

PORTLAND MAINE

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Planning & Urban Development Department Penny St. Louis Littell, Director

November 13, 2008

VIA EMAIL & US MAIL

Nicholas J. Hodgkins, VRAP
Maine Department of Environmental Protection
Bureau of Remediation and Waste Management
Division of Remediation
17 State House Station
Augusta, Maine 04333-0017

Subject:

Voluntary Remedial Action Plan

Bayside Railyard Subdivision -- Lots 1, 2, 3, 4 and 9

Portland, Maine

Dear Nick:

Enclosed is an Application for Assistance under the Voluntary Response Action Program (VRAP) for the Bayside Railyard Subdivision property (the "Subdivision") in Portland, and a check for the application fee of \$500.00. This Application relates to the management of Group 2 soils in particular on Lots 1, 2, 3, 4 and 9 of the Subdivision. A reduced copy of the proposed Subdivision Plat is attached hereto.

This application has been prepared on behalf of the City of Portland (the "City"), as the Applicant and the Downtown Portland Corporation, BAYCO LLC (BAYCO"), and MaineHealth as Co-Applicants. Downtown Portland Corporation is the current property owner. BAYCO is currently under contract by Purchase and Sale Agreement to buy Lot 3 and construct a parking garage and office building thereon. MaineHealth will be buying Lots 1 and 2. Lots 4 and 9 will be transferred to the City and are to become the Bayside Trail. Construction on Lot 3 will begin in February 2009.

This letter describes the project and the proposed remedial actions associated with Lots 1-4 and Lot 9 in the Subdivision. The proposed remedial actions are based on and consistent with the Voluntary Remedial Action Plan for the Union Branch Rail Line Property approved by DEP in 2001 (the "2001 VRAP Plan"), a copy of which is attached to this letter.

Introduction

The Subdivision is a portion of the former Union Branch Rail Line that once ran through the Bayside section of Portland. The Maine Department of Transportation (MDOT) purchased the Union Branch Rail Line property from the Portland Terminal Company Maine Department of Environmental Protection November 13, 2008 Page 2

(PT) in 2001. At that time MDOT and PT applied for assistance under VRAP and the attached 2001 VRAP Plan was submitted with the VRAP application. On July 26, 2001, the Maine Department of Environmental Protection (DEP) issued a VRAP No Action Assurance letter to MDOT and PT. The No Action Assurance letter provides liability protection from actions by DEP provided the proposed voluntary remedial actions and certain conditions are met by future developers.

Existing Voluntary Remedial Action Plan

The attached July 23, 2001 voluntary remedial action plan describes the previous environmental investigations of the entire Union Branch Rail Line property including property which is the subject of this application (hereinafter the "Property" or "railyard"). A copy of a Phase II Environmental Site Assessment (ESA) report prepared by Haley & Aldrich and Tewhey Associates was provided to DEP at that time. The Phase II ESA and other nearby investigations found similar conditions on and beneath the ground surface in the Bayside area and in the railyard. The 2001 VRAP Plan submitted with the 2001 VRAP Application proposed to classify soils excavated during future development of the Union Branch Rail Line property as Group 1, Group 2 or Group 3 soils. In brief, Group 1 soils are not considered contaminated, Group 2 soils are considered contaminated but can be reused on-site, and Group 3 soils are contaminated and must be disposed off-site.

The 2001 VRAP Plan indicated that future developers must agree to utilize this classification system and apply the related remediation concepts, or develop alternate plans that must be approved by MDOT, PT and VRAP. After consideration of site conditions in the property and current development plans, BAYCO as the future owner and developer of Lot 3, the City of Portland as the former owner of the property and future owner and developer of the trail (to be placed on Lots 4 and 9), Maine Health as the future owner of Lots 1 and 2, and Downtown Portland Corporation as the current owner of the property have decided to conduct future development (including related excavations) applying the remediation concepts and classification system set forth in the existing 2001 VRAP Plan and the July 26, 2001 No Action Assurance letter.

Property Description

The Subdivision is about 6.5 acres and consists of most of the former railyard between Franklin Arterial and Elm Street, and adjacent to and north of Somerset Street. The Subdivision will consist of nine lots (Lots 1 through 9) although Lots 5, 6, 7 and 8 are not part of this Application and plan. The City previously constructed a roadway through the property to complete the connection of Chestnut Street between Marginal Way and Somerset Street.

As part of the roadway construction and other development in the area, the City of Portland has previously spread Group 2 soils on a portion of the railyard property west of Chestnut Street.

Current Development Plans

BAYCO intends to construct a parking garage and office building on Lot 3 of the Subdivision. These buildings will occupy about 1 acre of the 1.2 acre Lot 3. Basements are not planned but excavations will be required throughout the lot for foundation systems and utility corridors. In addition, a significant portion of the Group 2 soils on

Maine Department of Environmental Protection November 13, 2008 Page 3

Lots 1 and 2 are to be spread on the trail area (Lots 4 and 9) as part of the trail construction and to facilitate anticipated future development of Lots 1 and 2. A site plan that shows the BAYCO development on Lot 3 is attached to this letter.

