



CITY OF MARINE CITY

Tax Increment Finance Authority

Meeting Agenda

Marine City Fire Hall, 200 South Parker Street

Regular Meeting: Tuesday, August 16, 2016 4:00 PM

-
1. **CALL TO ORDER**
 2. **PLEDGE OF ALLEGIANCE**
 3. **ROLL CALL:** Chairperson Craig May; Board Members Frederick Babchek, Rebecca Bryson, Robert Lepley, Charles Seigneurie, Scott Tisdale, Robert Weisenbaugh; City Manager Elaine Leven
 4. **APPROVE AGENDA**
 5. **APPROVE MINUTES**
 - A. T.I.F.A. Regular Meeting ~ July 19, 2016
 6. **COMMUNICATIONS**
 7. **PUBLIC COMMENT** *Residents are welcome to address the TIFA Board. Please state name and address. Limit comments to five (5) minutes.*
 8. **UNFINISHED BUSINESS**
 - A. Request for Grant Writing Consultant(s) ~ Update
 - B. Strategic Communication Solutions, Inc. ~ Contract
 - C. Development plans for TIFA #2 & TIFA #3
 - D. Senate Recodified Tax Increment Financing Act Components
 - E. Detroit Gasket Property ~ Senior Citizen Housing Project
 9. **NEW BUSINESS**
 - A. Economic Development Alliance
 10. **FINANCIAL BUSINESS**
 - A. Invoice Approval
 - Marine City Nursery, Invoice #1065100 (\$180.00)
 - B. Preliminary Financial Statements
 11. **ADJOURNMENT**

**City of Marine City
Tax Increment Finance Authority
July 19, 2016**

A regular meeting of T.I.F.A. was held in the Fire Hall, 200 South Parker Street, Marine City, Michigan, on Tuesday, July 19, 2016, and was called to order at 4:00 PM by Board Member Tisdale.

After observing a moment of silence, the Pledge of Allegiance was led by Board Member Tisdale.

Present: Board Members Babchek, Lepley, Seigneurie, Tisdale; City Manager Leven; City Clerk Baxter

Absent: Chairperson May; Board Members Bryson & Weisenbaugh

Motion by Board Member Lepley, seconded by Board Member Babchek, to excuse Chairperson May and Board Members Bryson and Weisenbaugh from the meeting. All Ayes. Motion Carried.

Approve Agenda

Motion by Board Member Tisdale, seconded by Board Member Seigneurie, to add the following items to the Agenda:

*** Unfinished Business**

#8-D: Detroit Gasket Property ~ Senior Citizen Housing Project

#8-E: Lions Club Parking Lot

All Ayes. Motion Carried.

Motion by Board Member Seigneurie, seconded by Board Member Lepley, to approve the Agenda, as amended. All Ayes. Motion Carried.

Approve Minutes

Motion by Board Member Babchek, seconded by Board Member Tisdale, to approve the Minutes of the Regular Tax Increment Finance Authority Meeting held June 17, 2016, as presented. All Ayes. Motion Carried.

Communications

The following Communications were received:

- Senate Recodified Tax Increment Financing Act Components
- Friends of City Hall

The Board gave City Clerk Baxter direction to bring the Senate Recodified Tax Increment Financing Act Components communication back as an agenda item at the August 16, 2016 meeting.

Motion by Board Member Lepley, seconded by Board Member Babchek to receive and file the Communication. All Ayes. Motion Carried.

Public Comment

Mike Hilferink, 218 Pleasant, spoke in opposition of renewing the contract with Strategic Communication Solutions, Inc.

Lisa Hendrick, 186 S. Third Street, spoke about the guidelines for TIFA and said they needed to be followed, as well as providing reports and accountability.

Unfinished Business

Request Grant Writing Consultant(s)

City Manager Leven announced that two RFP's had been received for grant writing services. She asked the Board if they would like to move forward and interview the applicants or elect to put the RFP out for bid again.

Board Members Tisdale and Lepley both agreed that the RFP process should be extended 30 days in an effort to obtain more bids.

Motion by Board Member Lepley, seconded by Board Member Tisdale, to extend the Request for Proposals deadline for a period of 30 days. All Ayes. Motion Carried.

Strategic Communication Solutions, Inc. ~ Contract

Extending the contract with Strategic Communication Solutions, Inc. was discussed by the Board. Due to current ongoing projects, the Board elected to extend the contract by 30 days.

Motion by Board Member Seigneurie, seconded by Board Member Babchek, to extend the contract with Strategic Communication Solutions, Inc. for a period a 30 days with an option to extend the contract further, if necessary. Ayes: Babchek, Lepley, Seigneurie. Nays: Tisdale. Motion Carried.

Discussion on Development Plans for TIFA #2 & TIFA #3

Board Member Lepley advised that the sub-committee did not have the opportunity to drive around the districts and review options. He recommended that it be added as an agenda item for the August 16, 2016 meeting for further discussion.

Detroit Gasket Property ~ Senior Citizen Housing Project

DPW Supervisor Itrich reported that Detroit Gasket expressed enthusiasm to work with the city on a project for the property located at 600 Ward Street. Reports and studies of the site were provided to the Board for consideration.

Motion by Board Member Lepley, seconded by Board Member Tisdale, to add the Detroit Gasket property to the August 16, 2016 agenda. All Ayes. Motion Carried.

Lion's Club Asphalt Quote

Mark Ketchum spoke on behalf of the Marine City Lion's Club and reported that the club wished to replace the existing parking lot, as well as add a second lot to accommodate more vehicles. Mr. Ketchum reported that the bid for asphalt of \$62,000 was very closely priced to the bid for concrete in the amount of \$74,864. He said that the club was asking TIFA to cover the entire balance due to the club being strictly a service organization.

A discussion of the Board took place with concern stated that if they became involved in projects of this nature, the Board may be overwhelmed with other requests from non-profits.

Expansion of the lot was also discussed with City Manager Leven stating that there were property line issues with the Department of Public Works, whose property adjoins the club property.

Terry Filo, also a representative from the Lion's Club, stated that a large portion of the damage to the lot was from the Little League's continued use.

City Manager Leven and several Board members suggested that the Lion's Club speak with the Marine City Little League to see if they could set aside funds to help with the lot replacement.

Resident Lisa Hendrick, suggested that the club look at replacing one lot, instead of two and said the Lion's Club did a lot for the community.

Lion's Club representatives said they would obtain bids for replacing the existing lot and bring them back for consideration.

Motion by Board Member Lepley, seconded by Board Member Tisdale, to table the request for 30 days. All Ayes. Motion Carried.

New Business

None.

Financial Business

Invoice Approval

Motion by Board Member Lepley, seconded by Board Member Babchek, to approve Strategic Communication Solutions Invoice #10055 in the amount of \$5,000.00. All Ayes. Motion Carried.

Motion by Board Member Tisdale, seconded by Board Member Seigneurie, to approve KCA Services Invoice #04 in the amount of \$300.00. All Ayes. Motion Carried.

Motion by Board Member Seigneurie, seconded by Board Member Tisdale, to approve Marine City Nursery Invoice #1064405 in the amount of \$180.00. All Ayes. Motion Carried.

Motion by Board Member Tisdale, seconded by Board Member Seigneurie, to approve the Vandebossche Farms, LLC Invoice #16-0143 in the amount of \$4,000.00; the remaining balance of \$845.00 should come to the Board as a request from the Marine City Garden Club. All Ayes. Motion Carried.

Motion by Board Member Lepley, seconded by Board Member Babchek, to accept the Preliminary Financial Statements, as presented, and place them on file. All Ayes. Motion Carried.

Adjournment

Motion by Board Member Seigneurie, seconded by Board Member Babchek, to adjourn at 5:31 pm. All Ayes. Motion Carried.

Respectfully submitted,

Kristen Baxter
City Clerk



710 Avis Drive
Ann Arbor, MI 48108

8-E

www.geotransinc.com

734-213-2204 FAX 734-213-5008

March 6, 2007

Mr. Matthew Rathsack
Tetra Tech IER
67529 Main Street
Richmond, Michigan 48062

**Re: Phase II Investigation
Former Detroit Gasket
600 Ward Street
Marine City, Michigan**

Dear Mr. Rathsack:

GeoTrans, Inc. (GeoTrans), a Tetra Tech Company, is pleased to submit this Scope of Work and cost estimate to perform a Phase II investigation for the property located at 600 Ward Street, Marine City, Michigan (subject property). A Phase I ESA for the subject property was prepared by AKT Peerless Environmental Services for Indian Head Industries, Inc. of Charlotte, North Carolina, on September 21, 2005. The Phase I ESA concluded that "...no evidence or indication of recognized environmental conditions, de minimis conditions, or potential areas of concern has been revealed. No further investigation is deemed necessary at this time."

Although the Phase I ESA stated that no evidence or indication of recognized environmental conditions existed at the site, the report also stated that elevated chromium remained on the site following demolition activities conducted in 1996. The Phase I ESA included the Demolition Summary Report prepared by AKT dated October 15, 1996, which documented the presence of elevated chromium, just over the state default clean-up criteria.

GeoTrans understands that Indian Head Industries, the current owner of the subject property, is interested in transferring the title of the property to Marine City. The objective of the following Scope of Work is to identify whether exceedences are present in the soils and/or groundwater at the subject property and update the environmental status and potential environmental liability remaining at the site.

SCOPE OF WORK

The investigation will be conducted in accordance with the American Society for Testing and Materials (ASTM) Standard E1903-97, "Standard Site Assessments: Phase II Environmental Site Assessment Process."

Task 1 – Completion of Soil Borings

Three days prior to completing subsurface work on the subject property, MISSDIG will be contacted to stake any utilities on the property.

GeoTrans and our drilling subcontractor will advance a total of five (5) GeoProbe™ soil borings at the subject property. Borings will be advanced to a maximum depth of 20 feet, or groundwater, whichever is encountered first. The soil boring locations will be based on the presence of existing overhead and underground utilities, and to attain sufficient coverage of the subject property. In addition, existing reports will be reviewed to target potential areas of environmental impact.

Task 2 – Collection of Samples

Continuous soil samples will be collected from each of the proposed borings. Soil samples will be collected using four-foot-long disposable macrosamplers. Collected soil samples will be field screened with a photoionization detector (PID) to measure total volatile organics compounds (VOCs). Those soils exhibiting the highest PID readings, or those exhibiting visual or olfactory evidence of impact, will be submitted for laboratory analysis. Soil samples will be preserved in the field in accordance with Method 5035 and placed into laboratory cleaned and provided containers.

If groundwater is encountered, a one-inch PVC temporary well screen of equivalent method will be used to collect a groundwater sample. The groundwater will be purged using a peristaltic pump to remove most of the visible fine sediment, or a maximum of 15 minutes. An unfiltered sample will be collected and transferred into the laboratory-cleaned and provided containers.

If no VOCs are detected using the PID, and no visual or olfactory evidence of impact is evident, soil samples will be collected from an unsaturated interval above the groundwater, or at the termination of the boring.

Task 3 – Laboratory Analysis of Samples

Soil samples and a groundwater sample (if encountered) will be submitted to the laboratory for analysis of VOCs (USEPA Method 8260), polynuclear aromatic compounds (USEPA Method 8270) and the ten Michigan metals (USEPA Methods 6000 series and 200 series).

A maximum of six (6) soil samples and two (2) groundwater samples will be submitted to the laboratory for analysis, which includes one duplicate soil sample and/or groundwater trip blank for quality control/quality assurance.

Samples will be analyzed under standard laboratory quality assurance/quality control procedures. Standard chain-of-custody procedures will be followed. All sampling and sample handling will be performed in accordance with safe and proper procedures.

Task 4 – Data Evaluation and Reporting

The results of this Phase II investigation will be interpreted and summarized in a final letter report. Our report will include a summary of the field activities conducted, the results of analytical results, and our conclusions and recommendations.

PROJECT SCHEDULE

We will perform the above Scope of Work in a timely manner. We are prepared to mobilize upon receiving your authorization to proceed. Field activities are expected to be completed in one day. The final letter report will be submitted to you within two weeks of receiving the analytical results.

COST ESTIMATE

GeoTrans will perform the above-defined scope of services for a total budget of \$8,500. The work will be performed on a time and materials basis in accordance with our annual inter company agreement.

A breakdown of the budget follows:

Breakdown of Time and Materials Budget

GeoTrans Labor.....	\$ 3,800
GeoTrans Expenses	\$ 400
GeoProbe™ Subcontractor	\$ 1,500
Laboratory Analysis.....	<u>\$ 2,800</u>
Total	\$ 8,500

The cost estimate has been developed using the following assumptions:

- A maximum of five (5) soil borings will be advanced to maximum depths of 20 feet or groundwater, whichever is encountered first.
- A maximum of six (6) soil samples and two (2) groundwater samples will be submitted to the laboratory for analysis of VOCs, PNAs and the 10 Michigan metals. This includes one duplicate soil sample and one trip blank groundwater sample for QA/QC assurance.
- Lead will be reported at total, and not fine and coarse fraction.
- Drilling fees are based on a quotation from Environmental Investigations of Lapeer, Michigan, and assumes field activities will require a single 8-hour day to complete.
- Standard laboratory turn-around time of 7 to 10 days will be requested.
- Soil cuttings, drilling decontamination water and purge water will not be containerized.

Page 4
Mr. Matthew Rathsack
March 6, 2007

GeoTrans, Inc., appreciates the opportunity for providing our technical services on this project. If there are any questions, or if additional information is required, please do not hesitate to contact me at 734-213-4068.

