

EXHIBIT R  
PHASE I ENVIR  
ASSESSMENT

GENERAL INFORMATION

**Project Information:**

0255282 - N-Y Associates, POSL ESA  
Project Number: 0255282

**Consultant Information:**

PSI  
724 Central Avenue  
Jefferson, Louisiana 70121  
Phone: 225.293.8378  
Fax: 225.292.8132  
E-mail Address: rachel.keane@psiusa.com  
Inspection Date: 10/20/2010  
Report Date: 11/05/2010

**Site Information:**

130 Acre Tract - Port of South Louisiana  
West 10th Street  
Reserve, Louisiana 70084  
County: St. John the Baptist  
Latitude, Longitude: 30.069000, -90.567700  
Site Access Contact: Linda Prudhomme

**Client Information:**

N-Y Associates, Inc.  
Bruce J. Richards  
2750 Lake Villa Drive  
Metairie, Louisiana 70002  
Contract/Proposal#: 0255-30434  
Authorization Date: 10/13/2010  
Authorization Party: Bruce J. Richards

**Site Assessor:**

*Rachel A. Keane*

Rachel A. Keane  
Project Scientist

**Environmental Professional:**

*Rachel A. Keane*

Rachel A. Keane  
Project Scientist

**Principal Consultant:**

*Peter Cole*

Peter Cole  
Principal Consultant

**Certifications:**

I declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in 312.10 of this part. I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

*Rachel A. Keane*

Rachel A. Keane - Project Scientist

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## 1 FINDINGS AND CONCLUSIONS

Professional Service Industries, Inc. (PSI) performed a Phase I Environmental Site Assessment (Phase I ESA) of the property at West 10th Street, Reserve, Louisiana 70084. The assessment included a Phase I ESA. PSI performed the assessment to comply with the contract between N-Y Associates, Inc. and PSI. The report should be read in its entirety to obtain a more complete understanding of the information provided and to aid in any decisions made or actions taken based on this information.

The subject property consists of approximately 130 acres of cultivated sugar cane field located near the Port of South Louisiana in Reserve, St. John the Baptist Parish, Louisiana. The subject property is bounded by the Kansas City Railroad to the north, RTC Drive (gravel road) to the south, West 10th Street to the east, and tree-covered land to the west. The subject property is not improved with any buildings or other structures. Please refer to Section 5.2 for a detailed discussion of the currently uses of the subject property.

Based on a review of historical documentation, the subject property has been actively cultivated sugar cane field since prior to 1892 to present. A road was constructed through the property in or around 1975. Please refer Section 5.3 for a detailed discussion of the past uses of the subject property.

Current uses of the adjoining and surrounding properties are as follows:

- North: Kansas City Southern Railroad followed by partially cleared, grass-covered land and industrial development.
- South: Partially cleared, grass-covered land, residential development, and PepsiAmerica followed by mixed residential and industrial development.
- East: West 10th Street followed by actively cultivated sugarcane field followed by the same.
- West: Tree-covered land followed by a railroad switch yard and industrial development.

Please refer to Section 6.1 for a detailed discussion of the current uses of the adjoining and surrounding properties and Section 6.2 for a detailed discussion of the past uses of the adjoining and surrounding properties.

### 1.1 PHASE I ESA

#### 1.1.1 Significant Data Gaps

Based on our experience, the information that we gathered and evaluated did not present significant data gaps that affected our ability to identify recognized environmental conditions (RECs) in connection with the subject property.

#### 1.1.2 Historic Recognized Environmental Conditions

This assessment has revealed no evidence of historical recognized environmental conditions in connection with the subject property.

#### 1.1.3 Recognized Environmental Conditions

PSI performed a Phase I Environmental Site Assessment of the subject property in conformance with the scope and limitations of ASTM Practice E 1527-05. Any exceptions to or deletions from this practice are described in Section 3.2 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the property.

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### **On-Site Conditions**

- None were identified at this time.

