

**Town of Sprague**  
**Baltic Mills, Brownfields Cleanup Grant Proposal Narrative**

**Cleanup Grant Threshold Criteria**

**A. Applicant Eligibility**

The Town of Sprague is a recognized Municipality as defined by the General Statutes of the State of Connecticut. Its Federal tax ID number is 06-6002096; its State Tax ID number is 6609481-000. Its DUNS number is 100464515.

**B. Letter from the Connecticut Department of Environmental Protection**

attached (*Please see Attachment I: Letter from Connecticut DEP*)

**C. Site Eligibility and Property Ownership Eligibility**

**1. Basic Site Information.**

- (a) name of site: Baltic Mills Complex
- (b) address: 29 Bushnell Hollow Rd., Baltic, CT 06330
- (c) current owner: Baltic Village Viancy, Inc.
- (d) date planned to acquire ownership of the site (required for cleanup grants). June 2007

**2. Status and History of Contamination at the Site.**

- a) **Type of contamination:** the site is contaminated with hazardous substances and asbestos. The Phase II USEPA Targeted Brownfields Assessment Report indicates chemical constituents in soils including polyaromatic hydrocarbons, lead, arsenic, and petroleum hydrocarbons. Asbestos is present in debris around the remaining granite structure, known as Building #10 and in roof materials and window glazing that are exposed to the elements. It is at Building #10 and its immediate surroundings that this grant application is directed.
- b) **Operational history and current uses(s) of the site;** The site was one of the largest textile mills in the United States at the peak of its operation in the late 1890's; mill operations ceased around 1967. Reportedly, no dyeing took place in the textile operations. In the 1980s, several small boat builders leased space in the building, and various chemical resins and solvents were used. The textile mill was destroyed by fire in 1999, with the exception of Building #10. The site had been vacant and unused since that time.
- c) **Environmental concerns** include the release of asbestos material from Building 10 to the surrounding environment. The 1999 fire likely contributed to the polyaromatic hydrocarbons present in soils at the site. The Phase II USEPA site investigation also indicated the presence of petroleum hydrocarbons in the area of two- 50,000 gallon No. 6 fuel oil tanks. The petroleum contamination is commingled with metal contamination. Coal ash is also present onsite which likely has resulted in the presence of lead and arsenic. Although the asbestos present in Building #10 is currently not friable, the building, being abandoned and with a roof in poor condition, poses a concern for the businesses, homes, and elementary school within a half-mile radius, should a fire or storm cause the asbestos to become airborne again.
- d) **How the site became contaminated; nature and extent of the contamination:** The site likely became contaminated due to the fire (ash and polyaromatic hydrocarbons), coal ash/fill disposal, and release of fuel oil. The asbestos contamination within and around the building has been defined by the USEPA Brownfields Phase II report. The asbestos contamination that is the focus of this grant application is above ground; the Town has indicated to EPA, however, that onsite soil and ground water contamination requires further assessment.
- e) **Sites Ineligible for Funding.**  
The Phase I Environmental Site Assessment and other legal research confirmed that the site is not on the NPL, not subject to any orders under CERCLA, nor is it subject to jurisdiction or control of the United States Government.

**4. Sites Requiring a Property-Specific Determination :**

The Baltic Mills site does not require a property-specific determination. The Phase I Environmental Site Assessment and other legal research confirmed that the site a) is not subject to a CERCLA planned or ongoing removal action b) not subject to any legal action, or regulated by a permit, under the Solid Waste Disposal Act(SWDA), Federal Water Pollution Control Act(WPCA),Toxic Substance Control Act (TSCA)or the Safe Drinking Water Act c) not subject to corrective action under the SWDA, d) does not contain a land disposal unit under subtitle C of SWDA, e) no release of PCBs have occurred subject to TSCA and no release from USTs have occurred.

**5. Environmental Assessment Required for Cleanup Proposals.**

A Phase I Environmental Site Assessment was conducted by GEI Consultants of Glastonbury, CT on February 2005 and forwarded to EPA. Prior to the Town taking possession of the property an assessment, currently underway, will be completed by the LEP to include the recently adopted provision of the “All Appropriate Inquiries” final rule which includes an updated regulatory review, interview with the property owner(s), and a re-inspection of the site.

A Phase II site assessment, labeled a Response Action Contract (RAC)/Sampling and Analysis Plan for Non-Superfund Targeted Brownfields Sites was completed in January 2006 by Tetra-Tech, NUS, Inc. of Wilmington, MA under EPA Contract No. 68-W6-0045 and forwarded to EPA for review and comment. Copies of all these documents are on file for review at the Town offices.

**6. Affirmation of non-liability under CERCLA for contamination:**

The Town has performed all due inquiry and is not potentially liable for contaminations at the site under CERCLA Section 107: it is not a current owner/operator of the facility; it was not an owner of the facility at the time of the disposal of hazardous substances; it did not arrange for the treatment or disposal of hazardous substances, nor did it accept hazardous substances for transport to disposal or treatment facilities. Additionally, the Town is a "bona fide prospective purchaser." All due inquiry regarding hazardous substances has been conducted of the previous owners prior to acquisition; the Town will comply with the provisions of Section 107 regarding information requests and administrative subpoenas under CERCLA. The applicant will provide all legally required notices and take such reasonable steps to stop continuing releases, prevent future and to prevent or limit human, environmental or natural resource exposure to the previously released hazardous substances; the applicant will provide full cooperation with the state, federal and local authorities responding to the site conditions and provide access and assistance with all of those who are properly authorized to conduct a response action or a natural resource restoration; the applicant will comply with information requests and administrative subpoenas under CERCLA and is not liable for response costs nor affiliated with a PRP through a family or financial relationship."

**7. Enforcement Actions. Identify known ongoing or anticipated environmental enforcement actions related to the brownfield site for which funding is sought.**

According to information gathered by the Phase I analysis and the amended “all appropriate inquiries” report cited previously, there are no ongoing or anticipated enforcement actions being conducted at this site.

**Describe any inquiries or orders from federal, state, or local government entities that the applicant is aware of regarding the responsibility of any party (including the applicant) for the contamination or hazardous waste at the site.**

EPA’s database includes potential liable parties with potential Superfund liability as Baltic Village Viancy Inc. (owner); Linda Cipriani and Paul McGuire (former abutters; property is currently owned by James Frazer). A 2005 interview with the president of BVV “indicated no past or current environmental orders or violations regarding the site. He did indicate that he was served with various legal documents from the EPA and possibly the CT DEP immediately after the fire [1999]. He also had to supply financial

information to the EPA. He indicated that he had not received any further notice or actions after the fire from CT DEP or the EPA (p. 15).”

**8. Information on Liability and Defenses/Protections.** (Please Note: In addition to the specific questions required in this section, and for chronological ease of understanding, a detailed account of the Town’s 25-year involvement in the property is presented in Section “c:” (pre-purchase inquiry); each of the subsequent questions is answered briefly, and will refer to this history for further explanation.)