Sincerely,



Tammy F. Rabideau, CPG
Senior Project Hydrogeologist



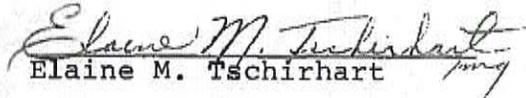
Michael S. Kovacich, CPG
Operations Manager

INTER-OFFICE CORRESPONDENCE

TO	R. Parker	FROM	Elaine M. Tschirhart
LOCATION	IHI-Corporate Charlotte, NC	LOCATION	Southfield
		DATE	September 20, 1993

SUBJECT: Marine City Property - Estimated
Renovation and Demolition Costs

Enclosed please find a copy of AKT's report detailing estimated costs of renovation and demolition as they pertain to the Marine City property.


Elaine M. Tschirhart

EMT:mg
Enclosure

cc: F. Folson (w/encl.)
F. Vecchio (w/encl.)

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Project Update

To: Mr. Ronald I. Parker
Indian Head Industries, Inc.

cc: Elaine Tschirhar+
Frank Vecchio

From: Mr. Anthony J. Kashat
Mr. Tony R. Anthony
AKT Environmental Consultants, Inc.

Date: September 17, 1993

RE: Indian Head Industries - Marine City Property; Estimated Renovation and
Demolition Costs

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Demolition Activity

Demolition Activity	Cost	Optional
Project Management	\$ 12,000	
Building Demolition, excluding: (a) demolition of slab and sub-grade concrete (b) cleaning and plugging floor drains, pits, and trenches	140,000	
Demolition of Slab and Sub-grade Concrete Foundations (limited to 2 feet below ground surface)		160,000
Clean and Plug Floor Drains, Pits, and Trenches (excluding lines from catch basin to final discharge)	28,000	
Removal, Transportation, and Disposal of Oil from Machine Pits (based on 1,000-gallons @ \$ 1.25/gallon)	3,000	
Lead Abatement and Monitoring	67,500	
Characterization, Removal, Transportation, and Disposal of PCB Electrical Equipment and Liquids, including: (a) ten PCB transformers (b) one PCB oil circuit breaker (c) several PCB capacitors (d) PCB light ballasts These costs do not include removal and disposal of the transformer pad. These costs and methods will be based on analytical testing of the pad to determine if PCBs are present.	38,000	
Asbestos Survey, Abatement, and Monitoring	22,000	
Total: (leaving slab and sub-grade concrete in-place)	310,500	
Total: (removing slab and sub-grade concrete)	470,500	

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Renovation Activity

Renovation Activity	Cost	Optional
Project Management	\$ 8,000	
Removal of Building Interior (including all mechanical, electrical, and interior office partitions, leaving building shell)	11,500	
Renovation of Building Roof (including replacement of rotten boards and metal sheeting)	200,000	\$ 400,000 Replacement
Secure Building (i.e., windows, doors, etc.)	3,500	
Clean and Plug Floor Drains, Pits, and Trenches (excluding lines from catch basin to final discharge)	28,000	
Removal, Transportation, and Disposal of Oil from Machine Pits (based on 1,000-gallons @ \$ 1.25/gallon)	3,000	
Separate Storm and Sanitary System (including re-routing roof sumps and removing catch basin)	55,000	
Lead Abatement and Monitoring		60,500
Characterization, Removal, Transportation, and Disposal of PCB Electrical Equipment and Liquids, including: (a) ten PCB transformers (b) one PCB oil circuit breaker (c) several PCB capacitors (d) PCB light ballasts These costs do not include removal and disposal of the transformer pad. These costs and methods will be based on analytical testing of the pad to determine if PCBs are present.	38,000	
Asbestos Abatement and Monitoring		22,000
Total (without lead and asbestos abatement)	347,000	
Total (with lead and asbestos abatement)		429,500

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Removal and Disposal of PCB Electrical Equipment and Liquids	
Activity	Cost
Management of Project	2,500
PCB Oil Sampling and Analyses	3,200
Removal and Disposal of 10 PCB Transformers and One PCB Oil Circuit Breaker	16,000
Removal and Disposal of PCB Capacitors	3,500
Removal and Disposal of Fencing and Buss Bars	1,500
Sampling and Analyses of Electrical Pad	1,000
Removal and Disposal of Electrical Pad	
Removal and Disposal of PCB Light Ballasts	10,300
Total	38,000

* Cannot provide; removal and disposal costs will be based on sampling and analyses.

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Estimated Potential Value of Real Estate (post demolition)	
Industrial	\$ 2,000 to 4,000/acre
Multi-Family	3,000 to 6,000/acre

STATE OF MICHIGAN

NATURAL RESOURCES

COMMISSION
JERRY C. BARTNIK
LARRY DEVUYST
PAUL EISELE
JAMES P. HILL
DAVID HOLLI
JOEY M. SPANO
JORDAN B. TATTER

JOHN ENGLER, Governor

DEPARTMENT OF NATURAL RESOURCES

ROLAND HARMES, Director

SOUTHEAST NORTH MICHIGAN DISTRICT OFFICE
ENVIRONMENTAL RESPONSE DIVISION
38980 Seven Mile Road
Livonia, Michigan 48152

July 8, 1994

Ms. Elaine Tschirhart,
Vice-President of Human Resources
Indian Head Industries
26899 Northwestern, Suite 400
Southfield, Michigan 48076

RE: Type B Closure for the Detroit Gasket Site
6000 Ward Street, Marine City, St. Clair County, Michigan

Dear Ms. Tschirhart:

The Michigan Department of Natural Resources (MDNR) is in receipt of the closure report, prepared October 12, 1993 and provided November 2, 1993 by AKT Environmental Consultants, Inc. (AKT) requesting MDNR concurrence that no further remedial actions are necessary.

According to the work summary, the interim response activities consisted of removal of nine underground storage tanks, excavation of contaminated soils, and proper disposal of waste liquids and contaminated soils. Soil samples were collected to verify mitigation of the contamination to acceptable concentrations. Groundwater contamination above type B criteria was not present at this facility. Based upon staff review of the summary of work performed, we concur that the interim response activities undertaken at this facility have reduced contamination to concentrations below acceptable type B clean-up levels.

The MDNR is unable to express any opinion regarding any other contaminants beyond those found and remediated as part of the interim response activities associated with this release. We make no warranty as to the fitness of the site for any general or specific use, and prospective purchasers are advised to use due diligence in acquiring or using this site. The site will not be considered for further inclusion on the Act 307 List as a site of environmental contamination with regard to this incident.



Ms. Elaine Tschirhart

-2-

July 8, 1994

If you have further questions regarding this matter, please call
Greg Barrows at (313) 953-1446

Sincerely,



Oladipo Ovinson
Southeast Michigan District Supervisor

cc: Mr. James Thomas, MDNR
Mr. Gregory Barrows, MDNR

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**PHASE I ENVIRONMENTAL SITE ASSESSMENT
600 WARD STREET
MARINE CITY, MICHIGAN 48039**

for

**INDIAN HEAD INDUSTRIES, INC.
8530 CLIFF CAMERON DRIVE
CHARLOTTE, NORTH CAROLINA 28265**

**AKT PEERLESS PROJECT NO. 0638F-3-17
SEPTEMBER 21, 2005**

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**PHASE I ENVIRONMENTAL SITE ASSESSMENT
600 WARD STREET
MARINE CITY, MICHIGAN 48039**

FOR

**INDIAN HEAD INDUSTRIES, INC.
8530 CLIFF CAMERON DRIVE
CHARLOTTE, NORTH CAROLINA 28265**

AKT PEERLESS PROJECT NO. 0638F-3-17

1.0 INTRODUCTION

Indian Head Industries, Inc. retained AKT Peerless Environmental Services (AKT Peerless) to conduct a Phase I Environmental Site Assessment (ESA) of 600 Ward Street located in Marine City, Michigan (subject property). AKT Peerless' scope of work is based on its proposal PF-6093-1, dated July 28, 2005.

AKT Peerless' scope of work is based on the American Society for Testing and Materials' (ASTM) "*Standard Practice For Environmental Site Assessments: ASTM E 1527*," which defines good commercial and customary practice for conducting an ESA and establishing "due diligence." Further, certain users of this report may use AKT Peerless' assessment to satisfy the due-diligence requirements to qualify for the innocent landowner defense under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

AKT Peerless' ESA was performed for the benefit of Indian Head Industries, Inc., and said party may rely on the contents and conclusions in this report. A subsurface investigation of the subject property was not conducted as part of this assessment.

1.1 PURPOSE

The purpose of the Phase I ESA was to evaluate the current and historical conditions of the subject property in an effort to identify *recognized environmental conditions* (RECs) and *potential areas of concern* (PAOC) in connection with the subject property.

According to ASTM Standard E 1527, Section 1.1.1, the term *recognized environmental condition* means the presence or likely presence of any hazardous substances or petroleum

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products on a property under conditions that indicate (1) an existing release, (2) a past release, or (3) a material threat of a release of any hazardous substances or petroleum products into structures on the subject property or into the ground, groundwater, or surface water of subject property. The term is not intended to include *de minimis* conditions that generally (1) do not present a material risk of harm to public health or the environment and (2) would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.

A potential area of concern is any physical area of concern or any issue of concern at the subject property (whether associated with the current or previous uses of subject property, with various aspects of current and/or past operations, or with past or present built or constructed features of subject property) that gives rise to reasonable concerns based on reasonably foreseeable outcomes that releases of hazardous or regulated substances may have occurred at, to, under, or beneath the subject property.

AKT Peerless used appropriate industry standards in maintaining innocent landowner defense options available to purchasers, sellers, and/or lenders under the Superfund Amendments and Reauthorization Act (SARA). Performance of this ESA is intended to reduce, but not eliminate, uncertainty regarding the potential for recognized environmental conditions in connection with a property.

1.2 PROJECT RESOURCES

AKT Peerless referred to the following resources between August 8, 2005 and September 13, 2005, to complete its ESA:

- United States Environmental Protection Agency (USEPA), Region 5
- United States Geological Survey (USGS)
- Michigan Department of Environmental Quality (MDEQ)
- MDEQ Waste and Hazardous Materials Division (WHMD)
- MDEQ Remediation and Redevelopment Division (RRD)
- MDEQ Office of Geological Survey (OGS)
- Michigan State University Center for Remote Sensing
- St. Clair County Environmental Health Department
- Marine City Fire Department
- Marine City Building Department
- Environmental Data Resources, Inc. (EDR)

AKT Peerless conducted interviews with the following personnel between August 8, 2005 and September 13, 2005, to complete its ESA:

- Mr. James Stewart; Representative of Butzel Long Attorneys and Counselors

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1.3 LIMITATIONS AND EXCEPTIONS OF THE ESA

AKT Peerless encountered the following limitations or exceptions in completing the ESA:

- Evaluation of soil and groundwater features at and near the subject property was based only on published maps and other readily available information. AKT Peerless used this information to assess soil types and groundwater flow directions to determine if any nearby sites present an environmental risk to the subject property.
- AKT Peerless does not typically review nearby sites in detail unless the site appears to present an environmental risk to the subject property.
- Unless specifically noted, invasive investigation of any kind has not been performed. Observation under floors, above ceilings, behind walls, within surface and subsurface soil, within groundwater, within confined spaces, or inaccessible areas has not been performed.
- Based on ASTM Standard Practice E 1527, AKT Peerless' ESA does not include investigation for wetlands, lead in drinking water, and lead-based paint.
- AKT Peerless' scope of work did not include conducting a review of property title documentation. It has been AKT Peerless' experience that reviewing title search information generally does not yield information beneficial in completing an ESA.
- Nothing in this report constitutes a legal opinion or legal advice. For information regarding individual or organizational liability AKT Peerless recommends consultation with independent legal counsel.
- Due to the poor scale of the historical aerial photographs, small features (e.g., individual drums, fuel dispensers) could not be depicted.
- The subject property is not depicted in the 1924 fire insurance map. The northern, southern, and western adjoining properties are not depicted in the 1924 and 1945 fire insurance maps. Only the southern portion of the eastern adjoining property is depicted in the 1924 and 1945 fire insurance maps.
- AKT Peerless' inspection of the subject property ground surface was limited due to the presence of tall (exceeding five feet in some areas) dense vegetation throughout the subject property.

1.4 SPECIALIZED INFORMATION REPORTED BY CLIENT

To assist AKT Peerless in identifying conditions of potential environmental concern at the subject property, AKT Peerless requested the following information from Indian Head Industries, Inc.:

- Environmental liens identified during a land title records search.
- Specialized knowledge or experience that is material to identifying environmental concerns in connection with subject property.

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- Environmental records or reports regarding potential or known environmental liabilities associated with the subject property.

Indian Head Industries, Inc. provided AKT Peerless with the following environmental reports:

- AKT Environmental Consultants, Inc. (AKT) May 28, 1993 Initial Abatement (20-Day) Report
- AKT's June 25, 1993 Underground Storage Tank Closure 45-Day Report
- AKT's October 12, 1993 Underground Storage Closure Report
- AKT's October 15, 1996 Demolition Summary Report

These reports are summarized in Section 3.5.

2.0 SUBJECT PROPERTY DESCRIPTION

2.1 LOCATION

The subject property is located in Marine City, Michigan and consists of a rectangular parcel (I.D. Number 74-02-625-0024-000) totaling approximately 13.97 acres. The subject property is located in the northwest corner of Ward Street and South Parker Street (M-29) intersection. Subject property is situated in the southwest ¼ of Section 1 in Marine City (T.3N., R.16E.), St. Clair County, Michigan.

Refer to Figure 1, Subject Property Location Map; Figure 2, Subject Property and Surrounding Area Map; Figure 3, Topographic Subject Property Location Map; and Figure 4, Plat Map. The legal description of the subject property is presented in Appendix A. Photographs taken during AKT Peerless' inspection are provided in Appendix B.

2.2 SUBJECT PROPERTY AND VICINITY CHARACTERISTICS

The subject property is located in a residential and commercial area of Marine City, Michigan, and contains undeveloped land. There are no structures located on the subject property.

