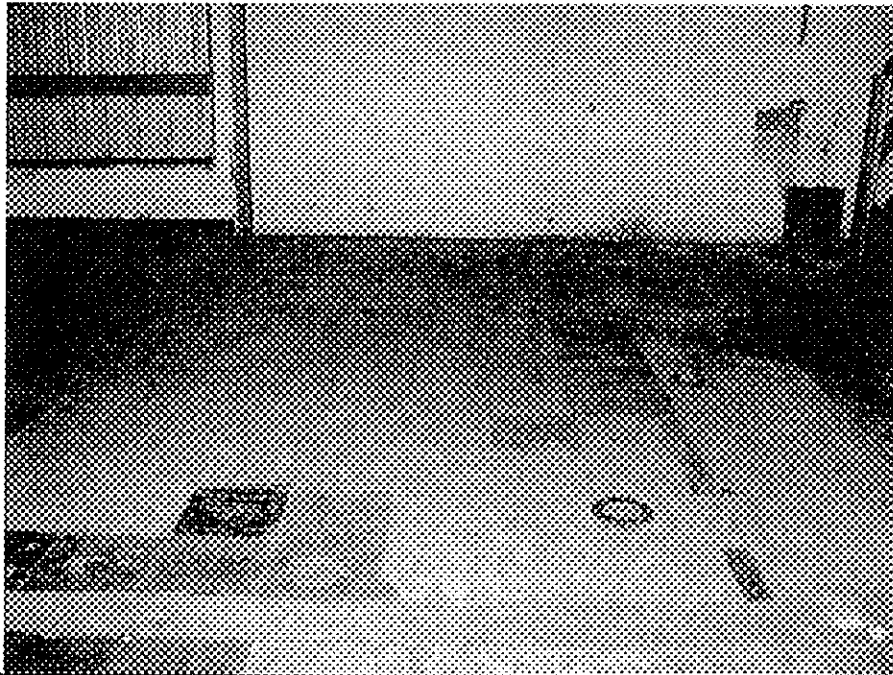
20



Kirk W. Perschbacher, Environmental Geologist April 20, 2010

Overview of the interior of Building 3/4.

21



Kirk W. Perschbacher, Environmental Geologist | April 20, 2010

Floor drains and former restroom within Building 3/4.

APPENDIX C
PREVIOUS ENVIRONMENTAL REPORTS

THE PREVIOUS ENVIRONMENTAL REPORTS HAVE BEEN
INTENTIONALLY OMITTED FROM THIS SECTION OF THE BEA

THE PHSAE I ESA AND LIMITED PHASE II INVESTIGATION
ARE INCLUDED IN THEIR ENTIRETY WITHIN EXHIBIT E OF THE
BROWNFIELD PLAN AMENDMENT

APPENDIX D
ANALYTICAL REPORTS



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79774

Sample ID: SB-1

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	7.9	0.1	mg/Kg	SW846 7060	5/27/2010	LLW
Copper	26	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	6.8	2	mg/Kg	SW846 7190	5/28/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Lorri White

Date: 5/28/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79775

Sample ID: SE-2

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	21	0.1	mg/Kg	SW846 7060	5/27/2010	LLW
Copper	38	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	20	2	mg/Kg	SW846 7190	5/28/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Lori White

Date: 5/28/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79776

Sample ID: SB-3

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	22	0.1	mg/Kg	SW846 7080	5/27/2010	LLW
Copper	30	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	12	2	mg/Kg	SW846 7190	5/28/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Loni White

Date: 5/28/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: May 28, 2010

Customer: Equity Resource Env.
A-5792 143rd Ave
Holland, MI 49423

Project Name: 5800 Balsam Drive, Hudsonville, MI
Project Number: 10-1543
Submit Date: May 21, 2010
Collection Date: May 20, 2010

Lab Sample ID: 7743-79777

Sample ID: SB-4

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	6.0	0.1	mg/Kg	SW846 7060	5/27/2010	LLW
Copper	98	1	mg/Kg	SW846 7210	5/28/2010	LLW
Chromium	6.3	2	mg/Kg	SW846 7190	5/26/2010	LLW
Hexavalent Chromium	ND	2	mg/Kg	SW846 7199	5/21/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: Loni White

Date: 5/28/2010

APPENDIX E
MDEQ GUIDANCE DOCUMENT

INSTRUCTIONS FOR BASELINE ENVIRONMENTAL ASSESSMENTS

Minimum Technical Standards for Baseline Environmental Assessments Conducted Under Section 20126(1)(c) of 1994 PA 451, as amended, and the Part 9 Rules

Purpose of Baseline Environmental Assessments

The purpose of a Baseline Environmental Assessment (BEA) is stated in the definition in Section 1(1)(d):

"Baseline environmental assessment" means an evaluation of environmental conditions which exist at a facility at the time of purchase, occupancy, or foreclosure that reasonably defines the existing conditions and circumstance at the facility so that in the event of a subsequent release, there is a means of distinguishing the new release from existing contamination. (Emphasis added.)

Being able to distinguish "new releases" from "existing contamination" is a function of what has already been released, and what might be released in the future. If the nature of and potential for future releases are very clearly characterized and/or limited, there may be little need for extensive data characterizing current contamination in order to appropriately conclude that new releases could be distinguished. Therefore, BEAs of limited scope may be performed taking into account specific future uses of the property and uses of hazardous substances at the property. Conversely, if the nature of and potential for new releases are not characterized or limited, a great deal of information to characterize and quantify existing contamination may be needed. These instructions relate to definition of conditions at the property being transferred, which may not include the entire facility. Where the facility is larger than the property, describing conditions at the property rather than the facility is sufficient.

Parties petitioning for a BEA determination should recognize that data of a different scope and purpose will routinely be needed for determinations of compliance with the "due care" obligations of Section 7a. While requiring some of the same type of information included in typical BEAs, Section 7a compliance determinations may require more extensive data and interpretations.

Minimum Technical Standards

The following describes typically expected and generally necessary elements of BEAs, as required under Rule 907. Although the elements specified here will routinely be acceptable, a greater degree of evaluation and documentation will often be in the interest of potential new owners and operators, particularly for assessing compliance with Section 7a obligations. Such parties are encouraged to develop the additional information and include it in reports to the department. Concise, well-organized reports will facilitate agency reviews and issuance of determinations. The format provided in these Instructions is authorized in Rule 907(7). The chart on Page 18 summarizes the information discussed below. (The alphanumeric references follow from the chart.)

A BEA may include data and information from studies conducted for other purposes. However, the data and information from prior studies must be sufficiently recent so as to describe conditions at the property at the time of purchase, occupancy, or foreclosure. Persons relying on data and information developed for other purposes must be confident of the accuracy and reliability of the data and information.

The minimum technical standards for all Categories of BEAs require that the property tax identification number or ward and item number be included for the property covered by a BEA. If the property covered by a BEA is only a portion of a parcel that is covered by one property tax number, indicate "a portion of xxx-xxx-xxx". List all property tax numbers that are relevant, in part or in whole.

In general, if more than one contiguous property (as defined by tax identification or ward and item number) is being transferred, each property must be evaluated separately to determine if it is a facility, regardless of whether the property will be in common ownership after the transfer. The DEQ may, at the request of a person preparing a BEA and under special circumstances, consider contiguous properties to be part of a facility without establishing that the properties are each a facility. Special circumstances which may support such a conclusion include common ownership and hazardous substance use on properties immediately preceding the transfer of interest covered by the BEA, and/or the presence of ubiquitous contamination that has been previously identified (e.g., large areas of fill.) A BEA may include 2 or more contiguous properties that will be in common ownership after transfer provided that each property is demonstrated in the BEA to be a facility, except as provided above. In addition, the presence of a transportation corridor (e.g., road, railroad, alley) does not prevent land from being considered a single property for BEA purposes.

Determining BEA Category

A BEA must address all known significant hazardous substance use that will occur after purchase, occupancy, or foreclosure. There are three categories of BEAs: Category N (formerly referred to as 'A'), Category D (formerly referred to as 'B'), and Category S (formerly referred to as 'C'). The category of BEA required is determined by the anticipated future significant hazardous substance use on the property. Simply stated, a category N BEA is appropriate when there will be no future significant hazardous substance use on the property. A category D BEA is appropriate when the hazardous substance(s) to be used on the property in significant quantities are different than the hazardous substance(s) known or likely to be property contaminants. A category S BEA is appropriate when one (or more) of the hazardous substances to be used on the property in a significant quantity is the same as a hazardous substance known or likely to be a property contaminant, or when there is no limit specified on the hazardous substances to be used on the property in significant quantities.

A BEA must account for the significant hazardous substance use of the owner as well as all identified tenants and operators. Rule 903(5) requires that the owner consider the hazardous substance use of all tenants and operators who at the time the BEA is completed, are in possession of, or under agreement to take possession of, all or part of the property. A Category N BEA is also acceptable for an owner who anticipates hazardous substance use by a tenant in the future, but where the specific hazardous substances cannot be defined at the time the BEA is conducted because the tenant is not in possession of the property or under agreement to take possession of the property. See Rule 903(5). In this case, the owner is advised to gather Post-BEA Information prior to the tenant's use of hazardous substances at the property. A tenant's BEA may provide appropriate information to be used as Post-BEA Information by the owner. See Appendix E for more about Post-BEA Information. Category N BEAs are acceptable for properties where new owners and operators will not use hazardous substances in a manner that constitutes significant hazardous substance use. This includes investors and municipalities who hold idle property for resale or lenders who simply hold idle property after foreclosure until it is transferred to another party. Detailed descriptions for all three categories are discussed below.

