

Carlson Environmental: An Overview

WHERE THE REAL ESTATE COMMUNITY TURNS FOR ENVIRONMENTAL SOLUTIONS

Carlson Environmental Inc. is a privately owned environmental consulting firm founded in 1988 by Dr. Richard J. Carlson, following his seven years as the Director of the Illinois Environmental Protection Agency. Since our founding, we have obtained a strong track record of helping our clients achieve their business goals, whether it is closing a real estate deal, addressing an environmental regulatory issue, or assisting in site redevelopment. We have a consistent record of success thinking outside the box, finding practical, cost-effective solutions for clients faced with increasingly complex regulatory systems and more challenging financial demands. Our staff of engineers, geologists, and specialists is committed to our clients' success and they take comfort in knowing that we are their advisors and a part of their team and not just project managers.

While our projects were initially situated within the Chicagoland area including Wisconsin and Indiana, Carlson has grown to keep up with the demand of our Clients. While we still maintain our main office in downtown Chicago, we are now licensed and have offices in Florida and Michigan. In addition, we have formed long-standing strategic alliances and teaming agreements with other reputable firms on the east and west coasts, across the Midwest and Texas.

SERVICES

Environmental Assessments

Phase I Environmental Assessments
Report Updates
Transaction Screens
Small Cap Express
Peer Reviews
Annual Site and Building Audits

Site Renovation and Remediation

Soil & Groundwater Investigations
Soil Gas Investigations
Remediation Design & Project Implementation
Brownfield Redevelopment

Management of Building Materials

Air, Mold & Lead Surveys
Asbestos Surveys & O&M Plans
Asbestos Abatement Oversight
Mold & Lead Mitigation Oversight

Risk Management

Corporate Risk Advisement
Permitting & Compliance Programs
Litigation Support

STAFF

Registered/Certified Geologists
Registered Professional Engineers
Environmental Scientists

MARKETS SERVED

Commercial
Industrial
Multifamily Residential

PROJECTS

Acquisitions
Dispositions
Refinancing
Tenant Expansion
Site Improvements

CLIENTS

Lenders
Investors
Developers
Brokers
Borrowers
Owners
Sellers
Purchasers
Attorneys
Municipalities

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The Carlson Advantage

THOROUGH, YET PRACTICAL SOLUTIONS TO MINIMIZE RISK AND EXPOSURE

At Carlson, we've worked hard to separate ourselves from the pack. Here's what differentiates us from other environmental consultants. It's all about making your life easier.

- Driven by a responsive, client-centered, value-added approach characterized by increasing the speed of proposals, reducing Report turnaround time, providing verbal 'heads-ups' from the site when time is short, and easy access to our Project Managers—all designed to **help clients better meet project deadlines.**
- Committed to a thorough work product with easy-to-read reports, attention to detail, consistent quality, and conclusions that provide direction to **reduce costs and risks**, and give you peace of mind to facilitate the business decision process.
- Bringing an **insider's perspective and intimate knowledge of the regulatory process.** Our Founder, Richard Carlson, served as the Director of the Illinois Environmental Protection Agency. The firm's familiarity with the regional and national environmental climates adds value to our perspective.
- Crafting solutions to complex environmental and engineering issues is a staff strength gained over 25 years of environmental challenges. Our experienced and capable engineers, geologists and scientists have **the skill set to take projects from the initial Phase I stage all the way through cleanup, and closure**, if necessary.
- **Obtaining state closure letters is our expertise**, and we obtain a lot of them. In terms of volume, we are one of the top two firms to obtain No Further Remediation Letters from the Illinois Environmental Protection Agency's Site Remediation Program, according to their online database.
- We are not beholden to absentee management far removed from our clients, or to outside shareholders with a short-sighted focus on near-term profits. **Our principals are accessible to all of our clients** and are committed to leading a firm that is responsive to our clients' needs and focused on empowering our clients to make informed environmental decisions.
- A significant portion of our workload comes from **repeat clients with whom we have developed long-term relationships** where Carlson personnel serve as an extension of the clients' staff. We have master service agreements in place with a number of these clients where we routinely receive task orders for professional services as the clients need them.
- Earned a solid reputation by listening and seeking client feedback to continually refine our services to **better meet client needs as a business partner.** At Carlson, it's more than a report or a State Closure Letter. It's a relationship.

