



April 22, 2011

Mayor J. L. Grazier
Town of Franklinville
P.O. Box 277
Franklinville, North Carolina 27248

Subject: **Report of Phase I Environmental Site Assessment
127-Acre Property Along Deep River
Franklinville, Randolph County, North Carolina**

Dear Mayor Grazier:

As authorized by your acceptance of our proposal dated February 18, 2010 (revised April 11, 2011), **Blue Ridge Geological Services, Inc. (Blue Ridge)** performed a Phase I environmental assessment at the subject site. The purpose of our services, as described in the attached report, was to review the site for evidence of potential environmental contamination caused by past or present on-site or nearby off-site activities.

This report is intended for the use of the Town of Franklinville and the Clean Water Management Trust Fund. The contents of this report should not be relied upon by any other parties without the express written consent of Blue Ridge. Use or reliance on this report signifies agreement to the terms and conditions of our proposal. The findings are relevant to the dates of our site work and should not be relied upon to represent site conditions on other dates.

We appreciate the opportunity to provide our environmental-related services on this project. Please contact Jeff Gerlock if you have any questions concerning the report.

Sincerely,

Jeffrey L. Gerlock, L.G.
NC Licensed Geologist #1141

Attachments

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EXECUTIVE SUMMARY

The subject site is approximately 127 acres in size and consists of 25 parcels of land along the Deep River in Franklinville, Randolph County, North Carolina. Parcel ID #7792748255 is approximately 105.2 acres in size and contains cleared farmland and wooded areas. Parcel ID #7792836497 is approximately 11.29 acres in size and is mostly wooded land. An approximate 3,000 square foot two-story building is located on this parcel. The building is partially completed and its planned use is a conference center. A small mobile home trailer was parked next to the building. The subject property also includes twenty-three lots in the center of the property along a paved road (Rising Sun Way) that range in size from approximately 0.30 to 0.84 acres. These lots are vacant undeveloped land; most are cleared. The property is the planned Living Well Community. A gravel lined greenway trail is constructed along a former railroad bed in the southern portion of the site. The property contained farm land in the past. A summary of on-site and off-site environmental concerns and our conclusions and recommendations is presented below.

On-Site Observations/Environmental Concerns and Recognized Environmental Conditions

No evidence of underground storage tanks (USTs), aboveground storage tanks (ASTs), hydraulic lifts/reservoirs or equipment, or aboveground or underground petroleum pipelines were observed on the subject property. Several pad-mounted electrical transformers were observed along Rising Sun Way. No staining or evidence of a release or spill of cooling oils was observed on the ground around the transformers.

Portions of several rusted drums were observed in several areas of the site. The drums were empty or they contained crushed egg shells. Also, several sacks and small piles of crushed egg shells were observed in various areas around the property. We understand that the eggshells were brought to the property from a nearby chick hatchery some time in the 1930s through 1950s. Several partially buried drums were observed on the property. The drums appeared to contain pieces of equipment from the former mill located adjacent to the northwest corner of the site. Scrap metal was observed in several piles in the same area. No liquids, oils, chemicals, or staining of environmental concerns were observed in and around the drums and scrap metal.

Based on interviews with current and former property owners, the area where the current conference center building is located was a former community trash dump for Randolph Mills. Reportedly the dump operated on the property from the 1920s to around 1955 and was used for domestic waste from the nearby mill houses as well as construction debris. We understand that trenches were dug and waste was buried after it was burned. Glass, brick, cinders, and scrap metal were encountered during the excavation for the foundation of the conference center building. Former mill employees stated that they no dye or liquid waste from the mill was ever placed in the dump.

Glass, tires, empty paint cans, and portions of several metal drums were observed in the north central portion of the site. We understand that a former farmhouse was once located in this area. Scrap metal and tires were also observed in a small pit located southwest of the conference center building. Parts of old machinery (apparent steel rods and fabric spools), windows, and old empty rusted drums were observed in the woods in several areas in the northwest corner of the site. Lawnmowers, household type trash, and construction materials were observed around the conference center building. No liquids, oils, chemicals, or staining of environmental concern were observed in and around the drums, machinery / equipment, construction materials, and solid waste on the property.

Several propane canisters were observed outside the trailer next to the conference center building. Several small containers of cement and gear lubricant were observed inside the conference center building. No staining or evidence of a spill of chemicals or petroleum substances was observed on the ground around these containers.

An area of disturbed soil was observed along the south side of Rising Sun Way near the conference center building. The current property owner stated that he encountered an area of oil stained soil in this area during clearing/mowing activities. In June 2009 an environmental consultant supervised the excavation of approximately 192 tons of used oil contaminated soil from the area and they collected confirmation soil samples at the base and sidewalls of the soil excavation. According to a 2009 report, all petroleum-contaminated soil was removed and none of the confirmation soil samples had petroleum constituents at concentrations above state standards.

