

**BRIEF ENVIRONMENTAL SUMMARY  
FOR FUTURE BUYERS AND TENANTS AT  
100 BLUEGRASS AVENUE, AKA 1145 SOUTH DIXIE HIGHWAY  
HORSE CAVE, KENTUCKY 42749**

**Property History (As of 5/31/2017):**

The subject property consists of Hart County Parcel Number 405-00-02-002.00 (100 Bluegrass Ave), which has also been known as 1145 S. Dixie HWY. This 10-acre tract of industrial property is owned by Carcione Properties, LLC and was divided into two tracts in 1999.

Tract 1 is a 3.579-acre tract with no structures. The tract is covered with grass except for a sinkhole in the middle and an asphalt pavement (“cap”) constructed over a small area of chromium-contaminated soil. (about 0.2 acres).

Tract 2 is a 6.552-acre tract improved with a 1970-built, 58,700-ft<sup>2</sup> manufacturing facility and two smaller structures—a wastewater treatment plant and a storage building—both about 5800-ft<sup>2</sup>. Gravel pavement surrounds the north and east sides of the facility and the remainder of the property is covered with grass.

The property is located in southern Hart County and on the south side of Horse Cave, Kentucky. It is situated along the west side of US 31W at Bluegrass Avenue about one mile south of downtown Horse Cave. US 31W is a two-lane U.S. highway the near the subject property.

The subject property is in an area of mixed land use including industrial, commercial, residential, and agricultural. It is bound on the north and west by Dart Corporation—a manufacturer of styrofoam cups; on the east by a small auto dealer and vacant lot (opposite US 31W); and, on the south by an old motel (opposite Bluegrass Avenue) and agricultural property.

The subject property was agricultural (pasture, row crops) until 1970 when Ken-Dec (a chrome plating company) constructed the existing facility. Ken-Dec occupied the property until 1984 when they sold the property to Ohio Decorative Products—also a plating company. Moeller Land & Cattle Co., Inc., purchased the property in 1997 and the current owner purchased the property in 2015. The property has been used as a plating business since 1970.

**Environmental Assessment History at Property/2017:**

A 1994 Environmental Site Assessment at the property revealed a small area behind the facility with chromium contaminated soil (the “blue soil” layer). This area covers about 0.2 acres. The Energy and Environment Cabinet, Enforcement Branch, by Agreed Order, required Ken-Dec to place a “cap” over the soil contamination and maintain it. The cap was constructed in the late 1990s and is inspected every five years. The cap is still in good condition.

Sixteen borings (inside the facility) were advanced to refusal in 2010 (usually 7’ to 10’ deep). Only nickel was discovered (in two soil samples) that exceed the Regional Screening Levels for industrial property\*. Other RCRA metals (arsenic, barium, cadmium, chromium, copper, lead, mercury, nickel, selenium, silver, and zinc) and cyanide were also constituents of concern).

\*Arsenic also exceeded the screening levels in most samples. Arsenic occurs naturally in the soil in this area. The laboratory values for arsenic in soil are within the Kentucky Ambient Background Levels and are not a constituent of concern for this site.

These two areas of concern (for elevated nickel concentrations) lie under the concrete floor. This floor now serves as a cap over the contamination. The Energy and Environment Cabinet, Enforcement Branch, by Agreed Order, required Moeller Land & Cattle Company to maintain the concrete floor as the cap over the soil contamination. The cap is still in good condition. An Environmental Covenant was attached to the deed. The use of the property is restricted\*. The restrictions detailed in the covenant run with the land (\*see Environmental Covenant below).

#### Environmental Covenant

##### USE RESTRICTIONS

###### A. Prohibited Uses.

The Impacted Area of the Property shall not be used for any of the following purposes:

- i. No residential use of the Impacted Area of the Property shall be permitted.
- ii. (Other restrictions applicable to this property)

##### ACTIVITY RESTRICTIONS

###### B. Prohibited Activities.

i. Groundwater at the Impacted Area of the Property shall not be used for drinking or other domestic purposes.

ii. Except as necessary to protect human health, safety or the environment, no action shall be taken, allowed, suffered, or omitted on the Property if such action or omission is reasonably likely to:

a. Create a risk of migration of hazardous substances, pollutants or contaminants or a potential hazard to human health or tile environment; or

b. Result in a disturbance of the structural integrity of any engineering controls designed or utilized at the Impacted Area of the Property to contain hazardous substances, pollutants or contaminants or limit human exposure to hazardous substances, pollutants or contaminants;

iii. Disturbance of the cap. The Impacted Area is presently located under a concrete floor within /the largest building structure located on the Property. Prior to any disturbance of the concrete within the Impacted Area of the Propety, Grantor shall submit to the Director, Kentucky Division of Waste Management, a written rationale for the disturbance and detailed plans of the proposed construction for their review and written approval. No such disturbance is permitted without this prior written approval.

iv. Soil Disturbances. Soil at the Impacted Area of the Property shall not be disturbed in any manner inconsistent with the approved Plan without the Grantor obtaining prior approval of the Director, Kentucky Division of Waste Management.

v. Construction. As described above, the Impacted Area of the Property is located within a building structure on the Property. No modifications to the existing building that would involve the removal of the concrete within the Impacted Area of the Property shall be made without the Grantor obtaining prior approval of the Director, Kentucky Division of Waste Management.

As a Result, The the property must be used for non-residential purposes. Additionally, the concrete floor of the facility and the 0.2 acre asphalt area outside the northwest corner of the structure cannot be disturbed without approval from the Kentucky EPA Director of Waste Management.