In addition, in connection with trail construction by the City, it should be anticipated that minor excavation and soil redistribution will take place in order to accommodate water fountains, lighting, landscaping elements, etc.

Proposed Remedial Actions

All excavated soils will be observed, screened and if necessary tested according to the requirements of the 2001 VRAP Plan. Lots 1, 2 and 4 may be used for construction staging, equipment and storage areas.

In substance, Group 2 soils will be excavated from Lots 1, 2 and 3 and within Somerset Street (during utility trench excavation work). Group 2 soils will subsequently be redeposited either as fill around the foundations of the new buildings or spreadon Lots 4 and 9. We anticipate construction sequencing will require Group 2 soils to be temporarily stockpiled on Lots 1, 4 or 9 and re-deposited either on Lot 4, and/or 9 in connection with the trail construction.

The City and the BAYCO contractor, Consigli Construction Co. will be responsible for erosion control of the excavated and any temporarily stockpiled Group 2 soils on Lots 4 and 9 and Lots 1, 2, 3, respectively. Controls will mitigate windblown or water borne migration of these Group 2 soils. Bayco will prepare and implement a plan that describes the anticipated construction sequence and placement of soils to coordinate City and contractor responsibilities during the excavation phases of the project.

In accordance with the July 26, 2001 No Action Assurance letter, after the remedial actions are completed for its property (Lot 3), BAYCO will submit a report to DEP which will summarize the successful implementation of the requirements. It is understood that VRAP will then issue a Certificate of Completion for this portion of the Subdivision.

In accordance with the July 26, 2001 No Action Assurance Letter, after the remedial actions are completed for its property (Lots 1 and 2), MaineHealth will submit a report to DEP which will summarize the successful implementation of the requirements. It is understood that the DEP will then issue a Certificate of Completion for this portion of the Subdivision.

In accordance with the July 26, 2001 No Action Assurance Letter, after the remedial actions are completed for its property (Lots 4 and 9), the City will submit a report to DEP which will summarize the successful implementation of the requirements. It is understood that the DEP will then issue a Certificate of Completion for this portion of the Subdivision.

Ground surface conditions at Lots 5, 6, 7 and 8 of the Bayside Subdivision will generally not be affected or disturbed by the City or Consigli during construction of the BAYCO development on Lot 3 or the trail construction. It is anticipated that future development on these lots will be handled under the 2001 VRAP Plan as well but that could change depending on future owner or developer plans.

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Application for Assistance

The application for VRAP assistance is attached to this Voluntary Remedial Action Plan. As discussed in our meetings in Portland on November 5th and 10th, 2008, DEP has agreed that the general information requirements concerning water supplies in the area and evaluation of vapor intrusion into buildings will be waived by DEP based on its extensive knowledge of the project site and subsurface conditions from prior studies and reports. It is understood that project will be classified as a Tier I for Public Communications and that DEP does not need a CD of the previously submitted Phase II ESA report prepared by Haley & Aldrich and Tewhey Associates.

Closure

We trust that this plan and the attached information will be sufficient for VRAP to provide a No Action Assurance letter to City of Portland, Downtown Portland Corporation, BAYCO LLC, and MaineHealth. As you know, the parties have requested this letter prior to November 26, 2008 since No Action Assurance is a condition of the Purchase and Sale Agreement among the applicant and co-applicants and is required to obtain the project financing.

We appreciate your assistance on this project. Please contact me if you have any questions or need additional information.

CITY OF PORTLAND

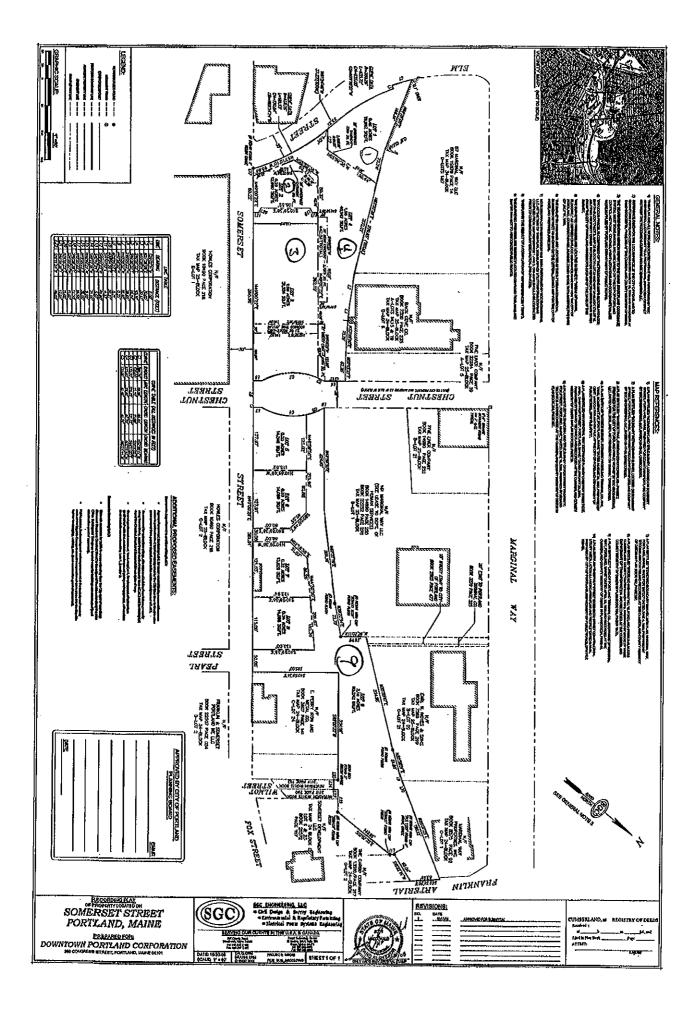
By: Penny St. Louis Littell, Its Director of Planning & Urban