Underground electric lines run along Rising Sun Way into the various electric transformers along the road. Underground water and sanitary sewer lines run along Rising Sun Way. A sanitary sewer easement runs through the southwest portion of the site. The sewer line runs from the wastewater treatment plant northwest towards Main Street (Highway 22). No evidence of water supply wells, monitoring wells, or septic systems were observed at the site.

No pits, ponds, lagoons, stressed vegetation, stained soil, wastewater, or odors were observed on the subject property at the time of our visit. Deep River is located along the south side of the subject site; Sandy Creek is located along the east side of the subject site. An unnamed creek is located in the northeast corner of the site. According to the maps reviewed, areas along these surface water features are located within the 100-year floodplain. A small stormwater retention pond was observed southwest of the unfinished conference center building; cattails were observed in the pond. No wetlands are mapped on the property.

Based on the site visit, records reviewed, and interviews, there are several “recognized environmental conditions” or RECs at the subject site. The former community dump in and around the location of the current conference center building is a historical REC. The used oil contaminated soil removed from the area south of Rising Sun Way is also a historical REC. The possibility of buried drums with unknown materials and buried waste in the southern portion of the site is a REC.

Off-site Environmental Concerns

Several facilities that generate hazardous waste and/or that have had leaking USTs were identified within approximately one half mile of the subject site. Based on the nature, distance, and topographic position of these facilities, they are not an environmental concern to the subject site. The Town of Franklinville Wastewater Treatment Plant is located adjacent to the subject site. According to plant personnel, there have been no spills or releases at the treatment facility that would affect the subject site.

Conclusions and Recommendations

Based on the information obtained during our research and site visit, it appears that no further environmental assessment is needed at this time. Portions of the site are wooded and overgrown and the ground surface could not readily be observed in all areas. Also, several partially buried drums were observed on the site and other drums or materials could be buried on the property. If stained soil, containers of chemicals or liquids, or other environmental issues are observed during future development, we recommend that Blue Ridge personnel be contacted to visit the site and evaluate the concern. Additional

studies would be necessary to determine the presence and extent of jurisdictional waters of the US (including wetlands) on the subject property.

The following report summarizes the information sources utilized, the information obtained, and our conclusions and recommendations. This executive summary is for convenience only and should not be relied upon without first reading the full contents of this report, including appendix materials.

1.0 INTRODUCTION

As part of a potential real estate transaction/property development, the Town of Franklinville requested that Blue Ridge perform a Phase I environmental assessment (ESA) at the subject site. The Phase I ESA was performed in accordance with the scope and limitations of American Society for Testing and Materials (ASTM) *Standard Practice for Environmental Site Assessments (Designation E1527-05)*. The purpose of our services was to determine if “recognized environmental conditions” (RECs) are present at or near the subject site. ASTM E-1527 defines RECs as “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.” RECs pose a potential to adversely affect environmental conditions at a site and RECs represent a potential financial liability to property owners, purchasers and lenders in that local, state and/or federal requirements to address the RECs may be expensive and time-consuming. The term REC is not intended to include de minimis conditions that generally do not present a threat to human health or the environment or that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. It was not the purpose of the Phase I ESA to determine the actual presence, degree, or extent of contamination, if any, on the site.

This report presents the findings of the environmental assessment recently performed at the site. The opinions included herein are based on the information obtained during the study and on our experience. This report is based on limited observations made on the dates noted and using the procedures described herein. The findings of our assessment are relevant to the dates of our site work and the publication dates of the regulatory lists reviewed. This report should not be relied upon to represent site conditions at substantially later dates.

2.0 SITE DESCRIPTION AND RECONNAISSANCE

Information regarding the site description and current status of the site was obtained by records review, interviews, and on-site observations. Mr. Jeff Gerlock, a professional experienced in conducting environmental site assessments, conducted a reconnaissance of accessible portions of the subject site on March 29, 2011. Aspects of the site reconnaissance included:

- observing the approximate project site boundaries and adjacent properties;
- observing the topography and general surface drainage patterns;
- noting evidence of current or past on-site management and/or disposal of potential sources of environmental contaminants; and
- documenting site features of potential environmental concern.