The subject property is bordered by undeveloped land to the north, a trail followed by commercial development to the east, an athletic field to the south (beyond Ward Street), and an athletic field to the west.

2.3 STRUCTURES/OTHER IMPROVEMENTS

There are no structures or other improvements located on the subject property.

2.4 UTILITIES AND MUNICIPAL SERVICES

AKT Peerless reviewed the type and supplier of utilities and municipal services for the subject property. These services are described in the following table.

Utility/Service	Type	Utility Company or Municipality	Historical Services
Heating	Natural gas available	Semco	Heating oil
Municipal waste	None currently generated	N/A	None identified
Potable water	Municipal available	Marine City	None identified
Electrical	Available	DTE Energy	None identified
Sewerage disposal	Municipal available	N/A	None identified

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2.5 CURRENT USES OF THE SUBJECT PROPERTY

The subject property is currently vacant and is used for any obvious or significant purpose.

2.6 CURRENT USES OF ADJOINING PROPERTIES

The current uses of adjoining properties are described in the following table.

Location	Adjoining Property Use	Observed Environmental Concern(s)
North	Undeveloped land	None
East	Recreational trail followed by commercial development (Citizens First Savings Bank, Pepe's Pizza, Merideth Tax Service, Lift for Life Fitness Center, Kern Chiropractic Center, Won Ton Palace, Marine City Library, Ward-Cottrell East High School; 210 through 310 South Parker Street)	None
South	Little League Athletic Field	None
West	Athletic field	None

AKT Peerless observed an asphalt-covered recreational trail immediately east of the subject property in the area of former Port Huron and Detroit railroad. AKT Peerless did not observe any evidence of a release in this area. It is AKT Peerless' opinion that the past presence of a railroad on the eastern adjoining property does not appear to present an environmental risk to the subject property based on the following: (1) the railroad structures had been removed; and (2) no evidence of a release was observed. Based on AKT Peerless' visual observations, the current uses of other adjoining sites do not appear to present an environmental risk to the subject property. In addition, as presented in Section 3.2, AKT Peerless did not identify any of the adjoining sites as potential concern to the subject property during its federal and state database research.

3.0 ENVIRONMENTAL RECORDS REVIEW

The objective of the records review is to evaluate reasonably ascertainable databases, historical records, and physical setting records to help identify recognized environmental concerns at subject property and, to the extent identifiable, at surrounding properties.

3.1 PHYSICAL SETTING RECORDS

AKT Peerless reviewed geological survey maps for geologic, hydrologic, and topographic conditions that may affect potential contaminant migration to the subject property.

3.1.1 Topography and Area Hydrogeology

Based on a review of USGS Topographic Map entitled *Marine City, Michigan Quadrangle*, the subject property is relatively flat and rests at an elevation of approximately 585 feet above the National Geodetic Vertical Datum (NGVD). Based on topographic contours, the regional surface water discharge appears to be to the east towards the Belle River, which flows to the south. Based on the information presented in the topographic map, part of the Port Huron and Detroit railroad was located immediately east of the subject property and a railroad spur was located north of the former on-site building. According to the map, a water tank was also located near the northeast corner of the former building.

Typically, the water table aquifer flows toward a major drainage feature or in the same direction as the drainage basin. Therefore, it is likely that groundwater beneath the subject property generally flows to the east towards Belle River. However, both surface water and groundwater flow may be influenced by local manmade obstructions and diversions (e.g., buildings, roads, sewer systems, and utility service lines). To determine the subject property-specific groundwater flow direction, an evaluation of subsurface information would be necessary.

As discussed in Section 3.5.3, groundwater was not encountered during drilling or excavation activities conducted at the subject property in 1993. However, three monitoring wells were installed at the subject property during this investigation. Only a small amount of water percolated into two of three monitoring wells after a 24-hour period.

3.1.2 Area Soil

According to the United States Department of Agriculture, *Soil Survey of St. Clair County, Michigan*, the soil in the area is classified as the Paulding-Wasepi, clay subsoil variant association. This soil is described as "nearly level, very poorly drained and somewhat poorly drained soils that have a clayey to loamy subsoil; on the lake plain and glacial lake beaches."

According to the Michigan Geological Survey Division's publication, *Quaternary Geology of Southern Michigan*, soil in the area is lacustrine clay and silt. This soil is described as gray to dark reddish brown and is varved in some localities. The soil chiefly underlies extensive, flat,

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low-lying areas formerly inundated by glacial Great Lakes. The soil thickness ranges from 10 to 30 feet. Typically, lacustrine clay and silt are associated with low hydraulic permeability, and restrict the movement of groundwater.

As discussed in Section 3.5.3, soil encountered during the subsurface investigation conducted at the subject property in 1993 consisted of lacustrine clay. According to water well logs for the nearby residential properties located north of the subject property, clay extended in those locations to approximately 90 feet below ground surface.

3.2 FEDERAL AND STATE DATABASES

AKT Peerless retained EDR, Inc., to research federal and state environmental database information. The purpose of this research was to evaluate potential environmental risks associated with the subject property, adjoining sites, and nearby sites located within specified search parameters. Refer to Appendix C for the EDR report.

Typically, sites at a distance greater than a 1/2-mile radius represent only a remote chance of affecting the subject property. However, the maximum search distance extends to a 1-mile radius for some databases in accordance with ASTM Approximate Minimum Search Distances.

The subject property, identified as Detroit Gasket/Detroit Gasket Company/Indian Head Detroit Gasket Co., was listed on the following databases:

1. RCRA Small Quantity Generator (SQG)

This database includes facilities that generate or have generated between 100 and 1,000 kilograms of hazardous waste per calendar year. According to the EDR report, no regulatory compliance violations were reported for the subject property. Further information regarding this issue was obtained from MDEQ, and is discussed in Section 3.4.3.

2. Michigan Registered UST Facilities

This database includes facilities that have, or have had, registered UST systems. According to the EDR report and file information obtained from the MDEQ STD, the following USTs are registered to the subject property:

Tank ID	Contents	Capacity (gallons)	Tank Material	Piping Material	Installation Date	Status
6	Hazardous substance	6,000	Unknown	Unknown	September 30, 1970	Removed June 1, 1993
7	Water	6,000	Unknown	Unknown	September 30, 1970	Removed June 1, 1993

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Tank ID	Contents	Capacity (gallons)	Tank Material	Piping Material	Installation Date	Status
8	Water	500	Unknown	Unknown	September 30, 1970	Removed June 1, 1993
9	Gasoline	1,000	Asphalt coated or bare steel	Unknown	January 1, 1970	Removed June 1, 1993

Further information regarding these USTs was obtained from the MDEQ Waste and Hazardous Materials Division (WHMD). This information is discussed in Section 3.4.3.

3. Leaking Underground Storage Tank Site (LUST)

This database includes sites at which a release from a UST system has been reported. According to the EDR Report, confirmed releases were reported at the subject property on May 12, 1993 and June 9, 1993. The status of these releases is "open". Further information regarding these incidents was obtained from the MDEQ and previous investigations, and is discussed in Sections 3.4.4 and 3.5.

4. Deleted State Hazardous Waste Site (SHWS)

According to the EDR report, the subject property was removed from the list of state hazardous waste sites as it no longer meets the criteria specified in the rules. Further information regarding this issue was obtained from the MDEQ and is discussed in Section 3.4.3.

AKT Peerless' review of the databases (including the orphan list) also considered the potential or likelihood of contamination from adjoining and nearby sites. To evaluate which of the adjoining and nearby sites identified in the EDR report present an environmental risk to the subject property, AKT Peerless considered the following criteria:

1. Type of database on which the site was identified;
2. Location, direction, and distance of the site relative to the subject property;
3. Anticipated groundwater flow direction in the area of the subject property;
4. Local soil conditions in the area of the subject property; and
5. Surface and subsurface obstructions and diversions (e.g., buildings, roads, sewer systems, utility service lines, rivers, lakes, and ditches) present near the subject property.

Based on AKT Peerless' evaluation of the above criteria, those sites that may pose an environmental risk to the subject property are further evaluated by reviewing MDEQ file information. The federal and state databases reviewed and the number of adjoining and nearby sites identified, if any, are listed in the following table.

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Environmental Database	Approx. Min. Search Distance	No. of Sites Identified
National Priority List (NPL)	1.0 mile	0
Resource Conservation and Recovery Information System-Treatment, Storage or Disposal Facility (RCRIS-TSD)	0.5 mile	0
State Hazardous Waste Sites (SHWS)	1.0 mile	0
Deleted State Hazardous Waste Sites (SHWS)		1
Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS)	1 mile	0
CERCLIS – No Further Remedial Action Planned (NFRAP)	Subject and adjoining properties	0
Corrective Action Report Database (CORRACTS)	1.0 mile	0
Environmental Response and Notification System (ERNS)	Subject Property	0
Solid Waste Facilities/Landfill Sites (SWLF)	0.5 mile	0
Leaking Underground Storage Tank (LUST)	0.5 mile	7
Registered Underground Storage Tank (UST)	0.25 mile	4
RCRIS-Small-Quantity Generator (SQG)	Subject and adjoining properties	1
RCRIS-Large-Quantity Generator (LQG)	Subject and adjoining properties	0
Baseline Environmental Assessment (BEA)	0.5 mile	0
Inactive Solid Waste Facilities (HIST LF)	0.5 mile	1

Based on an evaluation of the criteria on the previous page and a review of readily available information, AKT Peerless did not identify any adjoining or nearby sites of potential environmental concern to the subject property in the EDR report.

3.3 HISTORICAL USE INFORMATION

The objective of reviewing historical sources is to: (1) develop a history of previous uses or specific occupancies of the subject property, (2) identify those uses or specific occupancies which are likely to have led to recognizable environmental conditions at the subject property, and to the extent identifiable, at adjoining properties, and (3) identify obvious uses of the subject property from the present, back to subject property's *obvious* first developed use, or back to 1940, whichever is earlier.

The subject property was used for industrial purposes from at least 1939 until the late 1980s. Manufacturing operations conducted at the subject property included the production of headliners and other soft interior products for automobiles. Between 1994 and 1996 the building located on

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the subject building was demolished. 'The subject property has not been used for any obvious or significant purpose since the demolition of the building.

The northern adjoining property has contained undeveloped land since at least 1941. The eastern adjoining property contained part of the Port Huron & Detroit railroad from at least 1924 until before 2005, when the railroad was removed and replaced by an asphalt-covered recreational trail. The land northeast of the railroad consisted of undeveloped land from at least 1941 until commercial development was constructed occurred between 1970 and 1980. The land southeast of the railroad has contained commercial development since at least 1939. The southern adjoining property (beyond Ward Street) has contained an athletic field since at least 1941. The western adjoining property contained undeveloped land from at least 1941 until an athletic field was constructed sometime between 1999 and 2005.

3.3.1 Aerial Photographs

AKT Peerless reviewed aerial photographs provided by the Michigan State University Center for Remote Sensing. Due to the poor scale of the historical aerial photographs, small features (i.e., individual drums, fuel dispensers) could not be depicted. AKT Peerless' review of historical aerial photographs of the subject property is summarized in the following table.

Photo Dates	Observations (Subject Property)	Recognized Environmental Concerns
1941	The subject property contains a large building.	None
1957, 1968, 1970, 1980	Same as above, except an additional building is constructed in the central western portion of the subject property.	None
1999	The building previously located on the subject property appears to have been demolished.	None

During the aerial photograph review, AKT Peerless did not observe any obvious landfilling or drum-storage areas, pits, artificial ponds, lagoons, or other obvious land features which could be associated with a recognized environmental condition near the subject property.

Photo Dates	Observations (Adjoining Properties)	Recognized Environmental Concerns
1941, 1957, 1968, 1970	The northern adjoining property consists of undeveloped land. The eastern adjoining property contains railroad tracks followed by undeveloped land to the northeast. Several large buildings are located in the southeast portion of the land beyond the railroad. The southern adjoining property (beyond Ward Street) contains an athletic field. The western adjoining property consists of undeveloped land.	Railroad

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Photo Dates	Observations (Adjoining Properties)	Recognized Environmental Concerns
1980, 1999	Same as above, except the northern portion of the eastern adjoining property contains several large buildings.	Railroad

As noted above, environmental concerns noted by AKT Peerless during the aerial photograph review were limited to the presence of a railroad east of the subject property in the 1941 through 1980 aerial photographs. As discussed in Section 2.6, the eastern adjoining property does not appear to present an environmental risk to the subject property based on the following: (1) railroad structures had been removed; and (2) no evidence of a release was observed during AKT Peerless' site reconnaissance.

3.3.2 Tax Assessment Records

AKT Peerless reviewed Marine City tax assessment records on the subject property. The potential environmental concerns considered are summarized in the following table.

Environmental Issue	Comments
Storage Tanks	None identified
Asbestos-Containing Materials	None identified
PCB Materials	None identified
Onsite Well/Septic System	None identified
Other	None identified

According to tax assessment file information, Indian Head Industries, Inc. currently owns the subject property. A copy of the legal description was obtained (refer to Appendix A for a copy of the legal description). In addition, the subject property is zoned B-2 (general business).

3.3.3 Building Department Records

AKT Peerless reviewed the Marine City Building Department records maintained for the subject property. The potential environmental concerns considered are summarized in the following table.

Environmental Issue	Comments
Storage Tanks	9 USTs were identified at the subject property. All USTs were removed. See table in Section 3.4.3 for UST information.
Asbestos-Containing Materials	None identified

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Environmental Issue	Comments
PCB Materials	None identified
Onsite Well/Septic System	None identified
Other	None identified

According to the building department records, the former building located on the subject property was constructed in 1939.

3.3.4 City Directories

To evaluate historical information regarding potential past uses of the subject and adjoining properties, AKT Peerless attempted to review city directories at Bresser's Library. However, personnel at the library informed AKT Peerless that the city directory information was not available for the Marine City area.