As defined in Rule 901(o), "**significant hazardous substance use**" means the use, storage, handling, or management, at any time, of hazardous substances in quantities that exceed those

commonly used for typical residential or office purposes; however, significant hazardous substance use does not include any of the following:

- (i) Gasoline, oil, or other vehicle fluids which are contained in vehicles traversing or parked at a property on a short-term basis.
- (ii) Storage of hazardous substances for retail sale in packaging and in quantities consistent with use by occupants of residential dwellings.
- (iii) Storage or management of aboveground storage tanks, barrels, containers, or other receptacles containing hazardous substances that are appropriately identified in the BEA as being abandoned or discarded at the time of purchase, occupancy, or foreclosure.

The DEQ may, pursuant to Rule 903(4), issue a written determination, on a case-by-case basis, that the use, storage, or handling of hazardous substances that exceed quantities commonly used for typical residential or office purposes is not significant hazardous substance use. To request such a determination the submitter must provide a written request to the DEQ District office in which the facility is located (see Appendix A for addresses of DEQ offices and areas served). The request must include, at a minimum, the following information: the name and CAS number(s), if available, of the hazardous substance(s) proposed for use, storage, handling, or management; the quantity of hazardous substance(s) to be used, stored, or handled, over a specified time period; the maximum quantity of the hazardous substance to be present on the property at any given time; how the hazardous substances will be transported to, stored, and handled at the facility; and an explanation of why the submitter believes such hazardous substance use should be considered "not significant hazardous substance use." The DEQ may request additional information, if needed, to make its determination. If the DEQ determines that there is no significant hazardous substance use, then the hazardous substance(s) covered by the determination can be eliminated from further consideration in the BEA. A request for such a determination in no way alters the timeframes for completion and disclosure required under Part 201 and the Part 9 Rules. A request for such a determination may be made prior to petitioning or disclosing a BEA to the DEQ, or the request may be included in the petition. If timing is critical, this request should be made prior to petitioning the DEQ.

Only those hazardous substances that are present at the property in excess of applicable residential cleanup criteria must be considered when determining the appropriate BEA category. If a hazardous substance is detected at the property but not in excess of the applicable residential criteria, that hazardous substance may, at the option of the submitter, be dropped from consideration if the BEA contains documentation that there is a reasonable basis, after appropriate inquiry and considering the purpose of the BEA, to conclude that it is not present in quantities exceeding the applicable residential criteria.

BEA Considerations when Underground Storage Tanks are Present

Underground storage tanks containing any quantity of hazardous substance must be considered when determining the appropriate category of a BEA pursuant to Rule 907(5). If an UST is known to be present at the property, then the BEA must indicate whether the UST will be used to contain a hazardous substance after the earliest of the date of purchase, occupancy, or foreclosure. "Known" according to Rule 907(6) refers to information known to the submitter and his or her agents, including the environmental professional preparing the BEA, at the time the BEA is conducted. The category of BEA to be conducted should be based on the following:

- If the UST will be used to contain a hazardous substance, then a category S or category D BEA must be conducted.
- If the UST will not be used to contain a hazardous substance, then a category N BEA may be conducted if a category N BEA is otherwise appropriate and if the underground

storage tank is emptied within 45 days after the earliest of the date of purchase, occupancy, or foreclosure. The department may, in its discretion, extend the 45 day period for emptying an UST under extenuating circumstances. To pursue an extension for tanks regulated under Part 213, contact the Storage Tank Division (STD) District Supervisor in the district office which serves the property before the expiration of the 45 day period. For all other USTs, contact the ERD District Supervisor.

These considerations are solely applicable to the BEA program, are in addition to any other requirements of state or federal laws and regulations applicable to USTs and do not limit the obligation of an owner or operator to comply with any other state or federal law or regulation with respect to an UST.

Category N

N. Characterization requirements for all BEAs, including properties at which there will be no significant hazardous substance use:

- N. I (a) Legal description and scaled map or survey depicting the property.
(b) The property tax identification numbers for parcels which are included, in whole or in part, as property covered by the BEA. For properties in the city of Detroit, instead include the ward and item number associated with the property.
(c) Photographs that depict important features of the property and evidence of releases, including abandoned containers, unless it is impractical to provide photographs or photographs would not provide useful information about the property. Photographs must be accompanied by information, including the date the photograph was taken, a description of what the photograph illustrates, the location where the photograph was taken and the name of the photographer, unless that information is not available (for older photos).
(d) If your inquiry into the property or any portion of the property that is legally described in this BEA determined that a BEA(s) was previously submitted to the DEQ, provide the Petition or BEA Disclosure number(s) assigned by the DEQ.
- N. II (a) The names and chemical abstract service (CAS) numbers, when a CAS number is available, of all hazardous substances known to have been released at the property. "Hazardous substances known to have been released" includes hazardous substances known to be present in the environment as well as the contents of any abandoned containers or lagoons described pursuant to N. II. (b). Specify all substances, and their concentrations, which demonstrate that one or more of the residential category cleanup criteria are exceeded for the subject property. Names of other hazardous substances known to be present above background levels also may be identified, at the option of the submitter. For this degree of characterization, a detailed quantification of contaminants present (concentration averages, mass estimations, etc.) is not necessary. **This section of the BEA report must include the basis for the conclusion that the property is a facility.**
(b) Identification of all of the following that are known to be present at the property after a reasonable inspection of the property and review of pertinent government records. This information must be provided on the form "Notice Regarding Discarded or Abandoned Containers," (EQP4476). See Appendix A. Submission of this form completed according to the instructions satisfies the requirements of Rule 1015(1) of the Part 10 Due Care Rules.
(i) Abandoned aboveground storage tanks containing hazardous substances.
(ii) USTs containing hazardous substances.
(iii) Abandoned or discarded barrels, containers, or other receptacles containing hazardous substances.

- (iv) A general description of the known or likely contents of any aboveground storage tank, UST, barrel, container, or other receptacle as well as an estimate of the volume of the contents of each aboveground storage tank, UST, barrel, container, or other receptacle, unless it is impractical to make such an estimate. If it is impractical to estimate the volume of the contents of tanks, barrels, containers, or other receptacles at the facility, include an explanation of why it was impractical.
- N. III Identification of the general location(s) of the known contamination on the subject property, identifying environmental media affected, and property features (depict on a map, and explain with text and/or tables). An evaluation of past property use may be used, in part, to direct the sampling activities. For this degree of characterization, the specific contaminant distribution and extent do not need to be known and specified.
- N. IV An assessment and conclusions as to the likelihood that other hazardous substances are also present on the subject property. This assessment should be based on a thorough evaluation of all previous uses of the facility with special emphasis on hazardous substance use in commercial and industrial applications. An ASTM #E1527 Phase I Environmental Site Assessment or equivalent alternate assessment method is acceptable. Provide the results of the Phase I and Phase II Environmental Site Assessment or equivalent assessment that relate to the likelihood that other hazardous substances are also present on the subject property.
- N.V. A specific statement that there will be no significant hazardous substance use at the property, and that this is the basis for being able to distinguish existing contamination from a new release. Any modifications to this statement (such as for an owner who has not yet identified specific tenants who will use hazardous substances), must be approved by the DEQ.

Category D

- D. Characterization requirements in addition to those performed in Category N for BEAs performed where a specified new use of the property includes significant hazardous substance use, but different substances from those known or likely to be property contaminants:
- D. I. The names and CAS numbers, when a CAS number is available, of all hazardous substances that will be used or otherwise be present as a result of operations at the property in a quantity that constitutes significant hazardous substance use. Identification solely by trade name, reliance on material safety data sheets that list unidentified or unspecified substances as an ingredient in a product, or other imprecise identification of hazardous substances is acceptable only if the information is adequate to allow a new release to be distinguished from existing contamination. Hazardous substance names and CAS numbers must be presented in tabular format.
- D. II. No additional characterization needed, beyond that specified in N. II.
- D. III. Identification by general or specific location, of known contamination on the property and the environmental media affected in addition to the characterization specified in N. III.
- D. IV. A demonstration that the hazardous substances specified in D. I. have not already been released at the facility. Explain why it is reasonable to believe that the hazardous substances identified in D. I. have never been present at the property if that is the reason a past release has been ruled out. The conclusions of the N. IV. assessment may in some cases be sufficient to meet this requirement. If the assessment indicates

it is likely that the hazardous substances have been present, environmental data or other information to demonstrate that the hazardous substances have not been released is needed to make this demonstration.

