

C A M P A I G N F O R
ACCOUNTABILITY

January 14, 2019

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Re: Investigation of Speaker of the House Tim Moore

Dear Ms. Strach, Ms. Freeman, Mr. Denning, Ms. Wood:

Campaign for Accountability (“CfA”), a nonprofit government watchdog organization, has uncovered additional evidence to augment our March 5, 2018 letter requesting that your office investigate whether Tim Moore, Speaker of the North Carolina General Assembly, improperly intervened with the North Carolina Department of Environmental Quality (“DEQ”) seeking preferential treatment. In addition, CfA is also requesting an investigation into whether

DEQ officials acted appropriately when they decided to issue a Conditional No Further Action (“NFA”) letter to Speaker Moore’s company, Southeast Land Holdings, LLC (“Southeast”), on September 19, 2016.¹

Procedural History

On March 5, 2018, CfA asked the North Carolina State Board of Elections & Ethics Enforcement (“Board”) to open an investigation into Speaker Moore.² Through open records requests, CfA obtained documents suggesting Speaker Moore had persuaded DEQ not to engage in an enforcement action against Southeast. Speaker Moore’s intervention with DEQ officials appears to have allowed him to reap significant financial gain by selling a property his company owned to a poultry manufacturer.³

Southeast Land Holdings, LLC

Speaker Moore was a vice president and part owner of Southeast.⁴ In 2013, Southeast purchased a former Townsend poultry plant in Siler City, North Carolina for \$85,000.⁵ The property contained two underground storage tanks (“UST”) subject to regulation by DEQ.⁶

CfA’s previous letter focused on an episode in May 2015 regarding Southeast’s failure to register, close, and remove the USTs. In August 2014, DEQ had issued a Notice of Violation (“NOV”) requiring the USTs to be permanently closed because of their deteriorated condition.⁷ Despite repeated conversations with DEQ, Southeast took no action to remove the tanks.⁸

¹ Letter from Mark Powers, DEQ Regional Supervisor of the UST Section, to Rebecca Standridge, Registered Agency for Southeast Land Holdings, LLC, September 19, 2016, *available at* https://edocs.deq.nc.gov/WasteManagement/0/edoc/682563/20060_Townsend_Siler_City_CNFA_20160919.pdf?se-archid=18e7e000-8249-4ef5-a4cc-5e71c15a16ea.

² Letter from Daniel Stevens, Executive Director of Campaign for Accountability, to the North Carolina State Ethics Commission, March 5, 2018, *available at* <https://campaignforaccountability.org/wp-content/uploads/2018/03/CfA-Ethics-Complaint-Tim-Moore-with-Exhibits-Notarized-3-5-18.pdf>.

³ *Id.*

⁴ Speaker Moore did not list any position with Southeast in his most recent financial disclosure form. *See* Rep. Tim Moore, 2018 Statement of Economic Interest, filed March 12, 2018; Rep. Tim Moore, 2017 Statement of Economic Interest, filed April 13, 2017; Rep. Tim Moore, 2015 Statement of Economic Interest, filed May 13, 2015, *accessed at* <https://ethics.ncsbe.gov/masterSearch.aspx>; Southeast Land Holdings, LLC, 2016 Annual Report, North Carolina Secretary of State, filed January 9, 2017, *accessed at* https://www.sosnc.gov/online_services/search/by_title/Business_Registration; Email from Ruth Strauss to Art Barnhardt and Linda Culpepper, May 7, 2015, attached as Exhibit A.

⁵ Parcel ID 0061441, Chatham County Property Record Card, November 2, 2018, *available at* <http://giservices.chathamnc.org/gisfiles/Tax%20Cards/akpar0061441.pdf>.

⁶ *Id.*; <https://deq.nc.gov/about/divisions/waste-management/ust/fag>; North Carolina DEQ, Registered Underground Storage Tank Database, tblFacilities, Facility ID: 00-0-0000032430, *accessed at* <https://deq.nc.gov/about/divisions/waste-management/ust/databases>.

⁷ *See* Exhibit A.

⁸ Email from Rose Pruitt to Tom Reeder, Linda Culpepper, Ruth Strauss and Art Barnhardt, May 7, 2015, attached as Exhibit B.

On April 24, 2015, more than six months later, UST Inspector Rose Pruitt issued a “Notice of Recommendation for Enforcement” to Southeast.⁹ In response, she received a voicemail from Speaker Moore seeking additional time to remove the tanks.¹⁰ In early May, Inspector Pruitt notified DEQ officials that she planned to proceed with enforcement, and said she had told Speaker Moore that an extension was “unlikely.”¹¹

Inexplicably, DEQ reversed itself and granted Speaker Moore a 90-day extension to permanently remove the tanks.¹² Following the extension, Southeast removed the tanks in mid-August 2015.¹³

The Board’s Investigation

On May 24, 2018, the Board notified CfA that it would “conduct further inquiry into certain matters arising from the complaint....”¹⁴ On December 28, 2018, the Board dismissed the complaint concluding that DEQ personnel were believable when they claimed that “Southeast was not given the 90-day extension because of Moore’s role as a legislator.”¹⁵

Additionally, the Board concluded that “much of the confusion surrounding this matter arose from Moore’s failure to notify the Department of Southeast’s relatively prompt partial compliance with the Notice of Violation.” The letter further states that once DEQ realized, on May 12, 2015, that Speaker Moore had removed the oil from the tanks, “the tenor of the conversation changed.”¹⁶ The emails obtained by CfA, however, indicate this is inaccurate.

As CfA explained previously, Inspector Pruitt was aware that Speaker Moore had removed the oil from the USTs five days earlier, on May 7, 2015.¹⁷ At that time, she explained to Speaker Moore that removing the oil from the tanks was not an acceptable solution to delay enforcement, writing:

I encouraged Mr. Moore to send in verification that product had been removed from the tanks so that I could remove that particular violation. I also informed Mr. Moore that the sale of the property was not considered a proper corrective

⁹ See Exhibit A.

¹⁰ *Id.*

¹¹ See Exhibit B.

¹² Letter from Rose Pruitt to Rebecca Standridge, May 13, 2015, attached as Exhibit C.

¹³ DEQ officials variously state that the tanks were closed on August 12 or August 13. Southeast’s contractors reported that they closed the diesel UST on August 12, 2015, the gasoline UST on August 13, 2015, and the pipes for the tanks on August 17, 2015. See Limited Site Assessment Report, Prepared by W.H. Gibson, L.G. for Cohesion, Inc., July 2016, pg. 2, available at <https://www.documentcloud.org/documents/5677539-Southeast-Land-Holdings-Limited-Site-Assessment.html>.

¹⁴ Letter from Carson Carmichael, III, Associate General Counsel of the North Carolina State Board of Elections & Ethics Enforcement, to Daniel Stevens, May 24, 2018, attached as Exhibit D.

¹⁵ Notice of Dismissal from Kim Westbrook Strach, Executive Director of the Board, December 28, 2018, attached as Exhibit E.

¹⁶ *Id.*

¹⁷ Letter from Daniel Stevens to the Board, Mar. 5, 2018, pg. 4.

action as regards the tank removal, and that I would have to move forward with the enforcement recommendation as a routine next step.¹⁸

While it is true that Speaker Moore provided evidence that his company had removed the oil from the USTs, Southeast still had failed to remove the USTs from the ground despite being informed – eight months earlier – of the necessity to do so.¹⁹

New Information

Recent news reports indicate that the Wake County District Attorney and the North Carolina State Bureau of Investigation are reviewing Speaker Moore's business relationships with several other entities following investigations by local media outlets.²⁰ Additionally, CfA has obtained new documents that call into question DEQ's claims and the Board's finding that the agency did not provide preferential treatment to Speaker Moore because of his legislative position.

On May 17, 2018, CfA submitted a public records request to DEQ seeking communications among DEQ officials about Southeast from January 1, 2016 through the date of the request.²¹ Only on November 29, 2018, did DEQ finally release records in response to CfA's request.

The new documents reveal that one of Speaker Moore's legislative aides intervened with DEQ officials regarding Speaker Moore's property. The documents also show that, when removing the USTs, the company may have further polluted the property and failed to follow DEQ procedures in cleaning up the site. Further, the documents raise questions about whether DEQ officials handled Speaker Moore's property in a neutral manner. Notably, DEQ does not appear to have issued any civil penalties to Southeast despite the company's repeated violations.

Inquiry from Speaker Moore's Office

On March 2, 2016, Caroline Daly, DEQ's Legislative Liaison, sent an email to Art Barnhardt, Underground Storage Tank Section Chief, with the subject line "Siler City Question," stating: "Mitch Gillespie is asking about the status of the Siler City UST issue. Do you know what this is about and can give me an update to share?"²²

¹⁸ See Exhibit B.

¹⁹ See Exhibit A.

²⁰ Dan Kane and Craig Jarvis, NC House Leader Hires Attorney after DA Launches Inquiry into his Business Ties, *News & Observer*, November 27, 2018, available at <https://www.newsobserver.com/news/local/article222238525.html>; Prosecutor Seeks Review of NC House Speaker Tim Moore's Legal Work, *Associated Press*, October 8, 2018, available at https://www.greensboro.com/news/north_carolina/prosecutor-seeks-review-of-nc-house-speaker-tim-moores/article_09a62622-4061-5ce8-a6e5-db0def360b1d.html.

²¹ CfA's previous records requests asked for records from 2015 and before.

²² Email from Caroline Daly to Art Barnhardt, March 2, 2016, attached as Exhibit F.

At the time, Mr. Gillespie was Senior Policy Advisor for Speaker Moore.²³ He had served as a representative in the North Carolina General Assembly before being appointed Assistant Secretary for the Environment at DEQ but had been demoted in January 2015.²⁴ He then joined Speaker Moore's staff, but he is no longer employed by the office.²⁵

Two different branches within the UST section of DEQ responded to Mr. Gillespie's inquiry, including the Permits and Inspections Branch ("PIB"), which oversees the operation of existing USTs, and the Corrective Action Branch ("CAB"), which oversees cleanup activities. Mr. Gillespie's inquiry prompted DEQ officials from both branches to investigate the situation. They determined Southeast had violated DEQ rules regarding the closure and cleanup of its USTs.

Pollution Caused by Southeast's USTs

After Southeast removed the tanks in August 2015, the company's contractors determined the tanks had leaked gasoline into the surrounding ground. A report prepared by the contractors on September 25, 2015, concluded:

Laboratory analysis (TPH-GRO) of soil samples collected beneath the gasoline UST detect petroleum hydrocarbons at a concentration exceeding the NCDENR²⁶ action level of 10 mg/kg indicating there had been a release from the gasoline UST.

Due to the evidence of petroleum impact to the excavated soil, use of the soil to backfill the excavation was prohibited. Impacted soil was stockpiled onsite. Approximately 411.93 tons of impacted soil was loaded on August 14 and August 17, 2015 for transport to Earthtec of NC, Inc. in Sanford.

Regulations require cleanup (abatement) of sites where a release from a UST is confirmed.²⁷

Inspector Pruitt's letter of May 13, 2015 outlined the procedures Speaker Moore's company was required to follow while closing the tanks. Specifically, she wrote:

²³ Dan Kane and Will Doran, The State Was Reviewing Speaker Tim Moore's Chicken Plant. Then Moore's Aide Got Involved., *The Charlotte Observer*, January 8, 2018, available at <https://www.charlotteobserver.com/news/politics-government/article223925075.html>;

<https://www.ncleg.net/documentsites/legislativepublications/NCGA%20Telephone%20Directory.pdf>, pg. 19.

²⁴ Colin Campbell, Demoted at DENR, Mitch Gillespie Joins House Speaker Tim Moore's Staff, *The News & Observer*, January 23, 2015, available at <https://www.newsobserver.com/news/politics-government/politics-columns-blogs/under-the-dome/article10231178.html>.

²⁵ Kane and Doran, *The Charlotte Observer*, Jan. 8, 2018

²⁶ The Department of Environmental Quality was previously known as the Department of Environment and Natural Resources; the name change took effect on September 18, 2015. To avoid confusion, we refer to the Department of Environmental Quality throughout, even when referring to events prior to the effective date of the name change.