3.3.5 Fire Insurance Maps

AKT Peerless retained EDR to provide available historical *Sanborn Fire Insurance Maps* for the subject property. Fire insurance maps published in 1924 and 1945 were available for review. The subject property is not depicted in the 1924 fire insurance map. The northern, southern, and western adjoining properties are not depicted in the 1924 and 1945 fire insurance maps. Only the southern portion of the eastern adjoining property is depicted in the 1924 and 1945 fire insurance maps. Copies of the Sanborn maps are presented in Appendix E.

Historical information regarding the subject property, obtained from AKT Peerless' review of the available fire insurance maps, is presented in the following table.

Dates	Observations (Subject Property)	Potential Environmental Concerns
1945	The subject property contains an industrial building labeled "Detroit Gasket & Manufacturing Co." A railroad spur is located immediately east of the building and lends to the Port Huron and Detroit railroad.	Industrial operations, presence of a railroad spur east of the building

As indicated in the above table, environmental concerns noted on the subject property included the occurrence of (1) industrial operations on the subject property in the 1945 fire insurance map and (2) the presence of a railroad spur immediately east of the former building.

Historical information regarding the adjoining properties, obtained from AKT Peerless' review of the available fire insurance maps, is presented in the following table.

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Dates	Observations (Adjoining Properties)	Potential Environmental Concerns
1924, 1945	The eastern adjoining property contains part of the Port Huron & Detroit railroad. The property southeast of the railroad contains the 3 rd Ward School/Ward-Cottrell Public School.	Railroad on the eastern adjoining property

3.4 ADDITIONAL INFORMATION

3.4.1 Subject Property Contact Interview

AKT Peerless contacted Mr. James Stewart of Butzel Long Attorneys and Counselors regarding the subject property. According to the information provided by Mr. Stewart, the subject property consists of approximately 14 acres of former industrial land.

3.4.2 Local Fire Department

AKT Peerless contacted the Marine City Fire Department to obtain available file information for the subject property. According to the department, nine USTs are registered to the subject property. All USTs were removed from the ground. For further information regarding the USTs refer to the table in Section 3.4.3.

3.4.3 MDEQ Waste and Hazardous Materials Division

AKT Peerless contacted the MDEQ's Waste and Hazardous Materials Division (WHMD) to review available records regarding registered USTs, waste management activities, permits, inspections, or violations on the subject property. According to MDEQ file information, the following USTs are registered to the subject property:

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Tank ID	Contents	Capacity (gallons)	Tank Material	Piping Material	Installation Date	Status
1	Fuel oil	10,000	Unknown	Unknown	Unknown	Removed June 1993
2	Fuel oil	10,000	Unknown	Unknown	Unknown	Removed June 1993
3	Fuel oil	10,000	Unknown	Unknown	Unknown	Removed June 1993
4	Fuel oil	10,000	Unknown	Unknown	Unknown	Removed June 1993
5	Fuel oil	10,000	Unknown	Unknown	Unknown	Removed June 1993
6	Thinner	4,000	Unknown	Unknown	September 30, 1970	Removed June 1993
7	Petroleum/Water	6,000	Unknown	Unknown	September 30, 1970	Removed June 1993
8	Petroleum/Water	6,000	Unknown	Unknown	September 30, 1970	Removed June 1993
9	Gasoline	1,000	Asphalt coated or bare steel	Unknown	January 1, 1970	Removed June 1993

In addition, the MDEQ provided AKT Peerless with information regarding waste management activities conducted at the subject property. According to this information, the occupant of the subject property, referred to as Indian Head Detroit Gasket Co., was classified as a small quantity generator. RCRA inspections were conducted at the subject property by EPA on September 23, 1981 and March 9, 1982. The September 1981 inspection revealed violations in the area of general requirements (absence of contingency plan regarding hazardous waste; lack of employee training).

The March 1982 inspection revealed the following violations: (1) general requirements (absence of contingency plan regarding hazardous waste; lack of employee training); (2) waste barrels with methylene chloride were being stored without containment; (3) the date the facility started to accumulate hazardous waste was not clearly marked on the containers; and (4) the facility had accumulated hazardous waste (methylene chloride) for more than 90 days. No further information regarding these violations was available to AKT Peerless. However, as discussed in Section 3.5, AKT Peerless conducted subsurface investigations at the subject property in 1993 and 1996. According to the results of these investigations, methylene chloride was detected below the laboratory detection limit in all samples collected.

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3.4.4 MDEQ Remediation and Redevelopment Division

AKT Peerless contacted the Cost Recovery Unit in Lansing, Michigan to evaluate whether any environmental cleanup liens had been filed against the subject property. According to the Cost Recovery Unit, no environmental cleanup liens pending against the subject property were found.

AKT Peerless reviewed MDEQ Remediation and Redevelopment Division (RRD) LUST file information maintained for the subject property. According to the MDEQ file information, the following investigation reports were identified for the subject property: AKT Environmental Consultants, Inc. (AKT) May 28, 1993 Initial Abatement (20-Day) Report, AKT's June 25, 1993 Underground Storage Tank Closure 45-Day Report, AKT's October 12, 1993 Underground Storage Closure Report, and AKT's October 15, 1996 Demolition Summary Report. These reports are summarized in Section 3.5.

In addition, according to Lorie Coburn, an Environmental Response Division (ERD) FOIA Coordinator, no files pertaining to the subject property are maintained.

3.4.5 Local Health Department

AKT Peerless contacted the St. Clair County Health Department to obtain available file information for the subject property. According to St. Clair County Health Department, no files pertaining to the subject property were found.

3.5 PREVIOUS ENVIRONMENTAL REPORTS

3.5.1 AKT Environmental Consultants, Inc. (AKT) May 28, 1993 Initial Abatement (20-Day) Report

UST investigation activities described in this report are discussed in Section 3.5.3.

3.5.2 AKT's June 25, 1993 Underground Storage Tank Closure (45-Day) Report

UST investigation activities described in this report are discussed in Section 3.5.3.

3.5.3 AKT's October 12, 1993 Underground Storage Closure Report

On May 5, 1993, Indian Head Industries retained AKT to close nine underground storage tanks (USTs) at the Detroit Gasket facility. As part of UST removal activities, AKT conducted a preliminary subsurface investigation to evaluate whether the USTs had leaked. On May 11, 1993 through May 13, 1993, 12 soil borings were installed. Groundwater was not encountered during drilling or excavation activities. However, three of the 12 soil borings were converted to monitoring wells. Only a small amount of water percolated into two of three monitoring wells after a 24-hour period. Soil encountered during the subsurface investigation consisted of lacustrine clay.

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According to water well logs for the nearby residential properties located north of the subject property, this clay extends to approximately 90 feet below ground surface. No free product was encountered during this investigation. This preliminary subsurface investigation indicated a release from the gasoline UST (based on elevated PID readings for soil in the vicinity of the UST) that was located at the southwest corner of the building. AKT reported a confirmed release to the Michigan State Police Marshal on May 13, 1993.

On May 28, 1993, AKT completed and submitted to the MDNR an Initial Abatement (20-Day) Report. During this investigation, a total of 15 soil and two groundwater samples were collected and analyzed for one or more of the following: volatile organic substances (VOCs), polynuclear aromatics (PNAs), cadmium, chromium, and lead. The laboratory results of soil and groundwater samples indicated that the analyzed parameters were below applicable MDNR Type "B" criteria.

PTI environmental Services, Inc. was retained to remove the USTs. UST removal activities began on June 8, 1993 and were completed on June 22, 1993. During this time, nine USTs were removed from the subject property. AKT discovered two additional releases. One release was discovered on June 9, 1993 near the mineral spirits UST, which was located near the west side of the building. The second release was discovered on June 15, 1993 near one of the heating oil USTs during the removal of five heating oil USTs located on the east side of the building. No free product was discovered during the UST removal activities. A 45-Day Underground Storage Tank Report was prepared by AKT and submitted to the MDNR on June 25, 1995.

Remedial activities conducted as part of UST closure activities included excavating additional soils immediately surrounding the leaking USTs. Approximately 665 cubic yards of contaminated soils were removed from the subject property and disposed at a licensed facility. After soil removal activities, AKT collected soil samples from the excavation pits in accordance with the Michigan Department of Environmental Quality's (MDEQ's) *Verification of Soil Remediation* guidance document and submitted the soil samples for laboratory analysis of one or more of the following: benzene, toluene, ethylbenzene, xylenes (BTEX), methyl-tert-butyl-ether (MTBE), VOCs, PNAs, chromium, cadmium, and lead. The analytical results indicated that the soils surrounding the former UST areas were below the applicable MDNR Type "B" Cleanup Criteria. On October 12, 1993, AKT submitted an Underground Storage Tank Closure Report to MDNR. On July 8, 1994, Indian Head Industries received confirmation from MDNR that the Detroit Gasket Facility would be removed from the Act 307 List in regards the leaking USTs. A copy of MDNR letter can be found in Appendix F.

To evaluate the current status of the facility (assuming that the contaminant concentrations remain the same), AKT Peerless compared the contaminant concentrations found during this investigation with the current MDEQ generic Tier I residential clean-up criteria. All contaminant concentrations found during the preliminary subsurface investigation activities and subsequent UST removal activities are below the current MDEQ generic Tier I residential clean-up criteria.

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3.5.4 AKT's October 15, 1996 Demolition Summary Report

Indian Head Industries Inc., retained AKT to supervise demolition activities of the former Detroit Gasket facility. Pre-demolition activities included abatement activities for asbestos, lead, and PCBs. These abatement activities were completed before building demolition began.

During removal of the floor of the manufacturing area, petroleum-stained soils were found near two concrete machine pits. In February of 1996, soil was excavated from around the two machine pits. In February and March 1996, AKT collected soil samples from the two machine pits (MP-1 and MP-2). In addition, AKT collected soil samples from four test pits and two other areas where Sheldon Construction observed petroleum odors. Soil samples were analyzed for VOCs, PNAs, polychlorinated biphenyls (PCBs), cadmium, chromium, and lead. Phenanthrene and 2-methylnaphthalene were detected in MP-1 above MDEQ Generic Residential 20X Drinking Water Values, and below MDEQ Generic Residential Direct Contact values and Draft Generic Residential Soil Inhalation values. The remaining compounds, where detected, were below the MDEQ Generic Residential 20X Drinking Water Values, Generic Residential Direct Contact values, and Draft Generic Residential Soil Inhalation values.

In March 1996, during excavation of the building footings, Sheldon Construction observed two areas where petroleum odors were encountered in the soils. AKT collected a soil sample from each of the two locations for analyses of VOCs and PNAs. VOCs were detected below MDEQ Generic Residential 20X Drinking Water Cleanup Criteria. All other compounds were not detected above laboratory method detection limits.

To evaluate the current status of the facility (assuming that the contaminant concentrations remain the same), AKT Peerless compared the contaminant concentrations found during this investigation with the current MDEQ generic Tier I residential clean-up criteria. All contaminant concentrations found during this subsurface investigation, except for chromium, are below the current MDEQ generic residential clean-up criteria. Chromium was detected above the MDEQ Groundwater Surface Water Interface Protection Criteria in soil samples collected in the vicinity of the former building¹.

A copy of previous environmental reports can be found in Appendix D.

¹However, According to April 1991 Michigan Background Soil Survey, chromium concentrations detected during this investigation do not exceed background concentrations for chromium for the area where the subject property is located (Erie Lobe).

4.0 SUBJECT PROPERTY INSPECTION

The objective of the subject property inspection was to identify recognized environmental conditions, such as evidence of hazardous materials, oil spills or surface staining, storage tank systems, potential polychlorinated biphenyls (PCBs) and asbestos sources, as well as other obvious environmental concerns associated with the subject property.

On August 19, 2005, Ms. Larisa Chernishuk of AKT Peerless conducted an inspection of the subject property. The following sections discuss the major environmental concerns considered during the subject property inspection. AKT Peerless' inspection of the subject property ground surface was limited due to the presence of tall (exceeding five feet in some areas) dense vegetation throughout the subject property. Otherwise, AKT Peerless did not encounter any limitations imposed by physical obstructions during the subject property inspection.

4.1 GENERAL SUBJECT PROPERTY OPERATIONS

The subject property contains undeveloped land covered with vegetation, such as trees, bushes, and grass.

4.2 HAZARDOUS SUBSTANCES AND PETROLEUM PRODUCTS

AKT Peerless did not observe any evidence of potentially hazardous substances or petroleum products use at the subject property.

4.3 HAZARDOUS AND NON-HAZARDOUS WASTE

AKT Peerless did not observe any evidence of current hazardous and/or non-hazardous waste generation or storage at the subject property.

4.4 UNIDENTIFIED SUBSTANCES

AKT Peerless did not observe any unidentified substances during its subject property inspection.

4.5 STORAGE TANK SYSTEM

AKT Peerless did not observe any evidence (i.e., vent pipes, fill ports, dispensing pumps) of UST or AST systems at the subject property.

4.6 SUSPECT PCB SOURCES

AKT Peerless inspected the subject property for the presence of liquid-cooled electrical units such as transformers and large capacitors. Such units are notable as they may be potential PCB sources. AKT Peerless did not observe any evidence of potential PCB sources at the subject property.

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4.7 SUSPECT ASBESTOS SOURCES

There are no buildings located on the subject property; therefore, an evaluation of suspect asbestos sources was not conducted during this assessment.

4.8 OTHER POTENTIAL AREAS OF CONCERN

AKT Peerless did not observe any other conditions of potential environmental concern, such as air pollution emissions or the discharge of potentially hazardous wastewater or storm water, during the inspection of subject property. Further, AKT Peerless did not identify any issues of material non-compliance associated with subject property operations.