- D.V This item is required for BEAs that are submitted with a Petition pursuant to Section 29a and is optional for BEAs only disclosed pursuant to Section 26(1)(c). The BEA must describe how the body of information in the BEA can be used, and why it is sufficient, to distinguish a new release from contamination that existed at the time of the BEA.**

Category S

- S. Characterization requirements in addition to those performed in Categories N and D for BEAs performed where a specified use of the property will cause the same hazardous substances to be used as are known or likely to be present as property contaminants, or for BEAs performed when no limits on future hazardous substance use are identified:**
- S. I. No additional characterization needed, beyond that specified in N. I. and D. I.**
- S. II. Information identifying and quantifying each of the known contaminants present, if those contaminants are hazardous substances intended to be used or otherwise present as a result of operations at the property or not excluded from future use (e.g., maximum and average concentrations, and estimates of the total mass of each contaminant within the property boundary). Statistical analyses may be presented to characterize the existing contaminant mass. Estimates of mass are only required if the BEA relies on contaminant mass as means of distinguishing a new release from existing contamination. Estimates may be particularly useful for area-wide or historical fill contamination.**
- S. III. Information delineating the extent of known contamination within the property boundaries, if those contaminants are hazardous substances intended to be used or otherwise present as a result of operations at the property or not excluded from future use, and general projections as to their fate (relative to transport, decomposition, etc.). Include significant information about property features that influence contaminant migration (e.g., soil type, hydrogeologic conditions, surface features). Known point sources of hazardous substance release should be thoroughly investigated. Include information that documents both the vertical and horizontal extent of concentrations above the residential standards on the property, unless the BEA provides for a means of distinguishing a new release that does not rely on this type of characterization.**
- S. IV. Investigation to confirm the presence of and to quantify and delineate the extent of any contaminants shown by the N. IV. assessment to potentially be on the property and which are not excluded from future use. Areas of likely release due to historical operations (e.g., spills, seepage lagoons, floor drains, dry wells, buried substances, USTs) should be thoroughly investigated and information presented which identifies the hazardous substance concentrations that already exist on the property from such sources. For an identified subset of the hazardous substances that will be used at the property, the conclusions of an N. IV. assessment may be sufficient to preclude the necessity for further investigation of those hazardous substances if it is clear that there is no reason to believe that they have ever been present at the property.**
- S. V. This item is required for BEAs that are submitted with a Petition pursuant to Section 29a and is optional for BEAs only disclosed pursuant to Section 26(1)(c). The BEA must describe how the body of information in the BEA can be used, and why it**

is sufficient, to distinguish potential contamination due to new releases from contamination that existed at the time of the BEA.

Alternative Approaches

Alternative approaches that provide a reliable basis to distinguish potential new hazardous substance releases from existing contamination may be presented in conjunction with the types of information detailed for Categories D and S, or in lieu of some of this information. Rule 909 allows for engineering controls, isolation zones, or other similar features that provide a verifiable means of assuring that any release that occurs in the future will be spatially separated from existing contaminated media, will be detected, and will be responded to in a timely manner, so as to prevent commingling with the existing contamination. All BEAs which rely on an engineering control, isolation zone, or other feature must still include, as a minimum, the information described for Category N above. The design of any engineering controls, isolation zones, or other features that will be used must be included. The purpose and function of all engineering controls, isolation zones, and stipulated conditions must be clearly defined in the BEA. Engineering controls and isolation zones may be relied upon by a person who is petitioning or disclosing the BEA to the DEQ. However, a BEA can rely on stipulated conditions other than those associated with isolation zones and engineering controls only if the BEA is submitted with a petition for determination by the DEQ.

Engineering controls, isolation zones, or other similar features, must be constructed and operational no later than 45 days after the earliest of the date of purchase, occupancy, or foreclosure if relied upon in the BEA as a means of distinguishing a new release from existing contamination. In special circumstances the 45 day time frame for installation of an engineering control or isolation zone can be extended, provided that the engineering control is in place prior to the use, storage or handling at the property of the hazardous substance that will be addressed by the engineering control, isolation zone, or similar feature.

If an engineering control, isolation zone, or similar feature cannot be installed within 45 days, the 45 day period can be extended provided that an affidavit is provided with the BEA, stating that the owner or operator has not used, stored, handled, or managed the hazardous substance on the property since the date of purchase, occupancy, or foreclosure and it will not be used until after the engineering control, isolation zone, or similar feature is operational. This includes the installation of double walled UST systems as an engineering control.

A person completing a BEA that relies on an engineering control, isolation zone or similar feature must maintain documentation that these features were installed as called for in the BEA, within the required time frame and in a satisfactory manner.

Engineering Controls

A BEA relying on engineering controls or other similar features must include stipulated conditions in the affidavit from the petitioner (Form EQP4400), or submitter (Form EQP4479), and the environmental professional (Form EQP4439), if required. The stipulated condition must state the following, unless different language is approved by the DEQ:

The submitter acknowledges that if there is a failure of an engineering control or similar feature identified in the BEA, and if a release occurs as a result of the failure, the BEA does not provide an exemption to liability for response activity necessary to address contamination resulting from the failure. The burden of distinguishing the release attributable to the failure of the engineering control from existing contamination shall be borne by the submitter according to Section 29 of Part 201.

Isolation Zones

A BEA relying on an isolation zone as a means of detecting a new release must include a stipulated condition in the affidavit from the petitioner (Form EQP4400) and the environmental professional (Form EQP4439) or submitter (Form EQP4479). The stipulated condition must state the following unless different language is approved by the DEQ:

The submitter acknowledges that if hazardous substance is detected in the isolation zone, the BEA does not provide an exemption to liability for necessary response activity. The burden of distinguishing a new release that has migrated beyond the isolation zone from existing contamination shall be borne by the submitter according to Section 29 of Part 201.

Stipulated Conditions/Special Cases (to be used only if DEQ determination is sought)

Due to cost or timing constraints, a person may elect not to sample for a specific hazardous substance that will be used in the future on the property or not to sample a particular area of the property. In these circumstances, the DEQ may, pursuant to Rule 909(2)(b), accept stipulated conditions in the petitioner's affidavit. If the petitioner chooses not to sample for a particular hazardous substance(s), as in (a) below, the hazardous substance(s) must be clearly listed in the BEA, the petitioner's affidavit, and the environmental professional's affidavit. If a particular area of the property is not being sampled, as in (b) below, a legal survey of the area that was sampled and covered by the BEA must be provided in the BEA unless the DEQ approves of an alternative property description as being unambiguous (e.g., "The north 100' of Lot 52, Developer's Plat"). Following are stipulated conditions that may be included:

- (a) *The petitioner acknowledges that the BEA does not provide sufficient environmental data with respect to a specific hazardous substance named in the BEA, and the petitioner acknowledges that the BEA does not provide an exemption to strict liability with respect to response activity required to address a release of the hazardous substance at the property.*
- (b) *The petitioner acknowledges that the BEA does not provide sufficient environmental data with respect to certain areas of the property, and the petitioner acknowledges that the BEA does not provide an exemption to strict liability with respect to response activity required to address contamination in those areas of the property. A legal survey of those areas covered by the BEA is provided in the BEA.*

The DEQ may approve other stipulated conditions on a case-by-case basis as part of a petition. Stipulated conditions other than those described above are not acceptable if the stipulated condition is used wholly, or in large measure, in place of a technical requirement

that is cost-effective and practical to achieve. A stipulated condition predicated on no future releases of hazardous substances occurring (i.e., good housekeeping) is unacceptable for Category S and D BEAs.

Required BEA Format

Pursuant to Rule 907(7), the BEA must be titled, and its contents organized, as follows:

**Baseline Environmental Assessment
Conducted Pursuant to Section 20126(1)(c)
of 1994 PA 451, Part 201, as amended,
and the Rules promulgated thereunder**

1. **Identification of Author and Date BEA was Conducted and Date BEA was Completed**
The person with the primary responsibility for the data assembly, interpretation, and technical conclusions, along with the dates when the BEA was conducted and completed.
2. **Introduction** - Explains general circumstances of the property with regard to past and intended activities, and in particular, identify which one of the three categories specified in the Technical Standards, (N, D, or S), is the basis upon which the BEA was conducted.
3. **Property Description and Intended Hazardous Substance Use** - BEA element N. I., and as appropriate, D. I., or S. I.
4. **Known Contamination** - BEA elements N. II. and N. III. and, as appropriate, S. II., N. III, D. II. and D. III.
5. **Likelihood of Other Contamination** - BEA element N. IV. and, as appropriate, D. IV. or S. IV.
6. **Alternative Approaches (if applicable)** - Detailed description of the specific features and controls of an alternative proposal as described in the section "Alternative Approaches."
7. **Conclusions** - The petitioner's conclusions as to how and why the assessment is sufficient to provide a basis to distinguish potential future hazardous substance releases from contamination already existing on the property. BEA element N. V., D. V., S. V., if applicable, or detailed discussion as to how an Alternative Approach provides a sufficient basis for distinguishing a future release from existing contamination.
8. **References** - Identify sources of any property-related data, information, or conclusions not included as attachments.
9. **Attachments** - Copies of property specific data and reports generated or used to provide the basis for the assessment including Phase I and II Assessments, and Remedial and Hydrogeological Investigations. If engineering controls, isolation zones, or similar features are presented as the basis for BEA adequacy, specifications for the construction and operation of the controls must be included.

Disclosure to DEQ

BEAs must be disclosed to the department by new property owners or operators in order to establish an exemption from liability for existing contamination pursuant to Section 26(1)(c)(ii). The BEA must be conducted prior to or within 45 days after the earlier of the date of purchase, occupancy, or foreclosure, and completed within 15 days of the time allowed under Section 26(1)(c) or Rule 903(8). In order for a BEA to satisfy the Section 26(1)(c)(ii) disclosure

obligations, it must be submitted with DEQ Form EQP4446 titled: "Disclosure of a BEA" no later than 8 months after the earliest of the date of purchase, occupancy, or foreclosure.

