



December 16, 2004

Mr. Robert J. Edstrom
RETECHS –Real Estate Technical Services
U.S. Bank
155 First Avenue Southwest
Rochester, MN 55902

**RE: RSI Report No.: 1365-056-1
Phase II Environmental Assessment for the Haines Avenue and Mall Drive
Property, Rapid City, South Dakota**

Dear Mr. Edstrom:

Please find attached copies of the data obtained by RESPEC personnel during the Phase II Environmental Assessment (ESA) at the Haines Avenue and Mall Drive Property, Rapid City, South Dakota, on December 3 and 7, 2004. Figure 1 illustrates the location of the soil borings, and the soil and groundwater analytical results are included in Table 1. The soil boring logs and laboratory report are also attached.

BACKGROUND

On November 24, 2004, Mr. Robert J. Edstrom, U.S. Bancorp Real Estate Technical Service, requested a proposal to conduct a Phase II ESA in accordance with the U.S. Bancorp Master Service Agreement. The assessment was to consist of the installation of two soil borings and the collection of soil and groundwater samples for the analyses of total petroleum hydrocarbons as gasoline (TPH-G); benzene, toluene, ethylbenzene, and xylenes (BTEX); methyl tertiary butyl ether (MTBE); and naphthalene. The request was prompted by the results of a Phase I Environmental Site Assessment conducted by FMG, Inc., indicating the adjacent property to the north was a former gasoline station. On December 2, 2004, RESPEC personnel mobilized to the site to conduct a utility locate. On December 3, 2004, RESPEC mobilized a direct-push drilling machine and crew to the site to initiate the assessment.

DRILLING ACTIVITIES

Soil Boring Number 1 (SB-1) was drilled on December 3, 2004. SB-2 was installed on December 7, 2004. The depth of the borings ranged from 20 to 25 feet below the ground surface. Figure 1 illustrates the location of the soil borings. The stratigraphy of the site is characterized as brown clay. Continuous soil samples were collected and field screened for organic vapors

using a Thermo-Environmental Photoionization Detector (PID) as an indicator of petroleum contamination. Results of the field screening are presented in Table 1 and on the attached geologic drill log. The field screening results indicated that no to very low concentrations of organic vapors were detected. One soil sample from each soil boring was submitted to a chemistry laboratory for analyses of TPH-G, BTEX, MTBE, and naphthalene. Groundwater samples were also collected from each boring and submitted to a chemistry laboratory for analyses of TPH-G, BTEX, MTBE, and naphthalene. The soil analytical results are presented in Table 1 and the groundwater results are presented in Table 2. The results indicated that no petroleum hydrocarbons were detected.

RECOMMENDATIONS

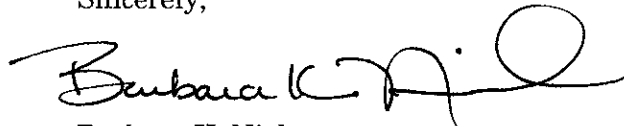
Based on the Phase I ESA report [FMG, Inc.] and the data collected by RESPEC, RESPEC recommends no further assessment or due diligence.

REFERENCES

FMG, Inc., 2004. *Phase I Environmental Site Assessment for The Property at the Southwest Corner of the Intersection of Haines Avenue and Mall Drive, Rapid City, South Dakota*, prepared for F & A Properties, Rapid City, SD, by FMG, Inc., Rapid City, SD.

Thank you for considering RESPEC to service your environmental needs. If you have any questions regarding the data collected, please feel free to call me at 1.877.737.7321.