Development

Attachments:

Application for Assistance under the Voluntary Response Action Program Application Fee
Bayside Railyard Subdivision Recording Plat – October 3, 2008 (Draft)
Voluntary Remedial Action Plan – July 23, 2001
No Action Assurance letter – July 26, 2001
Site Plan – BAYCO LLC Bayside Development – October 24, 2008

cc: Donald L. Quigley – MaineHealth
Nathan H. Smith – Bernstein, Shur
Stephen J. Kelley – Haley & Aldrich, Inc.
John D. Tewhey – Tewhey Associates
Dave Thomas - Consigli





STATE OF MAINE DEPARTMENT OF TRANSPORTATION 16 STATE HOUSE STATION AUGUSTA, MAINE 04333-9016

ANGUE S. KING, JFI.

JOHN G MELROSE

15 June 2001
23 July 2001 (revised per DEP comment).

Mr. Nicholas J. Hodgkins
Maine Department of Environmental Protection
Bureau of Hazardous Materials and Solid Waste Control
Division of Site Investigation and Remediation
State House Station #17
Augusta, Maine 04333-0017

Subject:

Yoluntary Remedial Action Plan

Union Branch Rail Line Property

Portland, Maine

Dear Nick:

Enclosed is an Application for Assistance under the Volumary Remedial Action Plan Program (VRAP) for the former Union Branch Rail Line property in Portland. Haley & Aldrich, Portland Terminal Company (PT) and the Maine Department of Transportation (MDOT) have prepared this letter and the attached documents. MDOT and PT, owners of the property, will be co-applicants for assistance under VRAP. MDOT is planning to acquire the property from PT.

PROPERTY DESCRIPTION

The Union Branch rail line is approximately 2 miles long, extending through the heart of the Portland Bayside area. The rail line has been abandoned for some time. The Portland Terminal Company, a member of Guilford Rail System, owns the rail line. The former Union Branch Rail Line begins at the railroad bridge over St. John Street and ends at the AAA office building near Tukey's Bridge.

Portions of the Union Branch line rails have been removed at street crossings and several short sections have been purchased by abutters. These out-sales have resulted in the line being broken into five separate sections. One section includes an eight-acre former railyard.

The five sections are as follows:

Sta. 4+32 to Sta. 45+90

St. John St. railroad bridge to Porest Avenue

Sta. 45 +90 to Sta. 55+30

Forest Avenue to Hanover Street



Sta. 58+55 to Sta. 78+22

Proble Street to Franklin Arterial

former railyard

Sta. 78+22 to Sta. 82+60

Franklin Arterial to Boyd Street

Sta. 87+57 to Sta. 105+60

Diamond Street to Anderson Street

ENVIRONMENTAL INVESTIGATIONS

Tewhey Associates of South Portland, Maine has completed several investigations of the former railyard for the City of Portland Brownfields project. MDOT has completed a Phase I environmental site assessment of other portions of the rail line. Haley & Aldrich and Tewhey Associates completed a Phase II environmental site assessment (ESA) of the former Union Branch rail line property in Portland. Maine for MDOT in December 2000. The purpose of the Phase II ESA was to explore and test areas of concern identified during the previous investigations, as well as general conditions along portions of the rail line. A copy of the Phase II report was provided to the DEP Voluntary Remedial Action Program (VRAP) during a meeting in Augusta on 4 May 2001.

Previous studies have revealed the presence of subsurface contaminants that are associated with the fill materials that underlie the entire project site. These contaminants include polycyclic aromatic hydrocarbons (PAHs), coal, cinders, and coal ash that has been used as fill in the Bayside area, demolition debris fill, and volatile organic compounds (VOCs) associated with the unsorted fill materials and many underground petroleum storage tanks that have been present in the general area. Former railroad and industrial operations, two active metal recycling operations, and the uncontrolled disposal of trash and other waste materials on vacant sites have had the potential to contribute contaminants to surficial soils along the rail line.

Based on the lack of evidence for the presence of oil and hazardous materials, explorations and testing were not conducted along the rail line from St. John Street to Forest Avenue. Explorations were done from Franklin Street Arterial to North Boyd Street but, based on field observations, testing were not completed. Between Forest Avenue and Hanover Street subsurface explorations, testing and observations uncovered no significant contaminant concerns.