**a. Information on the Property Acquisition. i, ii) How the Town will acquire ownership/date to be acquired:** The acquisition of the Property will be by deed by way of foreclosure; the Town will possess clear title to the property on or before June 30, 2006. Currently the Town is owed in excess of \$277,000 in property tax and \$7,000 in water and sewer fees. The current owner has never paid taxes on the property. **iii) The nature of the ownership (fee simple or other):** The acquisition of the Property will be made in fee simple ownership.

**iv) Name and Identity of owner:** Baltic Village Viancy, Inc., a 501 (c) (3) corporation registered in Connecticut

**v) Contractual relationships with prior owners:** The Town of Sprague received written permission in 1999 from the Baltic Village Viancy, Inc. to enter the property for purposes of securing it and conducting salvage/cleanup operations. Included in this permission was the ability to enter into agreements with enforcement authorities (DEP, EPA) to conduct ongoing testing and cleanup activities. The BVV gave the Town permission to sell materials from the complex to help offset the costs of town and other cleanup activities, and agreed to not remove anything itself from the site. Additionally, several community members have been at one time members of the BVV. Currently, the President of the BVV has given the Town permission to use part of the property as part of its interconnected Open Space/River Trail network, should the DEP-sponsored Recreational Trails grant submitted in April 2006 be accepted.

**b. Timing of Hazardous Substance Disposal.** Hazardous material generation effectively ceased in 1967 when mill operations ceased. Additionally, no further disposal of hazardous materials will take place at the Mill site after the Town acquires the property. The Town has not caused or contributed to any release of hazardous substances at the site. The Town has not, at any time, arranged for the disposal of hazardous substances at the site or transported hazardous substances to the site.

**c. Pre-Purchase Inquiry. Describe any inquiry by you or others into the previous ownership, uses of the property, and environmental conditions conducted prior to taking ownership.**

The Baltic Mills Complex, comprising the majority of the downtown Village District and the “heart” of Sprague, has been of obvious interest to the Town since the mill closure and subsequent selling of assets in the late 1960’s. Of historic and cultural significance both to Sprague and New England, an exhaustive ownership and use inventory as well as transfers of various holdings to the Town and private parties, has been documented and followed in detail, and all such records are on file in both the Town Clerk’s office and with the Town attorney. The Phase I environmental site assessment (on file at the Town offices or available in pdf format on disk at your request) offers an exhaustive site history of the property from its construction in 1857 to the present day. Summarized briefly, mill operations ceased in 1967, and from 1980 to the early 1990s several small marine/boat building companies occupied the site. The last two owners of the property (1981 to the present) planned to renovate the mill but these plans were not realized and the mill remained largely vacant until the majority was destroyed by fire in 1999.

The Phase I Environmental Site Assessment was performed for the Town of Sprague in February 2005 by GEI Consultants of Glastonbury, CT. which was contracted by the Town to perform the Assessment. A title search was also performed at the time.

The Phase II sampling and Analysis Plan was performed in January 2006 by Tetra-Tech NUS, Inc. of Wilmington, MA for the EPA, who had the assessment performed in response to a request from the town for funding to conduct the assessment. The results were reviewed by both EPA and Paul Burgess, LLC, a

consultant retained by the Town and formerly the GEI consultant who performed the Phase I assessment. As noted in section C5, an assessment including the recently adopted provision of the “All Appropriate Inquiries” final rule will be completed prior to taking possession of the property.

Mr. Burgess was a Principal of GEI Consultants and is a Connecticut Licensed Professional Engineer and a Connecticut Licensed Environmental Professional with over twenty-five years’ experience in conducting assessments and remedial design of contaminated properties. All assessments were performed specifically for the Town of Sprague as part of its plan to acquire and preserve/renovate the Baltic Mills complex as part of its Master Plan for Downtown Revitalization.

John Meyer is an LEP, LSP, and project manager of Tetra Tech, NUS. Both companies’ qualifications are on file with the Town offices. The Phase I Assessment of the property as well as the Baltic Mills Redevelopment Analysis and Strategy prepared by the Connecticut Economic Resource Center (CERC) outlines the ownership and use of the property, and was further verified by Independent Title of New London, CT, who are licensed title searchers.. Additionally, further searches will be conducted by Attorney Lloyd Langhammer as part of the foreclosure procedure mentioned earlier.

**d. Post-Acquisition Uses.** The Sprague Economic Development Commission, through public meetings and contracted services, developed two important documents with respect to the future use of the Baltic Mills site: a Master Plan for the Baltic Village Center, and the Baltic Mills Redevelopment Analysis and Strategy. (both documents are on file at the Town offices for review or can be emailed in pdf format at your request). The SEDC has been tasked with elaborating on the Town’s vision of revitalizing the downtown area specifically through the renovation and adaptive re-use of the Mill complex, which comprises a large part of the downtown area, and is listed on the National Register of Historic Places. Its continued disuse is quite literally responsible for maintaining the community’s distressed status, and questionnaires that have asked the public to name the number one priority in town overwhelmingly are answered with “mill redevelopment.” Specific use, actually, is secondary. The SEDC and the Town agree that it is vital for the town’s future economic and cultural growth to replace the Mill complex with a mixed-use development that reflects the economic needs of the area while reflecting the town’s industrial heritage. In this respect, the Town is poised to establish very adaptable public/private partnership with a development entity who will purchase or accept transfer of the property and its attendant liability, and conform to the specific requirements that the Town places on the site, which are mostly visual and reflect Baltic’s Historic heritage and the recommendations of the Connecticut Commission on Culture and Tourism, Historic Preservation Department. The Mill complex is strategically located at the entrance to the city and now serves as a symbol for what the town is perceived as representing: missed opportunity, decay, abandonment, and hopelessness. This is doubly frustrating because revitalized, this facility could well be the key to Sprague’s renaissance. Simply put, the Town needs to take control of the property so it can begin to market the site to potential developers who will take into consideration the Village Plan and the vision of the Mill re-use committee. The redevelopment analysis stresses the ability of the site to be quite adaptable, as the majority is not in need of “renovation” at all, but of complete reconstruction. The Town does not wish to retain the property and act as developer. Rather it wishes to form a partnership in which mill redevelopment is shaped and controlled by the community and the Town’s heritage. *(Please see Attachment II: SEDC Concept Design Plan Baltic Mills Heritage Commerce Park.)*

**e. Continuing Obligations: specific appropriate care exercised by taking reasonable steps to:**

•  **stop any continuing releases:**

The Town performed a Phase I Environmental Site Assessment that revealed that there are, with one exception, no known and/or ongoing continuing releases.. The exception is the release of asbestos material from the remaining onsite building which could be released to the surrounding environment by weather, fire etc. The Town intends to use the majority of the Cleanup grant, therefore, to abate that asbestos currently exposed to the elements.