Sincerely,



Barbara K. Nielsen
Manager, Environmental Services
CPRR #7502

BKN:krl

Attachments -- [See *Listing of Attachments*]

cc: Mr. Bill Gartland, U.S. Bank
Project Central File 1365-056 — Category K

Listing of Attachments

- A-1 Figure 1. Site Map of the Haines Avenue and Mall Drive Property Illustrating the Site Layout and Soil Boring Locations (1page)
- A-2 Table 1. Soil Boring Field and Analytical Results
Table 2. Groundwater Analytical Results (1 page)
- A-3 Geologic Drill Log (4 pages)
- A-4 Laboratory Reports (6 pages)

Table 1. Soil Boring Field and Analytical Results

Sample Number	PID	TPH-G (ppm)	Benzene (ppm)	Toluene (ppm)	Ethyl-benzene (ppm)	Xylenes (ppm)	MTBE (ppm)	Napthalene (ppm)
SB-1								
0.5-2.0	0.0							
2.0-4.0	0.0							
4.0-6.0	0.0							
6.0-8.0	0.0							
8.0-10.0	0.0							
10.0-12.0	0.0							
12.0-14.0	0.0							
14.0-16.0	7.0	<10	<0.05	<0.1	<0.1	<0.2	<0.1	<0.2
16.0-18.0	1.0							
18.0-20.0	0.0							
20.0-22.0	0.0							
22.0-24.0	0.0							
24.0-25.0	0.0							
SB-2								
0.5-2.0	1.6							
2.0-4.0	1.6							
4.0-6.0	0.8							
6.0-8.0	1.6							
8.0-10.0	1.6							
10.0-12.0	1.6							
12.0-14.0	1.6	<10	<0.05	<0.1	<0.1	<0.2	<0.1	<0.2
14.0-16.0	1.6							
16.0-18.0	1.6							
18.0-20.0	1.6							

Table 2. Groundwater Analytical Results

Well Number	TPH-G (ppm)	Benzene (ppm)	Toluene (ppm)	Ethyl-benzene (ppm)	Xylenes (ppm)	MTBE (ppm)	Napthalene (ppm)
SB-1	<0.1	<0.001	<0.001	<0.001	<0.003	<0.002	<0.004
SB-2	<0.1	<0.001	<0.001	<0.001	<0.003	<0.002	<0.004

RESPEC GEOLOGIC DRILL LOG

Project Number: 1365-056Soil Boring No.: 1Page 1 of 2Start Date: 12/3/04Drill Method: Geoprobe®Start Time: 8:32 a.m.Borehole Diameter: 1½ inchProject Name: Haines Avenue & Mall Drive ProjectFinish Date: 12/3/04Sampling Method: ContinuousLocation: Rapid City, SDFinish Time: 11:22 a.m.

Surface Elevation: _____

Logged By: Jason J. Kahl/Brad ChaseTotal Depth: 25 feetDrilling Company: RESPECWeather: Sunny, Breezy, 40's °F

DEPTH FEET	SAMPLE NUMBER	MATERIAL DESCRIPTION	PID		REMARKS (Drill Rig, Weather, etc.)
			A (ppm)	B	
— — 1	1	Medium brown clay, dry.	0	—	Calibrated PID = 98.5 8:38 a.m. Length of recovered sample = 17½'.
— — 2 — 3	2	Medium brown clay, dry.	0	—	8:44 a.m. Length of recovered sample = 18½'.
— — 4 — 5	3	Medium brown clay, very stiff.	0	—	8:52 a.m. Length of recovered sample = 19½'.
— — 6 — 7	4	Medium brown clay, very stiff.	0	—	9:03 a.m. Length of recovered sample = 19½'.
— — 8 — 9	5	Medium brown clay, medium stiff.	0	—	9:12 a.m. Length of recovered sample = 22½'.
— — 10 — 11	6	Medium brown clay, medium stiff.	0	—	9:21 a.m. Length of recovered sample = 24'.
— — 12 — 13	7	Medium brown clay with rust-colored clay interspersed throughout, medium stiff.	0	—	9:34 a.m. Length of recovered sample = 23'.
— — 14 — 15	8	Medium brown clay, medium stiff with thin layers of sand throughout.	7	—	9:44 a.m. Length of recovered sample = 22½'. A portion of this sample sent to the laboratory.
— — 16 — 17	9	Medium brown clay, medium stiff with thin layers of sand throughout.	1	—	10:07 a.m. Length of recovered sample = 22½'.

