

BROWNFIELDS CLEANUP GRANT COOPERATIVE AGREEMENT QUARTERLY PROGRESS REPORT

Cooperative Agreement Number: BF-97176601-0
Reporting Period: July 1, 2007 – September 30, 2007
Report Number: 1
Date Submitted: October 17, 2007

Prepared for:

Monique Dillon, Grants Specialist, Grants Management Office, EPA, One Congress St. MGM, Boston, MA 02114 (report, property profile form, payment request only)

Prepared by:

Paul Burgess, LEP, Penny Newbury, Grant Writer, Town of Sprague, 1 Main St., P.O. Box 677, CT 06330

Submitted To: Kathleen Castagna, Project Officer, Ken Champlin, Brownfields data manager, Carlie Brandt (complete package); cc Jim Byrne, Region I (report only); Mike Senyk, CT DEP Remediation

EPA Payment Request Submitted to: Colleen Garis, Fax: (702) 798-2425

Property Profile Form submitted to: bf_forms@epa.gov

1. PROJECT PROGRESS *Progress reported in this section will clearly identify only those activities performed during the reporting period that were undertaken with EPA funds, and will relate EPA-funded activities to the objectives and milestones agreed upon in the pilot workplan.*

1.1 Status of Activities During the Reporting Period: work accomplished, workplan activities, status of each activity from prior reporting periods, delays or other problems, corrective measures planned. Type of assistance (training/ technical support) needed.

Workplan Tasks and Activities

Task 1: Cooperative Agreement

Activity 1: Obtain LEP/asbestos consultant services.

The Town worked with an engineering consultant to develop a scope of services/RFP for the LEP. This assistance by the engineer is in-kind. We should be ready to advertise for the LEP by the middle of next quarter.

Activity 2: Submission of an environmental conditions assessment form

This activity will be complete by the LEP when he/she is contracted. We have been assigned a project officer at DEP, however: Michael Senyk, to whom copies of all reports will be sent.

Activity 3: Reporting; including Quarterly reports, preparation and updating of property profile forms

This quarter, the property profile Form was completed with the in-kind assistance of the consulting engineer.

Activity 4: Request for Reimbursements or Advances

There is one request for reimbursement this quarter, but it is so small (\$107 for notice of the public meeting) that we will include it in next quarter's requisition.

Activity 5: Travel & Training; Attend brownfields related meetings, training sessions and conferences

No travel or training this quarter.

Task 2: Community Involvement

Activity 1: Press Release

Notices of the Brownfields award and the Public Hearing regarding the cleanup grant were posted in the regional dailies as well as the Town's website (www.ctsprague.org).

Activity 2: Prepare Community Relations Plan, that includes Informational Repository

The Community Relations Plan is not yet finalized; however, two important events happened this past quarter. We received a pilot technical services grant from the Rural Community Development Council, which will be an intensive community wide education and participation project to prioritize community projects; the Baltic Mills redevelopment is at the top of the list of projects. The consulting firm of the Lehay Group in New London, CT is meeting with key commissions this month and will be preparing community meeting dates later next quarter. Mill redevelopment issues will play a key role.

Additionally, the Town received a \$35,000 USDA Rural Business Development grant to conduct a feasibility study of the Baltic Mills, that will allow a developer/investor to know exactly what types of repairs/cleanup are necessary on the property, what types of businesses would be the most profitable given the demographics and history of the area, how many employees the site will bear, what the wage would be, etc. This information would also drive the community relations plan, since the feasibility study is an objective look at the best way to develop the site **within a few distinct parameters** (ie zoning, flood plain issues, village character, etc.)

In the meantime, the Town uses the Baltic Village Master Plan as a basis for its "informational repository" about the mill site. Many historic and slightly intricate documents exist, however; it is the plan of the Administration to sort them into some sort of useful order and leave on file for citizens to peruse. All Town documents, of course, remain public property and are available for public viewing upon request. The public is notified of this on the Town's web site, where there exists an on-line archive of pertinent information.