- **prevent any threatened future release**; please see above
- **prevent or limit exposure to any previously released hazardous substance.** Please see above,  
**Please confirm your commitment to:**

- **comply with all land use restrictions and institutional controls;**

Currently, there are no land use restrictions or institutional controls at the site. The Plan of Conservation and Development, however (prepared by Harrall-Michalowski Associates, Inc., Hamden, CT), reflects the Mater Plan for Baltic Village's recommendation for a zone change for the area from industrial to "Baltic Village District 2" which is a mixed used (commercial/residential) district. The Town expects the POCD to be approved by January 2007. Future institutional controls may be part of the site remedy, and if required, the town will insure compliance. Additionally, as part of the remediation project, the town intends to provide additional fencing and signage to prevent unauthorized access to the site.

- **assist and cooperate with those performing the cleanup and to provide access to the property**  
The Town will, as an active participant in the cleanup process, cooperate fully with those performing cleanup and develop a mechanism to provide site access while maintaining site security.

- **comply with all information requests and administrative subpoenas that have or may be issued in connection with the property**

The Town will comply with all information requests and will perform its customary notification to local media of all activities pertinent to remediation activities at regular intervals throughout the cleanup process.

- **provide all legally required notices.**

All required notices associated with site cleanup will be provided by the Town. The Town has an active public participation program and has already solicited public comment on the redevelopment/reuse of this site via meetings with individual groups, open Selectmen meetings, and informational pages in the Town's monthly newsletter (distributed to all households) and on the "Town Projects" page of its web page ([www.ctsprague.org](http://www.ctsprague.org)).

### *Petroleum section disregarded*

#### **D. Cleanup Authority and Oversight Structure**

##### **1. Oversight plan and enrollment in state program .**

The technical and regulatory aspects of the project will be overseen by an LEP whose services will be solicited through the required bidding process that meets the procurement provisions of 40 CFR 31.36 for government entities. The requirements of the LEP and the specifications of the project will be outlined in the bid announcement in the local newspaper. This contractor will develop a remediation plan and specifications, building on the Phase II Assessment already completed. He/she will provide a timeline, designated personnel and specific chronological tasks for project completion. All personnel and all phases of the project will be overseen by the First Selectman, who is the CEO and administrator of the Town, and who will receive regular reports from the LEP and Public Works Foreman. The First Selectman will also oversee the administration of the funds for the project and receive appropriate financial reports from the Treasurer in accordance with the standard accounting practices of the municipality.

The Town has discussed with CT DEP representatives its plans for applying for Connecticut's Voluntary Remediation Program, upon receipt of this award; this program requires DEP review and approval of all project documents including the scope of work, and will coordinate with the project's LEP regarding project oversight.

##### **2. Plan to acquire access to neighboring properties if necessary to conduct the cleanup, perform confirmation sampling, or monitor offsite migration of contamination.**

The site is accessible on all sides from public roads and private roads with Town easements. At the time of the cleanup project, the private roads will be part of the Town-owned Mill property. In addition, BVV entered into an agreement with the Town granting access to the property for the purposes of remediation,

site security, etc. The Town has good working relationships with all abutters and can secure access to adjacent properties if needed.

**E. Cost Share**

The majority of this cleanup grant will focus on asbestos remediation and the oversight of this remediation. The complementary activity, as described in detail in section D of the Ranking Criteria, is the excavation and clearing/repair of the headrace to connect the River Park to the Mill site by way of an additional green space/walking trail, which will be created in part by a DEP Recreational Trails grant, to be awarded next spring. The Town understands, then, that the cost share of this grant will be largely monetary, and has set aside \$40,000 in capital improvement funds from next fiscal year’s budget to provide the necessary cost share.

With those funds in place, the Town will still look to contractors, the Town Department of Public Works, and volunteers from various commissions, to perform some of the required work for the green space component, namely brush cutting, landscape design and part of the excavation costs, which have already been committed by a local excavator who has agreed to perform half the excavation (approximately \$9,000) as an in-kind service. Additionally, the DPW will provide that labor that is permitted under OSHA guidelines and approved by DEP under the Voluntary Remediation Plan into which the Town will enter, for such tasks as installation of additional fencing or repair of existing fencing as necessary.

**Ranking Criteria for Cleanup Grants**

**A. Cleanup Grant Budget (10 points)**

The majority of the funding for this project will be spent on the direct cost of asbestos removal from a specific Mill building. Due to the technical expertise needed to perform this removal, the Town will not be contributing cost share to this task. Rather, the Town will use all personnel and project management services at its disposal, as well as previous commitments to perform some excavation and landscaping services in-kind, to conduct the complementary and ancillary tasks associated with this proposal.

Budget Categories	Project Tasks						
	Task I Permits/ Signage	Task II Professional Services/ Project Oversight	Task III Asbestos Abatement	Task IV Headrace Cleanup	Task V: Landscaping	Task VI Project Mgmnt	Total
Personnel/ Fringe; Equipment & Supplies*	5,000			10,000	5,000	3,500	
Contractual/ Fees		15,000	191,500	10,000			
<b>Total EPA</b>		<b>8,500</b>	<b>191,500</b>				<b>200,000</b>
<b>Total Cost Share</b>	<b>5,000</b>	<b>6,500</b>	<b>0</b>	<b>20,000</b>	<b>5,000</b>	<b>3,500</b>	<b>40,000</b>

**Task I: Permitting/Signage:** Permits or approvals that will be obtained prior to the start of remedial actions:

- Submission of an environmental conditions assessment form (ECAAF) to CTDEP by the Town of Sprague regarding notification of a Voluntary Remediation under Connecticut General Statutes 22a-133x.
- Submission of the \$3,000 filing fee to the CT DEP for entrance into the State’s Voluntary Remediation Program.

- Town of Sprague Inland Wetlands Commission permit for activities in floodplain. (Mill #10 and headrace)

- Town of Sprague Building/Demolition permit for roof and windows
- US Army Corps of Engineers Wetland Permit (as required).
- DPH permits for asbestos removal as required

**Signage and Fencing:** Although the area is currently signed and fenced, fence repair and replacement will be made as necessary, and the area will be posted as no trespassing, and undergoing remediation. Some repair will be made to the protective iron railing that lines the top of the headrace; this project is being addressed by the Historical Society and Conservation Commission through other initiatives including the Recreational Trails grant and eagle scout/Girl Scout projects.

Additional signage will be constructed by the Town as part of the green space component, which will provide an informational kiosk at the headrace.

Percentage of Cost Share for Task I: 100%.

