1.0 EXECUTIVE SUMMARY

Stell Environmental Enterprises, Inc. (SEE) conducted a Phase I Environmental Site Assessment (Phase I ESA) on the "Embreeville Complex" located in Newlin and West Bradford Townships, Chester County, Pennsylvania. The Phase I ESA was completed on two tax parcels (50-8-9-E and 49-2-54-E) which generally lie between State Route 162 (S.R. 162) and Strasburg Road, west of the village of Marshallton and the Borough of West Chester. The Property consists of old fields, forested areas, and two distinct building complex areas. The Property is located in a suburban setting, with medium density residential land uses.

SEE has performed this Phase I ESA in general conformance with the scope and limitations of American Society for Testing and Materials (ASTM) Standard Practice E1527-05 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process.

SEE completed this project under contract with Trammell Crow Company, on behalf of the Commonwealth of Pennsylvania, Department of Public Welfare. This assessment has revealed the following recognized environmental conditions in connection with the Property:

- Floor drains are located throughout the buildings on the Property, typically in building basements, and discharge to unknown locations. The unknown discharge locations, combined with staining and hazardous substance and petroleum product storage next to several floor drains, may pose a threat to the environment. It is suspected that the floor drains discharge to the stream by way of the storm sewer, or discharge directly to the nearby stream. The floor drains and their discharge point are a potential recognized environmental condition.
- Stormwater sewers discharge to the nearby stream or unknown locations, and do not appear to have NPDES permits. It may be that floor drains are connected to these systems. The stormwater discharges may contain materials from the floor drains in the buildings. The extent of interconnectedness between the floor drains and the storm sewers is unknown, so the stormwater sewers are a potential recognized environmental condition.
- One UST is still present on the Property, located near Hilltop (No. 4). The exact size of this UST is unknown. There are conflicting reports about whether this tank was ever registered with PADEP. There is also conflicting information about the contents of the UST. The UST has not been tightness-tested for more than five (5) years. Recent information regarding the integrity of this UST does not exist. The integrity of this UST is in question, and the petroleum

product it contains is also in question, creating a potential recognized environmental condition.

- Reports by employees of the facility indicate that four (4) additional USTs formerly present on the site have been removed, including two 1,000-gallon former gasoline USTs located east of Maintenance (No. 15), and two USTs adjacent to the Boiler Plant (No. 12). The tanks adjacent to the Boiler Plant include a 25,000-gallon UST and a second UST for which no official closure documents have been identified in this Phase I ESA. It appears that one UST was removed without confirmation soil sampling, or a competed tank closure report to document the closure/removal. The areas of the UST removals are a potential recognized environmental condition.
- A substantial coal pile, formerly used to fire the boilers in the Boiler Plant (No. 12), is located north of the Boiler Plant (No. 12). This material is currently sloughing off into the adjacent creek which flows into the Brandywine River. This appears to constitute a recognized environmental condition, and appears to be a violation of the Pennsylvania Clean Streams Laws.
- A container with liquid of unknown origin is located in the basement of the Laundry (No. 14). Approximately 500 gallons of liquid and solids are within an open container. The contents of the container need to be identified and appropriately managed. The container and contents are a potential recognized environmental condition.
- Approximately eight (8) gallons of PCB-containing material was released into the environment when a pole-mounted transformer fell from a utility pole in 1993. The exact location of this release is unknown, but was reported to be on the Property. Any release of PCBs to the environment without proper remediation is a recognized environmental condition.
- An oil/water separator is located near the northern wall of the Boiler Plant (No. 12). This separator contains liquid in one side which appears to be an accumulation of rainwater. The oil-collecting side appears to have a drain that goes to an unknown location. The discharge location for this drain is unknown, but it likely discharges to the drains found in the Boiler Plant (No. 12). The discharge location needs to be located and evaluated. The oil/water separator and its discharge is a potential recognized environmental condition.
- A pit is located at the base of the coal silo, located near the northern wall of the Boiler Plant (No. 12). This pit is reported about 10 feet deep, and is filled with liquid which is suspected to be rainwater. Sludge or solid material is expected to be present at the bottom of the pit. The material in this pit

should be removed and the base of the pit should be evaluated. The coal silo pit is a potential recognized environmental condition.

- A long pit/floor drain is located in the garage portion of Maintenance (No. 15). This drain is exposed on an ongoing basis to chemicals and petroleum products normally present in auto mechanic situations. The discharge point of this drain is unknown. Petroleum products and other chemicals are present in the area. The pit/floor drain may be discharging materials to the environment, and constitutes a potential recognized environmental condition.
- A hydraulic truck ramp used for loading materials is located on the northern side of the Warehouse (No. 13). Inspection of the pit below the ramp revealed the hydraulic components are leaking, and an accumulation of liquid is present and likely contains hydraulic fluid. The hydraulic fluid may be entering the soil under and around the pit. This is considered a recognized environmental condition.

In addition to the above noted recognized environmental conditions, other items that require appropriate management include electric transformers, asbestos, and hazardous substances. Although not recognized environmental conditions on the Property at this time, these materials require proper handling, storage, and disposal practices.

As part of this Phase I ESA, an estimate of potential costs to complete a Phase II ESA was developed. The costs were developed based on the findings and conclusions of this Phase I ESA. A range is provided, due to the need to coordinate the scope of the Phase II ESA with the Commonwealth of Pennsylvania, Department of Public Welfare and the Pennsylvania Department of Environmental Protection (PADEP). Costs to complete a Phase II ESA at this time are estimated in the range of \$140,000 to \$200,000.