²⁷ 20 Day Report, Prepared by W.H. Gibson, L.G. for Cohesion, Inc., September 25, 2015, available at <https://www.documentcloud.org/documents/5677556-Southeast-Land-Holdings-20-Day-Report-9-25-15.html>.

(1) The UST systems must be permanently closed. Contaminated soil encountered must be excavated and properly disposed.

(2) All work shall be performed in accordance with 15A NCAC 2N .0405, .0802 and .0803 and the most recent version of the UST Section's Guidelines for Site Checks, Tank Closure and Initial Response and Abatement.

(3) Permanent closure must be completed and a Tank Closure or Initial Abatement report (whichever is applicable) must be submitted to me at the letterhead address no later than August 19, 2015.²⁸

DEQ guidelines require responsible parties to submit an Initial Abatement report within 90 days of detecting a release of a regulated substance, which in this case would have been around December 24, 2015.²⁹ DEQ guidelines also require a Limited Site Assessment (LSA) to be submitted within 120 days, which would have been approximately January 23, 2016.³⁰ Only when DEQ officials were investigating how to respond to Mr. Gillespie's inquiry in March 2016 did they discover Southeast not only had failed to file either report, but also had failed to respond to numerous DEQ inquiries regarding the matter.

Permits Branch Washes Its Hands

After Ms. Daly relayed Mr. Gillespie's request to Mr. Barnhardt in March 2016, he forwarded the email to Ruth Strauss, head of the PIB section, seeking more information about the project.³¹ Ms. Strauss immediately connected the inquiry to Rep. Moore and asked Mark Powers, the Environmental Regional Supervisor of CAB, for more information about the property, cc'ing Mr. Barnhardt. Ms. Strauss wrote:

Rep. Moore is a partner in the company that owns this site. Rose Pruitt inspected and sent a NOV to permanently close two substandard tanks. The tanks were permanently closed on August 13, 2015 and a closure report was submitted. Based on the notes in RUST, it looks like some soil was excavated at the time of tank closure.

As far as PIB is concerned, we have changed the status of the tanks to permanently closed in TIMs and have no further involvement with this site. (I can ask Rose to send a NFA from PIB to close out that part of the matter). So it appears that Mr. Gillespie is asking for information about the incident.

²⁸ See Exhibit C.

²⁹ Cohesion submitted its 20 Day Report on September 25, 2015, and December 24, 2015, is 70 days later. See DEQ Guidelines for Site Checks, Tank Closure, and Initial Response, available at <https://deq.nc.gov/about/divisions/waste-management/ust/guidance-documents>.

³⁰ *Id.*

³¹ <https://deq.nc.gov/about/divisions/waste-management/ust/pib>.

Can you please update Art on the status of the incident?³²

Mr. Gillespie's inquiry prompted DEQ to take official action regarding the property. Ms. Strauss forwarded the above email to Inspector Pruitt, asking if she could "please send Southeast Land Holdings, LLC a NFA letter just to close out matters from PIB's perspective?"³³ Inspector Pruitt sent an NFA letter regarding the closure of the tanks to Southeast just a few hours after Mr. Gillespie inquired.³⁴

Inquiry Reveals Inadequate Response by Speaker Moore's Company

While the PIB section appears to have refused to take any action beyond issuing the NFA letter, subsequent emails reveal the CAB section was still involved in the matter. Mr. Powers, the regional supervisor for CAB, responded to Ms. Strauss's inquiry by writing (emphasis added):

We're tracking it under Incident #39846. It looks like we ended up with two incident numbers because the consultant (Cohesion) initially reported the release as "Southeast Land Holdings LLC" and subsequently as "Townsend, Inc."

Cohesion removed a 10,000 gallon gasoline and a 10,000 gallon diesel UST on 8/12/15 and the product lines on 8/17/15 with a total of just under 412 tons of soil reported.

We received a 20-Day Report on 9/25/15 reporting remaining GRO TPH as high as 3630 ppm under the gasoline tank's former location and lower concentrations under the dispensers and the gasoline product line. (No risk-based analyses reported.) **A NORR [Notice of Regulatory Requirements] requesting an Initial Abatement Action Report was issued October 29, 2015 and no further correspondence has been received.** I understand that there are some issues with the incident's Trust Fund eligibility.

The good news is that another consultant has resolved questions about a vapor intrusion complaint at a neighboring commercial property on a behalf of a nearby gas station.³⁵

Although DEQ officials initially were concerned about whether the property would be eligible to enter a trust fund program that helps resolve financial issues stemming from degraded USTs, the department eventually concluded the application likely would be approved.³⁶ Mr.

³² Email from Ruth Strauss to Mark Powers, Art Barnhardt, and Robert Davies, March 2, 2016, attached as Exhibit G.

³³ Email from Ruth Strauss to Rose Pruitt and Steve Booe, March 2, 2016, attached as Exhibit H.

³⁴ Letter from Rose Pruitt to Rebecca Standridge, March 2, 2016, attached as Exhibit I.

³⁵ Email from Mark Powers to Ruth Strauss, Art Barnhardt, et. al., March 2, 2016, attached as Exhibit J.

³⁶ <https://deq.nc.gov/about/divisions/waste-management/ust/trust-fund>.

Barnhardt then forwarded a long email chain to Ms. Daly, which included Mr. Powers' incident summary, with this caption:

A long email chain...but it looks like the application for Trust Fund eligibility was being processed this week. Everything looks to be in order from that perspective. I assume that is what Mr. Gillespie was inquiring about, but if not please pass along any additional information to me.³⁷

Failure to File Required Reports

Ms. Daly then told Mr. Barnhardt that Mr. Gillespie had another question about a different aspect of DEQ's involvement with the property:

He asked about the no further action letter and I just want to make sure I'm understanding so I can explain. There was a NOA [sic]³⁸ issued but now the case is considered closed and resolved. Is this right?³⁹

That inquiry set off another scramble within DEQ to answer Mr. Gillespie's follow up question. A DEQ hydrogeologist, Clark Wipfield, informed Mr. Barnhardt that the problem was that Southeast and its consultants failed to submit soil samples to DEQ after concluding that the USTs had spilled petroleum into the ground:

They only ran TPH, so the only thing they were missing in the report was risk-based soil samples. Then based on those results, a LSA [Limited Site Assessment report] might be needed. The good news is there are no known receptors around (based on other LSAs in the area) and should be a 'low' risk site.⁴⁰

Eventually, Mr. Barnhardt explained to Ms. Daly why Southeast's USTs had yet to be cleared by DEQ:

I found out from the Regional Office that the owners would need an additional suite of samples to apply the Risk Based closure process. It does look like all the indications point to a low risk surrounding area, with a high probability of No Further Action designation with the additional data. I am trying to find out if the owner has a consultant that is actively involved and is in the process of collecting the additional data. I don't have that information as of now. Perhaps Mr. Gillespie will have some insight on that.⁴¹

³⁷ Email from Art Barnhardt to Caroline Daly and Michael Scott, March 2, 2016, attached as Exhibit K.

³⁸ This unknown abbreviation appears to refer to the Notice of Regulatory Requirements (NORR) letters DEQ sent to Southeast in October 2015 and January 2016, which are discussed in detail below.

³⁹ Email from Caroline Daly to Art Barnhardt and Michael Scott, March 2, 2016, attached as Exhibit L.

⁴⁰ Email from Clark Wipfield to Art Barnhardt and Mark Powers, March 3, 2016, attached as Exhibit M.

⁴¹ Email from Art Barnhardt to Caroline Daly and Michael Scott, March 3, 2016, attached as Exhibit N.

DEQ did not produce any other emails regarding DEQ's requests for additional soil samples. The emails the agency did release, however, reveal that as of March 3, 2016, Southeast had not submitted the soil samples or the reports required by DEQ guidelines and mentioned in the May 13, 2015 extension letter.

In January 2017, Mr. Wipfield emailed another DEQ official with an additional explanation (emphasis added):

I sent an IAR [Initial Assessment Report] NORR asking for the risk-based samples but Cohesion submitted an LSA (attached) instead.⁴² I don't know why they didn't collect risk-based samples or why they submitted the LSA immediately. **But then, legislative inquiries were coming in because they thought UST was holding up the process into the Brownfields Program.**⁴³ **So this site was put on the fast [sic] for NRP [Notice of Residual Petroleum] closure for Brownfield acceptance.** We worked with Brownfields and decided their program best fit what was needed to clean-up the GW/soil. I attached an email chain that might help you understand what's been going on at the site.⁴⁴

This email indicates Mr. Gillespie's inquiries found their mark. As Mr. Wipfield explained, the legislative inquiries resulted in the site being fast tracked to receive a positive dispensation from DEQ so the property could enter the Brownfields Program and be sold from Southeast to Mountaire. Presumably, without Mr. Gillespie's intervention, DEQ would have continued to pressure Southeast to take additional steps to clean up the site rather than just issuing a notice that the ground was contaminated.

Public Documents

Documents available on DEQ's website provide additional context.⁴⁵ On June 1, 2016, roughly three months after Mr. Gillespie contacted DEQ, Duncklee & Dunham, an engineering firm hired by Mountaire Farms, completed an environmental assessment of the property.⁴⁶ As CfA's previous letter discussed, Mountaire planned to buy the property from Southeast and redevelop it into an expanded poultry plant. Mountaire's engineers identified three

⁴² The LSA was submitted on July 29, 2016. See Conditional Notice of No Further Action Letter from Mark Powers to Rebecca Standridge, September 19, 2016, attached as Exhibit O.

⁴³ The Brownfields program "provides a mechanism to treat prospective developers of brownfield sites differently than the parties responsible for contaminating them. Prospective developers negotiate a brownfields agreement with the program that defines activities needed to make the site suitable for reuse, rather than cleaning up the site to regulatory standards (which responsible parties are required to do)." See <https://deq.nc.gov/about/divisions/waste-management/bf>.

⁴⁴ Email from Clark Wipfield to Scott Ryals, Engineer for the UST Trust Fund Branch, January 10, 2017, attached as Exhibit P.

⁴⁵ Search of DEQ's UST documents database for "Towsnend" and "Siler City", accessed at <https://edocs.deq.nc.gov/WasteManagement/Browse.aspx?startid=10>.

⁴⁶ Phase I Environmental Site Assessment, Prepared For Mountaire Farms of Delaware, Inc. By Duncklee & Dunham, P.C., June 1, 2016, available at <https://www.documentcloud.org/documents/5677552-Mountaire-Farms-Environmental-Site-Assessment-6.html>.

environmental conditions at the property including, “the releases of gasoline and diesel fuel at the plant site, which have adversely affected soil and may have adversely affected groundwater” exceeding the amount of contamination allowed by DEQ.⁴⁷ Additionally, they reported:

At the plant site, Cohesion Inc. (Cohesion) closed by removal two registered USTs (gasoline and diesel) in August 2015. During closure, they discovered evidence of a release from a gasoline UST and excavated approximately 411 tons of petroleum contaminated soil from beneath this UST. Cohesion collected soil samples and submitted the samples for laboratory testing, the results of which were tabulated in their 20 Day Report. The laboratory detected TPHGRO and TPH-DRO at concentrations that exceed the NCDENR’s action level of 10 mg/Kg. NCDENR requested completion of a Phase I LSA at the plant site to determine what further assessment or remediation would be needed, if any. That assessment is in progress.⁴⁸

The Duncklee & Dunham report also confirms that Southeast failed to submit soil samples to DEQ despite repeated requests from the agency:

NCDENR received [Cohesion’s 20-day report] on September 25, 2015 and requested preparation of an IAA [Initial Abatement Action] report in a NoRR dated October 29, 2015. NCDENR sent a second NoRR that requested an IAA report dated January 29, 2016. Duncklee & Dunham discussed the site with Chris Boshoff of Cohesion, and he told us that NCDEQ had sent their client another NoRR in which they requested a Phase I LSA.⁴⁹

These documents confirm what Mr. Wipfield said in his January 2017 email: Southeast failed to provide soil samples to DEQ, failed to submit an Initial Abatement report, and failed to provide a Limited Site Assessment report on time and before Mr. Gillespie initiated inquiries.