Some of Our Clients

Banks/Lenders:

BMO Harris Bank
Citizens Financial Bank
Fifth Third Bank
First American Bank
First Merit Bank
JP Morgan Chase Bank, NA
Leaders Bank
Regions Bank
TCF Bank
Wintrust Financial Corporation

General Industry:

Big Ten Conference
Chiquita Brands North America
Clean Harbors Environmental Services
DHL
FCL Builders
Golden State Foods
Illinois Tool Works
Klemm Tank Lines
Meade Electric
Union Pacific Railroad
XL Insurance Group

Government Entities:

City of Chicago
DeKalb Park District
Glenview Park District
Lake County Forest Preserve
Illinois International Port District
Metropolitan Water Reclamation District of Greater Chicago

Public Building Commission of Chicago
Village of Romeoville
Will County Forest Preserve
Wood Dale Park District

Real Estate Developers / Management Companies:

Aeroterm
Ashley Capital
CenterPoint Properties
Colliers International
Cushman & Wakefield
Duke Realty
Invesco Real Estate
KTR Capital Partners
Mirvac Industrial Trust
ML Realty
NAI Hiffman
Northern Builders
Opus Holding, LLC
Pritzker Realty Group
Value Industrial Partners

Law Firms:

Bryan Cave, LLC
Durkin Joyce, LLC
Greenburg Traurig, LLP
Hinshaw & Culbertson
Holland and Knight, LLC
Kaplan Papadakis & Gournis, PC
Much Shelist
Shiff Harden, LLP
Wooden & McLaughlin, LLP

Our Credentials and Certifications

**CARLSON'S
PROFESSIONALS
CONTINUALLY SEEK
TO EXPAND THEIR
KNOWLEDGE AND
SKILLS**



Licenses and Certifications

Carlson's field staff consistently maintains 40-hour OSHA HAZWOPER training. In addition, our staff holds licenses and certifications in a variety of technical disciplines as follows:

Licenses

Professional Engineers: IL, IN, and WI
Licensed Professional Geologists: IL, NC, PA, and WI
IDPH and WDHFS Licensed AHERA Asbestos Building Inspectors
IDPH Licensed Air Sampling Professional

Certifications

OSHA 8-Hour Site Supervisor
OSHA 40-Hour Hazardous Waste Operations Emergency Response (HAZWOPER)
OSHA Site Health and Safety Coordinator Training
OSHA 10-Hour Construction Safety Training
Certified Hazardous Materials Manager—Master Level
Unexploded Ordinance Safety and Environmental Oversight Training

Professional Affiliations

Carlson's professionals continually seek to expand their knowledge and resources, including the following:

National

Air and Waste Management Association
Association of Engineering Geologists
Geological Society of America
American Institute of Architects
National Society of Professional Engineers

Regional

Illinois Society of Professional Engineers
Illinois Association of Environmental Professionals
Illinois Ground Water Association

Our Management Team

Edward E. Garske **President & Owner**

As President, Ed sets the overall strategy for growth and development of the firm, and is responsible for the overall technical quality of Carlson's consulting practice. His experience includes the assessment of Superfund sites in the Midwest for USEPA and specialty chemical research for Amoco. Early in his career, he was a key member of the scientific team at the Illinois State Water Survey that set national standards of practice for the sampling and analysis of ground water. He is a co-holder of a patent for a Flow-Through Cell for Monitoring Ground Water Samples. Ed has been with Carlson Environmental since 1989.

Richard J. Carlson **Founder**

Dr. Carlson founded Carlson Environmental, Inc. in May of 1988 after serving as Director of the Illinois Environmental Protection Agency for the previous seven years. He brings unique knowledge of the regulatory system to our clients, and serves as a special project resource, advising clients on regulatory compliance and policy issues, as well as representing them in negotiations with regulatory agencies. He has been deeply involved in a variety of litigation related projects, serving as an expert witness and resource for law firms in Chicago and around the country.

Gail Artrip **Vice President—Engineering**

As Vice President of Engineering, Gail is responsible for ensuring technical quality control in Carlson's work product by providing senior review. Gail also mentors junior technical staff and guides project scoping, interpretation of data, and development of recommendations. She also stays current on regulations and how they affect our clients' business interests. Gail also serves as a project manager for large-scale investigation and remediation projects under state voluntary cleanup programs. Gail joined Carlson Environmental in 2006.