### **Off-Site Conditions**

- None were identified at this time.

## **1.2 RECOMMENDATIONS**

PSI recommends no further assessment of the subject property at this time.



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## 2 INTRODUCTION

### 2.1 CONTRACT

The contract between PSI and its client is summarized in the General Information section of this report.

PSI considers the client to be the 'User' of our assessment, defined in ASTM Practice E 1527 as:

"the party seeking to use ASTM E 1527 to complete an environmental site assessment of the property. A user may include, without limitation, a potential purchaser of property, a potential tenant of property, an owner of property, a lender, or a property manager. The user has specific obligations for completing a successful application of this practice...."

### 2.2 PURPOSE OF SERVICES

PSI performed the Phase I ESA in conformance with ASTM E 1527-05, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process (the Practice). The purpose of the Practice was to define good commercial practice for conducting an environmental site assessment and as such, the Practice is intended to permit the user to satisfy one of the requirements to qualify for the Landowner Liability Protections (LLPs). The goal of the processes established by the Practice is to identify RECs in connection with the property.

In the absence of provided information, PSI assumes that your purpose for having the Phase I ESA performed is to satisfy one of the requirements to qualify for the LLPs.

### 2.3 STANDARD OF CARE AND WARRANTIES

Our services were not intended to be technically exhaustive. There is a possibility that with the proper application of methodologies, conditions may exist on the property that could not be identified within the scope of the assessment(s) or that were not reasonably identifiable from the available information.

No ESA can wholly eliminate uncertainty regarding the potential for RECs in connection with the property. The ESA was intended to reduce, but not eliminate uncertainty regarding the potential for RECs in connection with a property.

Our report is based on commonly known and reasonably ascertainable information, including limited, ground-level visual inspection of the property except where otherwise explicitly indicated, in conformance with ASTM E 1527-05. Findings and conclusions derived from the methodologies described in the Practice contain all of the inherent limitations in the methodologies that are referred to in the Practice.

PSI did not perform any exploratory probing or discovery, perform tests, operate any specific equipment, or take measurements or samples to perform the ESA scope. The ESA was not a building code, safety, regulatory or environmental compliance inspection. The ESA is not intended to reduce the risk of the presence of mold and physical deficiencies conducive to mold nor the risk that mold or physical deficiencies conducive to mold may pose to the buildings and building occupants.

The methodologies include reviewing information provided by other sources. PSI treats information obtained from the record reviews and interviews concerning the property as reliable and the ASTM protocol does not require PSI to independently verify the information. Therefore, PSI cannot and does not warrant or guarantee that the information provided by these other sources is accurate or complete.

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PSI has performed the services in a manner consistent with that level of care and skill ordinarily exercised by other members of our profession currently practicing in the same locality and under similar conditions, within the limitations of ASTM E 1527-05 standard, the All Appropriate Inquires Rule established by the U.S. Environmental Protection Agency (40 C.F.R. Part 312). No other warranties are implied or expressed.

The observations and recommendations presented in this report are time dependent, and conditions will change. This report speaks only as of its date.

## **2.4 RELIANCE**

The Port of South Louisiana and N-Y Associates, Inc., PSI's client, may rely on this report.

## **2.5 USE BY OTHER PARTIES**

This report was prepared pursuant to a contract between PSI and its client. That contractual relationship included an exchange of information about the property that was unique and serves as the basis upon which this report was prepared. Because of the importance of these understandings, our assessment may not be sufficient for the intended purposes of another party.

Reliance or any use of this report by anyone other than those parties identified above, except with express written permission, for which it was prepared is prohibited and therefore not foreseeable to PSI. Any unauthorized reliance on or use of this report, including any of the information or conclusions contained herein, will be at the third party's risk. No warranties or representations expressed or implied in this report are made to any such third party.

Third party reliance letters may be issued upon timely request and payment of the then-current fee for such letters. All third parties relying on our report, by such reliance, agree that such reliance is limited by our proposal and General Conditions.