RESPEC GEOLOGIC DRILL LOG

Project Number: 1365-056Soil Boring No.: 1
Page 2 of 2

DEPTH FEET	SAMPLE NUMBER	MATERIAL DESCRIPTION	PID		REMARKS (Drill Rig, Weather, etc.)
			A (ppm)	B	
— 18 — — 19	10	Medium brown clay, medium stiff.	0	—	10:24 a.m. Length of recovered sample = 22¼'.
— 20 — 21	11	Medium brown clay, very stiff with layers of gypsum throughout.	0	—	10:44 a.m. Length of recovered sample = 23'.
— 22 — 23	12	Dark brown clay, medium stiff with layers of gypsum throughout.	0	—	11:06 a.m. Length of recovered sample = 22½'.
— 24 — 25	13	Dark brown clay, medium stiff.	0	—	11:22 a.m. Length of recovered sample = 9'.
— 26 — 27 — 28 — 29 — 30 — 31 — 32 — 33 — 34 — 35 — 36 — 37		Total Depth			

RESPEC GEOLOGIC DRILL LOG

Project Number: 1365-056Soil Boring No.: 2Page 1 of 2Start Date: 12/7/04Drill Method: Geoprobe®Start Time: 9:30 a.m.Borehole Diameter: 1½ inchProject Name: Haines Avenue and Mall Drive ProjectFinish Date: 12/7/04Sampling Method: ContinuousLocation: Rapid City, SDFinish Time: 1:50 p.m.

Surface Elevation: _____

Logged By: Dan Schiermeister/Steve OlsbergTotal Depth: 20 feetDrilling Company: RESPECWeather: Sunny, 30-50's°F

DEPTH FEET	SAMPLE NUMBER	MATERIAL DESCRIPTION	PID		REMARKS (Drill Rig, Weather, etc.)
			A (ppm)	B	
— — 1 — 2	1	Grass/topsoil surface. Brown clay, friable.	1.6	1.6	Calibrated PID = 99.9 ppm. 9:43 a.m. Length of recovered sample = 15'. PSD "background" 0.0 to 0.8 ppm.
— 3 — 4	2	6" brown clay, 4½" light brown clay.	1.6	0.8	9:56 a.m. Length of recovered sample = 10½'.
— 5 — 6	3	8½" olive clay, 10½" light brown clay.	0.8	0.8	10:11 a.m. Length of recovered sample = 19'.
— 7 — 8	4	5" light brown clay, 7½" dark brown clay.	1.6	0.8	10:22 a.m. Length of recovered sample = 12½'. Judging from "mud" on drill rods, water level is about 7'.
— 9 — 10	5	Light brown clay mixed with dark brown clay.	1.6	0.8	10:35 a.m. Length of recovered sample = 13½'.
— 11 — 12	6	Light brown clay mixed with olive clay.	1.6	0.8	10:45 a.m. Length of recovered sample = 18'.
— 13 — 14	7	18" mottled fractured clay, 3" dark clay, firm.	—	1.6	11:11 a.m. Length of recovered sample = 23'. Not enough recovery for PID and laboratory samples. A portion of this sample sent to laboratory.
— 15 — 16	8	6" dark clay, 17" mottled fractured clay.	0.8	1.6	11:26 a.m. Length of recovered sample = 23'. After return from lunch, water to 15' below grade.
— 17	9	Medium brown clay, mottled fractured. Damp core tube.	1.6	1.6	11:44 a.m. Length of recovered sample = 23'.