Mountaire Announces its Purchase of the Property

Notably, Mountaire announced its purchase of the Southeast property on May 5, 2016, two months after Mr. Gillespie contacted DEQ.⁵⁰ Before that announcement, Southeast had failed to submit the required reports to DEQ and had failed to respond to DEQ’s letters regarding the cleanup of the contamination caused by its USTs. Only after Mountaire announced its takeover and brought in its own consultants did Southeast finish the cleanup process.

⁴⁷ *Id.* pg. 7.

⁴⁸ *Id.* pg. 7.

⁴⁹ *Id.* pg. 15.

⁵⁰ Press Release, *Mountaire Farms Acquires Former Townsend Processing Plant – Silver City, NC, Mountaire Farms*, May 5, 2016, available at <https://mountaire.com/mountaire-farms-acquires-former-townsend-processing-plant-siler-city-nc/>.

Cohesion, Southeast's engineering firm, finally submitted the LSA as required on July 29, 2016.⁵¹ DEQ later determined that "groundwater contamination meets the cleanup requirements for a low-risk site but exceeds the groundwater quality standards."⁵² DEQ issued a Conditional NFA letter on September 19, 2016, requiring Southeast to file a NORP [Notice of Residual Petroleum] with the county register to inform the public about the residual contamination at the site.⁵³

After Southeast filed the NORP, DEQ issued a NFA letter freeing Southeast of any additional cleanup requirements.⁵⁴ That letter cleared the way for the property to enter the Brownfields Program, which exempted the new owners, Mountaire Farms, from any liability due to the contamination caused by Southeast's USTs. The decision memorandum accepting Mountaire into the Brownfields Program summarizes Southeast's delinquency:

The DEQ UST Section issued a NOV in 2014, an NORR in 2015 and one in 2016 for UST violations at the chicken processing plant parcel. The USTs were removed but residual petroleum hydrocarbons remain at the plant site. DEQ UST Section issued a No Further Action letter for the property after a NORP was filed at the Chatham Co. Register of Deeds on September 20, 2016.⁵⁵

The timing of the NORP filing indicates why Rep. Moore and his legislative staff were personally involved in the project. Two days after Southeast filed the NORP, the company sold the property to Mountaire Farms for \$550,000 – a gain of \$465,000 in just three years.⁵⁶ Less than two months later, Southeast filed a claim with DEQ to recoup \$22,400 in cleanup costs associated with the USTs.⁵⁷

Legal Analysis

Ethics Violations

North Carolina law prohibits legislators from knowingly using their "public position in an official action or legislative action" that will result in a financial benefit to themselves or any business with which they are associated.⁵⁸ In addition, public servants are required to make a

⁵¹ See Exhibit O.

⁵² Notice of No Further Action Letter from Mark Powers to Rebecca Standridge, November 29, 2016, attached as Exhibit Q.

⁵³ See Exhibit O.

⁵⁴ See Exhibit Q.

⁵⁵ Decision Memorandum, Sharon Eckard, PG, July 20, 2017, *available at* https://edocs.deq.nc.gov/WasteManagement/0/edoc/723086/20060_Townsend_Siler_City_Decision_Memo_20170720.pdf?searchid=cac8231a-c0a0-4374-9e0f-c9b6ec77c076.

⁵⁶ Parcel ID 0061441, *Chatham County Property Record Card*, November 2, 2018.

⁵⁷ North Carolina DEQ, *State Cleanup Funds Database*, Company: Southeast Land Holdings LLC, *accessed at* <https://deq.nc.gov/about/divisions/waste-management/ust/databases>.

⁵⁸ N.C. Gen. Stat. § 138A-31(a).

“due and diligent effort” to avoid conflicts of interest.⁵⁹ The willful failure of a legislator to comply with state ethics rules is grounds for sanctions.⁶⁰

The State Government Ethics Act authorizes the Commission to conduct inquiries of alleged unethical conduct by legislators.⁶¹ In fact, upon receipt of a signed and sworn complaint made by any individual, the Commission “shall conduct an inquiry.”⁶²

Here, it appears Speaker Moore may have used his official legislative position to advance his personal financial interests. The intervention by a member of Speaker Moore’s staff – a former DEQ official – led directly to a positive action by DEQ officials. After Mr. Gillespie first contacted DEQ, Ms. Strauss directed Inspector Pruitt to issue an NFA letter to Speaker Moore’s company. Additionally, as Mr. Wipfield stated, Mr. Gillespie’s inquiry caused the site to be put on a fast track so it could be accepted into the Brownfields Program and sold to a new buyer. Moreover, Southeast failed to submit the Initial Abatement report and the Limited Site Assessment report on time, and never filed an abatement report. Despite these shortcomings, Southeast was not assessed any civil penalties, and the site was accepted into the Brownfields Program.

Government investigators should determine whether DEQ officials accorded Speaker Moore’s property preferential treatment because of his high-level government position. DEQ may have deviated from its standard procedures when it issued Speaker Moore the Conditional NFA letter in September 2016.

Environmental Violations

Southeast may have violated state environmental laws by failing to provide DEQ with an Initial Abatement report and soil samples following the removal of the USTs in August 2015. North Carolina law requires owners of USTs to “provide information necessary to determine the degree of risk to human health and the environment that is posed by a discharge or release from a petroleum underground storage” to DEQ.⁶³

DEQ has the authority to assess a civil penalty of up to \$10,000 if someone fails “to file, submit, or make available, as the case may be, any documents, data, or reports required by” the law.⁶⁴ The law further provides that continuous violations are subject to a penalty of up to \$10,000 per day for so long as the violation continues, not to exceed \$200,000 for each thirty day period.⁶⁵

⁵⁹ N.C. Gen. Stat. § 138A-35.

⁶⁰ N.C. Gen. Stat. § 138A-45(e).

⁶¹ N.C. Gen. Stat. § 138A-12.

⁶² *Id.*

⁶³ N.C. Gen. Stat. § 143-215.94V(c).

⁶⁴ N.C. Gen. Stat. § 143-215.94W(a)(4).

⁶⁵ N.C. Gen. Stat. § 143-215.94W(b).

Given that Southeast failed to complete the Initial Abatement report, missed the deadline to file the LSA report, and failed to provide the soil samples for nearly a year, the company could have been forced to pay civil penalties of hundreds of thousands of dollars. Yet a review of the UST civil penalties database indicates that Southeast Land Holdings LLC did not pay any civil penalties between 2014 and 2016.⁶⁶

Conclusion

Speaker Moore's repeated interventions with DEQ on behalf of Southeast appear to have inured to his personal financial benefit. Southeast failed to follow DEQ's guidelines regarding the USTs for nearly two years, it failed to properly close and remove the USTs in a timely manner, and it failed to clean up the property after the USTs had been removed.

Further, demonstrating that Speaker Moore was acting in his capacity as a North Carolina legislator, and not merely a state business owner when he contacted DEQ, it appears that he had one of his employees, a former DEQ official, contact the agency on Southeast's behalf. Although it seems clear Southeast had violated DEQ regulations – and had contaminated the environment in a manner that generally required clean up – Speaker Moore and Mr. Gillespie successfully pressured DEQ to expedite its white washing of Southeast's environmental hazards.

Finally, according to an email written by a DEQ employee, the agency's decision to issue a Conditional NFA letter in September 2016 appears to deviate from the agency's standard operating procedures. DEQ's actions allowed Speaker Moore's company to reap hundreds of thousands of dollars in income at the expense of the environment and, perhaps, human health.

Public confidence in government is undermined when elected representatives abuse their positions for their own personal financial benefit. If Speaker Moore used his position in the General Assembly to avoid the regulations and penalties to which other North Carolina landowners are subject, he must be held accountable. Based on the additional information CfA is providing, the Board should re-open its investigation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dan E. Stevens", with a long horizontal flourish extending to the right.

Daniel E. Stevens
Executive Director

⁶⁶ UST Civil Penalty Assessments, *available at*
<https://files.nc.gov/ncdeq/Waste%20Management/DWM/UST/Civil%20Penalty/2014.pdf>;
<https://files.nc.gov/ncdeq/Waste%20Management/DWM/UST/Civil%20Penalty/2015.pdf>;
<https://files.nc.gov/ncdeq/Waste%20Management/DWM/UST/Civil%20Penalty/2016.pdf>.

Verification

Campaign for Accountability and Daniel Stevens hereby verify that the statements made in the attached Complaint are, upon information and belief, true.



Daniel Stevens

Sworn to and subscribed before me this 14th day of January 2019.



Notary Public

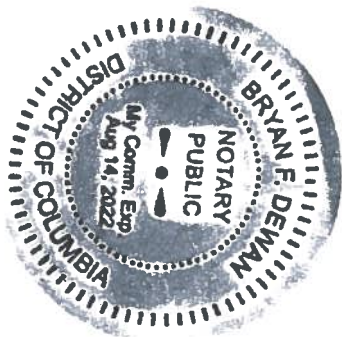


EXHIBIT A

From: Strauss, Ruth
Sent: Thursday, May 07, 2015 7:39 AM
To: Barnhardt, Art; Culpepper, Linda
Cc: Pruitt, Rose
Subject: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Hi;

This is to let you know that earlier this week Rose Pruitt, UST Inspector, received a voicemail from Tim Moore in response to Notice of Recommendation for Enforcement (10-Day Letter) that she issued to Southeast Land Holdings, LLC on April 24, 2015. Tim Moore is Vice President of this LLC. Per federal and state regulations, the UST systems at this site must be permanently closed because they have had no corrosion protection for years. In addition, one of the tanks contained about five inches of product. No documentation has been received to date showing that any of these actions have been initiated. A short chronology is provided below:

8/11/2014 Rose Pruitt conducted a compliance inspection. Was a complaint from a neighbor about fumes in his house (I am still looking into this)?

8/21/14 Rose issued NOV for failure to update the registration for the UST systems and failure to permanently close two substandard UST systems. (Southeast Land Holdings, LLC purchased this site out of bankruptcy).

9/2014 Art, Rose and Annette had conversations with Mr. Moore about filing registration documents, paying tank fees and closing the USTs. E-mail exchange on 9/30/2014. Mr Moore requested a meeting with Art and Annette. Also requested waiver of late penalties (granted).

10/1/2014 Rose indicated in an e-mail that she will grant 30-day extension for Southeast to schedule tank closures. In e-mail exchange, Mr. Moore indicated that Southeast will have the diesel tank pumped out. Rose measured 5 inches of product in it at her inspection.

10/2/2014 - Rose issued certified letter approval an extension until November 2, 2014.

4/24/2015 Rose issued a Notice of Recommendation for Enforcement (10-Day Letter). She received a voicemail from Mr. Moore indicating that Southeast wants an additional extension to find a buyer for the property.

EXHIBIT B

From: Pruitt, Rose
Sent: Thursday, May 07, 2015 5:08 PM
To: Reeder, Tom; Culpepper, Linda; Strauss, Ruth; Barnhardt, Art
Cc: Knott, Brad; Dockham, Matthew T
Subject: RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Mr Moore contacted me this afternoon about this facility. He is a partner in Southeast Land Holdings. There is a contract pending for sale of this property that involves international financing and that has delayed closing. He expects to close by the end of June. The prospective owner has agreed to remove the tanks after purchase according to Mr Moore and he requested a 90 day extension. He also agreed to provide proof that the tanks were

now empty of product and in his opinion did not currently present a significant risk. Mr Moore also mentioned that his partner had sought guidance at some point about removing the tanks and been apprised of some potential issues related to high power lines overhead that would complicate their removal.

I encouraged Mr Moore to send in verification that product had been removed from the tanks so that I could remove that particular violation from the enforcement. I also informed Mr Moore that the sale of the property was not considered a proper corrective action as regards the tank removal, and that I would have to move forward with the enforcement recommendation as a routine next step. I also suggested to Mr Moore that he submit a formal request regarding the 90 day extension along with any supporting documents he felt relevant for consideration by Division staff. I agreed to let him know if the extension was approved or not while instructing him that it was unlikely. While he would prefer an extension to an enforcement, he does understand the Divisions stance. I will follow up with any documentation that is submitted by Mr Moore.