**Task II: Professional Services: Project Oversight (Engineering):** The LEP, in conjunction with Connecticut DEP and DPH as outlined in Section E1, will provide technical oversight of the entire project until its termination, and contracting with appropriate asbestos remediation professionals as appropriate. He/she will provide written and oral reports on a regular basis and coordinate with the First Selectman's office regarding specific phases of work, concerns, issues, etc. He/she will also be responsible, with the Public Works Foreman, for oversight of the Town Personnel and their specific duties related to areas of the project that permit non-contracted or OSHA-trained personnel to perform certain activities.

Percentage of Cost Share for Task II: 43%

**Task III: Asbestos Abatement:** This comprises the bulk of the request from EPA and will be contracted by the LEP to a licensed asbestos abatement professional. The licensed asbestos abatement consultant will prepare a bid document for the asbestos abatement and will conduct any required oversight and follow-up asbestos clearance inspection and sampling.

Percentage of Cost Share for Task III: 0

**Task IV: Headrace Cleanup:** The Town will contract with a licensed excavator who will remove and dispose of approximately  $\frac{3}{4}$  of the approximately 20,000 yards of fill that has accumulated in the headrace, shaping the remaining fill into a walkable slope leading to the bottom of the headrace, and exposing one of the granite gates that will serve as a passage on the river walk/trail network. It is assumed that the cost share noted for this task is considerably lower than what the Town will actually be providing, as half the excavation of the headrace will most likely be an in-kind donation to the Town.

Percentage of Cost Share for Task IV: 100%

**Task V: Landscaping:** Cost share for this item will include tree and vegetation removal from the 600-foot headrace and walkway, re-seeding and landscaping of the area, and installation of an informational kiosk. Plans for the sunken garden project will be finalized; this project will act as the impetus for the completion of the details of the project. Iron railings at the top of the headrace will be repaired as funds allow; this project is currently underway (see above).

Percentage of Cost Share for Task V: 100%

**Task VI: Project Management (in addition to Project Oversight):** Involvement of First Selectman, Assistant, Treasurer, Grant Writer, and Sprague Economic Development Commission (SEDC) and Sprague Historical Society (SHS). The grant funds will be overseen by the office of the Treasurer (the fiduciary), through a system of billing to the First Selectman's office, review by the LEP, and submittal by the First Selectman to the Treasurer for payment. The First Selectman will be responsible for assuring the implementation of institutional controls including the awarding of contracts and deployment of Town personnel over the eighteen-month estimated project period.

Percentage of Cost Share for Task VI: 100%

## **B. Community Need (15 points)**

### **1. Detailed Description of Targeted Community**

Sprague, Connecticut is a rural community of about 3,000 inhabitants living in more than 1,164 residences throughout three villages: Baltic, Hanover, and Versailles, covering an area of 13.8 square miles. The town is one of twenty-five Connecticut communities classified as a Distressed Municipality by the Connecticut Economic Development Commission, and it ranks 30<sup>th</sup> out of 169 towns in poverty in the state. This designation was received based on the community's ranking in per capita income, change in per capita income, percentage of poverty, the change in population and employment between 1992 and 2002, the percentage of housing stock built before 1939, the adjusted net grand list, and the percent of adults over age 25 with a high school diploma or higher.

The majority of the population is composed of third and fourth generation residents whose families worked in the Baltic and other mills in Hanover and Versailles, along the Shetucket River. Baltic Village, listed on the National Register of Historic Places, is the site of what was one of the three largest textile mills in Connecticut and one of the largest woolen mills in the US. The 1999 fire that destroyed the majority of the mill buildings was one of the biggest economic blows to this close-knit community, and literally signified a destruction of their community identity that the town has yet to regain.

The majority of Sprague residents now work at low paying jobs or part-time at the two casinos, Foxwoods and Mohegan Sun, twenty minutes to the south in Norwich/Ledyard. The town has a weak tax base due to limited local business and industry, and a limited infrastructure. An aging and failing water and sewer plant has yet to receive emergency funding. Because of the construction and rapid expansion of the casinos, the explosion of housing development in the surrounding area, and the collateral increase in the region, Sprague has been faced in a short period of time with imminent threats and vulnerabilities: to its infrastructure, its public health services, its citizens' personal safety, and its emergency services delivery. Sprague is attempting to address these threats in as comprehensive a manner as possible, and the Town Master Plan for Development, as well as the new Plan of Conservation and Development, list the adaptive re-use of the Baltic Mills as one of the Town's top priorities.

### **2. How the community will benefit from the grant:**

The Sprague Economic Development Commission (SEDC), with assistance from the Southeastern Connecticut Council of Governments (SECCOG) and the Southeastern Connecticut Enterprise Region (SECTER), has engaged the community in a series of needs analyses over the past four years that have consistently focused on the revitalization of the Baltic Mill as a key to Sprague's revival and economic survival. To this end, citizens have voted to appropriate funds for several feasibility studies for the Mill site, and last year the Town submitted a USDA Rural Business Opportunity grant application to provide a more thorough analysis (minus a residential component due to the parameters of the program). Additionally, the five-year water and sewer provision plan, recently completed by Wright Pierce Engineers for the Water and Sewer Authority, places the Mill complex and its re-activation high on the list of activities that will contribute to the ability of Baltic Village to maintain its water and sewer infrastructure. Specific community benefits of this particular grant (as opposed to the entire Mill renovation) include: the elimination of a potential health hazard, partial elimination of blight, community control over the future of downtown, indication to the community that the Town is moving forward in a positive direction, and the development of green space adjacent to the existing River Park and Senior Housing complex. *(Please See Sections B3 and C for an elaboration on the various community benefits this project will generate.)*

### **3. Extent/impact of brownfields in the community**

The presence of hazardous materials at the 16-acre site is the main reason for the inability of either the present owner or the Town to begin any redevelopment initiative. The Town has considered taking control of the Mill site since the 1980's when a previous owner, with plans for redevelopment, defaulted on his taxes. The non-profit that took possession of the Mill in 1993 has been defunct since

the 1999 fire and has paid no taxes to date. The presence of brownfields in the community literally has made the difference in Sprague between potential economic growth and stagnation and decline.

Sprague, being a rural mill community, has several brownfields sites in the three-village area, most caused by industrial pollution, such as the landfill at the Sprague Paperboard (Caraustar/Cascade) property in Versailles, currently being overseen by the CT DEP Remediation Division as part of the company's Voluntary Remediation Plan mandate. The Mukluk Preserve, a 280-acre parcel of open space in the northwest corner purchased by the Town in December 2005, is currently the beneficiary of an EPA Brownfields cleanup grant that is funding the containment and remediation of lead in the soil caused by 40+ years of target shooting in a 16-acre area. The Baltic Mills/downtown area contains at least two other sites that can be considered brownfields, one being a 1-acre vacant lot on West Main Street that was the site of a former woolen mill and then an apartment building; when both were destroyed by fire in succession they were bulldozed into the ground. And the Baltic Mills site contains an additional two-acre parcel, now privately owned and home to three of the four remaining granite mill structures as well as the brick smokestacks; this site, adjacent to Mill #10, has never been assessed or tested other than by DEP for asbestos in the smokestacks. It is the future goal of the Town to acquire this property as well and include it in the downtown revitalization plan, as the structures are still magnificent, but falling into disrepair.

