



Transforming Contaminated Mud to a Productive Urban Wetland – Resolves Environmental Liability, Promoting Brownfields Redevelopment

Mark A. Thimke, Foley & Lardner LLP Laurie Parsons/Mark Water, OBG Darren Engbring, Alter Trading Corporation

2019 Sediments Conference February 12, 2019





Presentation Summary

- Background on canal industrial highway to sewer discharge
- Regulatory setting
- Remediation plans and partners
- Creating opportunities to overcoming challenges
- Converting canal to new life urban wetland/spur for economic revitalization





Burnham Canal Project History

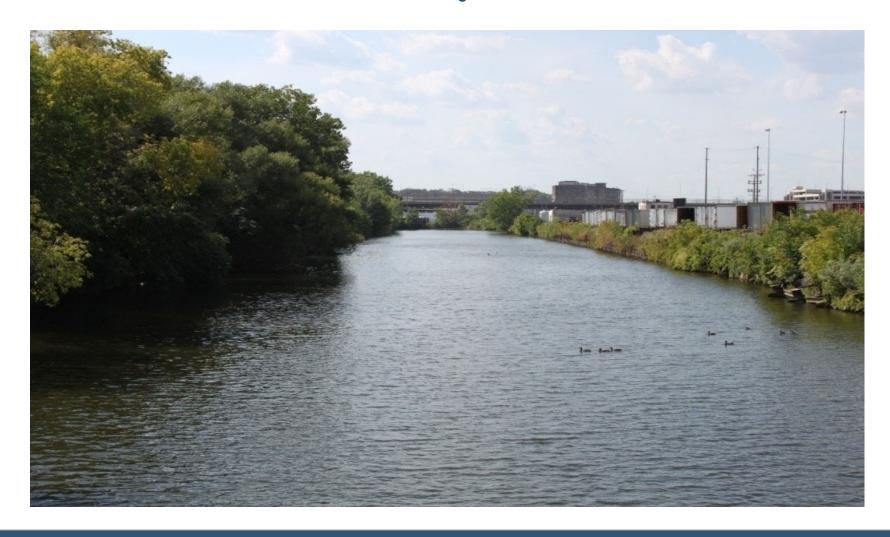
- Historic operations pre mid-1980s
- Investigated and evaluated cleanup options 2007-2012
- SuperfundAlternative Site2010
- U.S. EPA approved remedy 2015-2017
- Proposed WDNR administration of remediation phase







Burnham Canal Today







Regulatory Setting

- Miller Compressing business transaction addressing canal contamination
- Elected Superfund Alternatives mid-2000s as preferred structure versus state program
- Cooperative ROD remedy primarily based on capping with limited soil/sediment removal





U.S. EPA Approved Remediation

- Soil removal from west bank ~ 200 cubic yards
- Sediment removed from canal west end ~ 900 cubic yards
- Place base material to stabilize sediment and support cap
- Place 12-inch cap ~ 4 acres on canal bottom





Tension Remedy – Business Goals

- Nothing unusual/unique in remedy
- Remedy fit not only regulatory requirements but business needs
- Capping remedy much less cost than dredging
- But long-term care
 - Potentially costly due to uncertainty (thin cap)
 - Impediment to successful business transaction



Broadening the Scope – Looking Beyond Sediment Remediation

- Canal located in Milwaukee AOC potential grant funding
- Long-term care government entity to assume
- Government entity with "vision" to transform canal to new use
 - Takes time/discussions to shape plan
 - Cooperative partnership to "invest" in vision
 - Reuse of canal also meet business goal of transferring long-term care liability









Milwaukee Estuary AOC



Redevelopment Approach

- Convert canal into an urban wetland
- AOC support as restoring impaired uses
- City support convert old canal into pro-environmental uses; support urban fishery/wildlife/ recreation for Brownfields redevelopment project
- State support first urban wetland restoration in state
- Partner Milwaukee Metropolitan Sewerage District
- Building these relationships/buy-in to "vision" takes time and work