2.1 GENERAL PROPERTY DESCRIPTION

The subject site is approximately 127 acres in size and consists of 25 parcels of land along the Deep River in Franklinville, Randolph County, North Carolina (Figures 1 through 3 and Photographs). Parcel ID #7792748255 is approximately 105.2 acres in size and contains cleared farmland and wooded areas. Parcel ID #7792836497 is approximately 11.29 acres in size and is mostly wooded land. An approximate 3,000 square foot two-story building is located on Parcel ID #7792836497. The building is partially completed and its planned use is a conference center. A small mobile home trailer was parked next to the building. The subject property also includes twenty-three lots in the center of the property along a paved road (Rising Sun Way) that range in size from approximately 0.30 to 0.84 acres. These lots are vacant undeveloped land; most are cleared. The parcel boundaries are shown on Figure 2.

The property is the planned Living Well Community. A gravel lined greenway trail is constructed along a former railroad bed in the southern portion of the site.

Adjacent Property Description

The Deep River is located west and south of the property. Wooded undeveloped land and a trailer park are located west and south of the Deep River. Several warehouses and a manufacturing building (Randolph Industries) are located west of the northern portion of the subject site (Item A on Figure 3). Wooded land

and residences are located north of the subject site. Several heating oil aboveground storage tanks (ASTs) were observed on one of the properties north of the site (Item 4 on Figure 2).

The Town of Franklinville Wastewater Treatment Plant is located near the Deep River (Item B on Figure 3). The plant includes several buildings and holding ponds as well as several pole-mounted electrical transformers, a diesel powered generator, and a rolloff containing trash (see Figures 3 and 4). Sandy Creek is located east of the site. Farmland, wooded land, and the Town of Ramseur Water Treatment Plant are located east of the creek.

2.1.1 Storage Tanks and Pipelines

During our site reconnaissance, no evidence of underground storage tanks (USTs), i.e., fill ports and vent pipes, were observed on the subject site. No aboveground storage tanks (ASTs), hydraulic lifts/reservoirs, or aboveground or underground pipelines were observed on the subject property.

2.1.2 PCBs

Electrical transformers and hydraulic equipment are a potential source of environmental concern due to the presence of coolant oils that may contain polychlorinated biphenyl (PCB) compounds. No hydraulic equipment was observed on the property. Several pad-mounted electrical transformers were observed along Rising Sun Way (Item 4 on Figure 4). No staining or evidence of a release or spill of cooling oils was observed on the ground around the transformers.

2.1.3 Solid Waste

No dumpsters were observed on the site. Portions of several rusted drums were observed in several areas of the site. Many of the drums contained crushed egg shells. Also, several sacks and small piles of crushed egg shells were observed in various areas around the property (Item 9 on Figures 3 and 4). We understand that the eggshells were brought to the property from a nearby chick hatchery some time in the 1930s through 1950s. Several partially buried drums were observed on the property (Item 1 on Figure 3). The drums appeared to contain pieces of equipment from the former mill located adjacent to the northwest corner of the site. Scrap metal was observed in several piles in the same area. No liquids, oils, chemicals, or staining of environmental concerns were observed in and around the drums and scrap metal.

Based on interviews with Mr. Harvey Harman (property owner) and Mr. Mac Whatley (previous property owner), the area where the current conference center building is located was a former community trash dump for Randolph Mills. Reportedly the dump operated on the property from the 1920s to around 1955 and was used for domestic waste from the nearby mill houses as well as construction debris. We understand that trenches were dug and waste was buried after it was burned. Mr. Harman stated that glass, brick, cinders, and scrap metal were encountered during the excavation for the foundation of the conference center building. According to Mr. Whatley, former mill employees stated that they no dye or liquid waste was ever placed in the dump.

Glass, tires, empty paint cans, and portions of several metal drums were observed in the north central portion of the site (Item 5 on Figure 3). We understand that a former farmhouse was once located in this area. Scrap metal and tires were also observed in a small pit located southwest of the conference center building (Item 8 on Figure 3). Parts of old machinery (apparent steel rods and fabric spools), windows, and old empty rusted drums were observed in the woods in several areas in the northwest corner of the site. Lawnmowers, minor household-type trash, and construction materials were observed around the conference center building. No liquids, oils, chemicals, or staining of environmental concern were observed in and around the drums, machinery / equipment, construction materials, and solid waste on the property.

2.1.4 Hazardous Substances and Petroleum Products

Empty paint cans and metal drums were observed in several areas of the site. Several propane canisters were observed outside the trailer next to the conference center building. Several small containers of cement and gear lubricant were observed inside the conference center building. No staining or evidence of a spill of chemicals or petroleum substances was observed on the ground around these containers.