Rose Pruitt
NC DENR, Division of Waste Management, UST Section
1637 Mail Service Center
Raleigh, NC 27699-1637
Voice: (336) 852-9088
FAX: (919) 516-0604

[UST Section Website](#)

E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: Reeder, Tom
Sent: Thursday, May 07, 2015 4:03 PM
To: Pruitt, Rose; Culpepper, Linda; Strauss, Ruth; Barnhardt, Art
Cc: Knott, Brad; Dockham, Matthew T
Subject: RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Rose – Please proceed with this case just as you would with any other in the same circumstances. Matt & Brad will not be participating in any future phone calls. You should just proceed as you normally would. Thank you.



Tom Reeder
Assistant Secretary for Environment
NC Department of Environment and Natural Resources
919-707-8619
tom.reeder@ncdenr.gov

From: Pruitt, Rose
Sent: Thursday, May 07, 2015 4:00 PM
To: Culpepper, Linda; Strauss, Ruth; Barnhardt, Art
Cc: Knott, Brad; Dockham, Matthew T; Reeder, Tom
Subject: RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

EXHIBIT C



North Carolina Department of Environment and Natural Resources

Pat McCrory
Governor

Donald R. van der Vaart
Secretary

May 13, 2015

CERTIFIED MAIL 70142120000099197581
RETURN RECEIPT REQUESTED

Becky Standridge, Registered Agent
Southeast Land Holdings Llc
721 Anchors Bend Cove
Lake Wylie, SC 29710

Re: Extension Request
Southeast Land Holdings, LLC
1101 East Third Street, Siler City, NC 27344
Chatham County
Facility ID#: 00-0-0000032430

Dear Ms Standridge:

I have received an e-mail from Mr. Tim Moore dated **May 12, 2015** in which he has requested on behalf of Southeast Land Holdings, LLC, an extension of 90 days to permanently close UST systems at the East Third Street facility in Siler City. Mr. Moore's request is approved as follows:

- (1) The UST systems must be permanently closed. Contaminated soil encountered must be excavated and properly disposed.
- (2) All work shall be performed in accordance with 15A NCAC 2N .0405, .0802 and .0803 and the most recent version of the UST Section's *Guidelines for Site Checks, Tank Closure and Initial Response and Abatement*.
- (3) Permanent closure must be completed and a Tank Closure or Initial Abatement report (whichever is applicable) must be submitted to me at the letterhead address no later than August 19, 2015.

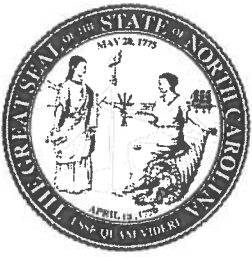
If you have any questions you can contact me at the letterhead address listed below or at (336) 852-9088 or rose.pruitt@ncdenr.gov.

Sincerely,

Rose Pruitt, Environmental Specialist
Division of Waste Management, NC DENR

cc: Files (electronic)

EXHIBIT D



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

Mailing Address:
1324 Mail Service Center
Raleigh, NC 27699-1324

Phone: (919) 814-3600
Fax: (919) 715-1644

KIM WESTBROOK STRACH
Executive Director

CONFIDENTIAL

May 24, 2018

Daniel E. Stevens, Executive Director
Campaign for Accountability
611 Pennsylvania Avenue, Suite #337
Washington, DC 20003

RE: In the Matter of Timothy K. Moore - 18-C-0010(E)

Dear Mr. Stevens:

This is to notify you, pursuant to N.C.G.S. § 163A-156(i), that the North Carolina State Board of Elections and Ethics Enforcement (Board) will conduct further inquiry into certain matters arising from the complaint filed by you. The Board is authorized to conduct inquiries to the extent necessary to determine if there is probable cause of a violation of the State Government Ethics Act ("Ethics Act"), Chapter 163A of the North Carolina General Statutes. N.C.G.S. §§ 163A-154 and 156.

Pursuant to this authority, the Board will proceed with further inquiry regarding your allegations that Speaker Timothy K. Moore (Respondent) took actions on behalf of Southeast Land Holdings, LLC with regard to enforcement activity by the North Carolina Department of Environmental Quality that resulted in financial benefit to him or entities with which he was associated. As set forth in the enclosed Notice of Dismissal, the allegations that Respondent may have influenced state and local officials to make grant money and tax incentives available to benefit the property once owned by Southeast Land Holdings, LLC were dismissed.

Pursuant to the Ethics Act and other laws, complaints and responses filed with the Board and reports and other investigative documents and records connected to an inquiry are *confidential*.

Please contact our office if you have any questions.

Sincerely,

Carson Carmichael, III
Associate General Counsel

CC/db
Enclosure

NORTH CAROLINA
WAKE COUNTY

BEFORE THE STATE BOARD OF
ELECTIONS AND ETHICS ENFORCEMENT

IN THE MATTER OF:
Speaker Timothy K. Moore,
Respondent

18-C-0010(E)

NOTICE OF DISMISSAL

THIS CAUSE, coming before the North Carolina State Board of Elections and Ethics Enforcement (Board), by and through its duly-constituted Preliminary Inquiry Panel (Panel) pursuant to North Carolina General Statute (N.C.G.S.) § 163A-156(f) and (h), and 30 NCAC 9B .0101, and it appearing to the Board that:

1. On March 5, 2018, Daniel Stevens (Complainant) filed an unsworn complaint with the Board against Timothy K. Moore (Respondent). A sworn complaint was received by the Board on March 9, 2018.
2. Respondent is a member and Speaker of the North Carolina House of Representatives. As a Representative, Respondent is a covered person under North Carolina General Statutes (N.C.G.S.) Chapter 163A, the State Government Ethics Act (Ethics Act).
3. Complainant alleged that at all relevant times, Respondent was Vice President and part owner of Southeast Land Holdings, LLC (Southeast). Complainant alleged that Southeast owned property in Siler City, North Carolina that had been a poultry processing plant and contained two underground storage tanks (USTs).
4. During 2014 and 2015, the North Carolina Department of Environmental Quality (DEQ) engaged in enforcement activity regarding the USTs. Complainant alleged that Respondent, on behalf of Southeast, appeared to have caused DEQ to delay enforcement action, enabling Southeast to sell the property in September 2016 for \$465,000 more than Southeast's purchase price.
5. Complainant also alleged that Respondent may have influenced state and local officials to make available grant money and tax incentives, thereby making the property more attractive to potential purchasers.
6. Complainant alleged that the allegations in Paragraphs 4 and 5 above may constitute Respondent's use of his legislative position to benefit his personal financial interest.
7. Pursuant to N.C.G.S. § 163A-156(b), Respondent was notified of these allegations on March 7, 2018.
8. On March 23, 2018, pursuant to N.C.G.S. § 163A-156(e)(5) and (f), the Board sent a copy of the complaint to Respondent and initiated a preliminary inquiry.

9. Pursuant to N.C.G.S. § 163A-156(f) and (h), on May 14, 2018, the Panel reviewed the complaint and information resulting from the preliminary inquiry.
10. After reviewing the complaint and information resulting from the preliminary inquiry, the Panel determined that the allegations that Respondent may have influenced state and local officials to make grant money and tax incentives available to benefit the property were dismissed.
11. The Board's deliberations and determinations are confidential pursuant to N.C.G.S. § 163A-156(p).

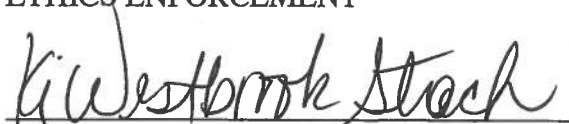
Therefore, pursuant to N.C.G.S. § 163A-156(h)(2) and the rules of the Board, the complaint allegations that Respondent may have influenced state and local officials to make grant money and tax incentives available to benefit the property are dismissed for failing to allege sufficient facts to constitute a violation within the Board's jurisdiction.

Written notice of dismissal will be provided to all appropriate persons or entities listed in N.C.G.S. § 163A-156(n).

As provided by N.C.G.S. § 163A-156(p), the complaint, notice of dismissal, and all other related information and documentation is confidential and not public records.

This the 25th day of May, 2018.

NC STATE BOARD OF ELECTIONS AND
ETHICS ENFORCEMENT



Kim Westbrook Strach, Executive Director
For the Panel

Pursuant to the State Government Ethics Act and other laws, complaints and all correspondence and information related thereto is *confidential*.

EXHIBIT E

NORTH CAROLINA
WAKE COUNTY

BEFORE THE STATE BOARD OF
ELECTIONS AND ETHICS ENFORCEMENT

IN THE MATTER OF:

18-C-00010(E)

Timothy K. Moore,
Respondent

NOTICE OF DISMISSAL

THIS CAUSE, coming before the North Carolina State Board of Elections and Ethics Enforcement (the "Board"), by and through its duly-constituted Probable Cause Investigation Panel (the "Panel") pursuant to N.C.G.S. § 163A-156(f) and (h), and 30 N.C.A.C. § 9B.0101, and it appearing to the Board that:

1. On March 9, 2018, Daniel Stevens (Complainant) filed a complaint with the Board against Representative Timothy K. Moore.
2. Representative Moore is Speaker of the North Carolina House of Representatives. As Speaker, Moore is a public servant covered by Chapter 163A, Subchapter II of the North Carolina General Statutes, the State Government Ethics Act (the "Act"), and therefore, a "covered person" under the Act.
3. Pursuant to N.C.G.S. § 163A-156(b), Speaker Moore was notified of these allegations on March 7, 2018.
4. On March 23, 2018, pursuant to N.C.G.S. § 163A-156(e)(5) and (f), the Board sent a copy of the complaint to Speaker Moore and initiated a preliminary inquiry.
5. Stevens made the following allegations:
 - At all relevant times, Moore was Vice President and part owner of Southeast Land Holdings, LLC ("Southeast").
 - Southeast owned property in Siler City, North Carolina that had been a poultry processing plant and contained two underground storage tanks ("tanks" or "USTs").
 - During 2014 and 2015 the North Carolina Department of Environmental Quality (the "Department") engaged in enforcement activity regarding the tanks.
 - Moore, on Southeast's behalf, appeared to have caused the Department to delay enforcement action, enabling Southeast to sell the property in September 2016 for \$465,000 more than Southeast's purchase price.
 - Moore may have influenced state and local officials to make available grant money and tax incentives, thereby making the property more attractive to potential purchasers.
 - This activity may constitute use of Moore's legislative position to benefit his personal financial interest.

6. Staff's initial review found that the complaint met the technical requirements of N.C.G.S. § 163A-156(e)(1). The preliminary inquiry panel, met on May 14, 2018, via teleconference. After a staff presentation, the panel dismissed the allegations regarding grant money and tax incentives, and determined to proceed with a probable cause investigation as to the remaining allegations under N.C.G.S. § 163A-156(i).
7. Pursuant to N.C.G.S. § 163A-156(i), Moore was notified of the partial dismissal by letter dated May 24, 2018.
8. To violate N.C.G.S. § 163A-211(a), Moore must have knowingly used his public position in official or legislative action that resulted in financial benefit to him or Southeast. Because "legislative action" did not appear to be a part of the remaining allegations, The Board's investigation focused on potentially illicit "official action," which is defined as "[a]ny decision, including administration, approval, disapproval, preparation, recommendation, the rendering of advice, and investigation, made or contemplated in any proceeding, application, submission, request for a ruling or other determination, contract, claim, controversy, investigation, charge, or rule making." N.C.G.S. § 163A-152(56). Here, the most likely path to a finding of a violation of Sec. 163A-211(a) would have been that Moore inappropriately made a "request for a ruling or other determination" surrounding the Department's delay of enforcement action regarding the underground storage tanks in Siler City.
9. Following the preliminary inquiry hearing, the staff collected more documents from the Department in addition to the ones gathered by the Complainant, and interviewed Department staff members who were involved in regulating the underground storage tanks at issue.
10. The staff found that much of the confusion surrounding this matter arose from Moore's failure to notify the Department of Southeast's relatively prompt partial compliance with the Notice of Violation. After the Notice of Violation was issued on August 21, 2014, a Department staff member followed up with an email to Moore on September 25, 2014, to explain the necessary steps to resolve the situation. These steps included updating the UST registration files, payment of all annual fees and late payment penalties related to the tanks, and removal of the tanks and their contents.
11. Within eleven days of that September 25, 2014 email, Southeast had paid up the annual fees for the tanks and had an environmental consulting firm remove the oil in the tanks. Southeast requested and received a waiver of the late payment penalties, which Department staff reported was consistent with a situation in which a successor property owner assumed responsibility for tanks for which a prior owner had not maintained tank registration files appropriately. Southeast did not, however, file the "manifest" documenting the oil removal with the Department.
12. It is in that context that the Department's assigned inspector for these tanks (a) issued a Notice of Recommendation for Enforcement Action on April 24, 2015; and (b) initially replied that a 90-day extension to respond to that Notice would be "unlikely" to be granted.