Activity 3: Public Meetings, and Activity 4: 30 Day Public Comment Period on the proposed cleanup activities

The informational meeting regarding the asbestos cleanup was held on August 7, 2007 at the Town Hall Courtroom. Approximately 20 people were in attendance. Below is the transcript of the meeting and a copy of additional comments that were provided within the 30-day public comment period.

**EPA Brownfields Award
Asbestos Removal from the Baltic Mills Site
Notes from Public Informational Meeting**

August 7, 2007, 7PM

Town Hall Courtroom

Dennison Allen, Facilitator

The meeting was attended by approximately 15 Sprague citizens, some of whom were Town employees and commission members, as well as Paul Burgess, engineer who assisted with the EPA Brownfields application for Baltic Mills.

D. Allen reviewed the grant application and proposed cleanup plan for the Mill property. He also reviewed an additional TBA Assessment application that the Town had recently filed which asked for testing to be conducted at the peninsula area, which had been the site of a coal-fired gas producing plant for the mill and which was not part of the Phase II analysis.

Questions were addressed from the audience regarding the necessity of removing asbestos from Mill #10 regardless of its final disposition (restoration or demolition) and it was clarified that this procedure was necessary in any case.

Members of the SEDC (Kevin Generous, Hugh Schnip, Mike Smith) raised the following questions regarding the greenspace component of the application:

1. How was the greenspace component decided
2. If greenspace was created with EPA funding and in the future a developer wanted to build something on the greenspace, was there now a deed restriction that prohibited this
3. Was it possible to revisit the application to change the greenspace component from excavation/cleaning up of the headrace/augmentation of the River Park to creating a park on the peninsula section of the Mill complex

The audience was told that the greenspace component was decided based on previous interest by SCC and SHS in cleaning the headrace, interest by other state departments such as DEP and the CT Commission on Culture and Tourism, and by all relevant commissions (SCC, SHS, SEDC), who were involved in the review and editing of the application since its inception in September 2006.

P. Newbury was asked to research the answers to the other two questions and advise the public.

There being no further questions or comments, the meeting was closed at 8PM

The post-meeting comment period ended on August 23, 2007 with one written comment being submitted by Glenn Cheney. Comment attached. No further comments received.

Post-Meeting Findings from requested research (numbers correspond to questions raised in meeting)

2. A call to Kathleen Castagna, Sprague's Project officer at EPA, was made on August 8; her response is that no deed restrictions by EPA apply; they are interested in cleaning property of

toxic materials. The Town, she advised, might have such restrictions, but the EPA does not, and a developer could, if other permitting conditions were met, develop greenspace created under the grant.

3. Ms. Castagna reported that the green space component of the application was reviewed by a national panel of reviewers who made the award based on the content of the application, and the creative use of funding to restore a historic artifact was part of the Town's high score. She did not believe that this portion of the award could be changed substantially. Additionally, the match funding from DEP was feasible due to the cost of excavation and clearing, which would be substantially less on the peninsula, for which we had requested funds for trail clearing and signage only. She also indicated that the simultaneous creation of greenspace and testing for hazards on the peninsula was not a viable option.

As of August 23, 2007, the request to EPA for TBA funds has not been answered.

Respectfully Recorded,
Penny Newbury, Grant Writer

ADDITIONAL (Written) Public Comment

MEMO

TO: Dennison Allen, First Selectman
FROM: Glenn Cheney, Selectman
CC: P. Newbury, P. Burgess, E. Meadows
DATE: August 8, 2007

I would like to comment on a suggestion that was made at the August 7 hearing on the EPA decontamination of part of the Baltic Mills site. The suggestion was to change the reserved green space from the head race area to the peninsula area.

I appreciate the concern that designating the head race area across Route 97 from the mill site could conceivably hamper commercial development of the mill site. There is some possibility that a developer would have use of the head race area even though it is rather small and within a flood plain.

At the same time, however, there are several reasons why reserving that area as green space would benefit the town, including the promotion of commercial development on the mill site proper.