An area of disturbed soil was observed along the south side of Rising Sun Way near the conference center building (Item 10 on Figure 4). Mr. Harman stated that he encountered an area of oil stained soil in this area during clearing/mowing activities. Mr. Harman stated that in June 2009 an environmental consultant supervised the excavation of approximately 192 tons of used oil contaminated soil from the site and they collected confirmation soil samples at the base and sidewalls of the soil excavation. Mr. Harman provided us with a copy of portions of the soil remediation report (see Appendix). According to the report, the petroleum-contaminated soil was removed and none of the confirmation soil samples had petroleum constituents at concentrations above state standards.

2.1.5 Utilities, Wells, Septic Systems

Underground electric lines run along Rising Sun Way into the various electric transformers along the road. Underground water and sanitary sewer lines run along Rising Sun Way. A sanitary sewer easement runs through the southwest portion of the site. The sewer line runs from the wastewater treatment plant northwest towards Main Street (Highway 22). No evidence of water supply wells, monitoring wells, or septic systems was observed at the site.

2.1.6 Other Environmental Concerns

No pits, ponds, lagoons, stressed vegetation, stained soil, wastewater, or odors were observed on the subject property at the time of our visit. Deep River is located along the south side of the subject site; Sandy Creek is located along the east side of the subject site. An unnamed creek is located in the northeast corner of the site (see Figure 3 for locations). According to the maps reviewed (Randolph County GIS Website, map in the EDR report, and the US Fish & Wildlife Service Wetlands On-Line Mapper), areas along these surface water features are located within the 100-year floodplain. A small stormwater retention pond was observed west of the unfinished conference center building; cattails were observed in the pond. According to the maps reviewed, no wetlands are mapped on the property.

2.2 SITE GEOLOGY AND HYDROGEOLOGY

A consideration of surface and subsurface drainage and geology are of interest since they provide an indication of the direction that contamination, if present on-site or off-site, could be transported. It was not the purpose of this study to evaluate the geotechnical conditions of the site or to assess engineering/geological concerns such as foundation conditions, faulting, or subsidence. Blue Ridge personnel reviewed the following information with regard to the development of the presumed local and regional geology and hydrogeology of the site and surrounding area:

- Geologic Map of North Carolina, dated 1985, published by North Carolina Department of Natural Resources
- On-Line Soil Survey Map, United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS)
- Topographic Map, 7.5-minute series, Ramseur, North Carolina Quadrangle dated 1968, published by the US Geological Survey (USGS)

Based on a review of the geologic map cited above, the subject site is located in the Carolina Slate Geologic Belt. The geologic map shows that the rocks underlying the subject site are metavolcanic epiclastic rocks including meta argillite, mudstone, volcanic sandstone, conglomerate, and volcanic rock. The soils encountered in this area are the residual product of in-place chemical weathering of the rocks presently underlying the site. The soil weathering is more advanced near the surface grading with depth to less weathered rock and finally bedrock. According to the soil survey information, the majority of the soils at the site are classified as the Badin Tarrus complex and the Georgeville silty clay loam. The soil in a small area in the southern portion of the site north of Highway 64 is classified as the Callison – Lignum complex.

The site is located in the Piedmont Physiographic Province (Piedmont) which consists of low rounded hills and long rolling northeast to southwest trending ridges with incised creek channels. Surface and subsurface drainage patterns within the Piedmont typically indicate the direction contaminants would be transported by surface water or groundwater. Surface water at the site flows from the topographic highs or ridges to the topographic lows (valleys and drainage features, creeks). Topographically, the site is located at the southern end of a north-south trending topographic high or ridge. The ground surface elevation at the property ranges from approximately 400 to 540 feet above mean sea level (MSL). The general surface water flow direction at the site is to the southwest and west towards the Deep River and to the east towards Sandy Creek (Figure 1). The surface drainage from the site and adjacent properties could be influenced by cultural features, such as buildings, paved areas, curbs, gutters, and storm drain systems.

Groundwater recharge within the Piedmont region generally occurs on upland areas. The residual soil and weathered rock (saprolite) act as an infiltration medium and reservoir for water to seep into the fractures and joints of the underlying rock. Discharge from the system occurs at surface water features such as streams and lakes or at the base of slopes. In the Piedmont, the depth to groundwater is variable, but typically occurs within 40 feet of the ground surface.

The direction and movement of groundwater through soil is dependent upon soil type and the presence of relict structures and textures of the underlying rock. Fractures, faults, folds, and foliation planes affect the migration of groundwater in rock. Typically, the direction of near-surface groundwater flow under static conditions (no pumping interference) approximates the surface topography of the site. Based on the topographic map of the site vicinity, the general groundwater flow direction at the site is to the southwest,

west, and east towards the river and creek bordering the site. The natural groundwater flow direction can be affected by pumping from high capacity wells and permanent or temporary dewatering systems.