Paul A. Micari **Vice President—Operations**

As Vice President of Operations, Paul is responsible for organizing and scheduling the day-to-day activities of Carlson staff. He selects project teams, develops project scopes based on client objectives, and manages workflow. Paul is also involved in recruitment, IT, the development of new business, and serves as a main "point-of-contact" for new clients. He serves as a project manager for large-scale remediation projects under state voluntary cleanup programs. Paul has been with Carlson Environmental since 1998.

Tiyana Latham **Vice President—Human Resources**

As Vice President of Human Resources, Tiyana oversees the administrative side of Carlson, including recruitment and selection. She directs and evaluates benefit programs including health, retirement, disability, and unemployment. She also oversees corporate accounting, payroll, and renewal of corporate lines of professional liability insurance and risk management for the company. Tiyana has been with Carlson since 1997.

Christine Karlovitz **Site Assessment Manager**

Christine directs Carlson's Phase I Environmental Site Assessment team. Her responsibilities include coordination of site visits, technical and historical information, the incorporation of ASTM standards, and revisions. She conducts Phase I site visits, and prepares proposals for Phase I services. Christine is responsible for review of all Phase I reports prior to issuance, and she also provides support for activities including asbestos sampling/inspections, Phase II activities, and conducts mold and asbestos surveys. Christine has been with Carlson since 2008.

Project Experience: Site Assessments

CARLSON PROVIDES THOROUGH ENVIRONMENTAL REPORTS WITH PRACTICAL, COST-EFFECTIVE SOLUTIONS

Site Assessments

Carlson has successfully conducted Phase I Environmental Assessments for the real estate community for over 25 years. These reports determine if past or present activities may have resulted in soil or ground water contamination, or if environmental concerns such as asbestos, lead, mold or wetlands exist at the site. Our objective is to provide practical, yet thorough reports with definitive conclusions and recommendations that help our clients achieve their business goals in a cost-effective and timely manner.

A representative sampling of recent assessments includes the following:

Project: Historical Industrial Property

Location: North Chicago, Illinois

Carlson provided our Client with Phase I Environmental Site Assessment services at this 54 acre manufacturing facility. Initially developed in 1950, the site was first used to manufacture refrigerators. Subsequent use included the manufacture of rubber hoses using a continuous lead casting process and then more recently, manufacturing activities at the site have included injection molding of plastics. Historic operations generated and disposed of numerous wastes at the site including: solvents, paint wastes, lubricants, sludges, metal cleaners, solid lead, oil and rubber waste, cooling water, boiler blow-down, polypropylene and polyethylene plastic fragments, and demolition debris.

Project: Georgia Pacific Production Facility

Location: Savannah, Georgia

Carlson performed a Phase I Environmental Assessment on a production facility comprising more than 150 acres of land. Georgia Pacific had used the facility to manufacture resin as well as construction materials including hardboard, hardwood paneling, plywood, and veneers. The assessment identified a number of Recognized Environmental Conditions including: on site lagoons and ponds, on site landfills, former underground storage tanks, chlorinated solvent use, transformer spills, and chemical use in various operational areas.

Project: Industrial Phase I Portfolio

Location: Indianapolis, Indiana

Carlson recently provided Phase I Environmental Site Assessment services on a business park located in Indianapolis, Indiana. The portfolio consisted of twelve individual properties with 36 tenant units with more than 650,000 square-feet under roof. Carlson's scope of work for this assignment included completing comprehensive assessments that were consistent with the requirements of the ASTM standard as well as evaluation of non-ASTM scope items including surveys for asbestos, lead-based paint, radon, moisture intrusion, and mold. Potential issues associated with current and historic use of certain properties as well as operations at an adjoining property resulted in Carlson also completing Phase II environmental site investigations at several of the parcels within the portfolio to evaluate concerns identified by the Phase I assessments.

Project: Former Candy Production Plant

Location: Chicago, Illinois

Carlson provided Phase I Environmental Site Assessment services in support of the redevelopment of the former Brach's Candy manufacturing facility. The manufacturing facility was initially constructed in the 1920s and at the time of our Phase I assessment, the 30-acre site was occupied by two structures: a four-story office building and an 11-story manufacturing facility. Carlson's ESA identified numerous Recognized Environmental Concerns including: a former on-site gasoline station, a former battery factory, historical use of chlorinated solvents, multiple underground storage tanks, leakage in a transformer room, a used auto sales lot, and a former gasoline filling station on an adjoining property.

