



THE *Southern Co.* NLR,
INC.

March 18, 2009

Mr. Jerry Adams
Senior Vice President
200 South Commerce, Suite 400
Little Rock, AR 72201

Job No. 9088

Re Limited Phase II Environmental Assessment for
El Dorado Foundry and Machine
518 South Jackson Avenue
El Dorado, Arkansas 71730

Dear Mr. Adams:

The Southern Company NLR, Inc. (SOCO) is pleased to submit this Limited Phase II environmental assessment letter report pertaining to the surface environmental conditions at the above referenced site. This Phase II environmental assessment consisted of the following: a subsurface hydrocarbon investigation, a review of site specific geology and hydrogeology, and an evaluation of the project site's analytical data in reference to American Society for Testing and Materials (ASTM) E-1739 Standard Guide for Risk-Based Corrective Action Applied to Petroleum Release Sites, specifically the Tier 1 risk based screening levels, and the United States Environmental Protection Agency (USEPA) Region 6 Human Health Medium Specific Screening Levels for an industrial worker exposure scenario.

GENERAL SITE CONDITIONS

The El Dorado Foundry and Machine is located at 518 South Jackson Avenue, in El Dorado, Arkansas. The location map is provided as Attachment 1 to this letter report. The Site Plan map delineating the four (4) soil boring locations is provide as Attachment 2 to this letter report. Reportedly, the facility operated as a foundry from 1909 to around 1949, and as a machine shop from 1909 to the present. Due to the potential from environmental impact from current and previous uses of the subject property, a Phase II subsurface investigation was performed in the areas of most likely to be environmentally impacted were sampled on March 6, 2009.

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SUBSURFACE INVESTIGATION

The subsurface investigation of the project site was conducted on March 6, 2009. Drilling and sampling of four (4) soil borings was accomplished using a 4.00 inch outside diameter solid flight augers employing a driven 1.70 inch diameter continuous sampler. The continuous sampler was decontaminated between uses using soap and water. Soil samples were collected from the continuous samplers using new nitrile gloves for each sampling event to prevent cross contamination. The location of soil borings are depicted on the Site Plan Map provided as Attachment 2 to this letter report.

The geology specific to the project site was found to consist of very dark gray gravel and sand surface layer (SW), that transitioned into yellowish to grayish brown clayey gravel (GC). Perched groundwater was encountered at approximately 4.0 feet below ground surface. The boring logs recorded for the soil borings drilled on the project site describing soil and other specific conditions is provided as Attachments 3 through 5. Field soil classifications are based on the Unified Soils Classification System (ASTM D-2487) a copy of which is provided as Attachment 6.

Soil samples were collected from each 1.0-foot interval of the soil borings. A portion of the sample was field screened for volatile petroleum constituents using an RKI Instruments catalytic instrument. Prior to mobilization to the project site, the instrument was calibrated using a 40% LEL Hexane calibration gas. Field screening was conducted by placing a portion of the soil sample in a Zip-loc plastic bag and allowed to stand at ambient temperatures for volatilization of any entrained petroleum constituents.

The catalytic instrument probe was carefully inserted into each of the plastic bags and the observed headspace reading was recorded in the field notes of the borehole log. This is performed to detect Total Organic Vapor (TOV) levels. Highest TOV soil samples from each soil boring were selected for laboratory analysis by Arkansas Analytical, Inc.

The four (4) soil samples were placed in 100-ml teflon lidded pre-cleaned glass containers and packed on ice to maintain sample preservation protocols en route to the analytical laboratory. Chain of Custody records for the soil samples were established at this time to track the movement and handling of the samples. Soil samples were analyzed for total petroleum hydrocarbons gasoline range organics (TPH-GRO) using United States Environmental Protection Agency (USEPA) Method 8015B. Benzene, toluene, ethylbenzene, and total xylenes (BTEX) and naphthalene analytes were analyzed using USEPA Method 8021B. RCRA Metals were analyzed

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using USEPA Methods 6010B, and 7471B A complete analytical laboratory report providing test results, QA/QC data, and Chain of Custody is provided as Attachments 7 -10. A summary of the analytical test results are tabulated below:

TABLE I
SUMMARY OF SOIL SAMPLE ANALYSIS
El Dorado Foundry and Machine
518 South Jackson Avenue
El Dorado, Arkansas 71730
All results reported in mg/Kg