The term “upgradient” refers to a location hydraulically upstream from the subject site. Contaminants on an upgradient site could potentially impact the site if they were released on or beneath the ground surface and subsequently contaminate the groundwater. Conversely, a “downgradient site” relative the subject site is not considered a potential contamination source because a contaminant release affecting groundwater would be traveling away from the site. Portions of several of the adjacent properties to the northwest along Main Street /Highway 62 are considered upgradient of the subject site. The wastewater treatment plant is upgradient of a portion of the site along the Deep River.

3.0 RECORDS REVIEW

Blue Ridge contracted with Environmental Data Resources, Inc. (EDR) to assemble a summary of sites listed on Federal and State records in the site vicinity. A copy of this report is presented in the Appendix. The EDR report and other sources of information were reviewed to evaluate the sites and surrounding area for contaminated sites and/or potential sources of environmental contamination that could impact the subject site. Please note that regulatory listings include only those sites that are known to the regulatory agencies at the time of publication to be 1) contaminated, 2) in the process of evaluation for potential contamination, or 3) regulated. A summary of the information presented in the EDR report and the historical record review of the site and surrounding properties is presented below. In addition, a summary of the historical uses of the site and adjoining properties is presented in Section 3.9 below.

3.1 US EPA NATIONAL PRIORITIES LIST (NPL)

The Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) established a National Priority List (NPL) of federal "Superfund" sites. These are sites of documented contamination that have been assigned a high ranking, in terms of potential public health effects, by the Environmental Protection Agency (EPA).

- The subject property does not appear on the NPL.
- No properties within a one-mile search distance of the property were identified on the NPL.

3.2 US EPA CERCLIS LIST

The CERCLIS List is a compilation of sites of suspected contamination that are currently being investigated or have been assessed by the EPA for releases or threatened releases of hazardous substances pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

- The subject site was not identified on the CERCLIS list.
- There are no properties within a one-half mile search distance of the property identified on the Federal or State CERCLIS list.

3.3 US EPA RCRA HAZARDOUS WASTE FACILITIES

The Resource Conservation and Recovery Act (RCRA) Program identifies and tracks hazardous waste from the point of generation to the point of disposal. The RCRA Notifiers List is called “RCRIS” and is a database of facilities that generate, transport, treat, store, or dispose of hazardous waste.

- The subject property is not listed on the RCRA notifiers list.
- One RCRA generator was identified within 0.25 miles of the subject site. Tower Components at 5960 US Hwy 64 East was listed as a Conditionally Exempt Small Quantity Generator (CESQG) of hazardous waste.
- No treaters, storers, or disposers (TSD) of hazardous waste were identified within one mile of the subject property.

3.4 REGISTERED UNDERGROUND STORAGE TANKS (UST) DATABASE

The North Carolina Department of Environment and Natural Resources (NCDENR) Underground Storage Tank (UST) Database was reviewed to identify registered USTs located at adjacent properties and at the subject site. This list does not include residential or some non-residential heating oil USTs since they are not required to be registered with the State of North Carolina.

- The subject property was not identified on the NCDENR UST Database.
- No facilities were identified within 0.25 miles of the subject site as having current or former registered USTs located on their property.

3.5 NCDENR POLLUTION INCIDENTS LIST

The NCDENR Pollution Incidents List identifies sites of known or suspected contaminant releases. Most of the sites identified on the list are associated with leaking underground storage tanks (LUSTs).

- The subject property does not appear on the Pollution Incidents List.
- Three facilities were listed on the LUST database or Incident Management Database (IMD) as pollution incident sites within one-half mile of the subject property:
 1. Certified Concrete Company at 205 Academy Street, Asheboro, NC was listed as having a leaking UST on 7/13/1990. According to the EDR report, the NCDENR closed out the incident on 10/2/1990.
 2. Holt Exxon at Hwy 64-49, Ramseur, NC was listed as having a leaking UST on 3/27/1990. The incident was closed out by the NCDENR on 3/14/2001.
 3. Randolph County Schools at 162 Pine Street, Franklinville, NC was listed as having a leaking heating oil UST on 8/3/1994. The NCDENR closed out the incident on 11/16/2001.

None of these incidents are located upgradient of the subject site. Based on the nature, distance and topographic position of these releases, they are not an environmental concern to the subject site.

3.6 EMERGENCY RESPONSE NOTIFICATION SYSTEM (ERNS)

The Emergency Response Notification System (ERNS) record did **not** identify the subject property as a location of reported releases of oil or hazardous substances.

3.7 STATE LANDFILL LIST

Lists of active and inactive landfills, artificial fills, and disposal sites are maintained by the State of North Carolina. The landfill listing also includes known unpermitted landfills or dumps.