Petition for Agency Determination(s)

Section 29a allows a person to petition the DEQ within 6 months after completion of a BEA for a determination that that person meets the requirements for an exemption from liability under Section 26(1)(c) and, in conjunction with that exemption, a determination that the proposed use of the property satisfies the person's obligations under Section 7a. BEAs submitted with a petition for agency determination must be submitted with DEQ Form EQP4445 titled: "Petition for BEA Determination and Optional Determination of Compliance with Section 7a." A fee of \$750 must accompany a petition that requests an agency determination. Use of this form to submit a BEA satisfies Section 26(1)(c)(ii) obligations to disclose the BEA to the DEQ (it is not necessary to submit both forms nor the BEA two times). Each person (individual or other entity who is seeking a determination on a BEA) must submit a separate Petition and fee with the BEA. An exception to this requirement will be made for joint owners of property as tenants in common, tenants in entirety, or joint tenants as long as the petitioners will be conducting the same activities on the property and their relationship is noted on Form EQP4445 or EQP4446, as appropriate, in the "Petitioner" or "Submitter" blank. You may contact the DEQ District Office that serves the area in which the property is located to determine if fewer copies of the BEA can be submitted in these special cases. For Petitions submitted by joint owners, only one Petition form and Petition fee will be necessary; however, each person will need to complete an Affidavit in Support of a Petition for a BEA Determination and Optional Determination on Compliance with Section 7a.

Rule 911(8) provides that if the DEQ does not respond to a petition within 15 business days by either providing comments as described below or through issuing a written determination, and if the delay prevents the petitioner from curing deficiencies in the BEA within the time frames allowed by the Part 9 Rules, then the time allowed for the petitioner to cure any deficiencies is the time that would have been available to the petitioner if the DEQ had responded on the 15th business day.

Services Covered by BEA Review Fee

A fee of \$750 is required for all BEA Petitions submitted for DEQ review pursuant to Section 29a. No fee is required to accompany a BEA disclosed pursuant to Section 26(1)(c)(ii). The following services are covered by payment of the fee for BEA Petition review. This section describes only the covered services and does not address the required timing of submittals to the DEQ.

1. Review of and determination regarding the initial BEA and other required materials.
 - The DEQ may provide comments on any element of a BEA in a verbal and brief written communication to the "contact person" identified on the petition form, before issuing a determination. If the petitioner responds to the comments with additional information, the DEQ will make a determination within 15 business days of receipt of the additional information. If a response is not received from the petitioner within 15 business days of the original contact or a time period mutually agreed upon by the DEQ and the petitioner, the DEQ will issue a determination that the petitioner does not meet the requirements for an exemption under Section 26(1)(c).
 - If the petitioner chooses to receive a determination without responding to the DEQ's comments, the DEQ will provide a determination within 15 business days of being informed of the petitioner's decision.

- If the DEQ determines that a petition is administratively incomplete (e.g., missing any element required by the Part 9 Rules to be submitted), the DEQ may return the petition within 15 days of its receipt, without making a determination. This in no way alters the deadlines for completion and disclosure required under Part 201 and the Part 9 Rules.
 - No refund will be granted unless the BEA is returned without being reviewed (e.g., the petition shows that the BEA is not valid).
2. One review of and determination regarding adequacy of revisions to the BEA or other required materials if the initial determination identifies any deficiencies in the BEA or other petition documents.
 3. Review of and determination regarding the initial Section 7a Compliance Analysis if the petitioner exercises their option to seek a determination of compliance with Section 7a requirements.
 4. One review of and determination regarding a revised Section 7a Compliance Analysis if one is prepared in response to deficiencies identified in the initial determination.

If additional iterations of the BEA or Section 7a Compliance Analysis are submitted for DEQ determination(s), they must be accompanied by an additional \$750 fee. Submittals beyond the first revisions (as described above) which are not accompanied by the fee will not receive determinations. Such submittals may be retained in the DEQ district files.

Completing Affidavits

The affidavits associated with BEA submittals must indicate where the form was completed. For example, if the state in which an affidavit is signed is Indiana (as reflected by the "State of" and "County of" blanks which appear in the top left of each affidavit), the affiant's signature must be notarized in Indiana, not in Michigan. Conversely, if the "State of" blank is completed as "Michigan," and the "County of" blank completed as "Ingham," the affidavit must be signed and notarized in Ingham County, Michigan. Inconsistencies appearing in these forms may result in the denial of a BEA petition.

If, due to extenuating circumstances, you are unable to complete an affidavit using the model language, contact the district office in which the facility is located for assistance.

References

The following documents may be of assistance in conducting BEAs:

- **Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended and the Part 9 and Part 10 Rules.**
- **DEQ ERD and Waste Management Division Guidance Document**
Verification of Soil Remediation
- **DEQ Environmental Response Division Operational Memoranda**
 - #6 Analytical Detection Level Guidance
 - #12 Alternate Soil Leaching Procedures
 - #13 Data Quality Objectives, Review of TMDL Excursions and Evaluation of Laboratory Data
 - #15 Default Cleanup Criteria

#16 Sample Preservation, Handling, and Holding Time Guidelines
#18 Part 201 Generic Cleanup Criteria

Operational memoranda may be revised or replaced by the DEQ periodically. It is the responsibility of the submitter to ensure the most current operational memoranda are used.

These documents and current operational memoranda can be obtained by contacting the DEQ, ERD at 517-373-4800 or from the Internet at www.deq.state.mi.us/erd/.

The following document is available from the American Society for Testing and Materials, 100 Barr Harbor Drive, West Conshohocken, PA 19428, Phone 610-832-9500.

- **ASTM Document #E1527-97; "Standard Practice for Environmental Assessments: Phase I Environmental Assessment Process"**

SUMMARY CHART
MINIMUM TECHNICAL STANDARDS FOR SECTION 26(1)(G) BEAs
 (see text for full explanations and details)

CHARACTERIZATIONS BY BEA					
<u>CIRCUMSTANCES OF FUTURE PROPERTY USE FOR WHICH BEA IS PERFORMED</u>	<u>I. Of Subject Property</u>	<u>II. Of Known Contaminants Identities and Quantities</u>	<u>III. Of Known Contaminants Distribution and Fate</u>	<u>IV. Of Likelihood of Unknown Contamination</u>	<u>V. Summary Rationale</u>
<p>Category N.</p> <p>Basic characterizations for <u>ALL BEAs</u>, including those for properties at which there will be no hazardous substance use.</p>	<p>Legal property description, scaled map/survey, property tax identification no., photographs, prior BEAs.</p>	<p>Names, CAS nos. and concentrations of hazardous substance known to be present in excess of the residential cleanup standard. Identify USTs and abandoned containers.</p>	<p>Identification of the environmental media and general locations at which the known hazardous substances are present on the subject property.</p>	<p>An assessment and conclusions as to the likelihood that other hazardous substances are also present on the subject property.</p>	<p>Include specific statement that there will be no significant hazardous substance use. (Required for Petitions.)</p>
<p>Category D.</p> <p>ADDITIONAL characterizations for properties which will use <u>different hazardous substances</u> from those known or likely to already be present at the property.</p>	<p>Identification and CAS nos. of the hazardous substances which will be used on the property in the future.</p>	<p>No additional characterization needed beyond N. II.</p>	<p>In addition to the characterization in N.III., identify location of known contamination and the impacted media.</p>	<p>A demonstration that the hazardous substances which will be used at the property have not already been released to the environment at this location.</p>	<p>Explain how new releases would be distinguished from existing contamination. (Required for Petitions.)</p>
<p>Category S.</p> <p>ADDITIONAL characterizations for properties which will use the <u>same hazardous substances</u> as are already known or likely to be present as property contaminants; OR for properties at which any hazardous substance might be used as <u>no limit on future use</u> is identified.</p>	<p>No additional characterization needed beyond N.I. and D.1.</p>	<p>Quantification of the amount of known contamination on the property for hazardous substances to be used or not excluded from potential use.</p>	<p>Delineation of the extent and projected fate of the known property contaminants.</p>	<p>Investigation to confirm the presence and quantity of likely contaminants and delineate their extent.</p>	<p>Explain how new releases would be distinguished from existing contamination. (Required for Petitions.)</p>

Note: Different or additional characterization will routinely be needed to determine compliance with Section 7a obligations

**LIMITED PHASE II INVESTIGATION
NOVEMBER 17, 2010**

Limited Phase II

INVESTIGATION

5800 Balsam Drive,
City of Hudsonville
Ottawa County, Michigan
10902010

November 17, 2010

Prepared By:

Nederveld, Inc.
347 Hoover Blvd. Ste C
Holland, MI 49423
616.393.0449



TABLE OF CONTENTS

1.0	Executive Summary	1
2.0	Scope of Work	2
3.0	Introduction	
3.1	Introduction	3
3.2	Limiting Conditions and Methodology Used	3
4.0	Evaluation and Presentation of Results	4
5.0	Soil Characterization	8
6.0	Analysis and Conclusions	11
7.0	References	12
8.0	Qualifications and Signatures	13

Appendices

Appendix A	Figures	
	Figure 1 Site Location	
	Figure 2 Site Map	
	Figure 3 Sample Map	
	Figure 4 Contaminated Soil	
Appendix B	Laboratory Reports	
Appendix C	Tables	
Appendix D	Soil Boring Logs	

1.0 EXECUTIVE SUMMARY

Nederveld, Inc. conducted a Limited Phase II Investigation at property address 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan on Parcel # 70-14-28-366-004 (hereinafter referred to as the Subject Property). Known soil impact within the Subject Property includes Arsenic as identified by a previous Limited Phase II Investigation, conducted by ERE, dated May 28, 2010. This Limited Phase II Investigation was conducted to further characterize the vertical and horizontal extents of the known Arsenic impact within the eastern portion of the Subject Property.