However, several contaminants were detected along the other two sections of the Union Branch project site (the former railyard and from Diamond Street to Anderson Street). In general, low to moderate concentrations of metals, particularly assenic and lead were detected in all of the submitted soil samples. Semi-volatile organic compounds (particularly PAHs) were detected in most of the soil samples. VOCs were detected in two soil samples. Diesel Range Organics were detected in soil at the location where odors were noted in groundwater. Low concentrations of PCBs and pesticides were detected at one location. Contaminants in some samples exceed Maine's residential, adult worker, and trespasser Remedial Action Guidelines (RAGS). Also, the soils generally did not meet the generic beneficial use standards in Appendix A of Chapter 418 of Maine's Solid Waste Management Rules.

Fill, up to 14 ft. thick, was encountered in all explorations. The fill included ash, coal, cinders, metals pieces, pottery and other manuade items. Water levels in observation wells along the rail line ranged from 1 to 8 ft. below ground surface. A weathered fuel oil odor was noted in the water in one observation well. However, no evidence of non-aqueous phase liquid hydrocarbons (free product) was noted in any of the observation wells.

Based on a review of MDEP files, discussions with several MDEP staff members and other environmental professionals familiar with this section of Portland the contaminants, the soil materials, ash, cinders, and contaminants found along the Union Branch Railroad line are similar to those found at other sites in the area.

SUMMARY OF ENVIRONMENTAL CONDITIONS

Based on: 1) the concentrations of compounds detected in the soil, 2) the presence of visual indications of contaminants in the observed soil, and 3) the industrial setting of the project site, subsurface conditions beneath the former rail line Union Branch property have been impacted by oil or hazardous materials. The findings show that in all areas along the Union Branch rail line, where present, the dark surficial soils have been impacted by previous land use.

Groundwater in the area is not used for potable water supplies. The entire Bayside area of Portland has previously been deemed a Maine Department of Environmental Protection (MDEP) groundwater non-attainment zone where groundwater is assumed to be contaminated and only free petroleum products require remediation.

The results of this Phase II ESA are compatible with and confirm the findings of the previously conducted Portland Brownfields studies. Observations in borings and test pits along the Union Branchiail line show surficial impacts along the railbeds, and in locations where the scrap metal yards have encroached upon the project site. The stratigraphy of fill containing soil materials, ash, cinders, and demolition debris over mudflat deposits is consistent with other sites in the Bayside area. Contaminants including PAHs, lead and arsenic are also consistent with the contaminants in other fill materials in the Bayside area.

POTENTIAL DEVELOPMENT OF RAIL LINE

Specific developments along the former rail line have not been proposed, other than to limit development to industrial/commercial purposes by a restriction in the deed conveying the property. However, the railyard portion of the tail line is part of the City of Portland identified Brownfields project. Industrial and commercial businesses may locate in this area in the future. In addition, MDOT is investigating the possibility of operating a rail line along a portion of the former Union Branch line. The City is also considering constructing paved recreational trails along portions of the former rail line, consistent with the use restriction.

PT and MDOT agree that certain land use restrictions are appropriate based on the findings of the Phase II ESA. Residential development will be prohibited by deed agreement between PT and MDOT. Also, extraction of groundwater for drinking water will not be allowed.

PT and MDOT request liability assurances and protection from state enforcement from VRAP for the following potential future development within the Union Branch rail line property:

Paved Recreational Trails - walking and bicycle

Industrial Buildings - including below grade construction

Commercial and Municipal Buildings-including below grade construction

Rail Lines

Roadways

Paved Parking and Access Areas

PT and MDOT understand that without completion of development along the Union Branch that is consistent with the deeded use restrictions, liability protections from state enforcement cannot be provided by VRAP. However, MDOT and PT are requesting a letter of assurance from the VRAP program that if certain remedial actions and land-use restrictions are included during development that the liability protection will be granted at the end of the development process. MDOT and PT will submit documentation of the completion of development to VRAP once the soil with contaminant concentrations above DEP's Remedial Action Guidelines have been capped by development or 12 inches of clean, stabilized soil material. Soils will be stabilized in accordance with MDOT's Best Management Practices for Erosion and Sediment Control. Until a Certificate of Completion is provided by VRAP, PT and MDOT will prepare and submit or require potential developers to prepare and submit a site-specific soil and water sampling and handling plan to MDEP prior to each stage of development, and will not permit work to be done unless the work will be in conformance with the VRAP conditions.

POTENTIAL RISKS

The contaminants and concentrations of contaminants encountered along the Union Branch rail line property are similar to those found in other areas at other sites in the Bayside and Marginal Way areas of Portland. Therefore, there is no significant difference in potential risks along the Union Branch rail line than are present at other sites in the area, including the recently constructed Department of Human Services building, U-Haul VRAP Site, and the health food store currently under construction on Marginal Way.

Site soils that have metals (lead and arsenic) and PAHs that exceed Maine Remedial Action Guidelines (RAGs) are considered a human health risk through direct contact. Although VOCs and petroleum products are present in the soil and groundwater along some areas of the rail line property, at the low concentrations detected, these contaminants will not pose a vapor hazard in the air spaces of future buildings and basements. The land use restrictions and remedial activities designed to isolate contaminated media from direct contact with humans will significantly reduce future risks to human health and the environment.

