

June 2, 2014

via email

**RUSH STREET GAMING, LLC**  
900 North Michigan Avenue  
16<sup>th</sup> Floor  
Chicago, Illinois 60611

**Regarding: ENVIRONMENTAL DOCUMENT REVIEW & RECOMMENDATIONS  
FORMER SCHENECTADY LOCOMOTIVE WORKS  
PROPOSED RIVERS CASINO RESORT SITE  
ERIE BOULEVARD  
SCHENECTADY, NEW YORK  
WHITESTONE PROJECT NO.: EJ1412983.000**

At the request of Rush Street Gaming, LLC (RSG), Whitestone Associates, Inc. (Whitestone) has reviewed the February 2014 document entitled *Remedial Work Plan* prepared by Barton & Loguidice, P.C. (B&L) for the above-referenced site in Schenectady, New York. The document was prepared by B&L for Maxon ALCO Holdings, LLC and submitted to the New York State Department of Environmental Conservation (NYSDEC) as part of Brownfield Cleanup Agreement Numbers C447042, C447043 and C447044 for the three tracts that encompass the Schenectady, New York site. The *Remedial Work Plan* also included an *Alternative Analysis Report, Health and Safety Plan (HASP)* and *Interim Remedial Measures (IRM) Work Plan* as appendices. A review of this documentation and a summary of Whitestone's recent conversation with NYSDEC regarding the status of the public comment period are provided in the sections that follow.

## **1.0 REVIEW OF FEBRUARY 2014 REMEDIAL WORK PLAN**

The key information presented by B&L in the February 2014 *Remedial Work Plan* is summarized as follows:

- ▶ The site initially was developed by the Schenectady Locomotive Engine Manufactory in 1849. The site was further developed and continued to be operated by the Schenectady Locomotive Works and American Locomotive Company until 1969. The site was purchased by the Schenectady Industrial Corporation in 1971 and apparently occupied by General Electric Company from 1971 to 1985. B&L reported that the various buildings at the site have been used for "small" industrial, manufacturing and fabrication activities since 1985.
- ▶ B&L suggested that environmental investigative activities at the site date back to at least 1992. While specific data/information pertaining to historic investigatory or remediation activities were not provided for review, B&L indicated that former activities have included extensive soil, sediment, surface water and groundwater investigations; identification of chlorinated volatile

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organic and petroleum hydrocarbon impacted groundwater; oil seep investigations; operation of a free product removal system; and underground storage tank (UST) removal and remediation.

- ▶ After purchasing the property in 2010, Maxon ALCO Holdings, LLC entered into Brownfield Cleanup Agreements (BCA) with NYSDEC. Maxon ALCO Holdings, LLC divided the property into Parcels A, B and C with individual BCA agreements for each tract. Three *Remedial Investigation Work Plans* (one for each parcel) were submitted to NYSDEC by Kleinfelder, Inc. in May 2010. A proposed minor reconfiguration of Parcels B and C reportedly was proposed in November 2013 and approved by NYSDEC on December 23, 2013.
- ▶ The BCA agreements are established under New York's Brownfield Cleanup Program to promote voluntary cleanup/remediation of brownfields site for reuse. The program generally involves conducting a complete site characterization/remedial investigation, evaluating remedial alternatives, and implementing the selected remedial action as necessary.
- ▶ A May 20, 2014 *Site Plan* provided by RSG indicated that the proposed development would consist of a casino resort with adjoining hotel tower, multi-level parking garage (including an adjoining potential future condo site), a surface parking lot and landscaped areas. The proposed redevelopment is situated in the western and southwestern areas of the site encompassing portions of existing Parcels A and B. The plan provided by RSG showing the proposed development is attached.
- ▶ B&L reported that subsurface conditions at the site are characterized by approximately two feet to 12 feet of fill material underlain by in-situ silt and silty sand. The fill consists of silt, sand and gravel with brick, concrete, ash, cinders, slag, metal, organics and glass. Groundwater occurs at approximately 10 feet below ground surface (fbgs) to 14 fbgs and reportedly flows to the north. Similar subsurface conditions were described by CME Associates, Inc. (CME) in a March 31, 2014 preliminary geotechnical report entitled *Subsurface Exploration Report, ALCO Waterfront Marina*. Whitestone's review of CME's preliminary geotechnical report and suggestions for future geotechnical considerations are provided under separate cover.
- ▶ B&L stated that supplemental remedial investigations (RI) were conducted at the site during the first half of 2012. Based on the RI findings, B&L concluded that the areas of concern (AOCs) requiring implementation of remedial actions as part of the BCA efforts included an area (AOC-1A) in the vicinity of monitor well MW-36 containing up to five feet of light non-aqueous phase liquid (free product or petroleum LNAPL); AOC-1B which consists of an area in the vicinity of monitor well MW-45 containing between one inch and one foot of LNAPL; a vault area with two USTs (AOC-1C); a chlorinated volatile organic compound (CVOC) plume containing up to 3,082 part per billion (ppb) of CVOCs which extends approximately 1,200 feet from monitor well MW-19 to the Mohawk River (AOC-2); and site-wide fill material containing polynuclear aromatic hydrocarbons (PAHs) exceeding NYSDEC Soil Cleanup Objectives (AOC-3). B&L also identified two arsenic contaminated soil hot-spots and a mercury hot-spot requiring remediation. B&L further reported soil gas vapor concerns associated with the groundwater plume and additional areas between historic Buildings 346 and 324 and between Buildings 306 and 308.
- ▶ Of the environmental AOCs outlined by B&L in the *Remedial Work Plan*, the AOCs situated in the proposed RSG redevelopment area include LNAPL/residual product in the area of monitor well MW-45 (AOC1B); fill containing select PAH constituents exceeding NYSDEC SCO's