Analytical data results identified one (1) soil boring location (SB-10) containing concentrations of Arsenic in soil exceeding applicable MDEQ Part 201 Drinking Water Protection Criteria (DWPC) .

Refer to Section 5.0 Analysis and Conclusions for a comprehensive review of the analytical data and further recommendations.

2.0 SCOPE OF WORK

On November 8, 2010, Nederveld, Inc conducted field activities to characterize the soils within twelve (12) predetermined locations and groundwater within one (1) predetermined location to further determine the extent of the known Arsenic impact existing within the soils of the eastern portion of the Subject Property and to determine if shallow groundwater underlying the Subject Property had been impacted by Arsenic. The soils were analyzed for concentrations of Arsenic exceeding applicable MDEQ Part 201 risk-based criteria.

3.0 INTRODUCTION

3.1 Introduction

Nederveld, Inc. was retained by R. Becker Properties, LLC to conduct a Limited Phase II Investigation on the Subject Property located at property address 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan. This Limited Phase II Investigation was conducted to further characterize the extent of Arsenic impacted soils within the eastern portion of the Subject Property and to determine if shallow groundwater underlying the Subject Property has been impacted by Arsenic.

3.2 Limiting Conditions and Methodology Used

Twelve (12) soils borings were extended to depth to collect twelve (12) soil samples and one (1) soil boring was extended to depth to collect one groundwater sample, in a predetermined grid pattern, to obtain representative soil and groundwater samples from within the eastern portion of the Subject Property. No limiting conditions were encountered while extending the soil borings.

All samples were collected according to USEPA guidelines for sampling soils and groundwater for analysis of Arsenic. Sampling tools and containers were constructed of a material that would not compromise the analytical results of the samples. Ten (10) soil samples were collected using a stainless steel, bucket type hand auger and two (2) soil samples were collected utilizing a hollow stem auger, drill rig, and a split spoon sampler. The groundwater sample was collected utilizing a peristaltic pump with poly tubing. Sampling tools were decontaminated prior to and after samples at each location. The soils samples were kept intact as they were collected, preserved in an appropriate 4oz glass sampling jar, and chilled on ice. The groundwater sample was kept intact as it was collected, preserved in appropriate container utilizing a nitric acid preservation method and chilled on ice. All sample containers were clearly labeled with the date, time, boring number, sampler initials and job reference number. The containers were appropriately documented using the sample chain of custody report and delivered to Lakeland Laboratories to be analyzed for Arsenic.

4.0 EVALUATION AND PRESENTATION OF RESULTS

Subject Property Soil Analysis Results

A summary of the laboratory results is included in Appendix C, while the laboratory reports for the samples are included in Appendix B of this report. Refer to Figure 3 – Boring Location for the sample locations.

LBSB-1

Soil boring LBSB-1 was extended approximately 64-feet south and 30-feet west of the existing southwestern corner of the Cedar Crest Dairy freezer warehouse building located on the adjoining parcel to the north. The soil sample was collected from an organic/ peat soil from a depth of 19-feet below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soils at this location did not contain concentrations of Arsenic above any applicable MDEQ/MDNRE Part 201 Risk Based Criteria.

LBSB-2

Soil boring LBSB-2 was extended approximately 52-feet south and 30-feet west of LBSB-1. The soil sample was collected from an organic/peat soil from a depth of 14-feet below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soils at this location did not contain concentrations of Arsenic above any applicable MDEQ/MDNRE Part 201 risk based criteria.

SB-1

Soil boring SB-1 was extended approximately 16-feet north and 52-feet west of the LBSB-1. The soil sample was collected from loamy soils from a depth of 6” below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soils at this location did not contain concentrations of Arsenic above any applicable MDEQ/MDNRE Part 201 risk based criteria.

SB-2

Soil boring SB-2 was extended approximately 81-feet south and 35-feet west of SB-1. The soil sample was collected from loamy soil from a depth of 6" below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soils at this location did not contain concentrations of Arsenic above any applicable MDEQ/MDNRE Part 201 risk based criteria.

SB-3

Soil boring SB-3 was extended approximately 58-feet south and 25-feet west of SB-2. The soil sample was collected from loamy/ clayey soil from a depth of 10" below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location did not contain concentrations of Arsenic above any applicable MDEQ/MDNRE Part 201 risk based criteria.

SB-4

Soil boring SB-4 was extended approximately 81-feet south and 35-feet west of SB-3. The soil sample was collected from loamy/ clayey soil from a depth of 6" below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location contained concentrations of Arsenic; however, not at concentrations exceeding any applicable MDEQ Part 201 risk based criteria.

SB-5

Soil boring SB-5 was extended approximately 97-feet south and 42-feet west of SB-4. The soil sample was collected from clayey soil from a depth of 9" below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location contained concentrations of Arsenic; however, not at concentrations exceeding any applicable MDEQ Part 201 risk based criteria.

SB-6

Soil boring SB-6 was extended approximately 7-feet north and 57-feet east of SB-5. The soil sample was collected from loamy soil from a depth of 6" below ground surface (bgs)

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location did not contain concentrations of Arsenic exceeding any applicable MDEQ/MDNRE risk based criteria.

SB-7

Soil boring SB-7 was extended approximately 63-feet north and 51-feet east of SB-6. The soil sample was collected from loamy soil from a depth of 12” below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location contained concentrations of Arsenic; however, not at concentrations exceeding any applicable MDEQ Part 201 risk based criteria.

SB-8

Soil boring SB-8 was extended approximately 51-feet north and 41-feet east of SB-7. The soil sample was collected from loamy soil from a depth of 6” below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location contained concentrations of Arsenic; however, not at concentrations exceeding any applicable MDEQ Part 201 risk based criteria.

SB-9

Soil boring SB-9 was extended approximately 45-feet north and 36-feet east of SB-8. The soil sample was collected from loamy soil from a depth of 4” below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location contained concentrations of Arsenic; however, not at concentrations exceeding any applicable MDEQ Part 201 risk based criteria.

SB-10

Soil boring SB-10 was extended approximately 12-feet north and 79-feet east of LBSB-4. The soil sample was collected from loamy soil from a depth of 2” below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the soil sample collected at this location contained concentrations of Arsenic at 5,300 ppb exceeding

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

applicable MDEQ Part 201 Residential and Commercial I Drinking Water Protection Criteria (DWPC) of 4,600 ppb for Arsenic in soil

GW-1

Groundwater sample GW-1 was extended approximately 3-feet east of SB-3. The temporary monitoring well screen was set at 3.5-feet below ground surface (bgs). The groundwater sample was collected from shallow groundwater at a depth of 3-feet below ground surface (bgs) and analyzed for Arsenic. Analytical data results indicated the groundwater at this location did not contain concentrations of Arsenic exceeding any applicable MDEQ/MDNRE risk based criteria.

5.0 SOIL CHARACTERIZATION

Subject Property Soil Characterization

Soil types were determined and blow counts were conducted for soil borings LBSB-1, LBSB-2, LBSB-3 and LBSB-4. Borings were extended to a 20-foot depth by Environmental Drilling and Consulting (EDAC) with a hollow stem auger drilling rig and blow counts were conducted at 5-foot intervals in each soil boring location. Refer to Figure 3 – Boring Location for the boring locations. Soil boring logs can be found in Appendix D of this report.

LBSB-1

Soil boring LBSB-1 was extended approximately 64-feet south and 30-feet west of the existing southwestern corner of the Cedar Crest Dairy freezer warehouse building located on the adjoining parcel to the north. Visual inspection of the auger boring cuttings indicated surface to 0.33' was a loamy topsoil. 0.33' to 3' was fine grain sand. A split spoon sample and blow counts were conducted at 5' intervals. 3' to 4' was soft brown clay. 4' to 5' was soft gray clay. Blow counts were recorded as 12/8/4/4. 5' to 8' was soft gray clay. A split spoon sample and blow counts were conducted between the 8' to 10' depth. 8' to 9' was brown clay. 9' to 10' was gray clay with evidence of peat below. Blow counts were recorded as 2/2/1/1. 10' to 13' was soft gray clay. A split spoon sample and blow counts were conducted between the 13' to 15' depth. 13' to 13.75' was soft gray clay. 13.75 to 15' was soft black fibrous peat. Blow counts were recorded as 2/2/3/4. 15' to 17.5' was soft black fibrous peat. 17.5' to 18' was brown clay. A split spoon sample and blow counts were conducted between the 18' to 20' depth. 18' to 18.5' was brown clay. 18.5 to 18.75' was sandy gray clay. 18.75' to 20' was soft gray clay. Blow counts were recorded as 5/5/7/6. Total depth was reached at the 20' depth.