RESPEC GEOLOGIC DRILL LOG

Project Number: 1365-056

Soil Boring No.: 2
Page 2 **of** 2

DEPTH FEET	SAMPLE NUMBER	MATERIAL DESCRIPTION	PID		REMARKS (Drill Rig, Weather, etc.)
			A (ppm)	B	
— 18	10	Medium brown clay, mottled and fractured.	1.6	0.8	12:00 p.m. Length of recovered sample = 18'.
— 19					
— 20	Total Depth				
— 21					
— 22					
— 23					
— 24					
— 25					
— 26					
— 27					
— 28					
— 29					
— 30					
— 31					
— 32					
— 33					
— 34					
— 35					
— 36					
— 37					


MIDCONTINENT
 TESTING LABORATORIES, INC.

 2381 South Plaza Drive P.O. Box 3388 Rapid City, SD 57709
 (605) 348-0111 -- www.thechemistrylab.com


 Sample Site: SB-1, water
 Project Name: Haines & Mall Dr. Property, SW
 Corner
 Project
 Number: 1365-056
 Sampled: 12/03/04 at 11:30 AM
 by Jason J. Kahl
 Sample Matrix: Water

 RE/SPEC INC
 PO BOX 725
 RAPID CITY, SD 57709

 Lab ID#: 20041203516
 Received: 12/03/04 at 12:29 PM
 by Robert Miller
 Account: W1020

RE/SPEC INC -RAPID CITY

Parameter	Result	Units	DF	MDL	PQL	Method	Analyst/Date
<u>Volatile</u>							
Benzene	< 1.00	µg/L	1	0.013	1.00	SW846 8021	MJM 12/03/04
Ethylbenzene	< 1.00	µg/L	1	0.007	1.00	SW846 8021	MJM 12/03/04
Methyl tertiary-Butyl Ether	< 2.00	µg/L	1	0.016	2.00	SW846 8021	MJM 12/03/04
Naphthalene	< 4.00	µg/L	1	0.031	4.00	SW846 8021	MJM 12/03/04
Toluene	< 1.00	µg/L	1	0.019	1.00	SW846 8021	MJM 12/03/04
Xylenes(o,m,p)	< 3.00	µg/L	1	0.041	3.00	SW846 8021	MJM 12/03/04
<u>Total Volatile Hydrocarbons</u>							
TPH as Gasoline	< 100	µg/L	1	4.01	100	SW846 8015	MJM 12/03/04
<u>Surrogate Recovery-Volatile</u>							
4-Bromofluorobenzene	82.2	%	1			SW846 8021 QC	MJM 12/03/04

Approved By: 

Approved On: 12/16/2004 09:35 AM


MIDCONTINENT
 TESTING LABORATORIES, INC.

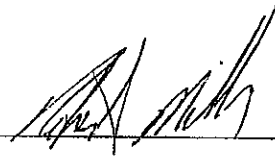
 2381 South Plaza Drive P.O. Box 3388 Rapid City, SD 57709
 (605) 348-0111 -- www.thechemistrylab.com

 Sample Site: SB-1
 Project Name: Haines & Mall Dr. Property, SW
 Corner
 Project Number: 1365-056
 Sampled: 12/03/04 at 09:44 AM
 by Jason J. Kahl
 Sample Matrix: Soil
 Lab ID#: 20041203541
 Received: 12/03/04 at 12:29 PM
 by Robert Miller
 Account: W1020