- The subject property does not appear on the landfill list.
- There are no properties listed on the landfill list within a one-half mile radius from the subject site.

3.8 OTHER LISTS

The subject property and surrounding properties were not listed on the other databases in the EDR report.

3.9 HISTORICAL USES OF SITE AND ADJOINING PROPERTIES

A chain-of-ownership was not furnished for our review. Sanborn Fire Insurance Maps and historical city directories were not available for the site vicinity. A determination of historical usage of the site was based on our review of available tax records, property deeds, aerial photographs, topographic maps, and interviews.

Blue Ridge personnel reviewed ownership information available on-line at the Randolph County Tax Department and the Register of Deeds Department. The subject site is approximately 127 acres in size and consists of 25 parcels of land along the Deep River in Franklinville, Randolph County, North Carolina. The majority of the property is composed of Parcel ID #7792748255 (105.2 acres in size) and Parcel ID #7792836497 (11.29 acres in size). The subject property also includes twenty-three parcels along Rising Sun Way that range in size from approximately 0.30 to 0.84 acres. According to the records available, the property ownership for the two large parcels is as follows:

June 2007 to Current	Walk Softly, LLC
April 2006 to June 2007	Clayton Terry Tucker
Jan 2001 to April 2006	BB&T Mortgage Services
Dec 1982 to Jan 2001	Richard D. & Kay B. Singletary
1890s to 1982	Randolph Mills Inc.
Prior to 1890s	Wincey A. Coffin (part) and Hugh Parks (part)

The twenty-three smaller parcels are identified as follows:

Parcel #	Lot #	Owner	Size
7792742461	1	Walk Softly, LLC	0.34 Acres
7792742362	2	Walk Softly, LLC	0.30 Acres
7792742272	3	Walk Softly, LLC	0.30 Acres
7792742193	4	Walk Softly, LLC	0.35 Acres
7792743033	5	Walk Softly, LLC	0.34 Acres
7792734906	6	Walk Softly, LLC	0.34 Acres
7792734990	7	Walk Softly, LLC	0.34 Acres
7792735896	8	Walk Softly, LLC	0.34 Acres
7792736895	9	Walk Softly, LLC	0.32 Acres
7792737893	10	Walk Softly, LLC	0.32 Acres
7792738892	11	Walk Softly, LLC	0.31 Acres
7792739891	12	Walk Softly, LLC	0.31 Acres
7792830891	13	Walk Softly, LLC	0.34 Acres
7792830530	14	Entrust Carolinas LLC	0.84 Acres
7792739542	15	Entrust Carolinas LLC	0.79 Acres
7792738544	16	JTB LWC, LLC	0.72 Acres
7792737547	17	Walk Softly, LLC	0.64 Acres
7792736630	18	Walk Softly, LLC	0.63 Acres
7792735616	19	Walk Softly, LLC	0.54 Acres
7792733784	20	Walk Softly, LLC	0.41 Acres
7792732864	21	Walk Softly, LLC	0.43 Acres
7792731972	22	Walk Softly, LLC	0.45 Acres
7792741000	23	Walk Softly, LLC	0.45 Acres

Lot 16 was owned by James T. Brooks, Jr. (Feb 2008 to Sept 2010) and Walk Softly, LLC (June 2007 to Feb 2008) prior to JTB LWC, LLC. Prior to June 2007, Lots 14, 15, and 16 were owned by Clayton Terry Tucker and the other individuals/companies outlined above. A copy of the tax information, property deed, and survey are presented in the Appendix.

We reviewed several aerial photographs (1937, 1957, 1966, 1982, 1988, 1991, 2004, and 2007) available for the site vicinity at the Randolph County Tax Department, Randolph County USDA Soil & Water Conservation District, and US Forest Service Agency offices in Asheboro, North Carolina and on-line at the Randolph County GIS Department. The aerials reviewed were very similar; the property was

primarily wooded and undeveloped. Outlined below are the significant changes observed in the aerial photographs reviewed.

The property was mostly wooded on the 1937 aerial photograph. Several cleared areas (apparent farmland) were observed in central portion of the site and along Sandy Creek. A structure (apparent residence/house) was observed in the clearing in the northcentral portion of the site. A road was observed from North Main Street (Hwy 22) to the house. A linear clearing (apparent railroad line) was observed along the southern portion of the site just north of the Deep River.

The 1957 aerial photograph (Figure 7) was fairly similar to the 1937 aerial. Less clearings/farmland was observed on the site in 1957. The property was mostly wooded and undeveloped in 1966. No farmland was observed on the site in the 1966 aerial photograph (Figure 6). A clearing was observed in the center of the site; the clearing appeared to contain several trash dumpsters / rolloff type boxes. A dirt road led from the clearing to Main Street. Clearings were observed in the northwest corner of the site (adjacent to warehouse). A wastewater treatment plant was observed adjacent to the west central portion of the site.