Project Experience: Site Investigations

OUR CAPABILITIES
INCLUDE SOIL AND
GROUND WATER
ANALYSES TO
DETERMINE THE
EXTENT OF
CONTAMINATION AND
SOLUTIONS TO
ADDRESS IT

Site Investigation and Remediation

Carlson has extensive experience successfully completing site investigation and remediation programs. Our capabilities include soil and ground water analyses to determine the extent of contamination. In terms of volume, we are one of the top two firms to obtain No Further Remediation Letters from the Illinois Environmental Protection Agency's Site Remediation Program, according to their online database. If necessary, asbestos, lead, radon, wetlands evaluations, and mold and indoor air quality surveys can be performed. Carlson can implement corrective action measures to remediate and cleanup sites, including risk-based analyses and Brownfield redevelopment, as well as serving as an on-site environmental coordinator.

A representative sampling of site investigation and remediation projects includes the following:

Project: Commercial Development

Location: Chicago, Illinois

Following a Phase I Environmental Assessment that identified issues, Carlson performed a comprehensive subsurface soil and ground water investigation for an 11-acre site along the Chicago River. The site, now a shopping center, was once an asphalt plant, a bulk petroleum storage facility and a manufacturer of cleaning chemicals. Years of spills and leaks caused significant soil contamination, in addition to other environmental issues. Carlson performed an extensive site remediation program that included the removal of several underground storage tanks and approximately 1000 tons of contaminated soil. The site received a No Further Remediation letter from the Illinois EPA.

Project: East Chicago Enterprise Center

Location: East Chicago, Indiana

The East Chicago Enterprise Center is a 31-acre industrial park first developed in the late nineteenth century and has since been occupied by a variety of heavy industries. Carlson performed Phase I assessments along with a series of subsurface investigations to determine the impact of past operations, characterize the nature and extent of soil and groundwater contamination, and to evaluate the potential need for remediation. Site operations as well as a major fire which destroyed a tire warehousing and shredding operation at the site resulted in impacts at a number of locations across the site. Carlson enrolled the site in the Indiana Brownfields program and obtained site closure following an endangerment assessment and evaluation of multiple remediation approaches, implemented a site remediation program which included free product recovery, excavation and off-site disposal of impacted soils, *in situ* bioremediation, as well as institutional controls.

Project: Industrial Development

Location: Chicago, Illinois

A joint venture redeveloped the former 150-acre Republic Steel site into an automotive supplier manufacturing campus adjacent to Ford's assembly plant. The site had been used for disposal of waste materials from the previous steel operations. Carlson performed subsurface soil and ground water sampling to determine the extent of contamination, in addition to a wetlands investigation and Illinois EPA permitting assistance that resulted in successful site remediation and the receipt of No Further Remediation letters.

Project: Multi-Industrial City Block

Location: Chicago, Illinois

Carlson conducted multiple Phase I Environmental Site Assessments at various portions of the site and identified numerous on-site recognized environmental conditions. Detailed site investigations followed the initial assessments which included geophysics, soil borings, groundwater monitoring wells, and the collection of soil vapor samples. Impacted soils were excavated and either treated on site by land farming until they met the requisite standards, or were landfilled off-site. Submittals to obtain a comprehensive No Further Remediation letter are currently under Illinois Environmental Protection Agency review.

Project Experience—Risk Management

RISK MANAGEMENT SERVICES RANGING FROM PERMITTING ASSISTANCE AND COMPLIANCE ISSUES TO LIABILITY ASSESSMENT AND LITIGATION SUPPORT

Risk Management

Carlson has developed special expertise providing a variety of risk management services including NFR compliance, tenant monitoring, environmental insurance, and liability and litigation.

A representative sampling of recent risk management projects includes the following:

Project: Environmental Compliance

Carlson performed an environmental compliance review of two grain handling facilities located on the Mississippi River. A detailed schedule of the actions necessary to bring the facilities into compliance with state and federal air pollution control requirements was formulated. This included the preparation of air emission reports, a general house-keeping checklist, preparation and submission of a permit to the Illinois Department of Agriculture (IDA) to handle and store dry bulk fertilizers, and the preparation of Federally Enforceable State Operating Permits (FESOPS) to address air pollution.