AKT Peerless observed an abandoned sanitary sewer manhole and an abandoned fire hydrant located in the northeastern portion of the subject property. It is AKT Peerless' opinion that these structures do not appear to present an environmental concern to the subject property. AKT Peerless observed walking trails in the area of former railroad spurs located north and east of the former building. All railroad-related structures appeared to be removed. AKT Peerless did not observe any evidence of a release in the area of former railroad spurs.

5.0 CONCLUSIONS

The purpose of AKT Peerless' Phase I ESA was to provide a professional opinion of the potential and recognized environmental conditions and liabilities, if any, associated with the subject property. AKT Peerless' scope of work is based on and exceeds ASTM's "*Standard Practice For Environmental Site Assessments: ASTM E-1527*," which defines good commercial and customary practice for conducting an ESA and establishing "due diligence."

5.1 RECOGNIZED ENVIRONMENTAL CONDITIONS

In the professional opinion of AKT Peerless, an appropriate level of inquiry has been made into the previous ownership and uses of subject property consistent with good commercial and customary practice in an effort to minimize liability, and no evidence or indication of *recognized environmental conditions, de minimis conditions, or potential areas of concern* has been revealed. No further investigation is deemed necessary at this time.

However, as described in Section 3.2, the subject property remains listed as an "open" Leaking Underground Storage Tank (LUST) site in the state database. Although MDNR approved the UST Closure report as evidenced by the closure approval letter presented in Appendix F, the MDNR overlooked removing the property from the LUST site database. Therefore, AKT Peerless recommends contacting MDEQ and resolving this administrative oversight issue.

Historical Recognized Environmental Conditions

AKT Peerless identified the following *historical recognized environmental conditions*. Historical environmental conditions are environmental conditions that in the past would have been considered *recognized environmental conditions*, but which may or may not be considered *recognized environmental conditions* currently.

- As discussed in Section 3.3, the subject property was used for industrial purposes from at least 1939 until the late 1980s. The subject property was identified on registered Underground Storage Tank (UST), "open" LUST, RCRA Small Quantity Generator, and Deleted State Hazardous Waste Site databases during AKT Peerless' federal and state database research.

As discussed in Section 3.5.3, Indian Head Industries retained AKT Environmental Consultants, Inc., (AKT) to conduct the removal of nine USTs located at the subject property in May 1993. During the preliminary subsurface investigations and subsequent UST removal activities, confirmed releases of regulated substances were reported on May 12 (gasoline), June 9 (mineral spirits), and June 15 (fuel oil), 1993. As a part of UST closure activities, AKT excavated approximately 665 cubic yards of soil in the vicinity of the USTs and collected confirmation soil and groundwater samples. The analytical results indicated that the soil surrounding the former USTs were below MDNR Type "B" clean-up criteria and current MDEQ generic Tier I residential clean-up criteria. On October 12, 1993, AKT submitted a LUST Closure Report to MDNR. MDNR in its letter dated July 8, 1994

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concurred with the conclusions of the consultant and confirmed that Detroit Gasket Facility would be removed from the Act 307 List.

- As discussed in Section 3.5.4, AKT conducted additional subsurface investigation beneath the floor of the manufacturing area during the former building demolition activities conducted in February through March 1996. As a part of this investigation, additional soil was excavated and confirmation soil samples collected. According to the analytical results for soil samples, phenanthrene and 2-methylnaphthalene were detected above MDEQ Generic Residential 20X Drinking Water Values. The remaining compounds, where detected, were below the MDEQ Generic Residential 20X Drinking Water Values, Generic Residential Direct Contact values, and Draft Generic Residential Soil Inhalation values. According to the current MDEQ clean-up standards, all contaminant concentrations found during this subsurface investigation, except for chromium, were detected below the current MDEQ Tier I residential clean-up criteria. Chromium was detected above the current MDEQ Groundwater Surface Water Interface Protection Criteria in soil samples collected in the vicinity of the former building¹. Since chromium was detected above the current MDEQ residential clean-up standard, a prospective purchaser would be eligible to complete a Baseline Environmental Assessment (BEA) to obtain exemption from liability before purchase.
- As discussed in Sections 3.3.5, a railroad spur was located east of the former building in 1945 and, as discussed in Section 3.11.1, a railroad spur was located north of the subject building from at least 1968 until before 2005. In addition, as discussed in Section 3.3, Port Huron & Detroit railroad was located east of the subject property from at least 1924 until before 2005. As discussed in Sections 2.6 and 4.8.1, the railroad structures were removed and replaced by an asphalt-covered recreational trail in the area of the former Port Huron & Detroit railroad and walking trails in the area of the former railroad spurs. It is AKT Peerless' opinion that the former railroad does not appear to present an environmental risk to the subject property based on the following: (1) railroad related structures appeared to be removed; and (2) no evidence of a release was observed during AKT Peerless' site reconnaissance.

¹However, According to April 1991 Michigan Background Soil Survey, chromium concentrations detected during this investigation do not exceed background concentrations for chromium for the area where the subject property is located (Erie Lobe).

6.0 LIMITATIONS

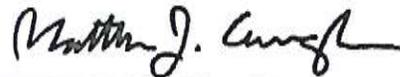
The information and opinions obtained in this report are for the exclusive use of Indian Head Industries, Inc. No distribution to or reliance by other parties may occur without the express written permission of AKT Peerless. AKT Peerless will not distribute this report without your written consent or as required by law or by a Court order. The information and opinions contained in the report are given in light of that assignment. The report must be reviewed and relied upon only in conjunction with the terms and conditions expressly agreed upon by the parties and as limited therein. Any third parties who have been extended the right to rely on the contents of this report by AKT Peerless (which is expressly required prior to any third-party release), expressly agrees to be bound by the original terms and conditions entered into by AKT Peerless and Indian Head Industries, Inc.

Subject to the above and the terms and conditions, AKT Peerless accepts responsibility for the competent performance of its duties in executing the assignment and preparing reports in accordance with the normal standards of the profession, but disclaims any responsibility for consequential damages. Although AKT Peerless believes that results contained herein are reliable, AKT Peerless cannot warrant or guarantee that the information provided is exhaustive or that the information provided by Indian Head Industries, Inc, or third parties is complete or accurate.

The following individuals contributed to the completion of this Phase I ESA.

Larissa Chishuk
Environmental Consultant
AKT Peerless Environmental Services

Farmington, Michigan Office
phone: 248.615.1333
fax: 248.615.1334



Matthew J. Cunningham
Senior Project Manager
AKT Peerless Environmental Services

Farmington, Michigan Office
phone: 248.615.1333
fax: 248.615.1334

Attorney-Client Privileged Document

FIGURES

VACANT

CITIZENS FIRST SAVINGS BANK
(210 S. PARKER)

PEPE'S PIZZA CARRY-OUT
(250 S. PARKER)

MERIDETH TAX SVC
(240 S. PARKER)

LIFT FOR LIFE FITNESS CENTER AND KERN CHIROPRACTIC CENTER
(260 S. PARKER)

WON TON PALACE
(308 S. PARKER)

MARINE CITY LIBRARY
(300 S. PARKER)

WARD-COTTRELL EAST HIGH SCHOOL
(310 S. PARKER)

ATHLETIC FIELD

PARKER STREET

WARD STREET

LEGEND

- - - - = SUBJECT PROPERTY
- = FORMER RAILROAD TRACKS
- = FORMER BUILDING
- = FORMER USTs



LITTLE LEAGUE ATHLETIC FIELD

AKTPEERLESS
environmental services

22725 Orchard Lake Road, Farmington, MI 48338
Phone: (248) 615-1333 Fax: (248) 615-1334

SUBJECT PROPERTY AND SURROUNDING AREA MAP

Indian Head Industries, Inc.
600 Ward Street
Marine City, Michigan

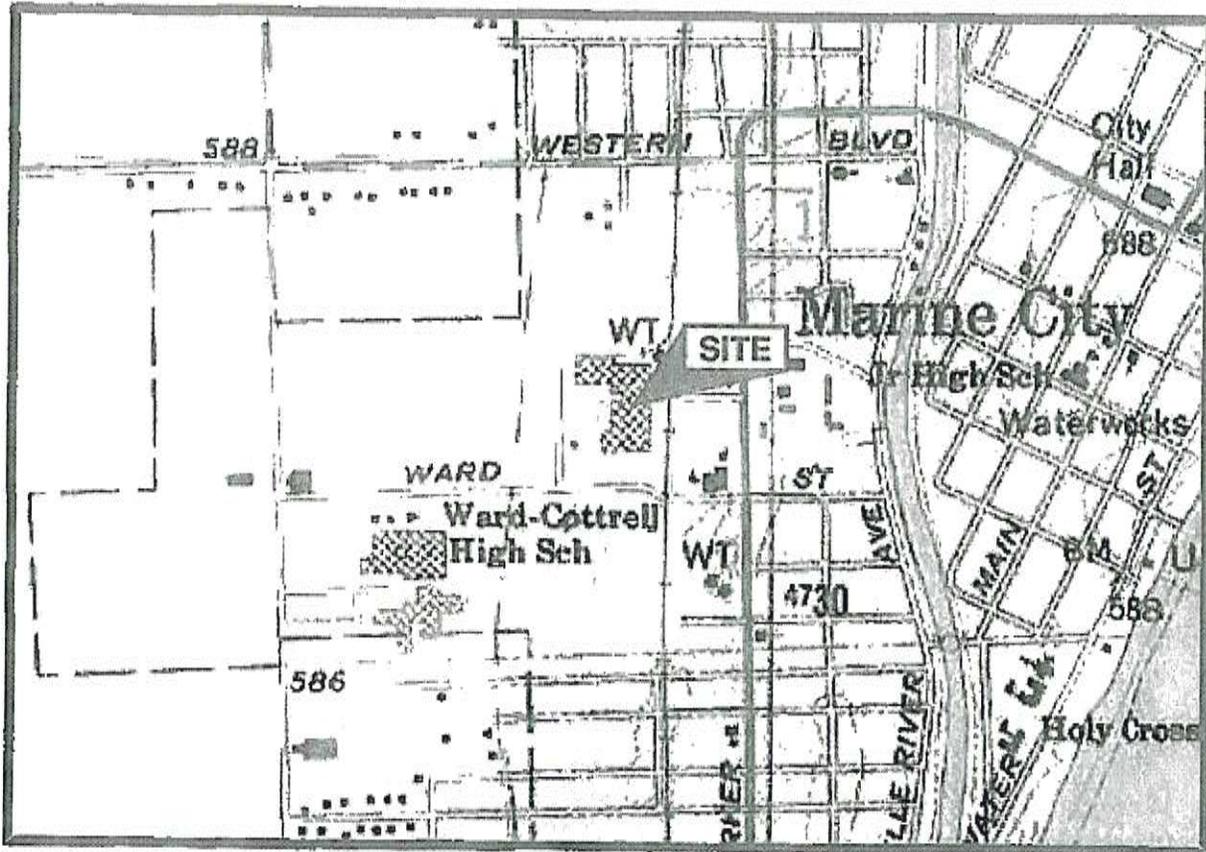
AKT Peerless Project Number: 0638F-3-17

Prepared by: GH

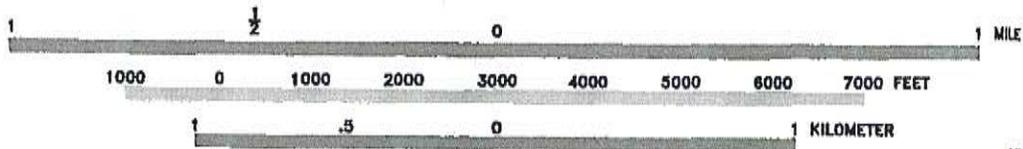
0 75 150
SCALE: 1" = 150'±

Figure 2

MARINE CITY QUADRANGLE
 MICHIGAN - SAINT CLAIR COUNTY
 7.5 MINUTE SERIES (TOPOGRAPHIC)



T.3 N. - R.16 E.