The property was mostly wooded and undeveloped in 1982. A small clearing was observed in the central portion of the site in 1982, however, it did not appear to be an active dumping area on that date. There appeared to be several warehouses adjacent to the northwest corner of the site in 1982. The mill and warehouses did not appear to be in use at that time. The 1988 and 1991 aerial photographs appeared similar to the 1982 aerial. Several cars were observed in the clearing in the central portion of the site in 1991 (see Figure 5).

The 2007 aerial photograph (Figure 3) showed a paved road leading into the north end of the site and ending at a structure/building. A small dirt road was observed in the central portion of the site. A thin linear clearing (walking trail) was observed along the southern portion of the site north of the Deep River. The 2007 aerial photograph was similar to what was observed during our site visit.

We reviewed the 1980 topographic map of the site vicinity (Figure 1). An unimproved road was observed running from Main Street to a clearing in the central portion of the site (white area). A railroad line was observed north of the Deep River. Cleared land (white areas) was observed along the Deep River. Warehouses and residences were observed north and west of the northwest corner of the site. A sewage disposal (wastewater treatment plant) facility was observed along the Deep River.

4.0 INTERVIEWS

Blue Ridge personnel conducted or attempted to conduct interviews with available current and former property owners, neighbors, and regulatory officials. The interviews were performed to ascertain information concerning the subject site as well as information regarding present or past-recognized environmental concerns at the surrounding properties which could impact the subject site.

Blue Ridge personnel interviewed Mr. Harvey Harman (current property owner) and Mr. Mac Whatley (previous property owner). According to the property owners, the area where the current conference center building is located was a former community trash dump for Randolph Mills. Mr. Whatley stated that the dump operated on the property from the 1920s to around 1955 and was used for domestic waste from the nearby mill houses as well as construction debris. Mr. Whatley stated that trenches were dug and waste was buried after it was burned. Mr. Harman stated that glass, brick, cinders, and scrap metal were encountered during the excavation for the foundation of the conference center building. According to Mr. Whatley, former mill employees stated that they no dye or liquid waste was ever placed in the dump. The current and former property owners stated that eggshells were brought onto the property from a nearby chick hatchery from the 1930s.

Mr. Harman stated that he encountered an area of oil stained soil along the south side of Rising Sun Way near the conference center building during clearing/mowing activities. Mr. Harman stated that in June 2009 he hired an environmental consultant to remove the used oil stained soil. Mr. Harman provided a copy of a report that stated that approximately 192 tons of petroleum contaminated soil was removed from the area and no petroleum constituents were detected in soil samples collected at the base and sidewalls of the soil excavation at concentrations above state action levels.

Mr. Harman and Mr. Whatley were not aware of any current or former USTs, ASTs, or chemicals used or stored on the property. Mr. Harman was not aware of any septic tanks/drainfields or water supply wells on the property. According to property owners, the north central portion of the site was timbered in 2001.

Blue Ridge personnel contacted Mr. Arnold Allred, Public Works Director of the Town of Franklinville. Mr. Allred stated that a wastewater treatment plant was constructed adjacent to the subject property in the 1960s. He stated that waste from the Town of Franklinville and the former Randolph Mills was pumped to the plant for processing. Mr. Allred stated that the plant was upgraded / expanded in 2000. He stated that there have been no spills from the plant.

Blue Ridge contacted and interviewed regulatory personnel (e.g., UST Section and Aquifer Protection Section, local fire department). None of the regulatory officials contacted were aware of any spills, leaks, fires, or environmental incidents at the subject site or in the area that could have affected the subject site.

5.0 FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

This section presents a summary of the findings of our environmental assessment, a brief description of the environmental concerns identified at the subject site and off-site properties, our opinion regarding these concerns, and our conclusions and recommendations for additional work, if any.

5.1 ON-SITE CONCERNS AND RECOGNIZED ENVIRONMENTAL CONDITIONS

No evidence of underground storage tanks (USTs), aboveground storage tanks (ASTs), hydraulic lifts/reservoirs or equipment, or aboveground or underground petroleum pipelines were observed on the subject property. Several pad-mounted electrical transformers were observed along Rising Sun Way. No staining or evidence of a release or spill of cooling oils was observed on the ground around the transformers.

Portions of several rusted drums were observed in several areas of the site. The drums were empty or they contained crushed egg shells. Also, several sacks and small piles of crushed egg shells were observed in various areas around the property. We understand that the eggshells were brought to the property from a nearby chick hatchery some time in the 1930s through 1950s.