LBSB-2

Soil boring LBSB-2 was extended approximately 52-feet south and 30-feet west of LBSB-1. Visual inspection of the auger boring cuttings indicated surface to 0.33' was a loamy topsoil. 0.33' to 3' was gravel fill. A split spoon sample and blow counts were

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

conducted at 5' depth intervals. 3.0' to 3.5' was a sandy gravel. 3.5' to 4.75' was stiff gray clay. 4.75' to 5' was sandy gray clay. Blow counts were recorded as 11/3/8/8. 5' to 8' was soft gray clay. A split spoon sample and blow counts were conducted between the 8' to 10' depth. Due to an unidentified blockage of the split spoon sampler, no soil sample was recovered from the 8' to 10' depth. An additional exploratory boring was conducted approximately 5' to the south of LBSB-2 in an area of a similar surface elevation to properly identify the soil types at the 8' to 10' depth. See LBSB-5 for the soil identification at this depth. Blow counts between the 8' to 10' depth were recorded as 5/2/2/4. 10' to 13' was soft gray clay. A split spoon sample and blow counts were conducted between the 13' to 15' depth. 13' to 13.33' was soft gray clay. 13.33' to 13.5' was sand. 13.5 to 15' was soft black fibrous peat. Blow counts were recorded as 2/1/1/2. 15' to 17.5' was soft black fibrous organic/peat. 17.5' to 18' was brown clay. A split spoon sample and blow counts were conducted between the 18' to 20' depth. 18' to 18.5' was brown clay. 18.5 to 18.75' was sandy gray clay. 18.75' to 20' was soft gray clay. Blow counts were recorded as 3/5/8/13. Total depth was reached at the 20' depth.

LBSB-3

Soil boring LBSB-3 was extended approximately 45-feet south and 82-feet east of LBSB-1 to a depth of 20-feet below ground surface (bgs). Visual inspection of the auger boring cuttings indicated surface to 0.33' was topsoil. 0.33' to 3' was stiff brown clay. A split spoon sample and blow counts were conducted between the 3' to 5' depth. 3.0' to 4.5' was stiff brown clay. 4.5' to 5' was sandy gray clay. Blow counts were recorded as 4/3/5/7. 5' to 8' was stiff gray clay. A split spoon sample and blow counts were conducted between the 8' to 10' depth. 8' to 8.66' was stiff brown clay. 8.66' to 9' was sandy brown clay. 9' to 10' was brown clay. Blow counts were recorded as 6/2/1/3. 12' to 12.75' was brown clay. 12.75' to 13' was coarse grain sand. A split spoon sample and blow counts were conducted between the 13' to 15' depth. 13' to 14.33' was coarse grain sand. 14.33' to 15' was black fibrous peat. Blow counts were recorded as 1/1/2/3. 15' to 18' was soft black fibrous peat. A split spoon sample and blow counts were conducted between the 18' to 20' depth. 18' to 19.33' was clayey fine grain sand. 19.33' to 20'

5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan

was sand. Blow counts were recorded as 3/5/8/10. Total depth was reached at the 20' depth.

LBSB-4

Exploratory soil boring LBSB-4 was extended approximately 55-feet south and 31-feet west of LBSB-3 to a depth of 20-feet below ground surface (bgs). Visual inspection of the auger boring cuttings indicated surface to 0.33' was a loamy topsoil. 0.33' to 3' was stiff brown clay. A split spoon sample and blow counts were conducted at 5' depth intervals. 3.0' to 3.66' was stiff brown clay. 3.66' to 4.25' was gray clay. 4.25' to 5' was sandy gray clay. Blow counts were recorded as 3/3/4/6. 5' to 7.5' was soft gray clay. 7.5' to 8' was soft brown clay. A split spoon sample and blow counts were conducted between the 8' to 10' depth. 8' to 8.5' was soft brown clay. 8.5' to 9' was stiff brown clay. 9' to 9.5' was stiff gray clay. 9.5' to 10' was black fibrous peat. Blow counts were recorded as 6/3/3/3. 10' to 11' was soft black fibrous peat. 11' to 13' was stiff gray clay. A split spoon sample and blow counts were conducted between the 13' to 15' depth. 13' to 13.75' was stiff gray clay. 13.75' to 15' was black fibrous peat. Blow counts were recorded as 2/2/2/3. 15' to 17.25' was soft black fibrous peat. 17.25' to 18' was soft brown clay. A split spoon sample and blow counts were conducted between the 18' to 20' depth. 18' to 18.66' was soft brown clay. 18.66' to 19' was gray clay. 19' to 20' was fine grain sand. Blow counts were recorded as 15/16/21/25. Total depth was reached at the 20' depth.

LBSB-5

Exploratory soil boring LBSB-4 was extended approximately 5-feet south of LBSB-2 to a depth of 10-feet below ground surface (bgs) to identify the soil types at the 8' to 10' depth. This boring was conducted as a response to an unidentified blockage of the split spoon sampler in LBSB-2, resulting in no recovery of a soil sample from the 8' to 10' depth. A split spoon sample and blow counts were conducted between the 8' to 10' depth. 8' to 9' was sandy brown clay. 9' to 10' was stiff gray clay. Blow counts were recorded as 5/2/3/3.

6.0 ANALYSIS AND CONCLUSIONS

The twelve (12) soil samples and one (1) groundwater sample collected from the Subject Property were analyzed for Arsenic. Analytical data results identified one (1) additional soil boring location (SB-10) containing a concentration of Arsenic exceeding applicable MDEQ Part 201 Drinking Water Protection Criteria (DWPC) for Arsenic in soil.

Soil boring SB-10 was collected from the area of a proposed storm water detention basin. As soils within this area known to be impacted by Arsenic, the potential for future shallow groundwater and surface water to be impacted in this area is likely. Nederveld, Inc recommends additional soil sampling and analysis be conducted in the area of SB-10 and the proposed storm water detention basin to further characterize the extent of the Arsenic impacted soils.

Soil load bearing information will be supplemented to this report upon completion of the data.

7.0 REFERENCES

The following documents were referenced in the preparation of this Limited Phase II Investigation:

Equity Resource Environmental, *Phase I Environmental Site Assessment, 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan*. April 27, 2010.


Equity Resource Environmental, *Limited Phase II Investigation, 5800 Balsam Drive, City of Hudsonville, Ottawa County, Michigan*. May 28, 2010.

1998 Annual Book of ASTM Standards, Section 11, Water and Environmental Technology, Guide for Environmental Site Assessments: Phase II Environmental Site Assessment Process, E 1903-97.

Michigan Department of Environmental Quality, Training Manual for Part 201 Cleanup Criteria, January 1998. Updated June 11, 2007.

8.0 QUALIFICATIONS AND SIGNATURES

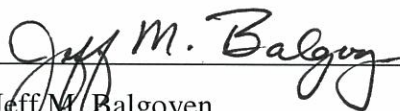
All work was performed by the undersigned Environmental Professionals. Site reconnaissance and sampling activities completed on the Subject Property were conducted on November 8, 2010, using qualified environmental engineer Nate A. Voigt and qualified environmental professional Jeff Balgoyen.



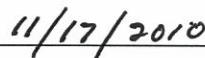
Nate A. Voigt
Environmental Engineer



Date



Jeff M. Balgoyen
Environmental Professional

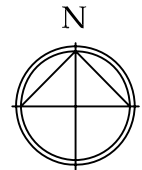
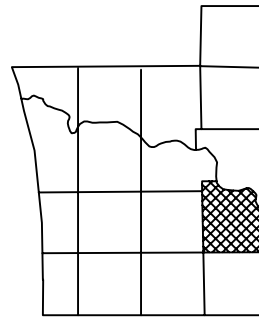
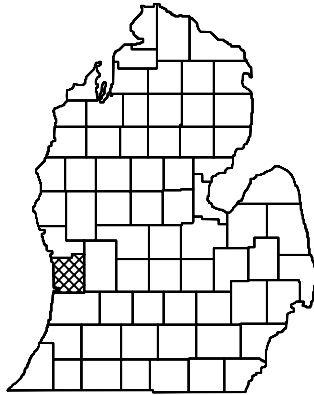


Date

Please contact Nederveld, Inc. with any questions or concerns
Phone: (616) 393-0449
Fax: (616) 392-3540

APPENDICES

APPENDIX A
FIGURES



10902010E-100 11/16/10 9:25



ANN ARBOR
 920 N. Main St.
 Ann Arbor, MI 48104
 PHONE: 734.929.6963

CHICAGO
 1082 National Parkway
 Schaumburg, IL 60173
 PHONE: 312.878.3897

GRAND RAPIDS
 217 Grandville Ave., Suite 302
 Grand Rapids, MI 49503
 PHONE: 616.575.5190

HOLLAND
 347 Hoover Boulevard
 Holland, MI 49423
 PHONE: 616.393.0449

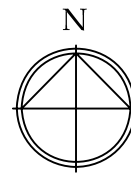
FIGURE 1 – SITE LOCATION

Part of NW 1/4 of SW 1/4
 Sec. 28, T6N, R13W
 City of Hudsonville
 Ottawa County, MI