The water table in some areas is approximately I ft. below ground surface and dewatering could be required in order to excavate in these areas.—Although groundwater could be contaminated in some areas, groundwater in the area is not used for potable water and is unlikely to be extracted for other uses. Therefore, there is little future risk to human health and the environment.

PROPOSED REMEDIAL ACTIONS

To the extent possible, a goal for all funite developments along the tail line will be to minimize excavations and promote re-use of excavated soils on the development site. Excavated soils exceeding Maine RAGs that are removed from the site shall be disposed of or treated at licensed facilities. Soils that exceed the Maine RAGs but will not be excavated, or will be excavated and reused on the site shall be covered during the process of site development with uncontaminated onsite or imported materials as part of the development of the Union Branch rail line property.

PT and MDOT propose to develop cleanup standards of ½ the Maine RAGs for the Union Branch rail line property. Excavated soils shall be classified as Group 1, Group 2, and Group 3. Future developers must agree to classify the soils and use the following remediation concepts or develop alternative, site-specific remediation plans approved by PT, MDOT and VRAP.

Group 1 Soils

Group I soils shall have no visible or olfactory evidence of contamination and field screening readings using a photoionization detector (PID) shall be less than or equal to 20 parts per million (ppm). Visual evidence of contamination shall include coal, ash, cinders, black discoloration, solvent or petroleum odors, oil stains, and metal pieces. Generally the fill materials that underlie the Union Branch rail line will not be classified as Group I soils. The Phase II testing indicates that elevated concentrations of metals, specifically lead and arsenic, and other contaminants are detected in soils and fill where visual evidence of contamination, as defined above, was observed.

Group 1 soils are not considered contaminated. Special handling and disposal are not required.

Developers and contractors can dispose or maste Group 1 soils on or off site at their disposal or maste Group 1 soils on or off site at their disposal or master.

Group 2 Soils

Group 2 soils shall have visible or olfactory evidence of contamination and/or field screening readings using a photoionization detector (PID) shall be more than 20 ppm. Visual evidence of communation shall include coal, ash, cinders, black discoloration, solvent or petroleum odors, oil stains, and metal pieces. Generally the fill materials that underlie the Union Branch rail line will be classified as Group 2 soils.

Group 2 soils are considered contaminated unless testing confirms that contaminants are present at concentrations less than or equal to 1/2 the Maine RAGs for adult workers or trespassers, whichever is less. Field testing by techniques approved by MDOT and MDEP, such as x-ray fluorescence (XRF) and immunoassay, may be used. If these field-testing methods are employed during excavation then one in every twenty samples shall be split and the subsample will be submitted to a fixed laboratory for confirmatory analysis. If the testing confirms that concentrations are less than or equal to 1/2 the Maine RAGs for adult workers or trespassers, special handling and disposal are not required and developers and contractors can dispose or waste these soils on or off-site at their discretion (See Group 1).

If the testing confirms that concentrations are greater than ½ the Maine RAGs for adult workers or trespassers, special handling and disposal are required. Group 2 soils shall not include hazardous waste, petroleum saturated soil, or free petroleum product. Group 2 soils shall be used on site when possible or disposed of as special waste, if used on site, these soils shall be capped by Group 1 soils, clean soil materials, buildings, or pavement to prevent direct human contact. Soil caps shall be covered by loam, seeded and documented by the engineer of record. The capped areas will require periodic maintenance to assure that the Group 2 soils do not become exposed or otherwise become a contact risk. As part of any development plan, those areas to be capped will be identified, and the manner of capping specified. It is envisioned that any areas that are not developed would be capped with 12 inches of clean, stabilized soil. Soils will be stabilized in accordance with MDOT's Best Management Practices for Erosion and Sediment Control

Group 3 Soils

Group 3 soils shall be hazardous by characteristic according to State of Maine Hazardous Waste Management Rules, dated 23 January 2001. This testing shall be required if soil concentrations exceed Maine RAGs and the soil must be disposed off-site with the record owner documented as generator. Group 3 soils must be disposed as hazardous waste. It should be noted that evidence of Group 3 soils was not observed in the previous testing.

Group 3 soils shall also include any petroleum saturated soil or free petroleum product on the groundwater table that is encountered during construction activities. Petroleum saturated soil or free floating product will be collected and removed from the site and disposed of as special waste or recycled at a licensed facility.

Developers will include provisions in their plans to remediate petroleum-comtaminated soils to DEP's "intermediate" standards around proposed basements and along subterransan utility corridors so that petroleum vapors and contaminants do not migrate into structures or along these corridors (see Procedural Guidelines for Establishing Action Levels for Remediation of Oil Contaminated Soil and Groundwater). If petroleum contaminants cannot afficiently be removed than the developer may submit a proposal for alternative engineering controls to DEP-VRAP for review and approval.

Groundwater

Groundwater from beneath the Union Branch rail line property shall not be used for drinking water supplies or extraction for other purposes such as irrigation. Dewatering may be required for construction below grade especially in areas where the water table is just below the ground surface.