Several partially buried drums were observed on the property. The drums appeared to contain pieces of equipment from the former mill located adjacent to the northwest corner of the site. Scrap metal was observed in several piles in the same area. No liquids, oils, chemicals, or staining of environmental concerns were observed in and around the drums and scrap metal.

Based on interviews with current/former property owners, the area where the current conference center building is located was a former community trash dump for Randolph Mills. Reportedly the dump operated on the property from the 1920s to around 1955 and was used for domestic waste from the nearby mill houses as well as construction debris. We understand that trenches were dug and waste was buried after it was burned. We understand that glass, brick, cinders, and scrap metal were encountered during the excavation for the foundation of the conference center building. Reportedly, former mill employees stated that they no dye or liquid waste from the mill was ever placed in the dump.

Glass, tires, empty paint cans, and portions of several metal drums were observed in the north central portion of the site. We understand that a former farmhouse was once located in this area. Scrap metal and tires were also observed in a small pit located southwest of the conference center building. Parts of old

machinery (apparent steel rods and fabric spools), windows, and old empty rusted drums were observed in the woods in several areas in the northwest corner of the site. Lawnmowers, household type trash, and construction materials were observed around the conference center building. No liquids, oils, chemicals, or staining of environmental concern were observed in and around the drums, machinery / equipment, construction materials, and solid waste on the property.

Several propane canisters were observed outside the trailer next to the conference center building. Several small containers of cement and gear lubricant were observed inside the conference center building. No staining or evidence of a spill of chemicals or petroleum substances was observed on the ground around these containers.

An area of disturbed soil was observed along the south side of Rising Sun Way near the conference center building. The current property owner stated that he encountered an area of oil stained soil in this area during clearing/mowing activities. In June 2009 an environmental consultant supervised the excavation of approximately 192 tons of used oil contaminated soil from the area and they collected confirmation soil samples at the base and sidewalls of the soil excavation. According to a 2009 report, all of the petroleum-contaminated soil was removed and none of the confirmation soil samples had petroleum constituents at concentrations above state standards.

Underground electric lines run along Rising Sun Way into the various electric transformers along the road. Underground water and sanitary sewer lines run along Rising Sun Way. A sanitary sewer easement runs through the southwest portion of the site. The sewer line runs from the wastewater treatment plant northwest towards Main Street (Highway 22). No evidence of water supply wells, monitoring wells, or septic systems were observed at the site.

No pits, ponds, lagoons, stressed vegetation, stained soil, wastewater, or odors were observed on the subject property at the time of our visit. Deep River is located along the south side of the subject site; Sandy Creek is located along the east side of the subject site. An unnamed creek is located in the northeast corner of the site. According to the maps reviewed, areas along these surface water features are located within the 100-year floodplain. A small stormwater retention pond was observed southwest of the unfinished conference center building; cattails were observed in the pond. No wetlands are mapped on the property.

Based on the site visit, records reviewed, and interviews, there are several “recognized environmental conditions” or RECs at the subject site. The former community dump in and around the location of the

current conference center building is a historical REC. The used oil contaminated soil removed from the area south of Rising Sun Way is also a historical REC. The possibility of buried drums with unknown materials and buried waste in the southern portion of the site is a REC.

5.2 OFF-SITE CONCERNS

Several facilities that generate hazardous waste and/or that have had leaking USTs were identified within approximately one half mile of the subject site. Based on the nature, distance, and topographic position of these facilities, they are not an environmental concern to the subject site. The Town of Franklinville Wastewater Treatment Plant is located adjacent to the subject site. According to plant personnel, there have been no spills or releases at the treatment facility that would affect the subject site.

5.3 CONCLUSIONS AND RECOMMENDATIONS

Based on the information obtained during our research and site visit, it appears that no further environmental assessment is needed at this time. Portions of the site are wooded and overgrown and the ground surface could not readily be observed in all areas. Also, several partially buried drums were observed on the site and other drums or materials could be buried on the property. If stained soil, containers of chemicals or liquids, or other environmental issues are observed during future development, we recommend that Blue Ridge personnel be contacted to visit the site and evaluate the concern. Additional studies would be necessary to determine the presence and extent of jurisdictional waters of the US (including wetlands) on the subject property.

6.0 CERTIFICATION OF ENVIRONMENTAL PROFESSIONAL

I declare that, to the best of my professional knowledge and belief, I meet the definition of environmental professional as defined in 312.10 of 40 CFR 312 and I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Printed Name

Signature

Date

FIGURES

PHOTOGRAPHS

APPENDIX