13. Once Moore sent the inspector the oil removal manifest on May 12, 2015, and the inspector realized that Southeast had actually taken prompt action to remove the oil in the tanks, the tenor of the conversation changed. With that oil removal in mind, the grant of a 90-day extension to respond to the Notice of Recommendation for Enforcement Action became much more likely and consistent with Department practice. As the head of the Department's Permits and Inspections Branch noted, closing USTs often requires hiring an environmental consultant, clearing any obstructing pavement, cleaning the tanks sufficiently, removing necessary dirt surrounding the tanks, evaluating soil samples at a qualified lab, and if necessary, removing the tanks themselves. That process can take many weeks, and a 90-day extension for an owner taking concrete steps to comply is not outside the norm of the Department's practice.
14. As noted in the complaint, Linda Culpepper wrote in an email on May 14, 2015, "Thanks for sending me the points we considered to make the extension." Culpepper wanted to prepare to explain the extension to her boss, then-Assistant Secretary Tom Reeder. As she explained in her interview with the Board's staff, Culpepper sometimes uses similar language forecasting what she hopes to happen in the near future, as when she says to her children after dinner, "Thanks for taking your dishes to the sink." She acknowledged that the language was imprecise in this context, but she was credible in explaining her thought process in her interview.
15. Finally, the Department personnel interviewed by the Board's staff said that Southeast was not given the 90-day extension because of Moore's role as a legislator, and also appeared credible on that score.
16. Pursuant to N.C.G.S. § 163A-156(f) and (h), on December 18, 2018, the Panel reviewed the complaint and information resulting from the staff's investigation. Both panel members voted to recommend to the Board that the complaint be dismissed.
17. The Board's deliberations and determinations are confidential pursuant to N.C.G.S. § 163A-156(p).

Written notice of dismissal of the complaint will be provided to all appropriate persons or entities listed in N.C.G.S. § 163A-156(n).

As provided by N.C.G.S. § 163A-156(p), the complaint, notice of dismissal, and all other related information and documentation are confidential and not public records.

This the 28th day of December, 2018.

N.C. STATE BOARD OF ELECTIONS AND
ETHICS ENFORCEMENT

A handwritten signature in black ink, reading "Kim Westbrook Strach". The signature is written in a cursive style with a horizontal line underneath.

Kim Westbrook Strach, Executive Director
For the Panel

EXHIBIT F

From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 9:18 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Subject: Siler City Question

Good morning Art!

Mitch Gillespie is asking about the status of the Siler City UST issue. Do you know what this is about and can give me an update to share?

Thanks!
Caroline



Caroline Daly
Legislative Liaison
North Carolina Department of Environmental Quality

T: 919.707.8642
E: caroline.daly@ncdenr.gov

1601 Mail Service Center
Raleigh, North Carolina 27699-1601
217 W. Jones Street
Raleigh, North Carolina 27603-6100

*E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties **

EXHIBIT G

From: [Strauss, Ruth](#)
To: [Powers, Mark](#)
Cc: [Barnhardt, Art](#); [Davies, Robert](#)
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838
Date: Wednesday, March 02, 2016 10:18:00 AM

Good morning Mark:

Rep. Moore is a partner in the company that owns this site. Rose Pruitt inspected and sent a NOV to permanently close two substandard tanks. The tanks were permanently closed on August 13, 2015 and a closure report was submitted. Based on the notes in RUST, it looks like some soil was excavated at the time of tank closure.

As far as PIB is concerned, we have changed the status of the tanks to permanently closed in TIMs and have no further involvement with this site. (I can ask Rose to send a NFA from PIB to close out that part of the matter). So it appears that Mr. Gillespie is asking for information about the incident.

Can you please update Art on the status of the incident?

Thanks,

Ruth

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 9:59 AM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Cc: Strauss, Ruth <ruth.strauss@ncdenr.gov>
Subject: RE: Siler City Question

Caroline:

I looked back into my email and found reference to an industrial property that was being marketed with some USTs. Perhaps that is what it is in reference to. Continuing to run down the information for an update.

Ruth:

Will you check TIMS for the status...do we know if the system was removed or not etc?

Re:

Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:

Green Square Office Complex

217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.

From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 9:22 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Subject: RE: Siler City Question

Thank you! I appreciate it!

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 9:21 AM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Subject: RE: Siler City Question

Checking on it now. I don't have any knowledge of it at present.

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

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From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 9:18 AM
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Subject: Siler City Question

Good morning Art!

Mitch Gillespie is asking about the status of the Siler City UST issue. Do you know what this is about and can give me an update to share?

Thanks!
Caroline



Caroline Daly
Legislative Liaison
North Carolina Department of Environmental Quality

T: 919.707.8642
E: caroline.daly@ncdenr.gov

1601 Mail Service Center
Raleigh, North Carolina 27699-1601
217 W. Jones Street
Raleigh, North Carolina 27603-6100

*E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties **

EXHIBIT H

From: [Strauss, Ruth](#)
To: rose.pruitt@ncdenr.gov
Cc: Steve.Booe@ncdenr.gov
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838
Date: Wednesday, March 02, 2016 10:38:00 AM

Hi Rose:

Can you please send Southeast Land Holdings, LLC a NFA letter just to close out matters from PIB's perspective?

Thanks a lot!

Ruth

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 10:27 AM
To: Strauss, Ruth <ruth.strauss@ncdenr.gov>
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838

Thanks Ruth

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.

From: Strauss, Ruth
Sent: Wednesday, March 02, 2016 10:18 AM
To: Powers, Mark <mark.powers@ncdenr.gov>
Cc: Barnhardt, Art <art.barnhardt@ncdenr.gov>; Davies, Robert <robert.davies@ncdenr.gov>
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

Importance: High

Good morning Mark:

Rep. Moore is a partner in the company that owns this site. Rose Pruitt inspected and sent a NOV to permanently close two substandard tanks. The tanks were permanently closed on August 13, 2015 and a closure report was submitted. Based on the notes in RUST, it looks like some soil was excavated at the time of tank closure.

As far as PIB is concerned, we have changed the status of the tanks to permanently closed in TIMs and have no further involvement with this site. (I can ask Rose to send a NFA from PIB to close out that part of the matter). So it appears that Mr. Gillespie is asking for information about the incident.

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Thanks,

Ruth

From: Barnhardt, Art
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To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Cc: Strauss, Ruth <ruth.strauss@ncdenr.gov>
Subject: RE: Siler City Question

Caroline:

I looked back into my email and found reference to an industrial property that was being marketed with some USTs. Perhaps that is what it is in reference to. Continuing to run down the information for an update.

Ruth:

Will you check TIMS for the status...do we know if the system was removed or not etc?

Re:

Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:

Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

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From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 9:22 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Subject: RE: Siler City Question

Thank you! I appreciate it!

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 9:21 AM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Subject: RE: Siler City Question

Checking on it now. I don't have any knowledge of it at present.

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

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From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 9:18 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>

Subject: Siler City Question

Good morning Art!

Mitch Gillespie is asking about the status of the Siler City UST issue. Do you know what this is about and can give me an update to share?

Thanks!

Caroline



Caroline Daly
Legislative Liaison
North Carolina Department of Environmental Quality

T: 919.707.8642

E: caroline.daly@ncdenr.gov

1601 Mail Service Center
Raleigh, North Carolina 27699-1601
217 W. Jones Street
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EXHIBIT I



PAT MCCRORY
Governor

DONALD R. VAN DER VAART
Secretary

LINDA CULPEPPER
Director

March 02, 2016

Rebecca A Standridge, Registered Agent
Southeast Land Holdings Llc
6775 Reynolda Rd
Pfafftown, NC 27040

Re: Southeast Land Holdings, Llc
1101 East Third Street, Siler City, NC 27344
Chatham County
Facility ID#: 00-0-0000032430

Dear Ms Standridge:

On August 11, 2014, I conducted a compliance inspection at the above-referenced facility. On August 21, 2014, you were issued a Notice of Violation (NOV) for violations documented during this inspection. Based upon the items you have submitted to correct the violations listed in the NOV there is no further action required by you at this time.

The UST Section appreciates your assistance in this matter. If you have any questions or concerns, please do not hesitate to contact me at (336) 852-9088 or rose.pruitt@ncdenr.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rose Pruitt', with a stylized flourish at the end.

Rose Pruitt, Environmental Specialist
Division of Waste Management, NC DEQ

cc: Ruth Strauss, Permits and Inspection Branch (electronic)
Files (electronic)

EXHIBIT J

From: [Powers, Mark](#)
To: [Strauss, Ruth](#)
Cc: [Barnhardt, Art](#); [Davies, Robert](#); [Jackson, Vance](#); [Wipfield, Clark](#)
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838
Date: Wednesday, March 02, 2016 11:25:58 AM
Attachments: [image001.png](#)

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We're tracking it under Incident #39846. It looks like we ended up with two incident numbers because the consultant (Cohesion) initially reported the release as "Southeast Land Holdings LLC" and subsequently as "Townsend, Inc."

Cohesion removed a 10,000 gallon gasoline and a 10,000 gallon diesel UST on 8/12/15 and the product lines on 8/17/15 with a total of just under 412 tons of soil reported.

We received a 20-Day Report on 9/25/15 reporting remaining GRO TPH as high as 3630 ppm under the gasoline tank's former location and lower concentrations under the dispensers and the gasoline product line. (No risk-based analyses reported.) A NORR requesting an Initial Abatement Action Report was issued October 29, 2015 and no further correspondence has been received. I understand that there are some issues with the incident's Trust Fund eligibility.

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Mark

Mark R. Powers
Regional Supervisor
UST Section, Raleigh Regional Office
NCDEQ, Division of Waste Management

919-791-4200 Voice
919-571-4718 Fax
Mark.Powers@ncdenr.gov

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Importance: High

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Can you please update Art on the status of the incident?

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Cc: Strauss, Ruth <ruth.strauss@ncdenr.gov>
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Re:

Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City

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EXHIBIT K

From: Barnhardt, Art
To: [Daly, Caroline B](#)
Cc: [Scott, Michael](#)
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838
Date: Wednesday, March 02, 2016 12:47:00 PM
Attachments: [image001.png](#)
[image003.png](#)
[OutlookEmoji-1447078887826_picture.png.png](#)

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Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

FYI.....

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To: Jackson, Vance <vance.jackson@ncdenr.gov>

Subject: Re: Siler City Question, 0-0-32430, Inc # 39838

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Just let me know if Mr. Gillespie has any other questions.

Thank you,
Christina

Christina Schroeter

Hydrogeologist I

North Carolina Department of Environmental Quality

919 707-8260 office

christina.schroeter@ncdenr.gov

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EXHIBIT L

From: Daly, Caroline B
To: [Barnhardt, Art](#)
Cc: [Scott, Michael](#)
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838
Date: Wednesday, March 02, 2016 4:10:00 PM
Attachments: [image002.png](#)
[image003.png](#)
[image005.png](#)

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Sent: Wednesday, March 02, 2016 12:48 PM
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EXHIBIT M

From: [Wipfield, Clark](#)
To: [Barnhardt, Art](#)
Cc: [Powers, Mark](#)
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838
Date: Thursday, March 03, 2016 8:03:00 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Art,

They only ran TPH, so the only thing they were missing in the report was risk-based soil samples. Then based on those results, a LSA might be needed. The good news is there are no known receptors around (based on other LSAs in the area) and should be a 'low' risk site.