(AOC-3); arsenic hot-spots in the soil at locations RB-06 and SS-B3; and a mercury hot-spot in the soil at location SS-A3. Additionally, the northern and northeastern portions of the proposed redevelopment (parking garage area) are immediately adjacent to the chlorinated solvent plume (AOC-2). Furthermore, the reported soil gas vapor concern areas between historic Buildings 346 and 324 and a portion of Building 306 are situated within the proposed redevelopment area. A map showing the site AOCs is attached.

- ▶ Remedial Alternative 1 described by B&L in the *Alternative Analysis Report* which accompanied the *Remedial Work Plan* was “no action”. This alternative only would include limited sampling and reporting at an estimated cost of approximately \$82,000.00. The existing exposure conditions, presence of LNAPL, and CVOC plume preclude this “no action” option.
- ▶ Remedial Alternative 2 described by B&L in the *Alternative Analysis Report* includes complete removal and off-site disposal of between 184,000 to 920,000 cubic yards of PAH-impacted soil (AOC-3); excavation of LNAPL areas AOC-1A and AOC-1B; UST removal in the vault area (AOC-1C); and treatment in the CVOC source area and subsequent natural attenuation of the impacted groundwater (AOC-2). The costs projected by B&L for Alternative 2 ranged between approximately \$26 million to \$125 million. The costs and practicality of removing the entire impacted soil profile (between two feet to 14 feet thick) make this an unrealistic alternative.
- ▶ B&L selected Remedial Alternative 3 as the appropriate approach. This alternative (at a projected cost of \$5.8 million) consists of placing a geotextile liner and up to two feet thick clean soil layer above the PAH impacted fill (AOC-3) as an engineering control; excavating LNAPL areas AOC-1A and AOC-1B; excavating the two arsenic hot-spots (RB-06 and SS-B3) and one mercury hot-spot (SS-A3); UST removal in the vault area (AOC-1C); and treatment in the CVOC source area and subsequent natural attenuation of the impacted groundwater (AOC-2). This remedial alternative would allow for the hotel/casino (commercial) land uses and potential future condo (restricted residential) development as proposed on the May 20, 2014 *Site Plan* once remediation and capping have been completed.
- ▶ Increasing air flow, inspection and patching of cracks/penetrations were proposed by B&L to address the soil vapor concerns in Building 306 (a portion of which is situated in the proposed RSG redevelopment area).
- ▶ The measures to implement Alternative 3 were discussed further in the *Interim Remedial Measures Work Plan*. The interim remedial measures outlined in this plan included the excavation/removal and subsequent post-excavation sampling of AOC-1A and AOC-1B along with the arsenic and mercury hot-spots; and UST removal and post-excavation sampling procedures for AOC-1C. A corresponding *Health and Safety Plan* pertaining to implementation of the interim remedial measures was attached to the work plan.
- ▶ The B&L project schedule suggests that the public comment period for the *Remedial Work Plan* (as required by a BCA agreement) should have ended by late April or early May 2014. An April 30, 2014 end to the public comment period was confirmed with NYSDEC. Implementation of the interim remedial measures was to commence in May 2014 with remedial construction to continue through mid-August 2014, however, NYSDEC advised Whitestone that as of May 21, 2014, the work plan was under review with a response anticipated from the Department as early as June 2014.