CONTOUR INTERVAL 5 FEET
 DATUM IS MEAN SEA LEVEL



IMAGE TAKEN FROM 1968 U.S.G.S. TOPOGRAPHIC MAP
 PHOTOREVISED 1973

AKTPEERLESS
 environmental services

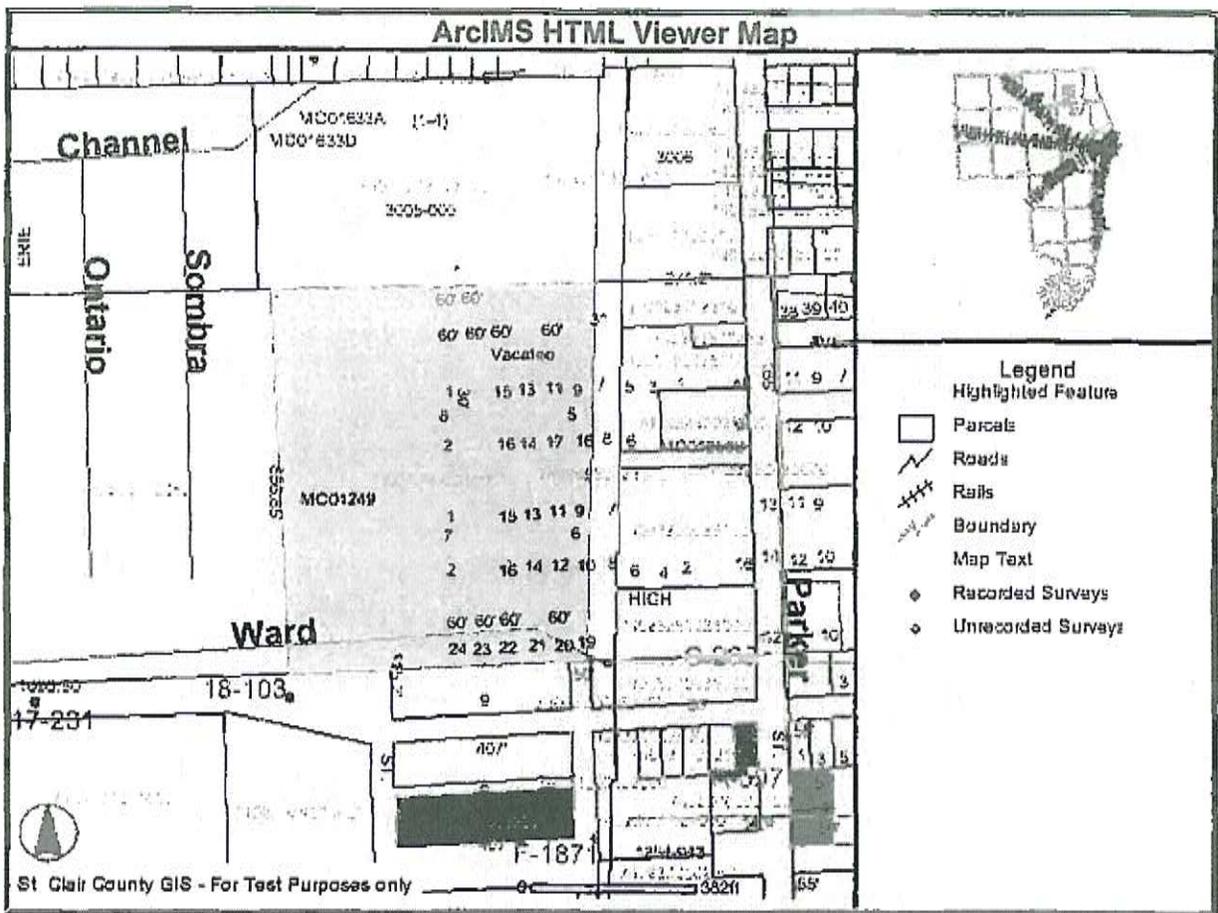
22725 Orchard Lake Road, Farmington, MI 48336
 phone: (248) 615-1333 fax: (248) 615-1334

TOPOGRAPHIC SUBJECT
 PROPERTY LOCATION MAP

INDIAN HEAD INDUSTRIES, INC.
 600 WARD STREET
 MARINE CITY, MICHIGAN
 PROJECT NUMBER : 638f-3-17

DRAWN BY: GH
 DATE: 8/26/05

FIGURE 3



AKTPEERLESS
environmental services
22725 Orchard Lake Road, Farmington, MI 48338
Phone: (248) 615-1333 Fax: (248) 615-1334

PLAT MAP
INDIAN HEAD INDUSTRIES, INC.
600 WARD STREET
MARINE CITY, MICHIGAN
PROJECT NUMBER : 0638F-3-17
DRAWING NUMBER : PM 1

DRAWN BY: LFC
DATE: 08-05-05

NO SCALE

FIGURE 4

Attorney-Client Privileged Document

APPENDIX A

Legal Description

1/19/2005

1:55 pm, DB: MARINE.05

ASSESSING SUMMARY SHEET FOR CITY OF MARINE CITY
74-02-625-0024-000

INFORMATION HEREIN DEEMED RELIABLE BUT NOT GUARANTEED -

Parcel #: 74-02-625-0024-000

Owners Name: INDIAN HEAD INDUSTRIES

Property Address: 600 WARD ST

Mailing Address:
30 CLIFF CAMERON DR
ARLOTTE NC 28269-9786

Legal Description:
AT PART OF PARKER & LESTER DIVISION & VAC STS & ALLEYS LYING W OF A
NE 33 FT W OF & PARALLEL TO CL OF P. H. & D. R. R. R/W & LOTS 18 TO
INC S OF HIGH ST. & THAT PART OF FR. SEC 1 LYING W OF ABOVE LAND TO
SEC LINE & BETW ITS EXTD N & S LINES, EXC W 1290 FT OWNED & OCC. AS
E PARCEL. FRAC SEC 1 3-16 PARKER AND LESTER DIVISION T3N R16E SEC

-----Most Recent Sale Information-----

-----Physical Property Characteristics-----

05 S.E.V.: 400,000	2005 Taxable.: 109,621	Land Value: 399,670
Rating:		Acreage: 13.97
R.E.: 0		Frontage: 710.0
School: 74050		Average Depth: 856.8
Assess: 300		

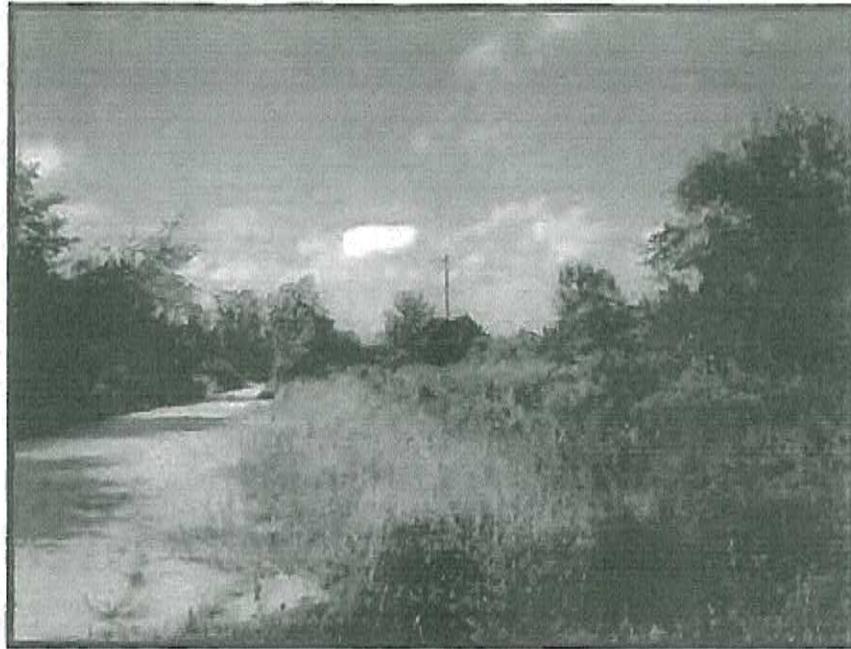
-----Improvement Data-----

Number of Residential Blds: 0	# of Ag Buildings: 0
Year Built: 0	Est TCV: 0
Occupancy: Single Family	
Assess: D	# of Comm. Buildings: 0
Style: Ranch	Class: A
Number of Bedrooms: 0	Floor Area: 0
Number of Bathrooms: 0.0	Est TCV: 0
Pool Area: 0	
Pond Area: 0	
Deck Area: 0	
Garage Area: 0	
Other Area: 0	
Unimproved Area: 0	
Unimproved TCV: 0	

Attorney-Client Privileged Document

APPENDIX B

Property Photographs



**Photograph No. 1
Subject Property
Facing north.**



**Photograph No. 2
Subject Property
Facing northeast.**

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environmental services

22725 Orchard Lake Road, Farmington, MI 48336
Phone: (248) 615-1333 Fax: (248) 615-1334

**PROPERTY PHOTOGRAPHS
INDIAN HEAD INDUSTRIES, INC**

600 WARD STREET
MARINE CITY, MICHIGAN
PROJECT NUMBER: 0638F-3-17

Taken by: LC

Date: 08/22/05



Photograph No. 3
Subject Property
Facing east.



Photograph No. 4
Subject Property
Facing southeast.

AKT PEERLESS
environmental services

22725 Orchard Lake Road, Farmington, MI 48336
Phone: (248) 615-1333 Fax: (248) 615-1334

PROPERTY PHOTOGRAPHS
INDIAN HEAD INDUSTRIES, INC

600 WARD STREET
MARINE CITY, MICHIGAN
PROJECT NUMBER: 0638F-3-17

Taken by: LC

Date: 08/22/05



Photograph No. 5
Subject Property
View of the former sanitary sewer manhole.



Photograph No. 6
Subject Property
View of the former fire hydrant.

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environmental services

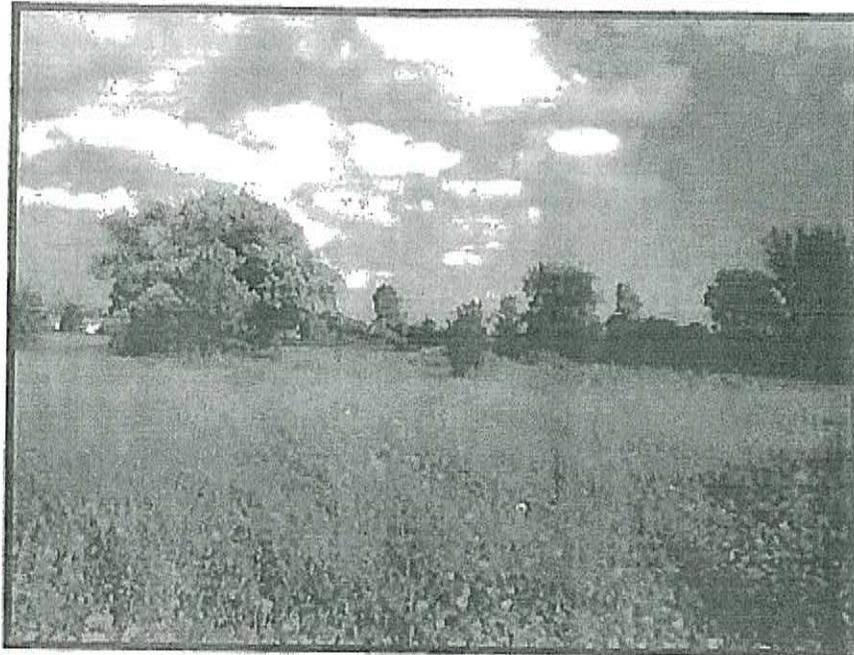
22725 Orchard Lake Road, Farmington, MI 48336
Phone: (248) 615-1333 Fax: (248) 615-1334

PROPERTY PHOTOGRAPHS
INDIAN HEAD INDUSTRIES, INC

600 WARD STREET
MARINE CITY, MICHIGAN
PROJECT NUMBER: 0638F-3-17

Taken by: LC

Date: 08/22/05



Photograph No. 7
Adjacent Property
View of the adjacent property to the north.



Photograph No. 8
Adjacent Property
View of the adjacent properties to the east.

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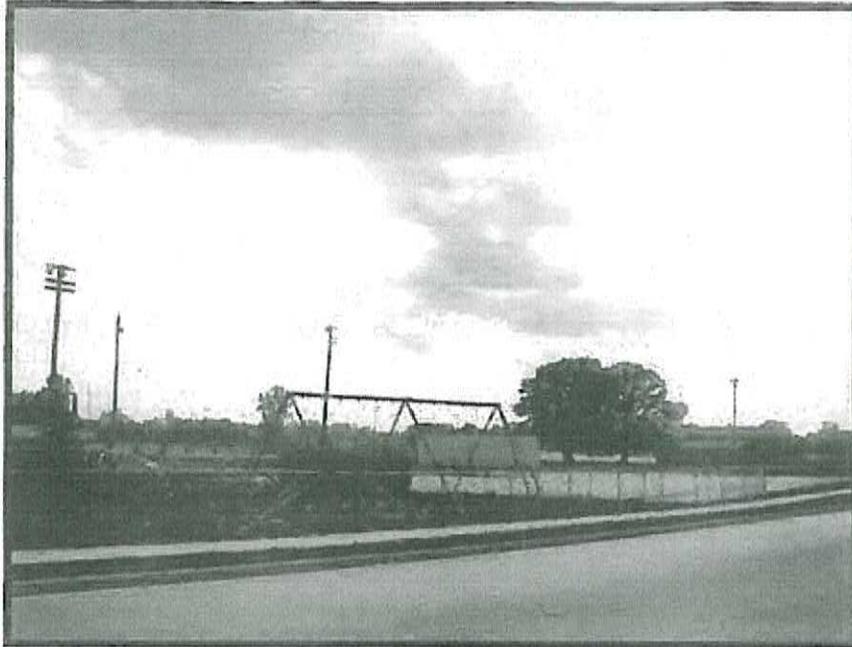
22725 Orchard Lake Road, Farmington, MI 48336
Phone: (248) 615-1333 Fax: (248) 615-1334

PROPERTY PHOTOGRAPHS
INDIAN HEAD INDUSTRIES, INC

600 WARD STREET
MARINE CITY, MICHIGAN
PROJECT NUMBER: 0638F-3-17

Taken by: LC

Date: 08/22/05



Photograph No. 9
Adjacent Property
View of the adjacent property to the south.



Photograph No. 10
Adjacent Property
View of the adjacent property to the west.

AKTPEERLESS
environmental services

22725 Orchard Lake Road, Farmington, MI 48336
Phone: (248) 615-1333 Fax: (248) 615-1334

PROPERTY PHOTOGRAPHS
INDIAN HEAD INDUSTRIES, INC

600 WARD STREET
MARINE CITY, MICHIGAN
PROJECT NUMBER: 0638F-3-17

Taken by: LC

Date: 08/22/05

BUTZEL LONG
ATTORNEYS AND COUNSELORS

James Y. Stewart
248 258 7859
stewarj@butzel.com

Suite 200 100 Bloomfield Hills Parkway
Bloomfield Hills, Michigan 48304
t: 248 258 1616 f: 248 258 1439
butzel.com

September 28, 2005

Mr. Ronald I. Parker
Chairman, President & CEO
Indian Head Industries, Inc.
8530 Cliff Cameron Drive
Charlotte, NC 28269

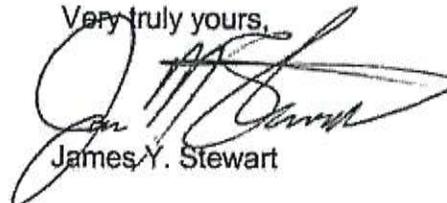
RE: Marine City
Phase I Environmental Site Assessment

Dear Mr. Parker:

Enclosed is a copy of the Phase I Environmental Site Assessment for the Marine City property. No further investigation is recommended at this time. We did discover that the property is still listed as the subject of an "open" LUST investigation. AKT Peerless will proceed to have the property removed from the LUST list.