If possible, groundwater from construction dewatering will be re-injected into ground by sumps excavated on-site and engineer of record shall document the location. If groundwater must be discharged into the municipal sewer system or into storage tanks, the water must be tested and pre-treated prior to disposal to meet discharge requirements of the sewer district.

The goal will be to create or construct barriers to prevent water seepage into below grade structures rather than use active dewatering systems after construction. This will minimize the need to handle, test and pre-treat groundwater perpetually and reduce the chance of sentement of existing structures due to lowering of the water table.

CLOSURE

PT and the Maine Department of Transportation desire that liability assurances and protection from state enforcement actions for related issues along the Union Branch Rail Line can be obtained during the VRAP process. PT and MDOT understand that some limitations to site use will be required and have proposed correspond remedial actions that will minimize the potential risks as the area is developed in the future. We look forward to the opportunity to work with you on this project.

We trust that this information will be sufficient for VRAP to provide an assurance letter to PT and MDOT prior to transfer of property ownership and initiation of site development activities. We understand that we will be notified in two weeks about the site's eligibility under the Voluntary Remedial Action Plan Program. If you have any questions or comments please do not hesitate to call Dale P. Doughty at (207) 287-8312 or Cynthla S. Scatano at (978) 663-6957. MDOT will contact you directly to arrange for the review fee to be paid through the State's internal billing system.

Sincerely,

Dale F. Doughty, C. G.

Supervisor of Hazardous Waste

Groundwater

Maine Department of Transportation

Sincerely,

Cynulia S. Scarano

Environmental Director and Project Manager and

Guilford Rail System

CC: MDOT, Legal Office

MDOT, Office of Passenger Transportation

Attachments: VRAP application



GOVERNOR

STATE OF MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION

MARTHA KIRKPATE :-

July 26, 2001

FILE COPY

Mr. Dale Doughty
Office of Environmental Services
Maine Department of Transportation
16 State House Station.
Augusta, Maine 04333-0016

Ms. Cynthia Scarano
Guilford Rail Line
Iron Horse Park
North Billerica, Massachusetts 01862-1688

RECEIVED

APR - 8 2008

FACILITIES DEVELOPMENT

Re: Union Branch Rail Line Property, Portland, Maine-Voluntary Response Action Program No Action Assurance Letter

Mr. Doughty and Ms. Scarano:

The Maine Department of Environmental Protection ("Department") has received and reviewed the revised "Voluntary Remedial Action Plan, Union Branch Rail Line Property, Portland, Maine", dated July 23, 2001, submitted by the Maine Department of Transportation ("MDOT") and the Portland Terminal Company (a member of the Guilford Rail System).

**Company of the remedial approach for the stream of the Property are redeveloped. It is the Department's understanding that each portion of the property will participate in the Department's Voluntary Response Action Program ("VRAP") as it is redeveloped.

Based on the Department's review of the revised remedial action plan, we concur that the proposed approach, which the proposed approach, which the property into three groups by specific contaminant characteristics, will be sufficient to meet the Department's remedial objectives for the property. The Department's decision is based on the understanding that although future development plans for the property have not been finalized at this time will be indicated to commercial/industrial or passive recreational uses (unless approved by the Department); that groundwater at the property will not be used for drinking water or other uses without prior permission from the Department, and; that future developers of portions of the property must agree to classify, handle, and dispose of soils in accordance

with the remedial action plan and the provided by the Portland Terminal Company, MDOT and the Department.

Provided that the remedial action plan (or an alternative acceptable to Portland Terminal Company, MDOT, and the Department) is successfully produced as each portion of the property is developed, the Portland Terminal Company, MDOT and their successors and/or assigns, will be granted, the liability protection provided by 38 M.R.S.A. § 343-E(1) for the property known as the Union Branch Rail Line, which extends from the railroad bridge over St. John Street to the AAA office building near Tukey's Bridge, Portland, Maine. The Department will take no action against the Portland Terminal Company, MDOT and those persons identified in 38 M.R.S.A. § 343-E(6).

Once the recommended tasks are completed for a portion of the property, a report summarizing the successful implementation of the tasks should be sent to the VRAP. The applicant redeveloping that portion of the property will then receive a VRAP Certificate of Completion for that portion of the property. Once all the portions of the property and successfully remediated and redeveloped, a summary report should be sent to the VRAP. Upon review and concurrence with the summary report, the Department will issue to the Portland Terminal Company and the MDOT a Commissioner's Certificate of Completion.

If you have any questions regarding this letter, please feel free to call me at 207-287-4854.