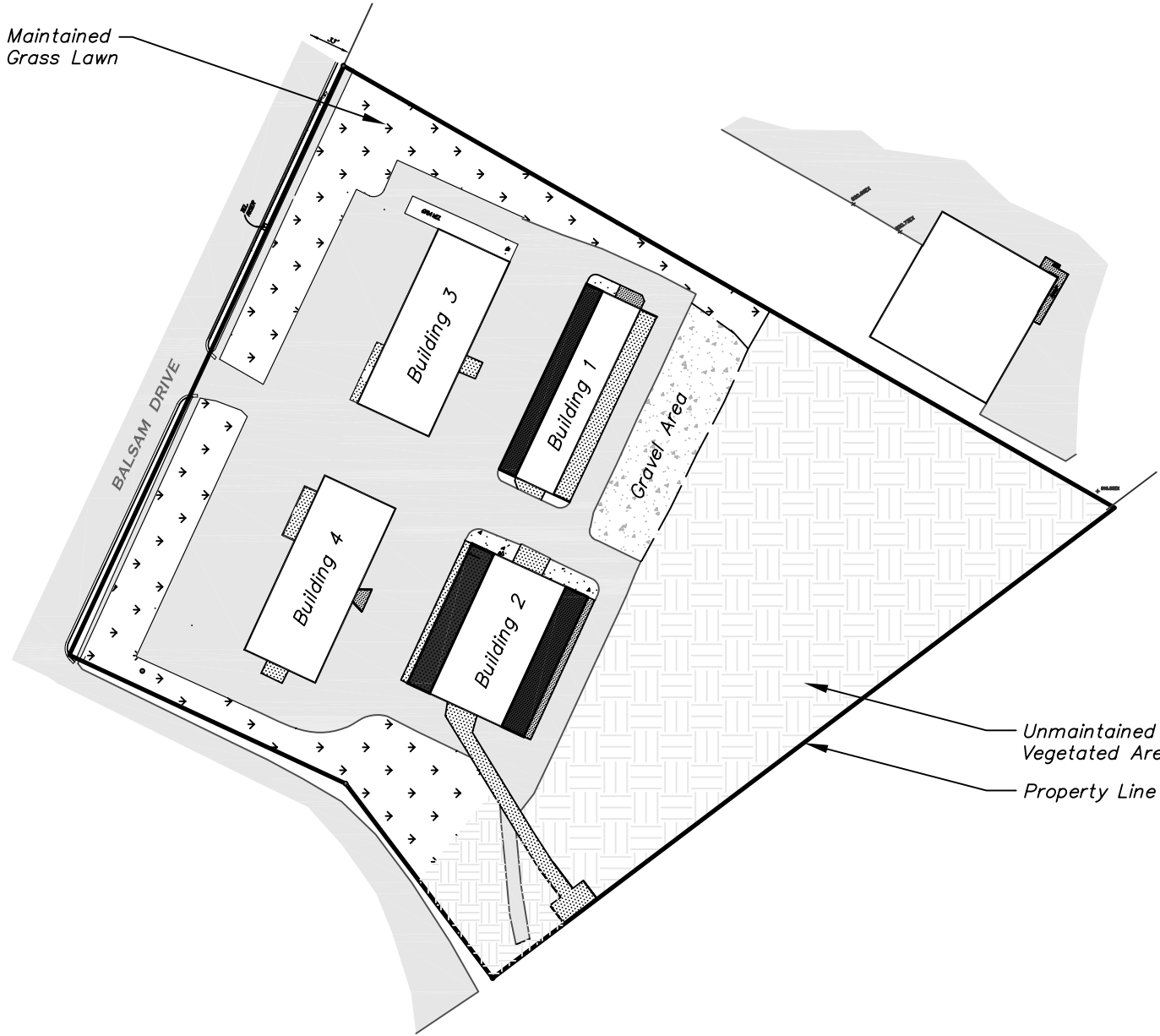
Site Name:
 5800 Balsam
 Hudsonville, MI

Project No.: 10902010
 Drawn by: NAV
 Date: 11-16-10

NOT TO SCALE
 NOT A SURVEY



Maintained
Grass Lawn



Unmaintained
Vegetated Area
Property Line

10902010E-100 NV 11/16/10 9:27



ANN ARBOR
920 N. Main St.
Ann Arbor, MI 48104
PHONE: 734.929.6963

CHICAGO
1082 National Parkway
Schaumburg, IL 60173
PHONE: 312.878.3897

GRAND RAPIDS
217 Grandville Ave., Suite 302
Grand Rapids, MI 49503
PHONE: 616.575.5190

HOLLAND
347 Hoover Boulevard
Holland, MI 49423
PHONE: 616.393.0449

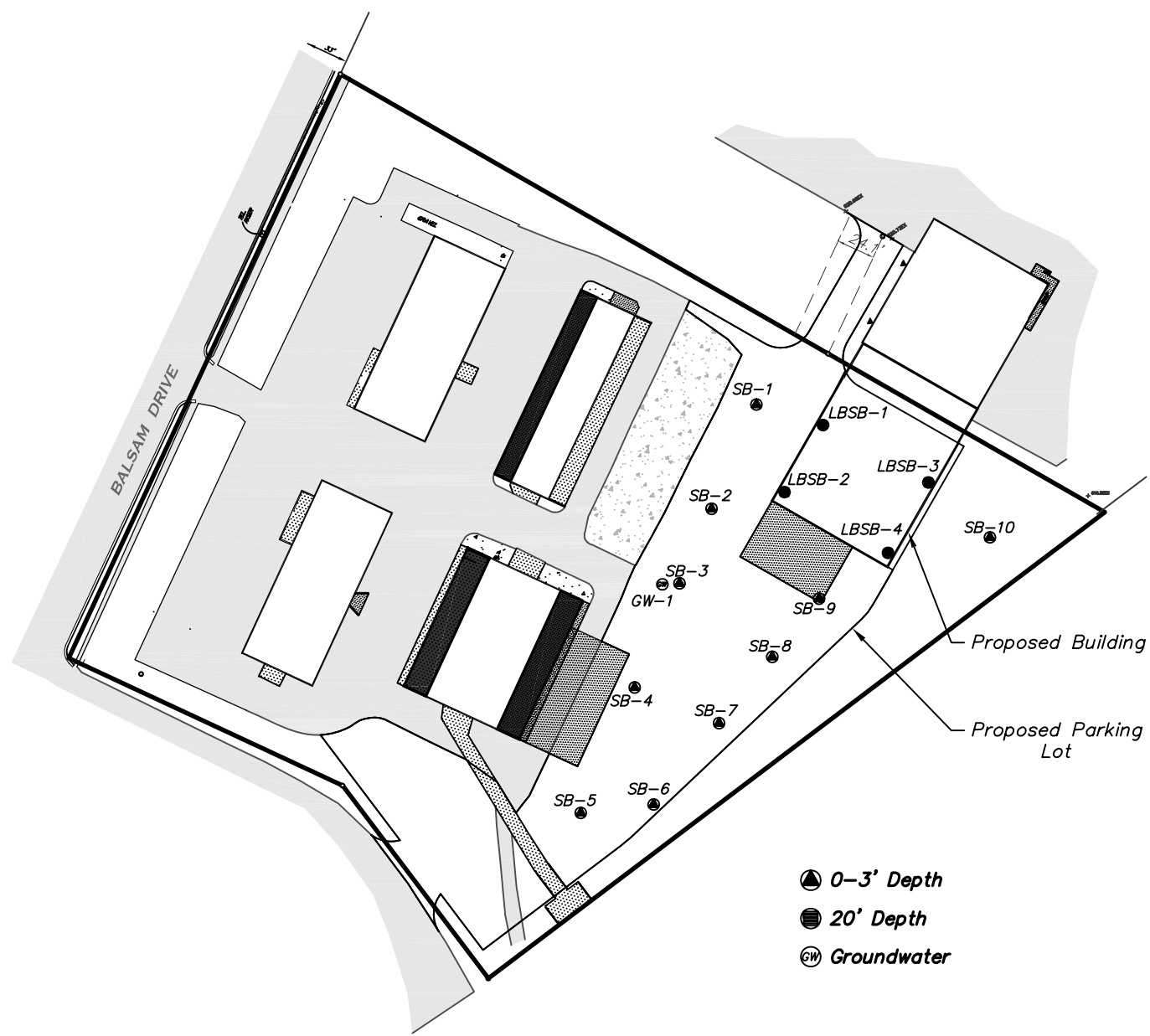
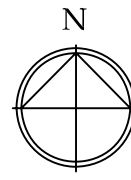
Figure 2 – Site Map

Part of NW 1/4 of SW 1/4
Sec. 28, T6N, R13W
City of Hudsonville
Ottawa County, MI

NOT TO SCALE
NOT A SURVEY

Site Name:
5800 Balsam
Hudsonville, MI

Project No.: 10902010
Drawn by: NAV
Date: 11-16-10



- ▲ 0-3' Depth
- 20' Depth
- ⊕ Groundwater

10902010E-100 NV 11/16/10 9:20



ANN ARBOR
 920 N. Main St.
 Ann Arbor, MI 48104
 PHONE: 734.929.6963

CHICAGO
 1082 National Parkway
 Schaumburg, IL 60173
 PHONE: 312.878.3897

GRAND RAPIDS
 217 Grandville Ave., Suite 302
 Grand Rapids, MI 49503
 PHONE: 616.575.5190

HOLLAND
 347 Hoover Boulevard
 Holland, MI 49423
 PHONE: 616.393.0449

Figure 3 - Boring Location

Part of NW 1/4 of SW 1/4 Sec. 28, T6N, R13W City of Hudsonville Ottawa County, MI	Site Name: 5800 Balsam Hudsonville, MI
	Project No.: 10902010 Drawn by: NAV
	Date: 11-15-10

NOT TO SCALE
 NOT A SURVEY

APPENDIX B
LABORATORY REPORTS



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81778

Sample ID: LBSB #1

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	ND	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81779

Sample ID: LBSB #2

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	ND	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81780

Sample ID: SB #1

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	ND	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81781

Sample ID: SB #2

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	ND	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81782

Sample ID: SB #3

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	ND	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lonni White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81783

Sample ID: SB #4

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	3.0	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81784

Sample ID: SB #5

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	2.9	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81785

Sample ID: SB #6

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	ND	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81786

Sample ID: SB #7

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	2.4	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81787

Sample ID: SB #8

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	3.5	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81788

Sample ID: SB #9

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	2.6	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81789

Sample ID: SB #10

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	5.3	0.1	mg/Kg	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lois White*

Date: 11/16/2010



Lakeland Laboratories, Inc.

