

W.L. BLACK AND ASSOCIATES

ENVIRONMENTAL SERVICES

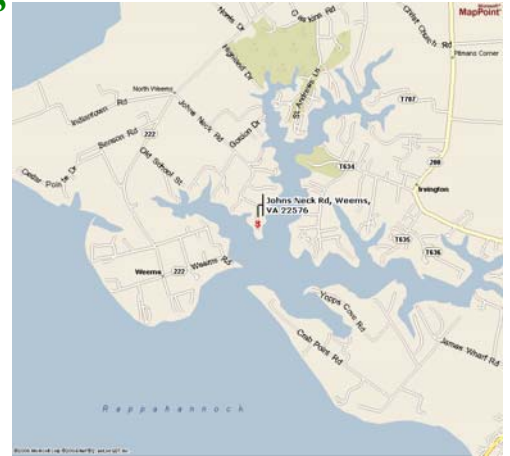
October 16, 2006

Mr. Ray Morgan
Property Owner
W.F. Morgan & Sons, Inc.
5298 West Side Valley Court
Virginia Beach, VA 23452

PRIVILEGED AND CONFIDENTIAL INFORMATION

LETTER OF COMPLETION

**RE: Environmental Site Assessment Phase I-II
W.F. Morgan & Sons, Inc.
+/- 5.05 Acres
+/- 14,300 FT² (Shucking House, Office, Packing/Freezer, Cold Storage, Blast
Freezer, Pump House, Water Reservoir, Can Storage Building)
1174 Johns Neck Road
Weems, VA 22576**



Dear Mr. Morgan:

W.L. Black & Associates (WLBA) has completed the Phase I-II Environmental Site Assessment activities for the referenced site. This report includes the results of our findings from visual reconnaissance, historical land use review, records and regulatory review, related sources and subsurface investigation activities.

Based on the results of the assessment, *further evaluation is not recommended* at this time for the site.

W.L. Black and Associates appreciates the opportunity to provide services to you for this project and we look forward to working with you on future assignments.

Please review and advise. If you have any questions concerning the enclosed information please contact me at 757-487-5245 or via electronic mail SJMATNEY@wblack.com.

Very truly yours,

W.L. BLACK AND ASSOCIATES

A handwritten signature in black ink, appearing to read "Stephen J. Matney". The signature is stylized and written in a cursive-like font.

Stephen J. Matney, PHM, CES, CEM
Environmental Services Manager

W.L. BLACK AND ASSOCIATES

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EXECUTIVE SUMMARY

W.L. Black and Associates (WLBA) performed a Phase I and Phase II Environmental Site Assessment (ESA) of the property located at 1174 Johns Neck Road, in Weems, VA 22576, which is currently owned by W.F. Morgan & Sons, Inc., Pass Christian, MS. The assessment was conducted on the property referred to in this report as “W.F. Morgan & Sons” (WFM) and/or “site.”

The objective of this assessment is to identify potential concerns associated with the site defined as **Recognized Environmental Conditions (RECs)** in the report. To achieve this objective, the assessment included visual observations of the site and limited observations of surrounding properties, reviews of historical ownership and land use, reviews of regulatory database listings, interviews, related sources and subsurface investigation activities completed at the site. The Phase II investigation included the completion of 14 soil borings across the property (refer to Figure 3: Site Layout/Sampling Map for the exact soil boring locations). The subsurface sampling activities are further discussed in section 6.0.

Our assessment of the property *did* reveal evidence of aboveground storage tanks (ASTs) which were used, abandoned, and/or currently in use at the property. Limited adjacent site investigation activities *did* reveal the presence ASTs located on adjacent properties, which is further discussed in section 3.1. Based on the proximity of the adjacent property ASTs to the site, these ASTs do not appear to be a risk to the site at this time.