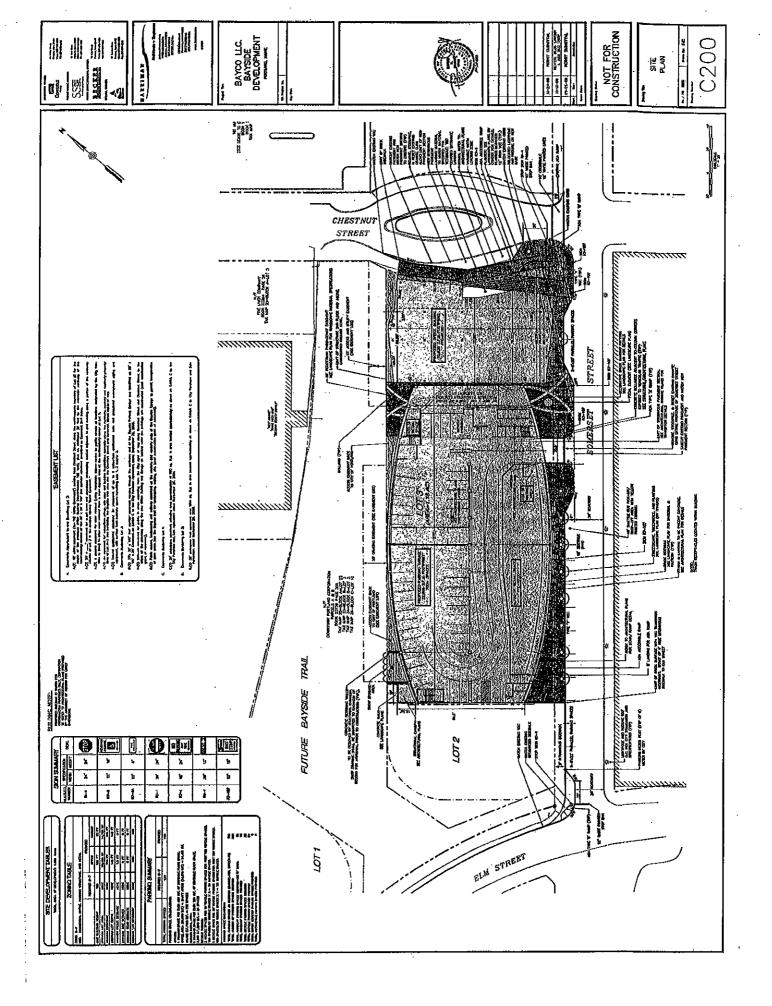
Sincerely,

Nicholas J. Hodgkins

Voluntary Response Action Program

Division of Remediation

Cc: Stephen J. Kelley, Haley & Aldrich





Maine Department of Environmental Protection

Maine Voluntary Response Action Program

Application for Assistance

Please complete this application to request technical assistance from the Voluntary Remedial Action Plan Program (VRAP) pursuant to Title 38 MRSA, Section 342, Subsection 15.

General Site Information

Property name:

Bayside Subdivision

Street Address:

Somerset Street

City (or Township): Portland

Tax map #: Map 34-Block D-Lot 3; Map 25-Block A-Lot 22; and Map 24-Block C-Lot 10.

Lot #: 1, 2, 3, 4 & 9

UTM Coordinates (Map Datum: NAD83): Zone 19 398242E 4835101N

Total Acreage of Property (all parcels):

6.5

Property Description Recorded at Registry of Deeds

County: Cumberland

Book: 23759

Page: 305

Applicant Information

Applicant/Organization*: City of Portland

Contact Person:

Penny St. Louis Littell

Title: Director of Planning &

Urban Development

Address:

389 Congress Street

City:

Portland

State: ME

Zip: 04101

Phone:

207-874-8719

Fax:

E-mail:

PL@portlandmaine.gov

*The applicant/co-applicant are the individual(s) or organization(s) that will be the recipient of any applicable administrative or liability assurances provided by VRAP. The applicant is also responsible for payment of fees for Department review and oversight costs.

Co-Applicant Information (if applicable)

Co-Applicant/0	Organization*: BAYCO LL	C			
Contact Person	: Nathan H. Smith	Title: Attorn	ney for BAYCO LLC		
Address:	100 Middle Street				
City:	Portland	State: MB	Zip: 04101		
Phone:	207-228-7235	Fax: 207-774-1127			
B-mail:	nsmith@bernsteinshur.com	m			
Co-Applicant/0	Organization*: MaineHealth	1 •	•		
Contact Person	Donald L. Quigley Title: Vice President, Legal				
Affairs					
Address:	465 Congress Street, Suite 600				
City:	Portland	State: MB	Zip: 04101		
Phone:	207-775-7010	Fax: 207-775-7029			
B-mail:	quigld@mmc.org				
Current pro	perty owner (if differ	ent than applicant)			
Name:	Penny St. Louis Littell	Title: Director of Planning & Urban Development			
Organization:	Downtown Portland Corporation				
Address:	389 Congress Street				
City:	Portland	State: ME	Zip: 04101		
Phone:	207-874-8719	Fax:			
B-mail:	PL@portiandmaine.gov	•			
Involvemen	t with other regulatory	y programs			
Yes					
⊠ None know	y n				
If yes, list the p	program/contact person from	n the Department:			

Contact person(s)

Please list th	ne name(s) of	your cur	rent environmental con	isultant and	legal counsel.		
Consultant: John D. Tewhey of Tewhey Associate							
Address!	P.O. Box 23	8		•			
City:	Gorham		State:MB		Zip: 04038-0238		
Phone:	207-839-42	61	Fax: 207-8	39-3834	•		
E-Mail:	info@tewhe	y.com					
Attorney:			of				
Address:							
City:			State:		Zip:		
Phone:			Fax:				
E-mail:							
For BAYCO	O/MaineHeal leyaldrich.co	th ,	ts that may act on my Stephen J. Kelley, C.				
For	,	of					
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For		of					
For	,	of		·			

Certification

I hereby make a request of VRAP to assist me and the company/organization I represent in determining whether the above-described property has been the site of a release or threatened release of a hazardous substance, hazardous waste, hazardous matter, special waste, pollutant or contaminant, including petroleum products or by-products. I understand this assistance may include the review of agency records and files, and review and approval of my investigation plans and reports as well as remedial action plans and implementation.