Clark C. Wipfield, L.G.
Division of Waste Management, UST Section
Hydrogeologist
North Carolina Department of Environmental Quality

(919) 791-4218 Office
(919) 571-4718 Fax
clark.wipfield@ncdenr.gov

-
1628 Mail Service Center
Raleigh, NC 27699-1628
-



From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 5:35 PM
To: Wipfield, Clark <clark.wipfield@ncdenr.gov>
Cc: Powers, Mark <mark.powers@ncdenr.gov>
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

Clark:
The remaining steps to be completed for this site are specifically what?
Sounds like some work may have been done that we have not seen the report for.
Thanks

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
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Cc: Strauss, Ruth <ruth.strauss@ncdenr.gov>
Subject: RE: Siler City Question

Caroline:

I looked back into my email and found reference to an industrial property that was being marketed with some USTs. Perhaps that is what it is in reference to. Continuing to run down the information for an update.

Ruth:

Will you check TIMS for the status...do we know if the system was removed or not etc?

Re:

Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City

Art Barnhardt

Underground Storage Tank Section Chief

N.C. Department of Environmental Quality, Division of Waste Management

Underground Storage Tank Section

Phone/Fax: 919-707-8263

Physical Address:

Green Square Office Complex

217 West Jones Street

Raleigh, NC 27603-6100

Mailing Address:

1646 Mail Service Center

Raleigh, NC 27699-1646

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.

From: Daly, Caroline B

Sent: Wednesday, March 02, 2016 9:22 AM

To: Barnhardt, Art <art.barnhardt@ncdenr.gov>

Subject: RE: Siler City Question

Thank you! I appreciate it!

From: Barnhardt, Art

Sent: Wednesday, March 02, 2016 9:21 AM

To: Daly, Caroline B <caroline.daly@ncdenr.gov>

Subject: RE: Siler City Question

Checking on it now. I don't have any knowledge of it at present.

Art Barnhardt

Underground Storage Tank Section Chief

N.C. Department of Environmental Quality, Division of Waste Management

Underground Storage Tank Section

Phone/Fax: 919-707-8263

Physical Address:

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Raleigh, NC 27699-1646

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From: Daly, Caroline B

Sent: Wednesday, March 02, 2016 9:18 AM

To: Barnhardt, Art <art.barnhardt@ncdenr.gov>

Subject: Siler City Question

Good morning Art!

Mitch Gillespie is asking about the status of the Siler City UST issue. Do you know what this is about and can give me an update to share?

Thanks!

Caroline



Caroline Daly

Legislative Liaison

North Carolina Department of Environmental Quality

T: 919.707.8642

E: caroline.daly@ncdenr.gov

1601 Mail Service Center

Raleigh, North Carolina 27699-1601

217 W. Jones Street

Raleigh, North Carolina 27603-6100

*E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties **

EXHIBIT N

From: Barnhardt, Art
To: [Daly, Caroline B](#)
Cc: [Scott, Michael](#)
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838
Date: Thursday, March 03, 2016 8:41:00 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Caroline:

I found out from the Regional Office that the owners would need an additional suite of samples to apply the Risk Based closure process. It does look like all the indications point to a low risk surrounding area, with a high probability of No Further Action designation with the additional data. I am trying to find out if the owner has a consultant that is actively involved and is in the process of collecting the additional data. I don't have that information as of now. Perhaps Mr. Gillespie will have some insight on that.

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 5:52 PM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838

Checking on those specifics. I hope to have something back to you tomorrow.

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management

Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.

From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 4:10 PM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Cc: Scott, Michael <michael.scott@ncdenr.gov>
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838

He asked about the no further action letter and I just want to make sure I'm understanding so I can explain. There was a NOA issued but now the case is considered closed and resolved. Is this right?

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 12:48 PM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Cc: Scott, Michael <michael.scott@ncdenr.gov>
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

Caroline:
A long email chain...but it looks like the application for Trust Fund eligibility was being processed this week. Everything looks to be in order from that perspective. I assume that is what Mr. Gillespie was inquiring about, but if not please pass along any additional information to me.
Thanks

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
Green Square Office Complex

217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.

From: Jackson, Vance
Sent: Wednesday, March 02, 2016 11:52 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>; Powers, Mark <mark.powers@ncdenr.gov>
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

FYI.....

Vance Jackson PG, CPM
Head, UST Trust Fund Branch
Division Of Waste Management
NC Department of Environmental Quality

<u>Physical Address:</u>	<u>Mailing Address:</u>
217 West Jones Street	1637 Mail Service Center
Raleigh, NC	Raleigh, NC 27699-1646

Phone/Fax: 919-707-8262
vance.jackson@ncdenr.gov

Click here to access the [UST Program](#) and to download **15A NCAC 2L** standards and database information.
[Reasonable Rate Documents](#) have changed, and are available for download.
Click here for current [Guidance Documents](#).

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.



From: Schroeter, Christina
Sent: Wednesday, March 02, 2016 11:48 AM
To: Jackson, Vance <vance.jackson@ncdenr.gov>
Subject: Re: Siler City Question, 0-0-32430, Inc # 39838

Hi Vance,

There are no issues in eligibility. I got this application out of queue this week to review and have started the draft letter for your review with an anticipated \$20,000 deductible.

Just let me know if Mr. Gillespie has any other questions.

Thank you,
Christina

Christina Schroeter
Hydrogeologist I
North Carolina Department of Environmental Quality

919 707-8260 office
christina.schroeter@ncdenr.gov

217 West Jones Street, Raleigh NC 27603
1646 Mail Service Center, Raleigh NC 27699-1646



Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: Jackson, Vance
Sent: Wednesday, March 2, 2016 11:31 AM
To: Schroeter, Christina
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

Hi Christina:

Can you take a look at the eligibility package on this one and let me know what is going on?

Vance Jackson PG, CPM
Head, UST Trust Fund Branch
Division Of Waste Management
NC Department of Environmental Quality

<u>Physical Address:</u>	<u>Mailing Address:</u>
217 West Jones Street	1637 Mail Service Center
Raleigh, NC	Raleigh, NC 27699-1646

Phone/Fax: 919-707-8262
vance.jackson@ncdenr.gov

Click here to access the [UST Program](#) and to download **15A NCAC 2L** standards and database information.
[Reasonable Rate Documents](#) have changed, and are available for download.
Click here for current [Guidance Documents](#).

NOTICE: *E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content is exempt by statute or other regulation.*



From: Powers, Mark
Sent: Wednesday, March 02, 2016 11:26 AM
To: Strauss, Ruth <ruth.strauss@ncdenr.gov>
Cc: Barnhardt, Art <art.barnhardt@ncdenr.gov>; Davies, Robert <robert.davies@ncdenr.gov>; Jackson, Vance <vance.jackson@ncdenr.gov>; Wipfield, Clark <clark.wipfield@ncdenr.gov>
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838

Ruth, Art,

We're tracking it under Incident #39846. It looks like we ended up with two incident numbers because the consultant (Cohesion) initially reported the release as "Southeast Land Holdings LLC" and subsequently as "Townsend, Inc."

Cohesion removed a 10,000 gallon gasoline and a 10,000 gallon diesel UST on 8/12/15 and the product lines on 8/17/15 with a total of just under 412 tons of soil reported.

We received a 20-Day Report on 9/25/15 reporting remaining GRO TPH as high as 3630 ppm under the gasoline tank's former location and lower concentrations under the dispensers and the gasoline product line. (No risk-based analyses reported.) A NORR requesting an Initial Abatement Action Report was issued October 29, 2015 and no further correspondence has been received. I understand that there are some issues with the incident's Trust Fund eligibility.

The good news is that another consultant has resolved questions about a vapor intrusion complaint at a neighboring commercial property on a behalf of a nearby gas station.

Mark

Mark R. Powers
Regional Supervisor
UST Section, Raleigh Regional Office
NCDEQ, Division of Waste Management

919-791-4200 Voice
919-571-4718 Fax
Mark.Powers@ncdenr.gov

1628 Mail Service Center
Raleigh, NC 27699-1628



Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: Strauss, Ruth
Sent: Wednesday, March 02, 2016 10:18 AM
To: Powers, Mark <mark.powers@ncdenr.gov>
Cc: Barnhardt, Art <art.barnhardt@ncdenr.gov>; Davies, Robert <robert.davies@ncdenr.gov>
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838
Importance: High

Good morning Mark:

Rep. Moore is a partner in the company that owns this site. Rose Pruitt inspected and sent a NOV to permanently close two substandard tanks. The tanks were permanently closed on August 13, 2015 and a closure report was submitted. Based on the notes in RUST, it looks like some soil was excavated at the time of tank closure.

As far as PIB is concerned, we have changed the status of the tanks to permanently closed in TIMs and have no further involvement with this site. (I can ask Rose to send a NFA from PIB to close out that part of the matter). So it appears that Mr. Gillespie is asking for information about the incident.

Can you please update Art on the status of the incident?

Thanks,

Ruth

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 9:59 AM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Cc: Strauss, Ruth <ruth.strauss@ncdenr.gov>
Subject: RE: Siler City Question

Caroline:

I looked back into my email and found reference to an industrial property that was being marketed with some USTs. Perhaps that is what it is in reference to. Continuing to run down the information for an update.

Ruth:

Will you check TIMS for the status...do we know if the system was removed or not etc?

Re:

Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City

Art Barnhardt

Underground Storage Tank Section Chief

N.C. Department of Environmental Quality, Division of Waste Management

Underground Storage Tank Section

Phone/Fax: 919-707-8263

Physical Address:

Green Square Office Complex

217 West Jones Street

Raleigh, NC 27603-6100

Mailing Address:

1646 Mail Service Center

Raleigh, NC 27699-1646

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From: Daly, Caroline B

Sent: Wednesday, March 02, 2016 9:22 AM

To: Barnhardt, Art <art.barnhardt@ncdenr.gov>

Subject: RE: Siler City Question

Thank you! I appreciate it!

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Sent: Wednesday, March 02, 2016 9:21 AM

To: Daly, Caroline B <caroline.daly@ncdenr.gov>

Subject: RE: Siler City Question

Checking on it now. I don't have any knowledge of it at present.

Art Barnhardt

Underground Storage Tank Section Chief

N.C. Department of Environmental Quality, Division of Waste Management

Underground Storage Tank Section

Phone/Fax: 919-707-8263

Physical Address:

Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

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1646 Mail Service Center
Raleigh, NC 27699-1646

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Sent: Wednesday, March 02, 2016 9:18 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Subject: Siler City Question

Good morning Art!

Mitch Gillespie is asking about the status of the Siler City UST issue. Do you know what this is about and can give me an update to share?

Thanks!
Caroline



Caroline Daly
Legislative Liaison
North Carolina Department of Environmental Quality

T: 919.707.8642
E: caroline.daly@ncdenr.gov

1601 Mail Service Center
Raleigh, North Carolina 27699-1601
217 W. Jones Street
Raleigh, North Carolina 27603-6100

*E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties **

EXHIBIT O



PAT MCCRORY
Governor

DONALD R. VAN DER VAART
Secretary

MICHEAL SCOTT
Director

September 19, 2016

Ms. Rebecca Standridge (Registered Agent)
Southeast Land Holdings, LLC
PO Box 99
Pfafftown, NC 27040-0099

Re: Conditional Notice of No Further Action
15A NCAC 2L .0407(d)
Risk-based Assessment and Corrective Action
for Petroleum Underground Storage Tanks

Townsend's UST
1101 East Third Street, Siler City
Chatham County
Incident Number: 39846
Risk Classification: Low

Dear Ms. Standridge:

The Limited Site Assessment received by the UST Section, Division of Waste Management, Raleigh Regional Office on July 29, 2016 and the Notice of Residual Petroleum received on September 19, 2016 have been reviewed. The review indicates that groundwater contamination meets the cleanup requirements for a low-risk site but exceeds the groundwater quality standards established in Title 15A NCAC 2L .0202.