Our assessment of the property *did* reveal evidence of underground storage tanks (USTs) which were used, abandoned, and/or currently in use at the property. Based on the interviews conducted with key site personnel by WLBA, 2-UST Systems were identified as once in use at the site. The facility (identified as Facility ID 4006964) once operated 1-8,000 gallon Diesel and 1-10,000 gallon Gasoline regulated UST Systems at the site located along the northern portion of the site. These UST Systems were closed by removal in April of 1999 by a licensed contractor. No subsurface investigation was documented during the closure activities, however, during the subsurface investigation by WLBA in May of 2006, no impaction of the subsurface was found per field investigation and subsequent laboratory analysis (Appendix C). During the site inspection, the WLBA inspector noticed the presence of two separate pipes located along the eastern portion of the site. Upon further investigation, it was determined that two additional tank fields were present at the site with the USTs in place. The first UST was identified immediately north of the pump house, and was a 1,000 gallon gasoline regulated UST further identified in this report as UST System-3. A vent pipe associated with UST System-3 was attached to the pump house. Also, it was determined that a 1,000 gallon heating oil unregulated UST was present immediately west of the water reservoir and it is further identified as UST System-4. UST System-3 contained approximately 150 gallons of petroleum content which was removed during closure activities. UST System-4 contained approximately 250 gallons of remaining petroleum products which was also subsequently removed during closure. These two UST systems were closed (see closure report, Appendix C) and a No Further Action letter was issued by the Virginia Department of Environmental Quality. This activity was completed by a Commonwealth of Virginia, Department of Professional and Occupation Regulation (DPOR)-Contractor Board,



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EXECUTIVE SUMMARY (Continued)

licensed contractor. WLBA performed a subsurface investigation at the site to determine if petroleum impaction was present near both the gasoline (UST System-3) and the heating oil (UST System-4) USTs indicating a release. Petroleum contaminated soil was discovered in the immediate vicinity of UST System-3 and promptly segregated and removed from the site.

The scope of work for the ESA Phase II was to complete subsurface investigation activities at the site. Site contamination (if detected) characterization (full delineation) or risk assessment *was not* included in the scope of work. The site subsurface investigation activities included soil borings to be completed in the area of the UST System(s) and random points around the site. Based on laboratory analysis, petroleum contamination *was not* discovered in the subsurface of the property near the UST System tank field locations. The subsurface sampling activities are further discussed in section 6.0. The limited assessment of adjacent properties did not reveal the presence of UST's in or once in use.

Our assessment of the property *did not* reveal evidence of large quantities of hazardous materials/chemicals, Polychlorinated Biphenyls (PCBs), historical activities or agency records of actions or conditions, which may impact the site.

Our assessment of the property *did not* reveal evidence of suspect asbestos-containing materials.

Our assessment of the property *did* reveal evidence of suspect lead-based paint (LBP), due to the age of the buildings (the oyster house was built in 1927), since some of the buildings were built before the 1978 action date. BMPs are recommended in the BMPs section (section 7.0) for handling the REC. The inspection activities are further discussed in section 3.5.

As per the ASTM standard 1527-05 the ESA Phase I and Phase II activities *did* reveal **Recognized Environmental Conditions (REC)**, at the site.

- 1.) Presence of 2- UST System (1-Heating Oil-1,000 gallon and 1-Gasoline-1,000 gallon). Both UST Systems have been removed (April 1999) and subsequently closed by the Virginia Dept. of Environmental Quality (VDEQ), Piedmont Regional Office (PRO).
- 2.) Former presence of two UST Systems (1-Gasoline-10,000 gallon and 1-Diesel 8,000 gallon). One Tank was removed and the other closed in place. Awaiting final documentation from the VDEQ (PRO).
- 3.) Presence of suspect LBP on painted surfaces (peeling/chipping paint), maintain a Lead Safe Characterization.

In order to ensure safety and environmental compliance, WLBA has recommended several BMPs, listed in Section 7.0 for handling the RECs.

Based on these findings as per the ASTM Standard 1527-05, along with the historical and subsurface investigation completed, *further evaluation is not* indicated at this time for the W.F. Morgan and Sons, Inc. located at 1174 Johns Neck Road in Weems, VA.