## 2.0 CONCLUSIONS, RECOMMENDATIONS & REDEVELOPMENT CONSIDERATIONS

Conclusions, recommendations and considerations pertaining to the February 2014 *Remedial Work Plan* and associated attachments/appendices are as follows:

- ▶ Based on the environmental investigative and remedial work conducted to date and as presented in the *Remedial Work Plan*, Whitestone anticipates the proposed remediation and future site uses are consistent with regulations and protocol for brownfield type redevelopment in New York State.
- ▶ The removal of the arsenic hot-spots (RB-06 and SS-B3) and mercury hot-spots (SS-A3) within the proposed RSG redevelopment area represent minor concerns which B&L proposes to accomplish by excavating approximately two feet wide by two feet long by two feet deep areas at each location. Post-excavation samples would be collected and analyzed to confirm the cleanup efforts. The removal of the LNAPL at AOC-1B likely will be more widespread, and continued/residual product collection and impacted groundwater monitoring should be anticipated following source removal.
- ▶ The selected remediation alternative requires that a geotextile liner and one foot to two feet soil cap be installed site-wide over the PAH impacted soil (AOC-3). This engineered cap will require an associated institutional control (deed restriction) that reportedly will limit Parcel A for restricted-residential and Parcels B and C for commercial use. Proposed site grading and post-development elevations should take into account the need for the clean fill cap. The proposed building foundations, slabs and parking areas should be incorporated into the final cap design which will further restrict exposure to the underlying PAH impacted soil.
- ▶ The CVOC groundwater plume mapped by B&L abuts the northern and northeastern end of the RSG redevelopment area. Furthermore, B&L reported potential soil gas vapor concerns in the area between historic Buildings 346 and 324 and a portion of Building 306 which also are situated within the proposed RSG redevelopment area. Given the groundwater and soil vapor concerns, the proposed building should incorporate a sub-slab passive soil vapor mitigation system which could be upgraded to an active system (with pump/fan installation) if warranted in the future.
- ▶ Site redevelopment will include excavation for subsurface utilities and the likely need for deep foundations for proposed structures which will result in excess soil that may be contaminated with PAHs, metals, or other site constituents of concern. In the event that these soils cannot remain on site for placement beneath the proposed cap, premium costs could be incurred for off-site management of excess soils.
- ▶ In the likely event that deep foundations (piles or similar) are utilized for the proposed site improvements, consideration should be given to the potential for cross-contamination of groundwater bearing zones as a result of the downward migration of CVOCs in groundwater. Existing groundwater monitor wells will need to be closed (abandoned) properly prior to site earthwork activities, and some wells may need to be reinstalled as part of the future groundwater monitoring efforts. The responsible party (Maxon ALCO Holdings, LLC/Galesi) should anticipate that existing monitor well closure, reinstallation of replacement wells, and future



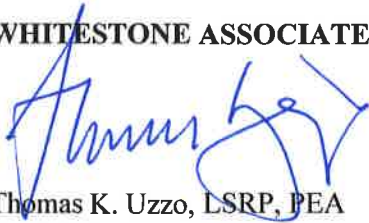
groundwater monitoring will be required as part of the long-term groundwater monitoring program.