8290 Pettysville Road
Pinckney, MI 48169

Phone: (734) 878-3400
FAX: (734) 878-3981

Certificate of Analysis

Date: November 16, 2010

Customer: Nederveld
347 Hoover Blvd, Suite C
Holland, MI 49423

Project Name: 5800 Balsam
Project Number: 10902010
Submit Date: November 10, 2010
Collection Date: November 8, 2010

Lab Sample ID: 7966-81790

Sample ID: GW #1

Parameters	Result	LRL	Units	Method Reference	Analysis Date	Analyst
Metals Analysis						
Arsenic	ND	0.005	ug/L	SW846 7060	11/16/2010	LLW

Parameter- Analysis performed or the name of the chemical analyzed.

Result- The reported concentration in the sample

Analysis Date- Date the analysis was performed

LRL- Lower Reporting Limit- dilutions may affect the LRL.

Analyst- Initials of the analyst performing the analysis

Units- The unit which corresponds to the reported concentration

ND- Parameter not detected above the reported LRL

Reviewed By: *Lonni White*

Date: 11/16/2010

APPENDIX C
TABLES

Soil
Arsenic Analysis

Sample	Arsenic Concentration	Arsenic Criteria		
		DWPC	GSIPC	DCC
LBSB-1	ND	4,600	70,000	7,600
LBSB-2	ND	4,600	70,000	7,600
SB-1	ND	4,600	70,000	7,600
SB-2	ND	4,600	70,000	7,600
SB-3	ND	4,600	70,000	7,600
SB-4	3,000	4,600	70,000	7,600
SB-5	2,900	4,600	70,000	7,600
SB-6	ND	4,600	70,000	7,600
SB-7	2,400	4,600	70,000	7,600
SB-8	3,500	4,600	70,000	7,600
SB-9	2,600	4,600	70,000	7,600
SB-10	5,300	4,600	70,000	7,600

Groundwater
Arsenic Analysis

Sample	Arsenic Concentration	Arsenic Criteria		
		DWC	GSI	GCC
GW-1	ND	10	150	4,300

bolded text represents values exceeding applicable criteria

DCC = Direct Contact Criteria

DWC = Drinking Water Criteria

DWPC = Drinking Water Protection Criteria

GCC = Groundwater Contact Criteria

GSI = Groundwater Surface water Interface

GSIPC = Groundwater Surface Water Interface Protection Criteria

ND =parameter Not Detected above the lower reporting limit

OTTAWA COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY

RESOLUTION

At a meeting of the Ottawa County Brownfield Redevelopment Authority, held at the Fillmore Complex in the Township of Olive, Michigan on April 27, 2011 at 3:00 o'clock p.m. local time.

PRESENT: Directors Kieft, Kuyers, Larsen, Rizzio, Rycenga, Slagh

ABSENT: Directors Mayo, Raymond, Vanderberg

It was moved by Director Rizzio and supported by Director Kuyers that the following Resolution be adopted:

WHEREAS, the Ottawa County Board of Commissioners established the Ottawa County Brownfield Redevelopment Authority on June 10, 2008 pursuant to the Brownfield Redevelopment Financing Act, Act 381 of the Public Acts of the State of Michigan, of 1996 of the State of Michigan in order to redevelop one specific site; and

WHEREAS, on June 23, 2009 the Ottawa County Brownfield Redevelopment Authority was amended in order to be able to administer projects at any location in the County where the local unit of government does not have a brownfield authority and supports the project ; and

WHEREAS, pursuant to Act 381, a proposed amendment to the Ottawa County Brownfield Plan (Exhibit A) was received from R. Becker Properties, LLC (Cedar Crest Dairy) for a contaminated site located at 5800 Balsam Drive, in the City of Hudsonville, Michigan; and

WHEREAS, the contaminated site has been determined to be a "facility" as provided for in the Michigan Natural Resources and Environmental Protection Act, Public Act 451 of 1994, and

WHEREAS, the Brownfield Plan amendment includes the use of Tax Increment Financing to capture Ottawa County, City of Hudsonville, and Public Library taxes for 10 years; and

WHEREAS, the total amount of captured taxes to be paid to R. Becker Properties shall not exceed \$66,545; and

WHEREAS, the Brownfield Plan amendment complies with all requirements set forth in the Brownfield Refinancing Act; and

WHEREAS, the Brownfield Plan amendment would provide for the clean-up of a contaminated site in the City of Hudsonville and create jobs through the expansion of Cedar Crest Dairy,

NOW, THEREFORE, BE IT RESOLVED that the Ottawa County Brownfield Redevelopment Authority approves the amendment to the Ottawa County Brownfield Plan as submitted by R. Becker Properties, LLC (Cedar Crest Dairy); and

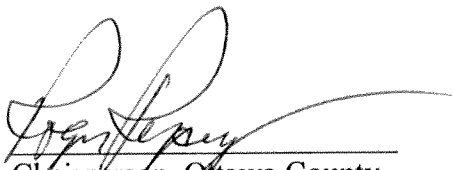
BE IT FURTHER RESOLVED that that copies of this Resolution and the attached amendment (Exhibit A) be forwarded to the Ottawa County Board of Commissioners; and

BE IT FURTHER RESOLVED that the approval of the Brownfield Plan amendment is contingent upon receipt of a resolution of support for the project from the City Commission of the City of Hudsonville, Michigan

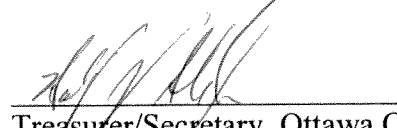
YEAS: Directors Kieft, Kuyers, Larsen, Rizzio, Rycenga, Slagh

NAYS: Directors None

RESOLUTION DECLARED ADOPTED.



Chairperson, Ottawa County
Brownfield Redevelopment Authority



Treasurer/Secretary, Ottawa County
Brownfield Redevelopment Authority

From: "Roman Wilson" <RomanW@lakeshoreenvironmental.com>
To: <MKnudsen@miottawa.org>, <akanrov@msu.edu>, <jmiedema@twp.jamestown.mi.us>, <rafd53@aol.com>, <doug.r.zylstra@gmail.com>, <JBaumann@miottawa.org>, <GDeJong@miottawa.org>
Date: 04/26/2011 02:05 PM
Subject: RE: BRA Plan for Cedar Crest Dairy

Mark,

Just wanted to share a few comments regarding the Brownfield Plan prepared on behalf of Cedar Crest Dairy regarding the proposed project in Hudsonville.

- First of all, this is not a significantly contaminated site. Out of 19 soil borings previously conducted on the site, only 4 contained concentrations of arsenic at levels above current DEQ cleanup criteria. The 4 locations where the arsenic was identified (SB-1, SB-2, SB-3, and SB-4) do not really pose much of a concern, as no redevelopment activities are slated for these areas (see attached map). A simple remedy for the gravel area where arsenic contamination was discovered (SB-3 and SB-4) is to cap with a thin layer of asphalt – no soil excavation is necessary here. Furthermore, if you look at the attached map, none of the 15 soil borings conducted where the freezer storage building will be constructed and the new parking lot will be located were impacted with arsenic at levels above Part 201 cleanup criteria. This is the biggest part of the project where the most investment is occurring.
- In light of the first comment, the due care numbers in the eligible activities table are too high. It would be nice to know how these numbers break down.
- The environmental oversight numbers in the eligible activities table....probably necessary to a small degree, but since no excavation of contaminated soil is necessary, a reduction in these numbers would be recommended.
- The Pre-Brownfield Plan numbers in the eligible activity table are the second largest cost. Yet, little description of the Pre-Brownfield Plan Environmental Activities is noted on page 5 of the Brownfield Plan. What are the Brownfield Plan preparation costs? Are they consistent with industry standards? Some of the pre-brownfield plan activities involved a Phase II investigation. Soil borings during these activities were advanced to 20' for geotechnical reasons not environmental. Is that something the County and City are willing to or should pay for? Typically, you also want to know what the BEA and Due Care Plan costs are to see if they are reasonable.
- The Brownfield Plan does not discuss the County's capture period after developer reimbursement.

While I think the proposed expansion project is good, the scope of environmental work in the Brownfield Plan and associated costs are suspect given the limited extent of contamination on the site. Sharpening the pencil on this would reduce a few years on the capture period and inject new tax revenue to the City and County more quickly. As a member of a local BRA, seeing a Plan like this in its current form would not be supported by me.

Roman