In the meantime, if you have any questions regarding the enclosed, do not hesitate to contact me.

Very truly yours,



James Y. Stewart

JYS/hna
Enclosure

cc: Frank B. Vecchio (w/o encl.)



September 20, 2005

James Y. Stewart
Butzel Long
100 Bloomfield Hills Parkway, Suite 200
Bloomfield Hills, Michigan 48304

**Subject: Phase I Environmental Site Assessment of
600 Ward Street, Marine City, Michigan 48039
AKT Peerless Project No. 0638F-3-17**

Dear Mr. James Stewart:

I have enclosed two copies of the referenced report for your use. AKT Peerless Environmental Services (AKT Peerless) did not identify any *recognized environmental conditions, de minimis conditions, or potential areas of concern* associated with the subject property. Accordingly, no further investigation of the subject property's soil or groundwater is deemed necessary at this time. However, the following paragraphs describe other noteworthy findings and opinions related to this project

- The subject property is currently identified in state records as the site of an "open" Leaking Underground Storage Tank (LUST) investigation. Although the Michigan Department of Natural Resources (MDNR) approved in writing the UST Closure Report that AKT Peerless submitted in July 1994, AKT Peerless was unable to determine why the historical LUST investigation at the subject property continues to be listed as open in the state's LUST database.

Consequently, AKT Peerless has been retained on a time and materials (T&M) basis to resolve the erroneous categorization of the subject property as the site of an "open" LUST investigation. AKT Peerless does not anticipate spending more than \$750 to accomplish that goal, however, if the need to spend additional time or incur further expenses beyond that limit appears warranted, AKT Peerless will notify you promptly and will request authorization to proceed as necessary.

- Analysis of soil samples collected in 1996 from an area beneath the floor of the former on-site building's manufacturing area indicated that phenanthrene and 2-methylnaphthalene were detected at concentrations above the applicable Michigan Department of Environmental Quality's (MDEQ's) Generic Residential 20X Drinking Water Values. The remaining target parameters, where detected, were below the MDEQ's: Generic Residential 20X Drinking Water Values; Generic Residential Direct Contact Values; and Draft Generic Residential Soil Inhalation Values.

AKT Peerless does not foresee an occasion where groundwater beneath the subject property would need to be used for potable or irrigation purposes, particularly since municipally-provided water services are available to the subject property. Therefore, it is AKT Peerless'

opinion that the identification of phenanthrene and 2-methylnaphthalene at the subject property in the past does not warrant further evaluation at this time.

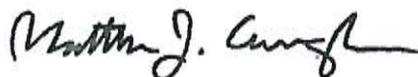
- According to the current MDEQ clean-up standards, all other contaminant concentrations found during the 1996 subsurface investigation were detected below the applicable MDEQ Tier I residential clean-up criteria, except for chromium, which was detected in soil samples collected in the vicinity of the former building at levels that are in excess of the current MDEQ Groundwater Surface Water Interface Protection Criteria. However, the identified chromium concentrations do not exceed levels that the MDEQ considers to be within the range of background (i.e., naturally occurring) chromium concentrations in the subject property's area.

Notwithstanding the foregoing information, a prospective purchaser of the subject property may be eligible to complete a Baseline Environmental Assessment (BEA) to obtain exemption from liability related to the historical on-site presence of phenanthrene, 2-methylnaphthalene, and chromium at concentrations above the applicable residential cleanup criteria.

If you have any questions regarding the enclosed report or our efforts to resolve the aforementioned inaccuracy pertaining to the historical listing of the subject property as the site of an "open" LUST investigation, please contact me or Tony Kashat at 248.615.1333. Thank you for this opportunity.

Sincerely,

AKT PEERLESS ENVIRONMENTAL SERVICES



Matthew J. Cunningham
Senior Project Manager



WORK ACTIVITY CHANGE ORDER
SEPTEMBER 20, 2005

Project Information	
AKT PEERLESS PROJECT NO.:	0638F-3-17
AKT PEERLESS CHANGE ORDER NO.:	#1
PROJECT ADDRESS:	600 Ward Street, Marine City, MI 48039
Description of Additional Activity / Comments	
<p>Resolve the erroneous categorization of the subject property as the site of an "open" LUST investigation. This will entail an as-yet undetermined amount of time spent communicating with appropriate representatives of the MDEQ.</p> <p>AKT Peerless does not anticipate spending more than \$750 to accomplish this goal, however, if the need to spend additional time or incur further expenses beyond that limit appears warranted, AKT Peerless will notify the client promptly, and will request authorization to proceed as necessary.</p>	
Product	Cost
Phase I ESA (initial proposal PF-6093-1)	\$ 2,650.00
Resolution of LUST recordkeeping inaccuracy (change order #1)	\$ 750.00 ¹
Revised Total Cost:	\$ 3,400.00

This change order was submitted by:

Matthew J. Cunningham
 Senior Project Manager
 September 18, 2005

This change order was prepared for:

Mr. Ron Parker
Indian Head Industries, Inc.
 8530 Cliff Cameron Drive
 Charlotte, NC 28269-9786

Adding \$750.00 to the budget for AKT Peerless Project 0638F-3-17

ACCEPTED BY: Mr. Ron Parker
 FOR: Indian Head Industries, Inc.
 TITLE: _____
 DATE: _____

¹ not to exceed without gaining further authorization

Memo

To: TIFA Board Members
 From: Mary Ellen McDonald, CPFA/MiCPT
 Finance Director/Treasurer
 Date 7/19/16
 Re: Invoice Approval

Please include the attached invoice on the agenda of the next TIFA Board Meeting for approval.

Marine City Nursery Co.	Invoice #1065100	\$180.00
(Mulch for all City Parks)		
A/C #250-000.000-740.000	\$60.00 (TIFA #1 Fund)	
(BUDGET AMOUNT - \$2,000.00)	YTD Expenditures - \$0.00)	
A/C #251-000.000-740.000	\$60.00 (TIFA #2 Fund)	
(BUDGET AMOUNT - \$10,000.00)	YTD Expenditures - \$0.00)	
A/C #252-000.000-740.000	\$60.00 (TIFA #3 Fund)	
(BUDGET AMOUNT - \$15,000.00)	YTD Expenditures - \$0.00)	

If you have any questions, please contact me.

Thank you

Marine City Nursery
PO Box 189
Marine City MI 48039
 PH: (810) 765-5533 FX: (810) 765-5222

Account No.	Invoice No.
1000	0001065100

*****POS Invoice*****

TO
 CITY OF MARINE CITY
 ATTN: ACCOUNTS PAYABLE
 303 S WATER STREET
 MARINE CITY MI 48039

FOR
 CITY OF MARINE CITY
 ATTN: ACCOUNTS PAYABLE
 303 S WATER STREET
 MARINE CITY MI 48039
 (810) 765-8846

Customer Order No.		Sales Person	Order Date	Requested	Invoice Date	Shipped Via	Terms
		lw wh	7/13/2016		7/13/2016		
Ordered	Shipped	Item No.	Description	Location	Unit Price	Total	
6	6	00010	BARK "HARDWOOD" Cu. Yd. Processed Hardwood Bark		30.000	180.00	
6	6				Line Item Total	180.00	
					Invoice Total	180.00	

T.I.F.A
OK
MI



Inspiring Innovation. Creating Commerce.

9-A

July 29, 2016

City of Marine City
Elaine Leven
300 Broadway
Marine City, MI 48039

Dear Ms. Leven:

I am writing today on the behalf of the Economic Development Alliance's Board of Directors to invite your community to become an investor in our countywide effort to improve the economy of St. Clair County.

The Economic Development Alliance has been serving communities, businesses and residents of St. Clair County for 65 years. Our Mission Statement describes our commitment to you:

The Economic Development Alliance will bring community Leaders together to plan and promote balanced economic growth that increases the tax base, creates jobs that pay livable wages, and enhances the quality of life for residents of St. Clair County.

The key to accomplishing this mission is to work in collaboration with all of our partners, to serve the interests of both the public and private sectors. Hence, the EDA is a 501 (C) 6 non-profit organization that consists of 140 members: eight public sector communities; RESA, Baker College and St. Clair Community College; and 128 companies.

As the EDA strives to support the goals of its municipal partners, and to help bring more and better jobs to the county, we are reaching out to non-member communities and seeking their support. Services we provide to our member communities include:

- Annual retention/service visits with large employers
- Entrepreneurial support for startup businesses
- Marketing of buildings and sites
- St. Clair County's economic development representative for Region 6 , the State of Michigan, and the Michigan Economic Development Corporation
- Attraction of new industry
- Community development support
- Regional, state and national representation
- Grant research and support
- Other services provided on a contractual basis
- Membership events



Inspiring Innovation. Creating Commerce.

Marine City previously was a member of EDA and dropped its membership at the beginning of the recession in 2009. However, our organization has continued to support your community by meeting with your companies, marketing available buildings and assisting to bring over 2,000 jobs to the region over the past five years.

I've attached a list of companies in Marine City that we have visited through our business retention program since 2014. In addition, we have been very engaged in the Marine City hotel project, working with Tom and Kathy Vertin and other partners. In fact, EDA is partnering with the Community Foundation of St. Clair County to provide a grant of \$50,000 to assist with building acquisition.

The EDA approved a 5-year strategic plan in 2015. It calls for \$586 million in new investment and 4,000 new jobs by the end of 2019. Currently, we have achieved \$480 million in new investment and 786 new jobs countywide since the plan's inception. Marine City residents and businesses benefit significantly from this economic impact.

Our organization recently established an introductory rate for communities of .50 cents per capita. Our normal rate is \$2 per capita, and \$1 per capita for communities with less than \$10 million of assessed industrial taxable value. We are able to offer Marine City the introductory rate for three years and, with a population of 4,248 residents according to the 2010 U.S. Census Bureau, that results in an investment by your community of \$2,124 annually toward our countywide effort.

Please review our membership packet and contact me if you have any questions about how the EDA can help your community accomplish its goals. As always, the EDA, its board of directors and membership look forward to serving your community, businesses and residents.

Sincerely,

A handwritten signature in cursive script that reads "Daniel B. Casey".

Daniel B. Casey
Chief Executive Officer



Inspiring Innovation. Creating Commerce.

Economic Development Alliance of St. Clair County
 100 McMorran Blvd. 4th Floor Executive Suite B
 Port Huron, MI 48060
 810-982-9511 www.edascc.com

Invoice

Date	Invoice #
7/26/2016	4459

Bill To
City of Marine City Attn: Elaine Leven 303 S. Water Street Marine City, MI 48039

Terms

Description	Amount
Annual Membership Dues - July 2016 - June 2017	2,124.00

Please remit to above address

Total

\$2,124.00

Wish to use our convenient credit card payment option? Simply log onto www.edascc.com
 For Investor Payments: Go to "About Us", click "Invest With Us", then click the "Pay Now" button.
 For Event Payments: Go to "Local Business Support", click "Upcoming Events & Seminars", then click "Pay Now" button.
 A Pay Pal account is not required to complete your payment transaction.

St. Clair
COUNTY, MICHIGAN



Over 130 Private and Public Investors

BUSINESS & PROFESSIONAL
CONTRACTORS
COMMUNITIES
EDUCATIONAL PARTNERS
FINANCIAL INSTITUTIONS
HEALTH CARE
INSURANCE
MANUFACTURERS
REAL ESTATE
RETAIL/WHOLESALE
SERVICE PROVIDERS
UTILITIES

EDA STAFF

Dan Casey
CEO

Greg Capote
DIRECTOR OF BUSINESS ATTRACTION

Bruce Seymore II
MANAGER OF BUSINESS AND
COMMUNITY SERVICES

Tina Frazer
MARKETING MANAGER

Denise Horvath
ADMINISTRATIVE ASSISTANT

100 McMorran Blvd. | 4th Floor
Port Huron, MI 48060
810.982.9511
www.edascc.com

JOIN THE MISSION. INVEST WITH EDA.

A strong region and economy benefits us all.

The Economic Development Alliance (EDA) invites you to invest in our organization. Growing the economy since 1952, the Economic Development Alliance relies on financial support from investors to provide programs and services needed in fostering a vibrant business community and helping our region and its people prosper.

The EDA team and our Investors work hard every day to make St. Clair County a great place to live and work for all citizens. With your investment, we can continue to connect businesses with opportunities, promote our regional assets to recruit new business, help influence job creation and continue to grow our local economy.

Investment in the Economic Development Alliance will also provide you access to business and community leaders, networking opportunities, special event access, and brand recognition on our website, annual report and other marketing mediums. EDA investors are kept up-to-date on the latest industry trends, regional business and community development news and provided monthly updates on business attraction, retention, entrepreneurial developments, training, and diversification opportunities.

Growing the economy of St. Clair County since 1952, the EDA assists our communities, businesses, workforce and citizens in several ways:

- A focus on influencing job creation and creating a sustainable economy
- Strategic planning for economic development and community development
- Startup, retention, expansion and recruitment of business
- Global advertising of St. Clair County
- Business education forums & events
- Entrepreneurial support
- Local business support and workforce programs
- Area business advocate for communities
- Business-to-business relations
- Liaison between industry and government



Join over 100 investors contributing to increased business potential for the Blue Water Region!