Meeting the Business Goal

- Converting canal to wetland
 - Substantial additional fill on top of remedial cap to construct wetland
 - Long-term care reduced to periodic visual observation
- MMSD (government entity) accepts long-term care for one-time cash payment
- Monetize the overall cost and "exit" the canal



Flexibility in Shaping "Final Product" to Meet Goals

- MMSD
 - Preference for state control over project
 - No consent decree
 - Cost certainty
- Wetland construction funding who provides money to support plan



Shifting Remediation from U.S. EPA to Wisconsin Department of Natural Resources

- Took project from state to U.S. EPA; now need to take it back
- Developed new "deferral" approach "loosely" based on 1995 U.S. EPA Superfund site deferral policy
- Instead of consent decree, negotiated agreement with WDNR
 - Contract type document
 - No court approval required
- Under new deferral approach, U.S. EPA "exit" regulatory oversight; no U.S. EPA contractor/no U.S. EPA oversight fees
- WDNR in full control of remediation phase





Funding the Wetland – Persistence Pays Off

- Milwaukee AOC Legacy Act involvement?
 - Difficulty only ecological values improved/Legacy Act not geared to recognize Brownfields redevelopment value
 - Dredge oriented program
 - But persistent
- Re-thought project structure
 - Engage state/city partners
 - Convert substantial portion of long-term care cost to "voluntary betterment"
- Opened the "door" to GLRI grant funding for wetland





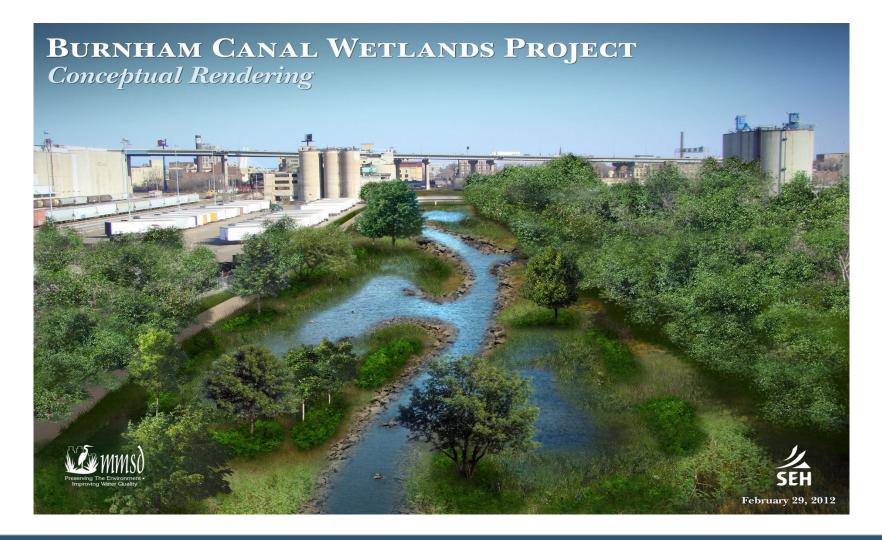
"Love It When a Plan Comes Together" – Colonel Decker – "The A Team"

- WDNR control of remedy
- ROD cap/5 feet of voluntary betterment same material
- Voluntary betterment not subject to ROD requirements
- Grant funding for canal wetland approved
- MMSD accepts all long-term care responsibility for minimal cash payment
- Miller Compressing
 - Monetizes long-term care
 - Much less expensive remedy cost than dredging
- Community achieves urban wetland/promotes city Brownfields redevelopment for old industrial corridor
- New life to the old canal





Burnham Canal In the Future







Lessons Learned

- Be willing to be creative; not just a legal or engineering solution
- Consider the "end goal" build elements around it
 - Partners
 - Develop new procedures if needed
- Flexible to address the "no" with solution
- Timing recognize when timing not right/right
- When timing is right build momentum with partners



Questions?