 RE/SPEC INC
 PO BOX 725
 RAPID CITY, SD 57709

RE/SPEC INC -RAPID CITY

Parameter	Result	Units	DF	MDL	PQL	Method	Analyst/Date
Volatile							
Benzene	< 0.050	mg/kg	1	0.005	0.050	SW846 8021-S	MJM 12/15/04
Ethylbenzene	< 0.100	mg/kg	1	0.005	0.100	SW846 8021-S	MJM 12/15/04
Methyl tertiary-Butyl Ether	< 0.100	mg/kg	1	0.006	0.100	SW846 8021-S	MJM 12/15/04
Naphthalene	< 0.200	mg/kg	1	0.007	0.200	SW846 8021-S	MJM 12/15/04
Toluene	< 0.100	mg/kg	1	0.008	0.100	SW846 8021-S	MJM 12/15/04
Xylenes(o,m,p)	< 0.200	mg/kg	1	0.020	0.200	SW846 8021-S	MJM 12/15/04
Total Volatile Hydrocarbons							
TPH as Gasoline	< 10.0	mg/kg	1	0.979	10.0	SW846 8015-S	MJM 12/15/04
Surrogate Recovery-Volatile							
4-Bromofluorobenzene	112	%	1			SW846 8021 QC	MJM 12/15/04

Approved By: 

Approved On: 12/16/2004 09:35 AM



CHAIN OF CUSTODY RECORD

2381 S. Plaza Dr. • P.O. Box 3388 • Rapid City, SD 57709
 (605) 348-0111 • www.TheChemistryLab.com

Company	RESPEC
Project Name	KA Alberts Project <i>see comments</i>
Project Number	1365-056
Sampled by	Signature: Jason J. Kahl
Sampled by	Print: Jason J. Kahl

PRESERVED WITH	ice									
FILTERED (Y/N)										
REFRIGERATED (Y/N)	Y									
ANALYSES REQUESTED	TPH-G	BTEX	MIREX	Naphthalene						

FOR LAB USE ONLY

Seal Intact (Y/N) Number: _____

Sample Condition: _____

Temperature of Container: _____

	SAMPLE NAME	DATE	TIME	MATRIX	NO. OF CONTAINERS					COMMENTS	LAB #
1	SB-1	12-3-04	0944	Soil	1					2004.1203.541	
2	SB-1, water <i>13m</i>	12-3-04	1130	water	3					2004.1203.516	
3										Property at the southwest corner of the intersection of Haines Avenue and Mall Drive	
4											
5											
6											
7											
8											
9											
10											
11											
12											

RELINQUISHED BY (Signature)	COMPANY NAME	DATE	TIME	RECEIVED BY (Signature)	COMPANY NAME	DATE	TIME
Jason J. Kahl	RESPEC	12-3-04	1229	<i>[Signature]</i>	MCT	12-3-04	1229



2381 S. Plaza Dr. • P.O. Box 3388 • Rapid City, SD 57709
 (605) 348-0111 • www.TheChemistryLab.com

CHAIN OF CUSTODY RECORD

Company	RESPEC
Project Name	Haines Ave & Mall Dr. Property
Project Number	1365-056
Sampled by	Signature DM Schiermeister
Sampled by	Print Dan M. Schiermeister

PRESERVED WITH	1	1	1						
FILTERED (Y/N)	1	1	1						
REFRIGERATED (Y/N)	1	1	1						
ANALYSES REQUESTED	TPH-G	BTEX & MTBE	Naphthalene						

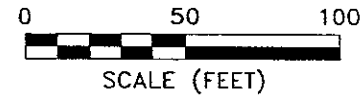
Handwritten notes: (top) *only*, (middle) *TPH-G*, *BTEX & MTBE*, *Naphthalene*

FOR LAB USE ONLY	
Seal Intact (Y/N)/Number:	
Sample Condition:	
Temperature of Container:	20°C

	SAMPLE NAME	DATE	TIME	MATRIX	NO. OF CONTAINERS				COMMENTS	LAB #
1	SB2-7	12/7/04	11:11	Soil	1	X	X	X	NO Odors or Stain	2004.1208.54E
2	SB2-H ₂ O	12/7/04	14:10	Water	3	X	X	X	" " " / PM	2004.1203.16
3										2004.1209.50J
4										
5										
6										
7										
8										
9										
10										
11										
12										

RELINQUISHED BY (Signature)	COMPANY NAME	DATE	TIME	RECEIVED BY (Signature)	COMPANY NAME	DATE	TIME
<i>DM Schiermeister</i>	RSI	12/7/04	16:03	<i>[Signature]</i>	RESPEC	12/7/04	16:03
<i>[Signature]</i>	RESPEC	12/7/04	17:35	<i>[Signature]</i>	MCT	12/7/04	17:35

