

Measday, Michelle

From: Margie M. Piliere <MPiliere@njeda.com>
Sent: Wednesday, December 17, 2014 2:16 PM
To: Jerri Weigand
Cc: Pettit, Chris (Chris.Pettit@icfi.com); Rikkia Thompson; Kim McEvoy; William Lindner; Donna Mahon; Jay M. Wentzel
Subject: RE: Ohana - Shell Station

Hello,

I spoke to Mr. DeGeorge. He indicated that most the work and testing for the Shell contamination is finished and there has been extensive testing which has indicated this should not be an issue. He also said he has special insurance for any subsequent leakage issues. EDA can probably extend the deadline on disbursing funds on this project until 12/31/2015 due to shifting of funds and timing between the various programs. Mr. DeGeorge said he would like to perform the demo in July and if this happens in that time period, he feels he could meet the 12/31/2015 deadline. He is aware that if any other areas of concern come up during construction, he would be required to stop and address the concerns, whether through Shell or on his own. Please task this out and get the ball rolling.

He said that you should already have the Indemnification Agreement he has with Shell. He also has given you permission to reach out directly to his LSRP – GES Inc. Here is the contact information:

Susan Lane (800) 220-3068 (ID#CEA1001555)

Rikkia/Jay, Mr. DeGeorge is wondering about his working capital loan. Can you please call him and coordinate the disbursements on this?

From: Jerri Weigand [mailto:Jerri.Weigand@dep.nj.gov]
Sent: Tuesday, December 16, 2014 11:05 AM
To: Margie M. Piliere
Cc: Pettit, Chris (Chris.Pettit@icfi.com); Rikkia Thompson; Kim McEvoy; William Lindner; Donna Mahon
Subject: RE: Ohana - Shell Station

Margie,

Today the DEP team had a chance to discuss the details of Ohana Enterprises application, SBL39568. This project involves, among other activities, updating existing piping, fills and containment systems associated with underground storage tanks. The site is currently in compliance with site remediation requirements with on-going monitoring of groundwater contamination under a CEA (Classification Exception Area – an area of contaminated groundwater that does not meet the groundwater standards usually due to site activities).

However, this site has been operated as a service station for a number of years since the CEA was put in place. It is possible that when excavation begins to upgrade the fill lines and containment systems, additional soil and/or groundwater contamination emanating from the fill lines will be uncovered. If this were to happen, the operator is obligated under state law to call that contamination into the DEP hotline in order to start a new

clean up case. A that point, the redevelopment project you are proposing to fund with CBDG-DR money would have to stop because the redevelopment would be on top of a contaminated site. The site cleanup would have to occur first, before the re-development. Otherwise, the new systems may have to be removed to reach the contamination.

The operator, Mr. DeGeorge, has indicated he has a letter of indemnity from Shell which absolves him of any liability. While this may be true of any existing contamination, any contamination that has occurred since Mr. DeGeorge purchased the property will most likely be his responsibility. Any potential clean up issues for which Mr. DeGeorge is responsible would likely cause long delays and result in failing to meet funding deadlines. If this would occur would EDA be able to extend deadlines?

We would like to review any environmental documentation Mr. DeGeorge can submit to determine the facts a little clearer.

We wanted to make you aware of the risk that the project may be stopped if additional contamination is found. If this risk is acceptable to you, we will proceed to task it out for environmental review. If you would like to discuss this by phone, please let us know and we will be happy to set up a call.

Thank you,

Jerri

Jerri Lynn Weigand
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Sandy Recovery – Environmental and Historic Review Program
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From: Margie M. Piliere [<mailto:MPiliere@njeda.com>]
Sent: Monday, December 15, 2014 11:53 AM
To: Pettit, Chris (Chris.Pettit@icfi.com); Jerri Weigand
Cc: Jay M. Wentzel
Subject: Ohana - Shell Station

Hi Chris,
I rec'd a call from Mr. DeGeorge asking if there were any outstanding items or issues with the review after last week's conference call. We never spoke after the call - are you guys OK with his responses and do you have any issues? The only issue I think we have is using Sandy funds to pay for the replacement of the UST.

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