St. Clair
COUNTY, MICHIGAN



EDA OFFERS A WIDE VARIETY OF SERVICES:

SITE SELECTION SERVICES

- Site location database
- Market Research
- Workforce training & recruitment
- Permitting assistance
- Demographic & business information

BUSINESS CONSULTATION SERVICES

- Business retention visits
- Business expansion services
- Business location services
- Business resources

SMALL BUSINESS PROGRAMS

- Small business workshops
- Small business counseling
- Entrepreneurial Training

EDA IS AN IDEAL PARTNER IN THE DEVELOPMENT OF YOUR BUSINESS. EDA MAINTAINS STRONG RELATIONSHIPS WITH LOCAL LEADERS, OFFICIALS AND AREA BUSINESSES, AS WELL AS MANY REGIONAL PARTNERS.

Serving St. Clair County for over 60 years!

100 McMorran Blvd. | 4th Floor
Port Huron, MI 48060
810.982.9511
www.edascc.com

BUSINESS DEVELOPMENT SERVICES

What is business retention?

The EDA's Business Retention program was created as a way of establishing good relationships and communication with St. Clair County companies. The EDA is committed to its existing companies and believes strongly that these businesses are the community's biggest asset. This program is especially targeted to companies that are expanding, new to the community, or in a growth sector.

Who comes on a business retention visit?

- EDA Economic Development Staff Member
- Other business industry partners as appropriate

What are the benefits?

- Provides companies with an economic development contact within the region to address issues or needs.
- Provides the EDA (and regional leaders) with greater insight and understanding of companies and their key decision makers.
- Increases communication and encourages cooperation between EDA, regional leaders and St. Clair County companies.

How does it work?

EDA staff will arrange a Business Retention site visit to companies that are expanding in the community, new to St. Clair County, experiencing challenging issues that affect the success of the business or simply request assist and resources to foster growth and innovation. After the visit, the business is encouraged to contact EDA staff as appropriate when assistance is needed. These efforts are meant to assist existing companies to ensure their retention and expansion within the community.



Join over 130 investors contributing to increased business potential for the Blue Water Region!

10B

City of Marine City

Memo

To: TIFA Board Members
From: Mary Ellen McDonald, CPFA/MiCPT
Finance Director/Treasurer
Date 7/14/16
Re: **PRELIMINARY FINANCIAL STATEMENTS FOR JUNE 2016**

Please include the attached **Preliminary Financial Statements for June 2016** on the agenda of the next TIFA Board Meeting. If you have any questions, please contact me.

Thank you

Fund 250 TIFA 1

Account Number	Description	Balance
*** Assets ***		
50-000.000-001.001	CASH	24,065.53
Total Assets		<u>24,065.53</u>
*** Liabilities ***		
50-000.000-200.000	ACCOUNTS PAYABLE	1,975.00
Total Liabilities		<u>1,975.00</u>
*** Fund Balance ***		
50-000.000-353.027	DESIGNATED FUNDS-STREET SCAPE	10,000.00
50-000.000-390.000	Fund Balance	17,107.27
Total Fund Balance		<u>27,107.27</u>
Beginning Fund Balance		27,107.27
Net of Revenues VS Expenditures		(5,016.74)
Ending Fund Balance		22,090.53
Total Liabilities And Fund Balance		24,065.53

PRELIMINARY
FINANCIAL
STATEMENTS
JUNE 2016

PERIOD ENDING 06/30/2016

PRELIMINARY FINANCIAL STATEMENTS-JUNE 2016

FUND NUMBER	DESCRIPTION	2015-16		YTD BALANCE 06/30/2016	ACTIVITY FOR MONTH 06/30/16	ENCUMBERED YEAR-TO-DATE	UNENCUMBERED BALANCE	% BUDGET USED
		ORIGINAL BUDGET	2015-16 AMENDED BUDGE					
Fund 250 - TIFA 1								
Revenues								
Dept 000.000								
150-000.000-402.000	CURRENT PROPERTY TAX	53,225.00	53,225.00	53,844.35	0.00	0.00	(619.35)	101.16
150-000.000-665.000	INTEREST	10.00	10.00	5.57	0.00	0.00	4.43	55.70
Total Dept 000.000		53,235.00	53,235.00	53,849.92	0.00	0.00	(614.92)	101.16
TOTAL Revenues		53,235.00	53,235.00	53,849.92	0.00	0.00	(614.92)	101.16
Expenditures								
Dept 000.000								
150-000.000-702.000	WAGES-FULL TIME	100.00	100.00	0.00	0.00	0.00	100.00	0.00
150-000.000-703.000	WAGES-PART TIME	100.00	100.00	0.00	0.00	0.00	100.00	0.00
150-000.000-715.000	FICA-EMPLOYER	20.00	20.00	0.00	0.00	0.00	20.00	0.00
150-000.000-740.000	GENERAL SUPPLY	0.00	3,100.00	3,435.00	1,675.00	0.00	(335.00)	110.81
150-000.000-801.000	PROFESSIONAL SERV.	2,000.00	2,000.00	985.00	0.00	0.00	1,015.00	49.25
150-000.000-801.100	ADMINISTRATIVE SERVICES	10,600.00	10,600.00	10,600.00	0.00	0.00	0.00	100.00
150-000.000-802.000	CONTRACTUAL SERV.	3,000.00	3,000.00	2,350.00	300.00	0.00	650.00	78.33
150-000.000-880.000	COMMUNITY PROMOTION	2,000.00	6,000.00	3,666.66	0.00	0.00	2,333.34	61.11
150-000.000-901.000	ADVERTISING	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.00
150-000.000-970.000	CAPITAL OUTLAY	0.00	1,930.00	1,930.00	0.00	0.00	0.00	100.00
150-000.000-991.000	PRINCIPAL PAYMENT	30,000.00	30,000.00	30,000.00	0.00	0.00	0.00	100.00
150-000.000-995.000	INTEREST EXPENSE	5,600.00	5,600.00	5,600.00	0.00	0.00	0.00	100.00
150-000.000-998.000	AGENT FEES	300.00	300.00	300.00	0.00	0.00	0.00	100.00
Total Dept 000.000		54,720.00	63,750.00	58,866.66	1,975.00	0.00	4,883.34	92.34
TOTAL Expenditures		54,720.00	63,750.00	58,866.66	1,975.00	0.00	4,883.34	92.34
Fund 250 - TIFA 1:								
TOTAL REVENUES		53,235.00	53,235.00	53,849.92	0.00	0.00	(614.92)	101.16
TOTAL EXPENDITURES		54,720.00	63,750.00	58,866.66	1,975.00	0.00	4,883.34	92.34
NET OF REVENUES & EXPENDITURES		(1,485.00)	(10,515.00)	(5,016.74)	(1,975.00)	0.00	(5,498.26)	47.71

PRELIMINARY
FINANCIAL STATEMENTS
JUNE 2016

Fund 251 TIFA 2

IL Number	Description	Balance
*** Assets ***		
51-000.000-001.001	CASH	260,925.23
Total Assets		<u>260,925.23</u>
*** Liabilities ***		
51-000.000-200.000	ACCOUNTS PAYABLE	1,675.00
Total Liabilities		<u>1,675.00</u>
*** Fund Balance ***		
51-000.000-390.000	Fund Balance	318,181.86
Total Fund Balance		<u>318,181.86</u>
Beginning Fund Balance		318,181.86
Net of Revenues VS Expenditures		(58,931.63)
Ending Fund Balance		259,250.23
Total Liabilities And Fund Balance		260,925.23

PRELIMINARY
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STATEMENTS
JUNE 2016

PERIOD ENDING 06/30/2016

PRELIMINARY FINANCIAL STATEMENTS-JUNE 2016

FUND NUMBER	DESCRIPTION	2015-16	2015-16	YTD BALANCE	ACTIVITY FOR	ENCUMBERED	UNENCUMBERED	% BDGT
		ORIGINAL BUDGET	AMENDED BUDGET	06/30/2016	MONTH 06/30/16			
				NORM (ABNORM)	INCR (DECR)	YEAR-TO-DATE	BALANCE	USED
fund 251 - TIFA 2								
Revenues								
Dept 000.000								
51-000.000-402.000	CURRENT PROPERTY TAX	28,825.00	28,825.00	29,399.49	0.00	0.00	(574.49)	101.99
51-000.000-665.000	INTEREST	50.00	50.00	54.12	0.00	0.00	(4.12)	108.24
Total Dept 000.000		28,875.00	28,875.00	29,453.61	0.00	0.00	(578.61)	102.00
TOTAL Revenues		28,875.00	28,875.00	29,453.61	0.00	0.00	(578.61)	102.00
Expenditures								
Dept 000.000								
51-000.000-740.000	GENERAL SUPPLY	15,000.00	15,000.00	1,960.01	1,675.00	0.00	13,039.99	13.07
51-000.000-801.000	PROFESSIONAL SERV.	1,350.00	21,550.00	21,855.04	1,666.67	0.00	(305.04)	101.42
51-000.000-801.100	ADMINISTRATIVE SERVICES	15,800.00	15,800.00	15,250.00	0.00	0.00	550.00	96.52
51-000.000-880.000	COMMUNITY PROMOTION	3,500.00	3,500.00	4,333.34	0.00	0.00	(833.34)	123.81
51-000.000-901.000	ADVERTISING	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.00
51-000.000-970.000	CAPITAL OUTLAY	70,000.00	70,000.00	14,013.00	0.00	0.00	55,987.00	20.02
51-000.000-970.000-PHASE I-CH	CAPITAL OUTLAY	0.00	30,975.00	30,973.85	0.00	0.00	1.15	100.00
Total Dept 000.000		106,650.00	157,825.00	88,385.24	3,341.67	0.00	69,439.76	56.00
TOTAL Expenditures		106,650.00	157,825.00	88,385.24	3,341.67	0.00	69,439.76	56.00
fund 251 - TIFA 2:								
TOTAL REVENUES		28,875.00	28,875.00	29,453.61	0.00	0.00	(578.61)	102.00
TOTAL EXPENDITURES		106,650.00	157,825.00	88,385.24	3,341.67	0.00	69,439.76	56.00
NET OF REVENUES & EXPENDITURES		(77,775.00)	(128,950.00)	(58,931.63)	(3,341.67)	0.00	(70,018.37)	45.70

PRELIMINARY
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 STATEMENTS
 JUNE 2016

Fund 252 TIFA 3

IL Number	Description	Balance
*** Assets ***		
252-000.000-001.001	CASH	608,984.14
Total Assets		608,984.14
*** Liabilities ***		
252-000.000-200.000	ACCOUNTS PAYABLE	1,675.00
Total Liabilities		1,675.00
*** Fund Balance ***		
252-000.000-353.025	DESIGNATED FUNDS-LAND ACQUISITION	152,725.21
252-000.000-390.000	Fund Balance	547,227.15
Total Fund Balance		699,952.36
Beginning Fund Balance		699,952.36
Net of Revenues VS Expenditures		(92,643.22)
Ending Fund Balance		607,309.14
Total Liabilities And Fund Balance		608,984.14

PRELIMINARY
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JUNE 2016

PERIOD ENDING 06/30/2016

PRELIMINARY FINANCIAL STATEMENTS-JUNE 2016

FUND NUMBER	DESCRIPTION	2015-16		YTD BALANCE	ACTIVITY FOR	ENCUMBERED	UNENCUMBERED	% BDGT
		ORIGINAL BUDGET	2015-16 AMENDED BUDGET	06/30/2016	MONTH 06/30/16			
				NORM (ABNORM)	INCR (DECR)	YEAR-TO-DATE	BALANCE	USED
Fund 252 - TIFA 3								
Revenues								
Dept 000.000								
52-000.000-402.000	CURRENT PROPERTY TAX	77,160.00	77,160.00	80,305.31	0.00	0.00	(3,145.31)	104.08
52-000.000-665.000	INTEREST	120.00	120.00	127.61	0.00	0.00	(7.61)	106.34
Total Dept 000.000		77,280.00	77,280.00	80,432.92	0.00	0.00	(3,152.92)	104.08
TOTAL Revenues		77,280.00	77,280.00	80,432.92	0.00	0.00	(3,152.92)	104.08
Expenditures								
Dept 000.000								
52-000.000-740.000	GENERAL SUPPLY	20,000.00	20,000.00	4,229.98	1,675.00	0.00	15,770.02	21.15
52-000.000-801.000	PROFESSIONAL SERV.	1,900.00	40,975.00	42,404.96	3,333.33	0.00	(1,429.96)	103.49
52-000.000-801.100	ADMINISTRATIVE SERVICES	47,425.00	47,425.00	47,425.00	0.00	0.00	0.00	100.00
52-000.000-802.000	CONTRACTUAL SERV.	0.00	0.00	2,238.00	0.00	0.00	(2,238.00)	100.00
52-000.000-880.000	COMMUNITY PROMOTION	7,500.00	7,500.00	6,000.00	0.00	0.00	1,500.00	80.00
52-000.000-901.000	ADVERTISING	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.00
52-000.000-970.000	CAPITAL OUTLAY	55,000.00	55,000.00	8,830.50	0.00	0.00	46,169.50	16.06
52-000.000-970.000-PHASE I-CH	CAPITAL OUTLAY	50,000.00	61,950.00	61,947.70	0.00	0.00	2.30	100.00
Total Dept 000.000		182,825.00	233,850.00	173,076.14	5,008.33	0.00	60,773.86	74.01
TOTAL Expenditures		182,825.00	233,850.00	173,076.14	5,008.33	0.00	60,773.86	74.01
Fund 252 - TIFA 3:								
TOTAL REVENUES		77,280.00	77,280.00	80,432.92	0.00	0.00	(3,152.92)	104.08
TOTAL EXPENDITURES		182,825.00	233,850.00	173,076.14	5,008.33	0.00	60,773.86	74.01
NET OF REVENUES & EXPENDITURES		(105,545.00)	(156,570.00)	(92,643.22)	(5,008.33)	0.00	(63,926.78)	59.17

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