1. Public space attracts certain kinds of commerce. In that public space attracts the public, certain kinds of commerce find it beneficial to be near that space. While certain kinds of commerce may need that head race area for reasons as yet unknown, businesses as yet unknown may appreciate, if not depend on, a public space visited by people from town and from out of town.
2. The head race is an historical site. Sprague Historical Society has designated the head race an historical site that should be preserved. It is possibly the only mill head race in America that

is above water. It is very much intact from the 19th century. In that Baltic village retains the architecture and landscape of an early 20th century mill town, preservation of the head race is an important component of the village's historical integrity. Baltic is listed on the National Register of Historic Places. Leaving open the possibility of sacrificing this historical site to commercial development will detract from the historic preservation that keeps Baltic on the national list of historic sites. The SHS is already working on plans to make the head race into an outdoor museum that will enhance the local sense of community and history even as it attracts visitors from other town. The grant writer has already applied for grants to support this project. The head race is therefore of historic, cultural, and economic value, all of which could contribute to commercial development of the mill site.

3. The designation of the head race as green space is already part of a broader plan. Sprague has already applied for a grant from the Connecticut Department of Environmental Protection to clean up, prepare, and preserve the head race as part of a project to establish recreational trails up and down the Shetucket River. The funding from that grant is being used as part of the matching funds for the EPA clean-up. For a town that is considered economically distressed, turning down the DEP grant and matching the EPA grant at taxpayer expense would only aggravate a difficult situation. While the Sprague Economic Development Commission claims that rejecting the DEP grant and the green space designation would enhance the commercial attractiveness of the site, it is arguable that preserving the site as green space is also commercially attractive.
4. The head race is contiguous to a park and senior housing. Preservation of the area as green space enhances both. An outdoor head race museum is a natural extension of River Park, and it is more compatible with senior housing than commercial development would be.
5. Commercial development isn't the only kind of economic development. The Baltic Mill site should do more than generate revenues for the town. If developed properly, it can not only generate such revenues but enhance property values and improve the quality of life, effectively attracting even more business. Green space between a park and senior housing, the creation of an outdoor museum, and the preservation of a rare historic site will help support to property values and the quality of life in the village of Baltic. The support of property values in the village will help minimize the mill rate and thus relieve property taxes in other parts of town.
6. The grant has already been approved. To try to change the conditions of the grant now will only inconvenience the EPA and imperil future grant applications. It will also imperil the DEP grant for recreational trails, resulting in the loss of an opportunity to support property values and improve the quality of life in Baltic while at the same time increasing the burden on taxpayers.
7. Sprague's Strategic Plan calls for the town to become a tourist destination. This is a key part of the strategic plan because it is central to other aspects of the plan. An outdoor historical museum as an expanded part of a park and key site on recreation trails will do much to establish Sprague as a destination, which in turn will help develop the local economy. Plans

for the use of the Baltic Mill site should not obstruct the plan to develop the local economy by making Sprague a destination.

In conclusion, I would like to say that the grant application was well conceived and adroitly coordinated with other grants. Green space is increasingly valuable in urban areas. The Baltic Mills site should be seen as not only an opportunity for commercial development but also improvement in the quality of life and property values. Sprague is grateful for the EPA Brownfields grant, and I appreciate the thought that went into the overall program supported by the grant. The head race should remain designated as green space.

Task 3: Site-Specific Activities

Activity 1: Plenary meeting with LEP, Town and volunteer commission representatives

No activity this quarter, as the LEP has not yet been chosen

Activity 2: Permitting and Signage

This quarter, the First Selectman solicited bids for fencing the site based on conversations with DEP and with the Town's insurance carrier. Since the site was acquired by the Town in May, this became an activity that was now the Town's responsibility, even outside of the parameters of the cleanup.

Three fencing companies responded to the solicitation and the First Selectman, with assistance from town employees, the DPW and the insurance carrier, is in the process of reviewing the bids. It is important to note that the fencing recommended by the insurance carrier is significantly more intensive than was expected and indicated in this funding application. We are working with the low bidder to further refine his costs and will enter into an agreement sometime next quarter.

Activity 3: Oversight of cleanup activities

None to report this quarter.

