



## ERAS Environmental, Inc.

1533 B Street, Hayward, CA 94541  
Phone (510) 247-9885 Fax (510) 886-5399

# Environmental Real Estate Newsletter

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[www.eras.biz](http://www.eras.biz)

[info@eras.biz](mailto:info@eras.biz)

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ERAS Environmental, Inc. (ERAS) publishes this Newsletter from time to time to discuss developing environmental issues. It is distributed for the benefit of our clients of and other interested persons. It focuses on environmental issues pertaining to due diligence for environmental assessment of commercial real estate. Many of these issues come up regularly during our business interactions with our clients.

### IN THIS ISSUE

- **Technical Evaluations and How They Can Save Time and Money**
- **New ASTM Phase 1 ESA Standard E1527-13**
- **Should You Do a "Baseline" Phase 2 Investigation?**
- **HAPPY HOLIDAYS FROM ERAS**

### Technical Evaluations and How They Can Save Time and Money

**Key Conclusions: A Technical Evaluation project may be your best option as they are specifically designed to save considerable time and money. They usually provide a clear evaluation of an environmental issue at a commercial site.**

**Questions to consider are: Are there any known or perceived environmental issues regarding the subject property? Have previous Phase 1 projects or Phase 2 subsurface investigations provided any recommendations?**

**Can a project in the range of \$1,000 determine the viability of financing a Property before spending funds for a Phase 1 or 2 project?**

A Technical Evaluation project investigates the environmental status and condition of a subject property. These projects could include some or all of the following tasks.

- A technical review of previous Phase 1 and Phase 2 investigations that have been conducted. Have these projects been performed to current standards and do they provide a full evaluation of potential risks and subsurface environmental conditions? Is additional research necessary?

- Are environmental regulatory agency personnel already involved and are there potential agency requirements? Should an agency be involved and if so what is the environmental status of the property? This question is particularly important if the Property is listed as a leak case or if previous subsurface investigation has detected contamination.
- Was the subject property a gasoline station or was there an underground tank? If so a specialized review of resources such as detailed historical aerial photographs can be used to determine the location and scope of a Phase 2 investigation. The research can determine the former location and layout of underground fuel tanks and will usually save money in designing a Phase 2 project.

The main purpose of these Evaluations is to determine what additional information is necessary to assess the risk of contamination to a property.

Additional information may be used to 1) determine what might be required to resolve an environmental issue for a property owner BEFORE a Phase 1 is ordered or 2) to determine the necessity of and the required scope of a Phase 2 subsurface investigation.

**Recommendation** - ERAS recommends that customers allow ERAS to perform initial FREE research of their property or FREE preliminary review of previous environmental reports to determine the applicability of a Technical Review Project.

Remember the eight P's for a successful outcome: proper prior project planning provides perfect project performance.

### New ASTM Phase 1 ESA Standard E1527-13

After 8 years, the American Society of Testing and Materials (ASTM) will be issuing a new standard for conducting Phase 1 environmental site assessments.

Preliminary information indicates the written standard will be issued in the first quarter of 2014 and incorporates almost the entire previous E1527-05 standard without significant changes.

A new category of recognized environmental condition a CREC (**conditional** recognized environmental condition) will be added to reflect situations such as a former gasoline station that has been closed with a deed restriction because residual contamination is present.

Details and information about E1527-13 to come in a future newsletter after the new standard is issued.

**Should You Perform a "Baseline" Phase 2 Investigation?**

**Key Conclusions:** A "baseline" Phase 2 investigation can be used to determine and document the subsurface environmental conditions on a property prior to occupancy. It may be used in a situation where a future occupant will be using and storing hazardous materials and is concerned that pre-existing contamination is not present.

**Proper care must be taken to determine the scope of proposed work of this or any Phase 2 project so that meaningful and defensible results and conclusions are obtained.**

Baseline Phase 2 investigations can be useful to provide an assessment of environmental conditions on a property prior to its occupancy.

One example of a baseline investigation might be for a company that wants to install a diesel aboveground storage tank (AST) for fueling its trucks. A baseline assessment could be performed that would include shallow soil sampling in the area of the proposed AST.

Another example of a baseline investigation might be for a company that will package and distribute liquids that have chemicals that could cause contamination to underlying soil and groundwater and there is known contamination with similar chemicals on or near the Property.

As is the case with all Phase 2 investigations, it is critical to define specific goals. That is, *where* is the location that is important to investigate and *what* would the expected contaminant(s) be? What will be the result to the owner and buyer if contamination is found? Is the investigation focused enough to provide a true and complete assessment of subsurface environmental conditions?

**Recommendation** - ERAS recommends that if a baseline subsurface investigation is requested or required that it be evaluated technically. The goals of the proposed investigation should be strongly justified in considerations of all local, state and federal environmental regulations and current standard of care and practice. The scope and goals should be clearly defined and understandable by all involved parties whether or not they are technically trained.

**HAPPY  
HOLIDAYS  
FROM ALL OF US  
at  
ERAS Environmental, Inc.**

*David Siegel*

*William (Skip) McIntosh*

*Andrew Savage*

*Kasey Cordoza*

*Curtis Payton PG*

*Joanna Wilk*

*Monica Gregory*

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*If you have any questions regarding the information in this newsletter, ERAS services, or if you have a subject you would like to read about in a future newsletter, please call David Siegel at 510.247.9885 (ex. 304) or send us email at [info@eras.biz](mailto:info@eras.biz)*