The UST Section determines the subject incident to be eligible conditionally for no further action status. However, final approval of no further action status is contingent on the filing of the approved NRP (attached) with the Register of Deeds in the county in which the release is located, verified by the receipt of a certified copy of the filed NRP by this office; and on receipt of confirmation that public notice requirements have been completed, as described in the following paragraphs.

Be advised that as groundwater contamination exceeds the groundwater quality standards established in Title 15A NCAC 2L .0202, groundwater within the area of contamination or within the area where groundwater contamination is expected to migrate is not suitable for use as a water supply.

As groundwater contamination exceeds the groundwater quality standards established in Title 15A NCAC 2L .0202 and soil contamination exceeds the residential MSCCs, pursuant to NCGS 143B-279.9 and 143B-279.11, you must file the approved Notice of Residual Petroleum (attached) with the Register of Deeds in the county in which the release is located and submit a certified copy to the UST Section within 30 days of receipt of this letter.

As groundwater contamination exceeds the groundwater quality standards established in Title 15A NCAC 2L .0202 and soil contamination exceeds the lower of the soil-to-groundwater or residential MSCCs, public notice in accordance with 15A NCAC 2L .0409(b) also is required. Thus, within 30 days of receipt of this letter, a copy of the letter must be provided by certified mail, or by posting in a prominent place, if certified mail is impractical, to the local health director, the chief administrative officer of each political jurisdiction in which the contamination occurs, all property owners and occupants within or contiguous to the area containing contamination, and all property owners and occupants within or contiguous to the area where the contamination is expected to migrate. Within 60 days of receiving this letter, this office must be provided with proof of receipt of the copy of the letter or of refusal by the addressee to accept delivery of the copy of the letter or with a description of the manner in which the letter was posted. Interested parties may examine the Limited Site Assessment by contacting this regional office and may submit comments on the site to the regional office at the address or telephone number listed below.

This conditional No Further Action determination will not become valid until the UST Section receives a certified copy of the Notice of Residual Petroleum which is filed with the Register of Deeds and until public notice requirements are completed.

If you have any questions regarding this notice, please contact me at the address or telephone number listed below.

Sincerely,



Mark R. Powers
Regional Supervisor
Raleigh Regional Office
UST Section, Division of Waste Management, NCDEQ

Attachments: Notice of Residual Petroleum

cc: Environmental Health Director, Chatham County Health Department
Mr. David Welch, 6775 Reynolda Road, Pfafftown, NC 27040
Mr. Tom Dunham, Duncklee & Dunham, P.C., 511 Keisler Drive-Suite 102, Cary, NC 27518
Mr. Christoph Boshoff, Cohesion, Inc., 5216 Yates Mill Pond Road, Raleigh, NC 27606

FILED Sep 20, 2016
AT 08:15:14 am
BOOK 01881
START PAGE 0230
END PAGE 0234
INSTRUMENT # 09357
EXCISE TAX (None)

NOTICE OF RESIDUAL PETROLEUM

Southeast Land Holdings LLC, Chatham County, North Carolina
(Site name)

The property that is the subject of this Notice (hereinafter referred to as the "Site") contains residual petroleum and is an Underground Storage Tank (UST) incident under North Carolina's Statutes and Regulations, which consist of N.C.G.S. 143-215.94 and regulations adopted thereunder. This Notice is part of a remedial action for the Site that has been approved by the Secretary (or his/her delegate) of the North Carolina Department of Environment Quality (or its successor in function), as authorized by N.C.G.S. Section 143B-279.9 and 143B-279.11. The North Carolina Department of Environment Quality shall hereinafter be referred to as "DEQ".

NOTICE

Petroleum product was released and/or discharged at the Site. **Petroleum constituents remain on the site, but are not a danger to public health and the environment, provided that the restrictions described herein, and any other measures required by DEQ pursuant to N.C.G.S. Sections 143B-279.9 and 143B-279.11, are strictly complied with.** This "Notice of Residual Petroleum" is composed of a description of the property, the location of the residual petroleum and the land use restrictions on the Site. The Notice has been approved and notarized by DEQ pursuant to N.C.G.S. Sections 143B-279.9 and 143B-279.11 and has/shall be recorded at the Chatham Register of Deeds' office

(name of county)

Book 01719, Page 0043.

Any map or plat required by DEQ has been/shall be recorded at the _____ Register of Deeds' office Book _____, Page _____, and has been/shall be incorporated into the Notice by this reference.
(name of county)

Source Property

Southeast Land Holdings LLC of Shelby, North Carolina is the owner in fee
(owner's name) (city & state of homeowner)
simple of all or a portion of the Site, which is located in the County of Chatham, State of North Carolina, and is known and legally described as:

return to:
Dunklee & Dunham P.C.
511 Kessler Dr Suite 1023
Charlotte NC 28204

SILER CITY PROCESSING PLANT

FIRST TRACT: All that tract of land containing 8.936 acres more or less, and lying and being in the Town of Siler City, Matthews Township, Chatham County, North Carolina and bounded on the North by U.S. Highway 64 and Billy J. Siler, on the East by W.F. Collins (now or formerly), on the South by E. Third Street and E. Fifth Street, and on the West by Jonathan Johnson, and more particularly described as follows:

BEGINNING at an existing iron pipe, a comer in Jonathan Johnson; thence with Johnson's line and the Line of Billy J. Siler South 82 degrees 08 minutes 03 seconds East 113.56 feet to an existing iron pipe; thence continuing with Siler North 05 degrees 16 minutes 11 seconds East 35.56 feet to a nail in a concrete pad, the Southern right of way line of U.S. Highway 64; thence with the right of way line of U.S. Highway 64 South 83 degrees 07 minutes 36 seconds East 606.41 feet (passing through two iron pipes) to an iron pipe, the Northeast comer of Collins; thence with Collins' line South 04 degrees 06 minutes 23 seconds West 129.05 feet to an iron pipe; thence continuing with Collins' line South 04 degrees 04 minutes 38 seconds West 201.36 feet to an existing iron pipe in the Northern right of way line of E. Third Street; thence with the right of way line of E. Third Street South 65 degrees 32 minutes 47 seconds West 35.88 feet to an iron pipe; thence continuing with the right of way line of E. Third Street South 66 degrees 49 minutes 27 seconds West 690.94 feet (passing through one iron pipe) to an existing iron pipe; thence North 82 degrees 17 minutes 41 seconds West 105.33 feet to a railroad spike set in the Northern right of way line of E. Fifth Street (formerly Hannah Street) and being the Southeast comer of Jonathan Johnson; thence North 06 degrees 47 minutes 23 seconds East 659.55 feet to the point and place of BEGINNING, all as shown on the plat entitled "Siler City Processing Plat, Townsends, Inc." dated October 23, 1991 by Van R. Finch-Land Surveys, P.A.

Additional Affected Property Also Subject to Restrictions NOT APPLICABLE

_____ of _____ is the owner in fee simple of a portion of
(owner's Name) (city & state of owner)
the Site, which is located in the County of _____, State of North Carolina. Petroleum contamination is located on this property at the time this Notice is approved. This property was also owned or controlled by the underground storage tank owner or operator or another party responsible for the petroleum discharge or release at the time the discharge or release was discovered or reported, or at any time thereafter. This property is known and legally described as:

(Insert Real Property Description Here for Additional Properties Owned or Controlled by Any Owner or Operator of the Underground Storage Tank or Other Responsible Party, if Applicable)

For protection of public health and the environment, the following land use restrictions required by N.C.G.S. Section 143B-279.9(b) shall apply to all of the above-described real property. These restrictions shall continue in effect as long as residual petroleum remains on the site in excess of unrestricted use standards and cannot be amended or cancelled unless and until the _____ County Register of Deed receives and records the written concurrence of the Secretary (or his/her delegate) of DEQ (or its successor in function).

PERPETUAL LAND USE RESTRICTIONS

Soil: The Site shall be used for industrial/commercial use only. Industrial/commercial use means a use where exposure to soil contamination is limited in time and does not involve exposure to children or other sensitive populations such as the elderly or sick. The real property shall not be developed or utilized for residential purposes including but not limited to: primary or secondary residences (permanent or temporary), schools, daycare centers, nursing homes, playgrounds, parks, recreation areas and/or picnic areas.

Groundwater: New or replacement water supply wells of any kind shall not be installed or operated on the site without prior notification to DEQ.

ENFORCEMENT

The above land use restriction(s) shall be enforced by any owner, operator, or other party responsible for the Site. The above land use restriction(s) may also be enforced by DEQ through any of the remedies provided by law or by means of a civil action, and may also be enforced by any unit of local government having jurisdiction over any part of the Site. Any attempt to cancel this Notice without the approval of DEQ (or its successor in function) shall be subject to enforcement by DEQ to the full extent of the law. Failure by any party required or authorized to enforce any of the above restriction(s) shall in no event be deemed a waiver of the right to do so thereafter as to the same violation or as to one occurring prior or subsequent thereto.

IN WITNESS WHEREOF, Rebecca A Standridge has caused this Notice to be executed pursuant to N.C.G.S. Sections 143B-279.9 and 143B-279.11, this 16 day of September, 2016.

By: Rebecca A Standridge
(name of responsible party if agent is signing)
Rebecca A. Standridge
(signature of responsible party, attorney or other agent if there is one)
owner, manager
(Title of agent for responsible party if there is one)

Signatory's name typed or printed: Rebecca A Standridge

Choice One: Instrument signed by one person

SOUTH
NORTH CAROLINA
YORK COUNTY
(Name of county in which acknowledgment was taken)

I certify that the following person personally appeared before me this day, acknowledging to me that he or she signed the foregoing document: Rebecca A Standridge.

Date: 9/16/2016

(Official Seal)



Gregory Winter
(signature of Notary Public)
GREGORY WINTER
(printed or typed name of Notary Public)

Notary Public

My commission

expires: 7/10/2023

Choice Two: Acknowledge by attorney in fact

NORTH CAROLINA

COUNTY

(Name of county in which acknowledgment was taken)

I, _____, a Notary Public for said County and State, do hereby certify that _____, attorney in fact for _____, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said _____, and that his authority to execute and acknowledge said instrument is contained in an instrument duly executed, acknowledged, and recorded in the office of _____ in the County of _____, State of _____, on the _____ day of _____, 20____ and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said _____ acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said _____.

WITNESS my hand and official seal, this the _____ day of _____, 20____.

(Official Seal)

(signature of Notary Public)

(printed or typed name of Notary Public)

Notary Public

My commission

expires: _____

Choice Three: Conveying security interest in personal property of a corporation

NORTH CAROLINA

COUNTY

(Name of county in which acknowledgment was taken)

I, _____, a Notary Public for said County and State, do hereby certify that _____ personally came before me this day and acknowledged that he is of _____ and acknowledged, on behalf of _____, the grantor the due execution of the foregoing instrument.

WITNESS my hand and official seal, this the _____ day of _____, 20____.

(Official Seal)

(signature of Notary Public)

(printed or typed name of Notary Public)

Notary Public

My commission

expires: _____

Approved for the purposes of N.C.G.S. 143B-279.11


(signature of Regional Supervisor)
MARK R. POWERS, Regional Supervisor
(printed name of Regional Supervisor)


RALEIGH Regional Office
UST Section
Division of Waste Management
Department of Environment Quality

NORTH CAROLINA
WAKE COUNTY
(Name of county in which acknowledgment was taken)

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: MARK R. POWERS (full printed name of Regional Supervisor)

Date: 9/19/16

(Official Seal)


(signature of Notary Public)
NATHANIEL B. STRAHIN
(printed or typed name of Notary Public)

Notary Public

My commission

expires: 07/07/2018



EXHIBIT P

From: [Wipfield, Clark](#)
To: [Rvals, Scott](#)
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838
Date: Tuesday, January 10, 2017 3:49:37 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[LSA Report - 1101 E Third.pdf](#)

Attached is the LSA for Townsend. This site was an unusual one. We were tracking this site under two different incident #s...the reason is a long story, but we do have an LSA report submitted after the 20-day. I sent an IAR NORR asking for the risk-based samples but Cohesion submitted an LSA (attached) instead. I don't know why they didn't collect risk-based samples or why they submitted the LSA immediately. But then, legislative inquiries were coming in because they thought UST was holding up the process into the Brownfields Program. So this site was put on the fast for NRP closure for Brownfield acceptance. We worked with Brownfields and decided their program best fit what was needed to clean-up the GW/soil. I attached an email chain that might help you understand what's been going on at the site.