Activity 4: Project Management (in addition to Project Oversight)

Please see Task 3, Activity 2

Task 4: Cleanup and Green Space Related Activities

Activity 1: Asbestos Abatement

None to report this quarter

Activity 2: Headrace conversion to Green Space

This quarter we were informed by the DEP Parks Department that we had been awarded a Recreational Trails grant in the amount of \$24,000. Originally applied for in early 2006, this grant provides for the creation of trails upriver and downriver from the River Park, across the street from the Baltic Mills property and adjacent to the Mills headrace. The Conservation Commission and Historical Society are in the process of developing a comprehensive plan for this park/headrace area that includes a variety of features including a handicap access flyfishing ramp (with funding assistance from the Heritage Corridor), interpretive walks through the headrace, etc.

A meeting is planned for early October in which will be discussed the available funding for the creation of greenspace and trails, the progress to date (given the length of time from application to receipt of funds and the awarding of additional funding). It is the committee's plan to make the best use of the two recreational trails grants, the QVSHC funds, additional assistance offers by the National Guard, and the 10% Brownfields commitment (\$20,000) to not only restore the

headrace but to connect it in a useful and historically appropriate way to the park, trail heads, and future up/downriver trail network. This in-kind service will be reported against in next quarter's report.

Activity 3: Prepare State- required cleanup completion/closeout documents , including AULs if needed

None to report this quarter

1.4 Other Deliverables/Work Products

List other deliverables or work products completed in the reporting period and provide as attachments. The following are examples of attachments:

- list of properties considered for pilot activities : N/A
- community meeting minutes or summaries: see Task 3

Please Note: per EPA instructions as of 6/07, no further attachments will be sent, but all documents referenced in this report are available in the Town offices for review at any time.

- educational brochures (website information on www.ctsprague.org)
- newspaper articles about the pilot properties or the pilot program: none to report this quarter
- photographs of properties: CD with photos sent to Kathleen Castagna; and available at Town offices

2. PROJECT FUNDS EXPENDED

[Please Note: A complete budget/in-kind workpaper is available for review, outlining the personnel and hours spent per employee, machinery/tools used, the specific task, dates tasks were performed, etc. The Request for Reimbursement Form is also attached.]

Table 1: Summary of Costs Incurred for Project

1.1 Status of Activities During the Reporting Period		
Workplan Tasks and Activities	Total	Total Federal
	Cost Share	Outlay
Task 1: Cooperative Agreement Oversight	1,158.06	
Task II Community Involvement	202.31	
Task III Site Specific Activities	2,703.51	
Task IV: Cleanup and green Space Related Activities	0.00	
Total Cost Share and Federal Outlay This Quarter	4,063.88	0.00
Total Remaining Funds	35,936.10	200,000

3. BUDGET AND OVERALL PROJECT STATUS

Include an estimate of the time and funds needed to complete the activities identified in the approved workplan, comparing that estimate with the time and funds remaining, and provide an explanation for any changes. If **overall**, the project is expected to be on target, please state so. For example, individual tasks may be behind schedule, but overall, is the project expected to be completed on time and within budget?

The overall project is expected to be on target as outlined in the revised workplan submitted to EPA as part of the contract documents.

4. SCHEDULE

Submit a revised schedule if changes have occurred.

N/A

5. MINIMUM REPORTING REQUIREMENTS

In addition to describing the work accomplished during the reporting period, recipients are required to complete Property Profile Forms provided by EPA (OMB Form No. 2050-0192). A Property Profile Form is required for each property assessed using EPA grant funds.

Please see attached Property Profile Form.

LIST OF ATTACHMENTS

(PLEASE NOTE: Attachments are kept on file in the Town offices per our Project Officer's request, with the exception of the property Profile Report, filed with this application.)

Correspondence: N/A this quarter

Billing: N/A this quarter

Misc.

Property Profile Form (Updated)

Chart of Hourly Rates for Personnel and Equipment (on file)

Notice of Public hearing (on file)

Public Comment (on file)

QUALITY ASSURANCE

Prior to undertaking any confirmatory sampling (if required), the Town of Sprague will prepare and submit a Quality Assurance Project Plan (QAPP) which meets with the approval of the U.S. EPA Region I Brownfields Program. The QAPP will describe the sampling and analytical strategies, methods and procedures approved by EPA that will be used in all assessments.