- ▶ Regulated management (treatment and monitored discharge) of groundwater likely will be required if dewatering is needed in conjunction with site redevelopment activities.
- ▶ While not mentioned or included in B&L's *Remedial Work Plan*, a nuclear facility reportedly associated with Rensselaer Polytechnic Institute (RPI) was situated at the site. This facility which was located near the north end of the proposed marina, falls outside the proposed RSG redevelopment area and should have no impact on RSG's proposed development project.
- ▶ Whitestone only reviewed the February 2014 *Remedial Work Plan* and associated attachments/appendices. Additional documentation (which reportedly dates back to at least 1992) exists, and pertinent information has been incorporated into the *Remedial Work Plan* submitted to NYSDEC. Accordingly, this summary letter relies solely on the information presented in the February 2014 B&L document and appendices and conversations with the NYSDEC Case Manager. A letter of reliance for all B&L documents should be provided by B&L to RSG.
- ▶ Whitestone contacted Mr. John Strang of NYSDEC's Region 4 Division of Environmental Remediation on May 21, 2014 to discuss the status of the public comment period and the Department's review of the February 2014 *Remedial Work Plan*. Mr. Strang is NYSDEC's Case Manager for the remediation activities at the site. Mr. Strang indicated that the public comment period for the work plan ended on April 30, 2014 with only limited comments received by NYSDEC. Mr. Strang stated that the public comments and work plan currently are under review and that official work plan approval should not be anticipated until sometime in June 2014. Mr. Strang also indicated that the Brownfield Cleanup Program would notify Maxon ALCO Holdings, LLC/Galesi when the *Remedial Work Plan* has been approved.

Hopefully, this information will assist with site planning. Please contact us at (908) 668-7777 with any questions regarding these matters.

Sincerely,

WHITESTONE ASSOCIATES, INC.