Clark C. Wipfield, L.G.
Division of Waste Management, UST Section
Hydrogeologist
North Carolina Department of Environmental Quality

(919) 791-4218 Office
(919) 571-4718 Fax
clark.wipfield@ncdenr.gov

-
1628 Mail Service Center
Raleigh, NC 27699-1628
-



From: Wipfield, Clark
Sent: Thursday, March 03, 2016 8:04 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Cc: Powers, Mark <mark.powers@ncdenr.gov>
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838

Art,

They only ran TPH, so the only thing they were missing in the report was risk-based soil samples. Then based on those results, a LSA might be needed. The good news is there are no known

receptors around (based on other LSAs in the area) and should be a 'low' risk site.

Clark C. Wipfield, L.G.
Division of Waste Management, UST Section
Hydrogeologist
North Carolina Department of Environmental Quality

(919) 791-4218 Office
(919) 571-4718 Fax
clark.wipfield@ncdenr.gov

-
1628 Mail Service Center
Raleigh, NC 27699-1628
-



From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 5:35 PM
To: Wipfield, Clark <clark.wipfield@ncdenr.gov>
Cc: Powers, Mark <mark.powers@ncdenr.gov>
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

Clark:
The remaining steps to be completed for this site are specifically what?
Sounds like some work may have been done that we have not seen the report for.
Thanks

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
Green Square Office Complex
217 West Jones Street
Raleigh, NC 27603-6100

Mailing Address:
1646 Mail Service Center
Raleigh, NC 27699-1646

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From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 4:10 PM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Cc: Scott, Michael <michael.scott@ncdenr.gov>
Subject: RE: Siler City Question, 0-0-32430, Inc # 39838

He asked about the no further action letter and I just want to make sure I'm understanding so I can explain. There was a NOA issued but now the case is considered closed and resolved. Is this right?

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 12:48 PM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Cc: Scott, Michael <michael.scott@ncdenr.gov>
Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

Caroline:

A long email chain...but it looks like the application for Trust Fund eligibility was being processed this week. Everything looks to be in order from that perspective. I assume that is what Mr. Gillespie was inquiring about, but if not please pass along any additional information to me.

Thanks

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

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From: Jackson, Vance

Sent: Wednesday, March 02, 2016 11:52 AM

To: Barnhardt, Art <art.barnhardt@ncdenr.gov>; Powers, Mark <mark.powers@ncdenr.gov>

Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

FYI.....

Vance Jackson PG, CPM
Head, UST Trust Fund Branch
Division Of Waste Management
NC Department of Environmental Quality

<u>Physical Address:</u>	<u>Mailing Address:</u>
217 West Jones Street	1637 Mail Service Center
Raleigh, NC	Raleigh, NC 27699-1646

Phone/Fax: 919-707-8262
vance.jackson@ncdenr.gov

Click here to access the [UST Program](#) and to download **15A NCAC 2L** standards and database information.
[Reasonable Rate Documents](#) have changed, and are available for download.
Click here for current [Guidance Documents](#).

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From: Schroeter, Christina
Sent: Wednesday, March 02, 2016 11:48 AM
To: Jackson, Vance <vance.jackson@ncdenr.gov>
Subject: Re: Siler City Question, 0-0-32430, Inc # 39838

Hi Vance,

There are no issues in eligibility. I got this application out of queue this week to review and have started the draft letter for your review with an anticipated \$20,000 deductible.

Just let me know if Mr. Gillespie has any other questions.

Thank you,
Christina

Christina Schroeter
Hydrogeologist I
North Carolina Department of Environmental Quality

919 707-8260 office
christina.schroeter@ncdenr.gov

217 West Jones Street, Raleigh NC 27603
1646 Mail Service Center, Raleigh NC 27699-1646



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From: Jackson, Vance
Sent: Wednesday, March 2, 2016 11:31 AM
To: Schroeter, Christina
Subject: FW: Siler City Question, O-0-32430, Inc # 39838

Hi Christina:

Can you take a look at the eligibility package on this one and let me know what is going on?

Vance Jackson PG, CPM
Head, UST Trust Fund Branch
Division Of Waste Management
NC Department of Environmental Quality

<u>Physical Address:</u>	<u>Mailing Address:</u>
217 West Jones Street	1637 Mail Service Center
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Click here for current [Guidance Documents](#).

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From: Powers, Mark
Sent: Wednesday, March 02, 2016 11:26 AM

To: Strauss, Ruth <ruth.strauss@ncdenr.gov>

Cc: Barnhardt, Art <art.barnhardt@ncdenr.gov>; Davies, Robert <robert.davies@ncdenr.gov>; Jackson, Vance <vance.jackson@ncdenr.gov>; Wipfield, Clark <clark.wipfield@ncdenr.gov>

Subject: RE: Siler City Question, 0-0-32430, Inc # 39838

Ruth, Art,

We're tracking it under Incident #39846. It looks like we ended up with two incident numbers because the consultant (Cohesion) initially reported the release as "Southeast Land Holdings LLC" and subsequently as "Townsend, Inc."

Cohesion removed a 10,000 gallon gasoline and a 10,000 gallon diesel UST on 8/12/15 and the product lines on 8/17/15 with a total of just under 412 tons of soil reported.

We received a 20-Day Report on 9/25/15 reporting remaining GRO TPH as high as 3630 ppm under the gasoline tank's former location and lower concentrations under the dispensers and the gasoline product line. (No risk-based analyses reported.) A NORR requesting an Initial Abatement Action Report was issued October 29, 2015 and no further correspondence has been received. I understand that there are some issues with the incident's Trust Fund eligibility.

The good news is that another consultant has resolved questions about a vapor intrusion complaint at a neighboring commercial property on a behalf of a nearby gas station.

Mark

Mark R. Powers

Regional Supervisor

UST Section, Raleigh Regional Office

NCDEQ, Division of Waste Management

919-791-4200 Voice

919-571-4718 Fax

Mark.Powers@ncdenr.gov

1628 Mail Service Center

Raleigh, NC 27699-1628



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From: Strauss, Ruth

Sent: Wednesday, March 02, 2016 10:18 AM

To: Powers, Mark <mark.powers@ncdenr.gov>

Cc: Barnhardt, Art <art.barnhardt@ncdenr.gov>; Davies, Robert <robert.davies@ncdenr.gov>

Subject: FW: Siler City Question, 0-0-32430, Inc # 39838

Importance: High

Good morning Mark:

Rep. Moore is a partner in the company that owns this site. Rose Pruitt inspected and sent a NOV to permanently close two substandard tanks. The tanks were permanently closed on August 13, 2015 and a closure report was submitted. Based on the notes in RUST, it looks like some soil was excavated at the time of tank closure.

As far as PIB is concerned, we have changed the status of the tanks to permanently closed in TIMs and have no further involvement with this site. (I can ask Rose to send a NFA from PIB to close out that part of the matter). So it appears that Mr. Gillespie is asking for information about the incident.

Can you please update Art on the status of the incident?

Thanks,

Ruth

From: Barnhardt, Art

Sent: Wednesday, March 02, 2016 9:59 AM

To: Daly, Caroline B <caroline.daly@ncdenr.gov>

Cc: Strauss, Ruth <ruth.strauss@ncdenr.gov>

Subject: RE: Siler City Question

Caroline:

I looked back into my email and found reference to an industrial property that was being marketed with some USTs. Perhaps that is what it is in reference to. Continuing to run down the information for an update.

Ruth:

Will you check TIMS for the status...do we know if the system was removed or not etc?

Re:

Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City

Art Barnhardt

Underground Storage Tank Section Chief

N.C. Department of Environmental Quality, Division of Waste Management

Underground Storage Tank Section

Phone/Fax: 919-707-8263

Physical Address:

Green Square Office Complex

217 West Jones Street
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Raleigh, NC 27699-1646

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From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 9:22 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Subject: RE: Siler City Question

Thank you! I appreciate it!

From: Barnhardt, Art
Sent: Wednesday, March 02, 2016 9:21 AM
To: Daly, Caroline B <caroline.daly@ncdenr.gov>
Subject: RE: Siler City Question

Checking on it now. I don't have any knowledge of it at present.

Art Barnhardt

Underground Storage Tank Section Chief
N.C. Department of Environmental Quality, Division of Waste Management
Underground Storage Tank Section
Phone/Fax: 919-707-8263

Physical Address:
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1646 Mail Service Center
Raleigh, NC 27699-1646

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From: Daly, Caroline B
Sent: Wednesday, March 02, 2016 9:18 AM
To: Barnhardt, Art <art.barnhardt@ncdenr.gov>
Subject: Siler City Question

Good morning Art!

Mitch Gillespie is asking about the status of the Siler City UST issue. Do you know what this is about and can give me an update to share?

Thanks!
Caroline



Caroline Daly
Legislative Liaison
North Carolina Department of Environmental Quality

T: 919.707.8642
E: caroline.daly@ncdenr.gov

1601 Mail Service Center
Raleigh, North Carolina 27699-1601
217 W. Jones Street
Raleigh, North Carolina 27603-6100

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EXHIBIT Q



PAT MCCRORY
Governor

DONALD R. VAN DER VAART
Secretary

MICHEAL SCOTT
Director

November 29, 2016

Ms. Rebecca Standridge (Registered Agent)
Southeast Land Holdings, LLC
PO Box 99
Pfafftown, NC 27040-0099

Re: Notice of No Further Action
15A NCAC 2L .0407(d)
Risk-based Assessment and Corrective Action
for Petroleum Underground Storage Tanks

Townsend's UST
1101 East Third Street, Siler City
Chatham County
Incident Number: 39846
Risk Classification: Low

Dear Ms. Standridge

The Limited Site Assessment Report received by the UST Section, Division of Waste Management, Raleigh Regional Office on July 29, 2016 has been reviewed. The review indicates that groundwater contamination meets the cleanup requirements for a low-risk site but exceeds the groundwater quality standards established in Title 15A NCAC 2L .0202.

The UST Section determines that no further action is warranted for this incident. All required actions have been completed. On November 29, 2016, the UST Section received a certified copy of the Notice of Residual Petroleum which is filed with the Register of Deeds. On November 16, 2016 the UST Section was provided with proof of receipt of the conditional Notice of No Further Action letter or of refusal by the addressee to accept delivery of the letter or with a description of the manner in which the letter was posted.

This determination shall apply unless the UST Section later finds that the discharge or release poses an unacceptable risk or a potentially unacceptable risk to human health or the environment. Pursuant to Title 15A NCAC 2L .0407(a) you have a continuing obligation to notify the Department of Environmental Quality of any changes that might affect the risk or land use classifications that have been assigned.

Be advised that as groundwater contamination exceeds the groundwater quality standards established in Title 15A NCAC 2L .0202, groundwater within the area of contamination or within the area where groundwater contamination is expected to migrate is not suitable for use as a potable water supply.

Interested parties may examine the Limited Site Assessment Report by contacting this regional office and may submit comments on the site to the regional office at the address or telephone number listed below.

State of North Carolina | Environmental Quality | Waste Management
UST Section Central Office | 1646 Mail Service Center | Raleigh, NC 27699-1646 | (919) 707-8171

This No Further Action determination applies only to the subject incident; for any other incidents at the subject site, the responsible party must continue to address contamination as required.

If you have any questions regarding this notice, please contact me at the address or telephone number listed below.

Sincerely,



Mark R. Powers
Regional Supervisor
Raleigh Regional Office
UST Section, Division of Waste Management, NCDEQ

cc: Environmental Health Director, Chatham County Health Department
Mr. David Welch, 6775 Reynolda Road, Pfafftown, NC 27040
Mr. Tom Dunham, Duncklee & Dunham, P.C., 511 Keisler Drive-Suite 102, Cary, NC 27518
Mr. Christoph Boshoff, Cohesion, Inc., 5216 Yates Mill Pond Road, Raleigh, NC 27606

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