The environmental, economic and health impacts of these properties cannot be overstated. While the Baltic Mills site was stabilized by 2001 by EPA in terms of airborne hazards, the fear remains that asbestos in the roof and windows could become friable during a fire or large storm, and with the elementary school less than ¼ mile away, this is a serious problem. (*See Attachment III: Letter of support from Sayles School.*) The effects of potential lead contamination/leaching upriver at the Mukluk Preserve have been documented in previous applications. It is the inability to re-use important sites, however, that impacts the community the most. A number of factors this year acted in the Town's favor, and informed its decision to take control of the Mills and by extension its economic and social destiny. First, the positive relationship that was built with EPA Region I during the Mukluk Cleanup process has assuaged some of the fear that local officials have regarding the Town's ability to perform this type of remediation as well as assume the necessary liability. Second, the past three years have seen a surge in interest by regional development initiatives and private investors in adaptive re-use strategies, and anecdotal evidence from downtown revitalization councils and conferences have all pointed to the importance of municipal and community stakeholders to take control of their historic downtowns. The July 2006 Connecticut Brownfields Act has strengthened the position of the Administration that the state should take every measure possible to preserve its industrial heritage. Lastly but perhaps most importantly is the community's unified desire to rebuild itself as an important part of eastern Connecticut's economic and tourism district, with the potential for 600,000+ feet of renovated and reconstructed mill space that reflects sustainable economic enterprise and housing.

### **C. Sustainable Reuse of Brownfields (12 points)**

#### **1-3 To what extent will this grant support the following goals: prevent pollution, promote economic benefits, promote a vibrant and healthy community.**

As stated in section B, this Brownfields cleanup grant will eliminate the asbestos in a 56,000 square foot granite mill building and its surrounding area, thus encouraging its reconstruction and adaptive re-use as the cornerstone of the revitalized Mill complex. Although this grant certainly cannot address all the reconstruction/re-use needs of this building, much less the entire site, the removal of asbestos does three important things: it removes a potential health hazard, it prepares the remaining salvageable building for renovation, it acts as an indicator to both potential developers and community members of the Town's wholehearted commitment to revitalized downtown and assist in whatever way it can in the process, which is a great asset to a developer and an enormous morale booster to a downtown community that has long felt abandoned. We have no doubt, as happened with the adjacent River Park, that all the community

had to see was a positive commitment on the part of the Town to elicit participatory support and volunteer efforts. The majority of residents remember the way the Town was, and from all accounts it was magnificent, with its trophy salmon river running through its center to its ornate and mysterious granite headrace, and village plan that is seen by the National Register as *the* best example of a Mill Village layout still extant in the United States.

The Municipality and the SEDC, along with the soon-to-be-established Mills Advisory Committee, have studied various marketing strategies for the site, having attended several Connecticut Main Street (Northeast Utilities) Downtown Revitalization Workshops, participated in mill re-use seminars throughout the state, networked with towns similarly engaged in adaptive reuse strategies, and taking advantage of the seminars and networking opportunities offered by the Brownfields 2006 Conference this past November. One of the Town's allies has been the Green Valley Institute at the University of Connecticut, that provided technical assistance to our River Park project through services of a landscape architect who has worked extensively with mill projects. One of the interesting observations she offered was that this site poses the unique opportunity to an investor for both adaptive re-use and reconstruction from the ground up. Since Mill #10 is the only surviving structure, we have the opportunity to present a plan to a potential developer that frees him/her of the financial hardships that renovation poses. The only structure needing renovation is Mill #10. With certain caveats in place (i.e., preservation/incorporation of the turbine wall into the design, creation of buildings that reflect the former mill style, creation of walking trails that connect to and maintain the headrace, etc.) the developer is free to design whatever interior spaces and economic configurations he/she sees fit. The town can additionally request that green building and energy conservation measures should be utilized, a request that would be difficult to honor were the entire structure still standing. In return, the developer is guaranteed complete cooperation from the town and assistance with tax incentives and state/federal funding opportunities when possible. Much of the brick and granite from the fire aftermath remains onsite. It is envisioned that the brick will remain onsite and be used as "clean fill". Granite reuse will also be evaluated for onsite or offsite. It is possible that granite material onsite can be used for walls and/or restoration of existing industrial archeological features (e.g. head race) Regarding pollution prevention, it is planned that onsite storm water would likely be discharged into the onsite tailrace system, thereby providing increase travel time, storage, and lower peak flows prior to discharging to the Shetucket River.

The Mill revitalization would provide an expanded tax base, with an increase of approximately \$200,000 per year, and a contribution to the Water and Sewer Authority that, representing a third of the services provision, have nearly caused the W&SA to cease the ability to function. The economic and social health of the community would be increased by providing a central location for people to shop and engage in recreational activities. Businesses in the area would be revitalized by the presence of a "magnet" that depending on the use of the space would bring a variety of people from outside the area who would take advantage of existing services. Additional jobs would be created for community members, though the exact number would need to be addressed through further feasibility studies, and depend upon the type of labor needed in the businesses established.

The Baltic Mill is literally the jewel of the Shetucket River, and its renovation, which includes a significant amount of park and green space, would enhance property values in the entire Village area.

**D. Creation and/or Preservation of Greenspace/Open Space or Nonprofit Purpose** (5 points)

The EPA Brownfields grant gives the Town a unique opportunity to augment what the Master Plan sees as an important component of downtown revitalization and preservation: the establishment of a river park and network of walking trails that will ultimately connect Sprague's two large tracts of open space (located approximately three miles apart) and incorporate several architectural mill artifacts into its design, thus creating an outdoor "museum." This year the Town received a \$9,100 matching grant from the Quinebaug Shetucket Heritage Corridor/Green Valley Institute to create a River Park and upgraded boat launch at a site across the road from the Mill complex that had been formerly a parking lot for Mill

employees. With generous donations from local suppliers and volunteer efforts of the Conservation Commission, the park is now featured in the National Heritage Corridor's Project Successes Report for 2006. Directly adjacent this site and never far from the thoughts of the Conservation Commission and Historical Society is the Mills Headrace, a primarily intact granite and brick structure that is both an engineering marvel and an example of beautiful stone and brickwork. (*See Attachment IV: photos of exiting mill and headrace*). What makes this headrace unique and important is the fact that it is one of the few such structures in the United States that lies more than two hundred feet from the river's edge *and entirely above water* due to the rupture of the dam in the late 1950's, thus it is always dry and passable. The Connecticut Historical Society, who reviewed the entire river park/trails project, acknowledged the impossibility of returning the headrace to its original use, and noted that the Sprague Historical Society should find a way to show visitors and students of mill history how this feature looked and functioned, from the riverbed up.