Thomas K. Uzzo, LSRP, PEA  
President

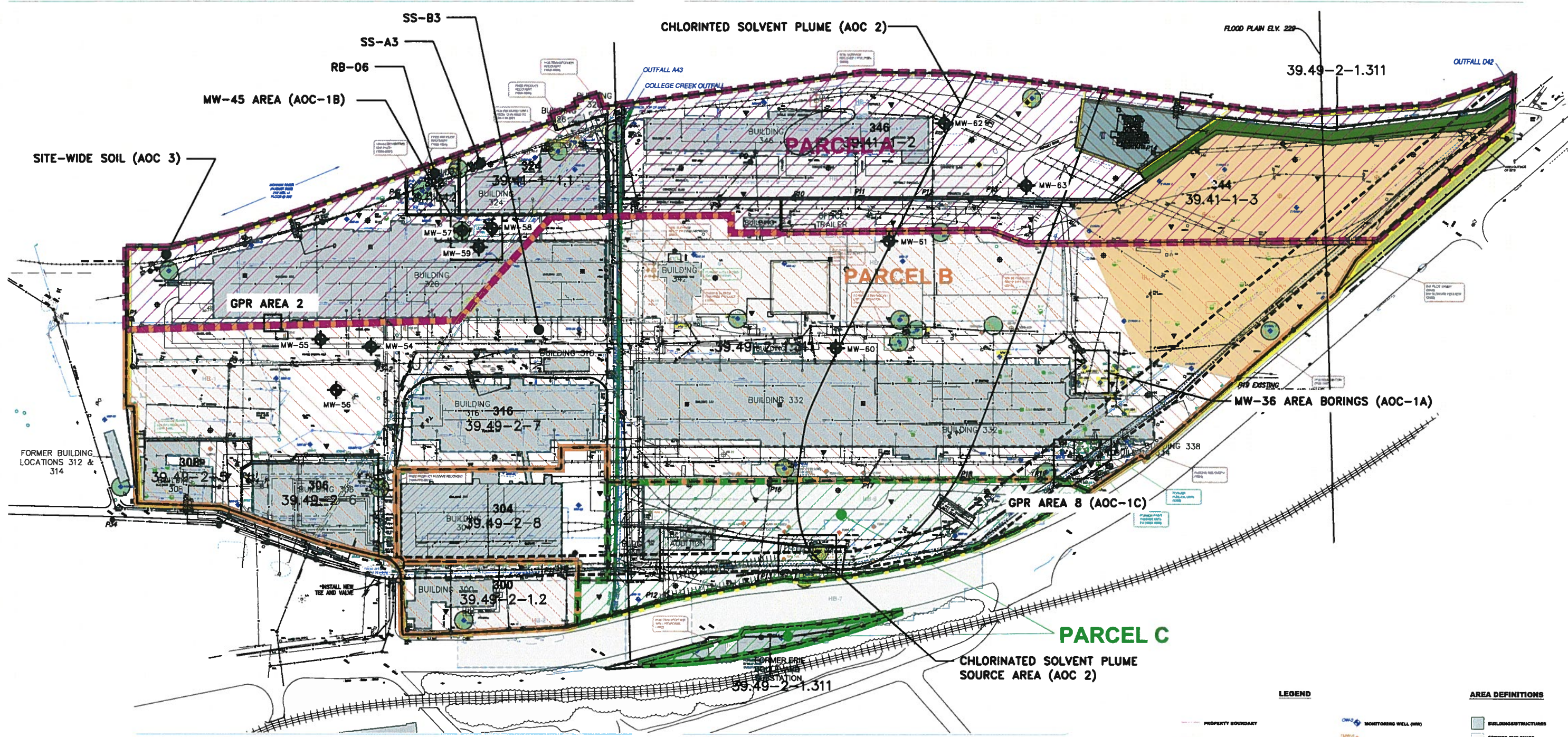


Keith Tockman, CPG  
Senior Professional Geologist

TKU/np L:\Job Folders\2014\1412983EJ\Reports and Submittals\12983-EDR-6-14.docx  
Enclosures  
Copy: Robert Osterhoudt, P.E., Bohler Engineering  
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Laurence W. Keller, P.E., Whitestone Associates, Inc.



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LEGEND		AREA DEFINITIONS	
	PROPERTY BOUNDARY		BUILDINGS/STRUCTURES
	BCP SITE BOUNDARY		FORMER BUILDINGS (PREVIOUSLY DESOLISHED)
	MANHOLE WITH DRAINAGE STRUCTURE NUMBER		"EV" PARCEL
	CATCH BASIN WITH DRAINAGE STRUCTURE NUMBER		"SP" PARCEL
	LIFT STATION WITH DRAINAGE STRUCTURE NUMBER		OTHER PROPERTIES NO PART OF 8
	MANHOLE (M.H.)		REMEDIATION AREA
	CATCH BASIN (C.B.)		FORMER UTILITY LOCATIONS
	MONITORING WELL (MW)		
	TEMPORARY MONITORING WELL (TMW)		
	RECOVERY WELL		
	PIZOMETER		
	GEOPROBE BORING		
	SURFACE SOIL SAMPLE LOCATION (SS)		
	SOIL BORING LOCATION		
	MONITORING WELL (SRI INVESTIGATION 2013)		

MAP REFERENCE:  
 1) "SURVEY OF LANDS, ALCO LOCOMOTIVE, INC., CITY OF SCHENECTADY, COUNTY OF SCHENECTADY", DATED MARCH 1970, AS PREPARED BY C.T. MALE ASSOCIATES.  
 2) "A SUBDIVISION OF A PORTION OF LANDS OF SCHENECTADY INDUSTRIAL CORPORATION", DATED JUNE 30, 1988, AS PREPARED BY THE ENVIRONMENTAL DESIGN PARTNERSHIP.  
 3) "SITE PLAN, PROPOSED C & D RECYCLING FACILITY, NOTT STREET INDUSTRIAL PARK", DATED FEBRUARY 1985, AS PREPARED BY RYKALL'S SMART ASSOCIATES.  
 SOURCE:  
 1) ASD ENGINEERS AND SURVEYORS FEBRUARY 1988, REVISED NOVEMBER 1989.  
 2) HISTORIC BUILDING (P#) LOCATIONS BASED ON A "FUEL OIL PIPING" PLAN, PREPARED FOR AMERICAN LOCOMOTIVE CO., REVISED AUGUST 22, 1958.

	MAXON ALCO HOLDINGS, LLC INTERIM REMEDIAL MEASURES WORK PLAN	Figure 1 Project No. 1368.001.001 Date 1/9/2014
	SITE PLAN CITY OF SCHENECTADY, NEW YORK	