I am aware that the property listed in this application will be placed on the Division of Remediation's Sites List Database that is located on the Department's website, and that any documents I submit to the Department are publicly available through their file room. I am also aware that VRAP, at its discretion, may contact municipal officials regarding investigation/ remedial actions at sites participating in the program.

I am further aware that I must reimburse VRAI assistance. I understand that reimbursement re and that failure to reimburse VRAP for costs in disqualification from VRAP and/or liens being	quests may be made on a periodic basis a timely manner may result in
Typed/printed name: City of Portland by Penny	St. Louis Littell Title: Director of Planning & Urban Development
Signature: South the	Date: 10-14-08
*****Note: For Properties with Petroleum	Discharges from USTs or ASTs*****
If your property has petroleum discharges (or punderground storage tank ("UST") or abovegrealso sign the following:	
I hereby agree to comply with Title 38 MRSA, submittal of work plans, budgets, and schedule approval. I also agree to keep a detailed record investigation and cleanup of petroleum discharestimates of past costs to investigate and clean that have been incurred prior to making this approximate to the statement of	s to the Department for review and do of all costs associated with the ges at the property, and will submit up petroleum discharges at the property
Typed/printed name: Ti	tle: N/A
Signature:	Date:
Revised: 4/17/08	

STATE OF MAINE DEPARTMENT OF ENVIRONMENTAL PROTECTION



DAVID P. LITTELL COMMISSIONER

November 21, 2008

City of Portland Attn: Penny St.Louis Littell Director of Planning & Urban Development 389 Congress Street Portland, Maine 04101

BAYCO LLC Attn: Nathan H. Smith Bernstein Shur 100 Middle Street Portland, Maine 04101

MaineHealth Attn: Donald L. Quigley Vice President, Legal 465 Congress Street, Suite 600 Portland, Maine 04101

> Bayside Railyard Subdivision, Somerset Street, Portland, Maine— Re: Voluntary Response Action Program (VRAP) No Action Assurance Letter

Ms. Littell, Mr. Smith and Mr. Quigley:

The Maine Department of Environmental Protection (the "Department") has received and reviewed the November 13, 2008 letter outlining the remedial action plan for remediation of the Bayside Railyard Subdivision project, located on Somerset Street in Portland and encompassing lots 1, 2, 3, 4 and 9 of the former railyard property. The remedial plan was prepared by Haley & Aldrich, Inc. ("H&A") and submitted by the City of Portland with the request that the city, Downtown Portland Corporation, BAYCO LLC, and MaineHealth, as co-applicants to the program, receive the protections from environmental liability as provided by VRAP Law.

Based on the Department's review of the abovementioned remedial plan, and a review of documents concerning environmental conditions at the railyard that had previously been submitted to the Department, we concur that the proposed remedial actions, which include the excavation and appropriate capping of Group 2 soils (as defined in the July 23, 2001 Voluntary Remedial Action Plan for the Union Branch Rail Line Property submitted to the Department), will meet the Department's remedial objectives for the property. The Department's concurrence is based on the understanding that no potable wells will be installed on the property in the future, that the property will not be used for residential purposes, and that any soils that do not qualify as Group 2 soils will be treated in accordance with the July 23, 2001 plan.

Provided that remedial actions are completed to the satisfaction of the Department, the City of Portland, Downtown Portland Corporation, BAYCO LLC, and MaineHealth, as coapplicants, and their successors and/or assigns and lenders will be granted the liability protection provided by 38 M.R.S.A. §343-E(1) and (5) for the site which is located on Somerset Street and designated as Lots 1, 2, 3, 4 and 9 of the Subdivision and are further described in Book 23759, Page 305 of the Cumberland County Registry of Deeds. The Department will take no action against the City of Portland, Downtown Portland Corporation, BAYCO LLC and MaineHealth, and those persons identified in 38 M.R.S.A. §343-E(6) including any lenders and any successors or assigns of the applicant and the coapplicants.

Once the recommended tasks are completed, a report summarizing the successful implementation of the tasks should be sent to the VRAP. Upon review and approval of the summary report, the VRAP will issue to the City of Portland, Downtown Portland Corporation, BAYCO LLC and MaineHealth, a Certificate of Completion for the property.

If you have any questions regarding this letter, please feel free to call me at 207-287-4854.

Sincerely,

Nicholas J. Hodgkins

Voluntary Response Action Program

Division of Remediation

Pc: Stephen Kelley, Haley & Aldrich John Tewhey, Tewhey Associates

Dave Thomas, Consigli