Thus, it has been a goal of the Town Commissions to gradually include the headrace as part of the River Park, but we were for a time at a loss as to how to best utilize what is truly a remarkable space: the headrace is in effect a one-ended passage, too narrow for a sports field, too low for a scenic view of the river. The landscape architect who donated countless hours of technical assistance to the river park project, came up with the perfect solution: the creation of a sunken garden "museum" in the headrace, through which would pass part of the riverside trails to be funded by the DEP Recreational Trails grant next spring, and to which is attached an interpretive component that will cover the cost of signs and informational kiosks. Visitors to the existing park could then pass through one of the large "gates" of the headrace and walk up the center of the structure, or they could enter from one of the sides of the headrace which, since part of it is currently filled in with clean fill, would be excavated to create a sloping lawn down to the bottom of the headrace. It is expected that the park will be doubly important as the Mill complex is developed, with more people visiting and working near the area. Within the headrace, historic roses would be espaliered along the granite walls, with other beds of historically accurate plants and herbs such as the woads used for dyeing textiles, medicinal plants, and the species native to the area at the time of the mills' construction and use. The primary goal of this project, which is on file at the Town office for review and includes specific goals, objectives and timeline, is to demonstrate to the community and the region that Sprague's historical architecture and visitor appeal is matched only by the willingness of its citizens to work to preserve its heritage and natural resources.

The preservation costs of this structure, including excavation/redistribution of fill in the channel, would be part of the Town's required match. (We have already received a price for excavation that includes a donation of half the machine and labor costs.) Initiation of this project would act as leverage to other organizations such as the Society for Industrial Archaeology and the Fiskars Foundation, who have already expressed interest in the project, to contribute funding for landscaping, ironwork renovation, etc. This green space project is really ideal as a multi-community group project, in that it speaks to many different interests from horticulture to historic preservation to engineering to teen projects/recreation. The Conservation Commission has been tasked with the creation of regulations and policies for all the Town's Open Space including the River Park and the Mukluk Preserve and will be playing an active part on the development of this important expansion. Additionally, the Department of Public Works will be responsible for routine maintenance (mowing, trash removal, park furniture installation/repair, etc.) as it currently maintains the River Park with great success. (*See Attachment V: Letter of Support from the Sprague Historical Society.*)

#### **E. Pre-Award Community Notification (12 points)**

##### **1-4. Means by which community was/will be notified; justify methods used; length of comment period; past/current outreach; plans for addressing comments received**

The Town of Sprague has been proactive in notifying the community of its plans to apply for funds to initiate Hazardous waste remediation at the Baltic Mills site. Indeed, one could say that community

notification regarding the plans for this site have been ongoing since 1999, when public education concerning the contamination caused by the fire, followed by reassurances that the initial cleanup was underway, were disseminated via print and news media, in state and local newspapers, in Selectmen's and Commission meetings. Whether intact or a shell, this Mill has been at the center of the Town's attention since its operations ceased, and scores of public documents, surveys and opinion pieces by residents have underscored the need for the Town to take control of the property to begin to bring about some type of economic and social stability to downtown. The SEDC began working on a conceptual Master Plan for Baltic Village Center in 2001, a comprehensive study of the Town's infrastructure, economic base, industrial history, and demographics, bolstered by several plans commissioned by the Committee from engineering and planning firms. The SEDC produced several documents outlining the proposal, and then complete planning process and held several hearings and informational meetings yearly to refine the plan to coordinate with the Planning and Zoning Commission's revised Plan of Conservation and Development. Participating groups and committees included the Historical Society, Conservation Commission, Board of Finance, Senior Center, Library Board of Directors, Public Safety Department, Water and Sewer Authority, Garden Club, and the several political organizations in the three villages. After each meeting with residents, town staff members, and different civic groups and committees, the SEDC drafted summaries that synthesized public opinion into goals, priorities and desirable elements for the Village. Even though the Master Plan was finalized in 2005, SEDC members continued to hold public meetings at both Town offices and in respective organizations' meeting spaces. By the time the Selectmen had decided to take the final step in August 2006 and initiate foreclosure proceedings in order to begin remediation, most of the Town's 3,000 citizens understood the issues surrounding the Mill and placed it as one of their highest priorities for future development activities. Still, the Office of the Selectmen began a campaign of community notification that has included informational articles on the town's web page, brief announcements in the Town's monthly magazine, and informational question-and-answer meetings with the Senior Center, whose members comprise the majority of abutting residents, as the Senior Housing Complex/Housing Authority is directly across the road from the Mill and adjacent the mill headrace. All other abutters have been notified, including the offices of one of the largest businesses in town, a construction firm who purchased and renovated an abutting (separated by a state highway) Mill parcel several years ago. This company has maintained a good working relationship with the Town and expressed the desire to cultivate a strategic partnership with the town that could include investment in the site.

The Board of Finance has approved a line item in next year's budget to cover the cost share of this award. Additionally, the Town is holding a public hearing to identify community needs, in order to prioritize projects fundable by the Department of Community and Economic Development. Our consultant for these awards will be present at the meeting, which was noticed in the local papers. Although not specifically on this agenda, the Mill revitalization, if it is brought up as a topic, can certainly be discussed. To date, we have received no indication that asbestos removal from the Mill is not the wisest course of action for what the community has already been informed will be the beginning of the process to revive the Mill in a participatory manner.

The additional Community Notification Plans, as required by EPA and differing slightly in their timing and format that those of last year, will be executed immediately following the notification of the contract award and prior to receipt of funds. A public hearing will be scheduled by the Selectmen's office at a time most convenient to residents, for the purpose of explaining the award notification and soliciting public comment. Our Engineering Consultant will also be present to answer questions, as will the Selectmen, Grant writer, Treasurer, and members of the SEDC and SHS. This meeting will be noticed in the local paper, the Town Web page and via flyers posted at strategic locations around Town that are normally used for the distribution of such information. While more and more residents are becoming comfortable with the internet, the customary way in Sprague to notify people is via the local newspaper or via flyer at the post offices, town bulletin board, transfer station, local restaurants, church bulletin boards,

and the general store. Additionally, we occasionally take advantage of the elementary school and send announcements home with students. Instructions in the notice will include the assurance that attendance at the meeting is not mandatory for submitting comments, which will be taken via email, regular mail on the phone and in person (preferably by appointment) up to two weeks after the scheduled meeting. Comments will be reviewed by the Selectmen's office and the Engineer and synthesized into an article that will appear in the local newsletter and on the Town web page, as well as on the bulletin boards mentioned above. The Selectmen will make every effort to answer comments from residents requesting individual responses. If the nature of the comments prompts either the Selectmen or the Engineer to modify either the remediation approach or process, we will consult with EPA regarding the most effective way to incorporate new and useful information into the plan.