RSI-1365-04-032



	FIRE HYDRANT
— W —	WATER LINE
— UP —	UNDERGROUND POWER
— MDU —	MDU GAS LINE
— WBI —	WILLISTON BASIN GAS LINE
— S —	SANITARY SEWER LINE
— T —	TELEPHONE LINE
— FO —	FIBER OPTIC LINE
— CTV —	CABLE TV LINE
— P —	OVERHEAD POWER LINE

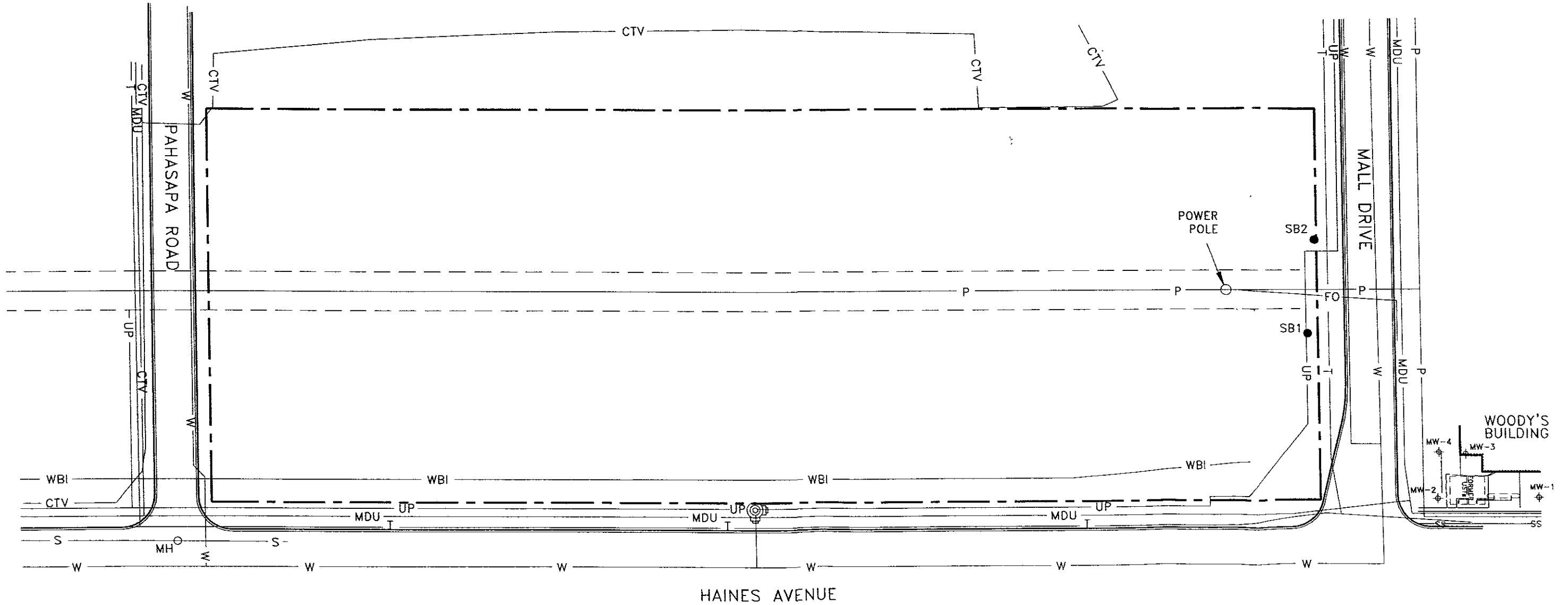


Figure 1. Site Map of the Haines Avenue and Mall Drive Property Illustrating the Site Layout and Soil Boring Locations.