Project: Industrial Redevelopment

The Chicago Enterprise Center is a 120-acre industrial park that is being developed from a century-old steel foundry site. Carlson conducted field studies to determine the impact of past operations and to address the potential need for remediation. In addition to the field studies, Carlson initiated a risk assessment to evaluate potential impacts to human health and the environment; performed a feasibility study to review response action alternatives; evaluated the presence of sensitive habitats; and provided cost recovery consulting and litigation support.

Project: Contingency Planning

Clean Harbors industrial waste treatment, storage and handling facility's RCRA permit requires documentations of emergency procedures. This includes the computer modeling of potential air pollution hazards that may result from a release, fire or explosion. Carlson created models to evaluate the possible hazards that could potentially result from 'worst case' scenarios. This required an estimation of the quantities and types of gases that could be generated and assessed the effects of wind speed, atmospheric stability and temperature, and ambient air quality levels.

Project: Litigation Support

As an expert consultant to the Northern Illinois District of the U.S. District Court, Dr. Richard Carlson prepared an evaluation of the issues and evidence in a case involving the alleged contamination of a parcel of land in Northern Illinois by an adjacent property owner. The assignment included the analysis of consultant reports, depositions, Illinois and U.S. EPA studies, applicable law and regulation, and interviews with attorneys on each side of the dispute. The final report to the court presented a summary and analysis of critical environmental issues in the case.



Asbestos Services

**CARLSON HAS
EXPERIENCED
EPA-AHERA
ACCREDITED BUILDING
INSPECTORS AND
PROJECT MANAGERS**

Carlson has successfully provided asbestos services for many years. Our experienced staff of EPA-AHERA accredited and Illinois/Wisconsin licensed building inspectors and project managers provide cost-effective solutions to minimize risk and exposure. Our asbestos management capabilities include:

Facility Survey and Inspections

We evaluate the location, quantity, and condition of suspect asbestos-containing building materials (ACBMs) and collect bulk samples for analysis in a laboratory accredited by the National Voluntary Laboratory Accreditation Program (NVLAP) of the National Institute of Standards and Technology (NIST). Our assessment reports include findings, laboratory analyses results, and recommendations.

Operations and Maintenance (O&M) Programs

The presence of asbestos in a building and the resulting potential for occupant exposure does not necessarily require removal, but should be managed in-place. We have assisted numerous building owners and managers to defer the high costs of asbestos removal by developing and implementing O&M Programs that rectify deficiencies. These programs control exposure potential by preventing the disturbance of asbestos-containing materials.

Project Management of Abatement Activities

Asbestos abatement activities must comply with federal, state and local regulations. They must be performed in a manner that protects building occupants and workers from excessive exposure to asbestos fibers. This is required for renovation, demolition or repair. We have the expertise to provide project management of asbestos abatement, including third-party oversight, to help clients comply with the regulations; develop plans and specifications for asbestos abatement; prepare bid packages for abatement contractors; and perform air monitoring during the abatement process.



Mold Services

CARLSON PROVIDES PRACTICAL AND COST-EFFECTIVE SOLUTIONS FOR MOLD ISSUES

Carlson's mold services offer a unique blend of experience and technical expertise necessary to develop practical, cost-effective solutions that successfully address mold issues. We provide a full range of mold-related consulting services, including:

Mold Growth Inspections

A thorough inspection of all areas of suspected mold growth and water infiltration and damage. The extent of mold growth is determined and documented. The impacted areas of the facility are isolated and addressed promptly to prevent further infiltration.

Identification of the Nature of the Mold

There are many types of mold and some are more harmful than others. Mold samples are collected and analyzed to properly evaluate toxicity concerns. This is accomplished by an accredited laboratory that meets our stringent qualifications requirements.

Identification of the Underlying Causes of the Mold

The moisture sources, such as a broken pipe or leaks, are identified and recommendations are made to mitigate mold growth.

Remediation Plan Design and Implementation

Thorough, yet practical, plans are designed for mitigation, taking into account all biological and structural factors. Carlson provides project oversight for the implementation of each plan.

Post-Mitigation Testing

After the mitigation process has been completed, Carlson performs a final inspection of the site to ensure that the mold issue has been properly eradicated.