					ASTM TIER 1 Risk Based Volatillization to outdoor air (mg/Kg)	Region 6 Human Health Medium Specific Screening Levels Industrial Outdoor Worker Screening (mg/Kg)
Sample ID:	B-1@5'	B-2@14'	B-3@12'	B-4@3'		
Benzene	<0.100	<0.100	<0.100	<0.100	0.457	1.8
Toluene	<0.100	<0.100	<0.100	<0.100	Not exceeded for pure compound at any concentration	520
Ethylbenzene	<0.100	<0.100	<0.100	<0.100	Not exceeded for pure compound at any concentration	230
M,P & O Xylenes	<0.300	<0.300	<0.300	<0.300	Not exceeded for pure compound at any concentration	1800
Naphthalene	<0.300	<0.300	<0.300	<0.300	Not exceeded for pure compound at any concentration	210
TPH-GRO	<2.00	<2.00	<2.00	<2.00	None Established	Not Applicable
Arsenic	<3.05	<3.05	<3.05	<3.05	None Established	260
Barium	64.5	44.2	139	154	None Established	190,000
Cadmium	0.844	0.563	<0.308	0.511	None Established	810
Chromium	6.71	8.07	4.77	5.44	None Established	1,400
Lead	9.90	12.3	5.10	11.9	None Established	800
Mercury	<0.305	<0.306	<0.310	<0.319	None Established	28
Selenium	<3.05	<3.06	<0.310	<3.19	None Established	5,100
Silver	<1.20	<1.20	<1.23	<1.24	None Established	5,100

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Analytical results collected from the soil borings indicate all analytes are below the ASTM E-1739 Tier 1 risk based screening levels for soil volatilization to outdoor air. Analytical results from the soil samples were reported by the analytical laboratory to be below the United States Environmental Protection Agency's (USEPA) Region 6 Human Health Medium Specific Screening Levels for an Industrial Worker exposure scenario as presented in Table I.

Using these assessment protocols to evaluate the analytical data, the project site is of low environmental risk given the previously mentioned analytical results. The governing regulatory authority, Arkansas Department of Environmental Quality (ADEQ) uses the risk based screen levels presented in Table I. When compared to ADEQ's Tier I risk based screening levels the positive analytes reported in each soil borings were below Tier I levels for volatilization to outdoor air exposure scenario.

Given the above listed analytical results, it is reasonable to assume ADEQ would not have a regulatory interest in the project site based upon contaminant levels measured at the project site on March 6, 2009. Therefore, no further assessment of the project site is recommended at this time.

LIMITATIONS

This Limited Phase II Environmental Site Assessment report is an instrument of service of The Southern Company NLR, Inc. (SOCO). The assessment report was prepared for and is intended for the exclusive use of Arkansas Capital Corporation. Any party other than Arkansas Capital Corporation, the Arkansas Department of Environmental Quality, entities engaged by Arkansas Capital Corporation, without the express written permission of SOCO, may not rely upon the report's contents. The findings and conclusions presented in this report are based on observations of the subject property and as a result of performing four (4) soil borings and the analysis of four (4) soil samples. This information has been used as the basis for our conclusions.

The report's findings are based on conditions that existed at the project site on a March 6, 2009, and should not be relied upon to precisely represent subsurface conditions at any other time. The conclusions included in this report are based on: SOCO's observation of existing site conditions; our interpretation of site history and site usage information; and the results of a limited program of subsurface exploration, sample screening, and analytical testing. The concentration of contaminants SOCO measured may not be representative of conditions between locations sampled.

Be aware that conditions may change at any sampled or un-sampled location as a function of time in response to natural conditions, chemical reactions, and/or other events. Conclusions about site

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conditions under no circumstances comprise a warranty that conditions in all areas within the site and beneath structures are of the same quality as those sampled. Recognize, too, that contamination might exist in forms not indicated by the assessment SOCO conducted.

The scope of service SOCO implemented was based, in part of rules and regulations that SOCO understood to be current or expected at the time SOCO developed its contract with Arkansas Capital Corporation. Changes in regulations, interpretations and/or enforcement policies may occur at any time and such changes could affect the extent of remediation required. Any additional information about this site that becomes available should be provided to SOCO for its review, so SOCO can modify its recommendations as necessary.

It has been my pleasure to provide quality environmental services to you, and I am always available to provide additional environmental services or answer any questions regarding this project.

Very truly yours,

THE SOUTHERN COMPANY NLR, INC.



T. Scott Kemph, R.E.M., P.G.
Project Manager



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Attachments: 1-14

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