#### **F. Ongoing Community Involvement (16 points)**

##### **1-3. Plan for involving affected community, past activities; developing partnerships at local/state level; plan for communicating progress to citizens**

Continuous community involvement in this project is crucial. As mentioned in section E, the community has been involved with the redevelopment of the Baltic Mills complex since its closure, and has participated in a number of town, community group, and commission meetings since the 1999 fire. The SEDC has worked ceaselessly with the Southeaster CT Council of Governments to promote and advocate for redevelopment of this property, and has developed partnerships with organizations such as Northeast Utilities/CT Main Street, the Windham Mills Development Corporation, the CT Urban Legal Initiative and the Quinebaug Valley Shetucket Heritage Corridor to create a comprehensive and participatory planning approach to this site, which is synthesized in a number of documents: the Master Plan for Baltic Village, the Regional Economic Development Priority Plan for Southeastern Connecticut, and the Baltic Mills Redevelopment Study, conducted by The Connecticut Economic Resources Commission (CERC). *(Please See Attachment VI: letter of Support from the Southeastern CT Enterprise Region)*. The size and location of the site, combined with its importance to Sprague's economic and social future, insures that the community will be involved in all phases of its redevelopment. Additionally, SEDC and the Town have identified a number of potential stakeholders and will be keeping them informed of the remediation's progress via the Town and SEDC web page, individual communication, and regular meetings regarding future planning. As mentioned earlier, specific meetings tailored to respective community groups that take into account availability, mobility and transportation issues, and the need for written, phone or face-to-face communication, will be, as always, the standard method by which the Town involves as many of its citizens and community groups as possible in the process.

##### **4. List of Community-based Organizations who will be involved in the project**

###### **(Organization name, contact person, phone number, brief description, proposed activities)**

**Sprague Historical Society**, Pamela Matthews, Chair, (860) 822-1270. The SHS receives funding from the Town to conduct a variety of activities that promote and preserve the town's heritage. Its museum has been the repository for all important documents, maps, and artifact pertaining to the Baltic Mills, and will be providing some of the cost share activities including landscaping and renovation of the headrace. The SHS will also monitor the progress of the asbestos abatement and report it in their monthly newsletter.

**Sprague Economic Development Commission**, Kevin Generous, Chair, (860) 822-6923. The SEDC has been the entity most involved in promoting the adaptive re-use of the Mill property. Along with the SHS they will be participating in the selection of an LEP and the oversight of the project, as well as assisting with headrace cleanup and landscaping, etc.

**Sprague Senior Center**, Marie Davis, Director, (860) 822-8189. The Senior Center is located in the Town office building and currently serves about 200 seniors per day. Many live adjacent the Mill site, and the majority have lived many years in Sprague and so are invaluable resources when it comes to the Mill's history, including its contamination and previous uses. The Seniors have asked to be briefed

periodically on the cleanup progress; they will also act as public educators in our community regarding the remediation and plans for Mill #10.

**Sprague Conservation Commissions**, Donald Boushee, Chair, (860) 822-9808. While taking a more active role in the Mukluk Preserve Cleanup, the SCC has already made a commitment to augment their River Park project by assisting with the excavation of the headrace and the landscaping/creation of the Mill site green space.

### **G. Reduction of Threats to Human Health and the Environment (27 points)**

**1 How and to what extent will funds be used to identify and/or reduce threats to human health and the environment within the target area that may be associated with exposure to brownfield site contaminants?**

**2 Extent the Town is working with local and state agencies**

**3 Proposed cleanup plan for the site and the estimated costs to complete the cleanup**

The majority of the cleanup funds requested in this grant application will be used specifically to remove a health hazard from the Mills site: the asbestos in the roof and windows, and that asbestos that lies above ground in the vicinity of the building, per the Sampling and Analysis Plan of asbestos and lead based paint on Table 1-1, p. 10 of the Phase II analysis, on file with EPA. Meetings with the Uncas Health District and the Sayles School have centered on the potential risks posed by this material, which is currently not friable but in the event of a fire or storm could cause the asbestos to become airborne. The Sayles School lies ¼ mile to the north of the site and has listed this hazard in its Vulnerability Assessment as part of the Integrated Emergency management Plan it is currently conducting through a grant from the Department of Education/Drug Free Schools/Homeland Security. (*See Attachments VII and III: letters of support from Uncas Health District and Sayles School*). During such an incident the possibility of the asbestos entering the tailrace, which still flows into the Shetucket River, is a very real threat.

The Town joined Uncas Health District in late 2005 (<http://www.uncashd.org>) and since then has been working with the Director to coordinate all relevant services and delegate public health-related responsibilities. The Director has met with the Town several times regarding the Town's Brownfields, concentrating on the Mukluk Preserve and Baltic Mills. Copies of all remediation and monitoring reports will be forwarded to his office for review.

Although the mill complex is partially fenced, Building #10 is vacant and as such is a potential risk for arson. The removal of the roof and windows would eliminate any hazards from the building or surrounding area, thus cleaning with a small amount of money one important part of the site. It is also a necessary step in the redevelopment and adaptive reuse of the building, and should be a positive step in attracting a developer. Additional assessments for soil and groundwater issues were recommended by EPA in their targeted assessment (Phase II) report. While it is the Town's plan to conduct these assessments before we determine a remedial action approach for the soil and groundwater, we wanted to begin that portion of the cleanup process that presented itself as urgent, definable, and that best addressed the Town's redevelopment/historic preservation plans. It is envisioned that the remedial approach for the site, following additional site characterization of soils and ground water, will be to render certain soils onsite "inaccessible" that exceed the CTDEP direct exposure criteria. This will include 4 feet of clean fill or a paved surface, which could serve as parking.

The CT DEP has long been familiar with the Baltic Mills site and has worked cooperatively with Sprague for several years regarding site control, safety and environmental assessment. Within the past two months the Town and its engineer have had meetings and discussions with DEP regarding our intent to apply for EPA/Brownfields cleanup funds, the specific nature of our request for Baltic Mills, the findings of the environmental assessments conducted at the site, and the proposed remedial measures, that include a phased remedial approach. Upon acquisition of the property, the Town will enter the Connecticut DEP's Voluntary Remediation Program. (*For more information on the health concerns addressed by the remediation/asbestos removal conducted by EPA and DEP immediately after the fire, please contact the Remediation Department*

at the CT DEP, (860) 424-3776; the file is rather extensive and DEP prefers to retain the entire record at its office.)

