

DEPARTMENT OF HEALTH AND ENVIRONMENT Kathleen Sebelius, Governor Roderick L. Bremby, Secretary

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## Farmland Lawrence Key Issues March 6, 2008

- 1. The site is very large and is heavily contaminated with nitrates. A cleanup system is in place to contain groundwater contamination; however, in it's present form, it will take decades to reach a full cleanup. Due to limited remedial funding available, any remedial measures should be performed in conjunction with the redevelopment plans for the site.
- 2. Shaw has developed a comprehensive cleanup plan to address many of the issues at the site. The proposed cost of this plan is \$7.4 million and only provides funding for 8 years of operation of the groundwater cleanup system. The current balance in the remediation fund is \$5,293,907 and the administrative fund for the Lawrence site contains \$7,830,000. KDHE anticipates that any cost effective remedial solution for the site would require 30 or more years of operation of the groundwater containment system. With this in mind, the most cost effective solution for the property would be for the city to purchase the facility and perform the cleanup to suit their development plans for the property. The funding contained in the administrative fund can be used for site demolition and administrative functions.
- Much of the property can be redeveloped without waiting on the completion of the cleanup. The city could begin generating revenue from the property to assist with the cleanup cost. In addition, the city crews who now operate the water and wastewater systems have the ability to operate the cleanup systems in a much more efficient manner than through contracted services.
- 4. The cleanup is expected to require 30 years to complete. The remediation trust will very likely terminate prior to completion of the cleanup. In order to secure completion of the cleanup, KDHE will require the seller to place environmental use controls on certain areas of the property and will require the purchaser to sign various legal documents committing to long term operation of the cleanup system together with providing adequate financial assurance (or taxing authority in the case of a government entity) to demonstrate its ability to accomplish the cleanup.
- 5. KDHE is working on establishing a cleanup plan that can be completed using the remaining Trust funds based on balances provided by the Trustee's contractor. This will not result in a rapid clean site, however, it will allow for long term containment of contaminants while a purchaser performs additional cleanup as the property is redeveloped.
- 6. Discussion of the City's redevelopment Plan and the proposed cleanup plan.