## **H. Leveraging of Additional Resources (10 points)**

**1. Funds identified to meet cleanup needs not covered through the grant:** As mentioned previously, the Phase II sampling analysis provided data with which to make preliminary estimates of the cleanup costs but indicated that further assessments were necessary. Anecdotal evidence and conversations with varying firms suggest that the cleanup costs will total approximately \$2 million, but this is a rough estimate only. Depending on the type of development chosen/permitted on site, this figure could increase or decrease. Upon ownership of the property, the Town will commit to maintaining on-site security via repair and additional of fencing, access roads, etc. Additionally the Town will continue to contract with monitoring companies to monitor the wells already existing on the property. While we are in the process of submitting our yearly bond request to the legislature that will include these cleanup costs, and will be complying with the DEP Voluntary Remediation Program guidelines, we will also be actively marketing the property to potential developers who will purchase the liability associated with the property. It is our intent to forge a public/private partnership that will be economically beneficial to the investor as well as desirable for the Town.

## **2. Ability to leverage funds, other funding sources committed:**

Although the entire Connecticut Bond Package was tabled by the Governor in 2005, our request for \$4 million to complete lead remediation in the Mukluk preserve received unanimous and bipartisan support in every committee through which the bill passed. Sprague has the support of area Senator Edith Prague, Representative and Jack Malone, current Congressman Rob Simmons, and Congressman Elect Joe Courtney for its efforts to clean up its two most important Brownfields sites: Mukluk and the Baltic Mills. (*See Attachment VIII Letter of support from Sen. Prague. Rep. Malone, Congressman Courtney and Rep. Simmons have reaffirmed their support in recent conversations with the First Selectman; letters of support are forthcoming but did not arrive in time to be included with this application.*) The First Selectman will contact all legislators as soon as the property has been purchased to begin drafting appropriate documentation for this legislative session concerning the Baltic Mills cleanup.

## **I. Programmatic Capability (20 points)**

### **1. Ability to manage the grant :**

The Town has developed an excellent track record in its ability to manage the existing USEPA grant at the Mukluk site. As mentioned previously, the First Selectman will be the overall manager for this project, and has under him a full-time staff including fiscal and administrative support personnel with extensive experience in state and federal grants/contracts management. An implementation plan for this particular cleanup project has been developed by the Selectmen in conjunction with the Engineering Consultant, the Historical Society, and the Economic Development Commission.

Upon receipt of the award, the Treasurer will be responsible for providing a periodic accounting of expenditures and will follow all standard bookkeeping and accounting practices in the tracking and reporting of the funding award expenditures. The Selectman's Office will be responsible for publishing in the appropriate newspapers a request for bids for Project Oversight Services from a licensed engineering professional/firm, and for asbestos removal services from a licensed contractor.

**If you are, or have been, a recipient of an EPA Brownfields cooperative agreement(s), highlight significant accomplishments generated AND monies leveraged through the use of the funds.**

The Town has completed the second phase of its EPA/Brownfields award for the Mukluk Shooting preserve: the containment of the contaminated area. This was accomplished through a cooperative partnership with CT DEP officials and EPA representatives, who visited the site several times to thoroughly investigate what is to become the first site of its kind in Connecticut to be cleaned with the

assistance of DEP and EPA. Much of the cost to date has been in-kind from Town volunteers who have spent weekends erecting the 16-acre fence. The collaboration of EPA, who provided additional testing services to further refine the contaminated area, DEP, who negotiated with us regarding containment and remediation options, and the conservation commission, who through a series of public education walks and invitations to participate in the actual pre-cleanup tasks, have not only educated the community about the hazards of lead but alerted many people to a resource they did not know their Town possessed. Through these steps, we estimate that we have incurred a cost savings of close to \$100,000—a number that keeps increasing as we continue to work together to refine the solution to the lead contamination on the property.

## **2. History of Managing Federal Funds:**

The Town of Sprague has an over fifteen-year history of managing federal funds totaling over \$7.2 million, and has never been the recipient of any adverse audit findings from any inspecting or auditing office, nor has it ever been required to comply with any “high risk” conditions regarding OMB Circular A-102. Additionally, the Town has been the recipient of several HUD Small Cities grants, and administers the funds through its own offices with the contracted assistance of L. Wagner and Associates of Waterbury, CT. Town responsibility has included project identification and approval, Board review, due diligence, fiduciary responsibilities, appropriate wage and affirmative action filing, etc. Federal grants received have included:

- A grant from the DEP, USDA and Small Cities that improved and expanded the Town’s sewer system and resulted in the formation of the Town’s autonomous Water and Sewer Authority

- A USDA grant to rebuild High Street, repair the water line on Main Street, and install sidewalks and curb cuts

  - A Small Cities grant to construct a public playscape

  - A DEP grant to construct a pump station, and a USDA water filtration grant

  - Several EPA clean water grants

  - An \$800,000 Small Cities grant to replace a retaining wall and upgrade the Baltic Heights Road

- A \$10,000 grant from the Quinebaug-Shetucket Heritage Corridor to establish a river park and boat launch across the street from the Baltic Mills site.

  - A \$100,000 Phase II Assessment grant awarded by EPA for the Baltic Mills Project

- A \$200,000 EPA/brownfields award to being lead cleanup at the 280-acre Mukluk Preserve, which is Town-owned open space on the Shetucket River.

## **3. Compliance with previous EPA/Brownfields reporting and performance measures:**

The Town has enjoyed a long history of relationships with highly qualified environmental services firms, as evidenced by the three completed Mukluk assessments. Sprague received in 2005 an EPA Targeted Assessment grant award of \$100,000 to conduct a Phase II Site Assessment of the Baltic Mills Site on Bushnell Hollow Road in Sprague. A Phase I Assessment was completed in February 2005 by GEI Consultants of Glastonbury, CT, and was forwarded to EPA; a copy is on file in the Town Offices for review. On October 5, 2006 the Town submitted its first quarterly report and request for reimbursement to EPA for its Brownfields cleanup grant award, and will be filing its second quarterly report on January 5, 2007. We maintain regular contact with our EPA project officer, our Voluntary Remediation Representative at DEP, and our EPA Region I representative.

## **B. Other Factors**

**Designation as a Distressed Municipality:** The Town of Sprague is one of twenty-five communities in Connecticut designated as Distressed Municipalities by the Department of Economic and Community Development, as referenced in a notification letter to the Office of Policy and Management dated July 2003. This designation was received based on the community’s ranking in per capita income, change in per capita income, percentage of poverty, the change in population and employment between 1992 and 2002, the percentage of housing stock built before 1939, the adjusted net grand list, and the percent of adults over age 25 with a high school diploma or higher.

**SECTION VI - AWARD ADMINISTRATION INFORMATION**

**DUNS Number:** The Town of Sprague's DUNS number is listed on Page 1 of this application.

**List of Attachments**

Attachment I: Letter from Connecticut DEP

Attachment II; SEDC Concept Design Plan: Baltic Mills Heritage Commerce Park

Attachment III: Letter of Support from Sayles School

Attachment IV: Photos of Mill and Headrace

Attachment V: Letter of Support from the Sprague Historical Society

Attachment VI: Letter of Support from the Southeastern CT Enterprise Region

Attachment VII: Letter of Support from Uncas Health District

Attachment VIII: Letter of Support from Senator Prague