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WESTERN KENTUCKY UNIVERSITY FOUNDATION

POLICY AND PROCEDURES MANUAL

SECTION: Property Management

SUBJECT: Environmental Guidelines

PURPOSE: To provide guidelines for the acceptance of real estate in order to minimize potential liability for damages and clean up of properties contaminated by hazardous waste.

GENERAL: Due to strict environmental laws concerning real estate, the Western Kentucky University Foundation as a land owner and lender could have significant liability on properties contaminated by hazardous waste.

PROCEDURE:

- A. Prior to accepting farms, ranches, urban acreage, commercial, and industrial real estate, a Phase I Environmental Site Assessment will be performed on the property. The Foundation Real Estate Committee can waive this requirement for residential real estate.
- B. The environmental assessment will include but not be limited to the following:
 - 1. Documentation of the geographic location of the property and current usage.
 - 2. Site operational history which will entail:
 - a. Documenting current and prior ownership based on information obtained from area plat books, and title search.
 - b. Documenting current and past usage based on historical aerial photographs, historical city directories, and fire insurance maps.

3. Environmental site characteristics, which will encompass:
 - a. Geological and soils characterization, to include topography and soil types.
 - b. Ground water characteristics, to include aquifers, depth to usable groundwater, special groundwater districts.
 - c. Surface water characteristics, to include topography run off and run on drainage, flood plains, and location and distance from downstream surface water, wet lands and endangered species.
4. Personal inspection which will involve:
 - a. Conversations with adjoining property owners, maintenance personnel, and other knowledgeable parties.
 - b. Documenting current land usage, photographs of property, structures, and operations.
 - c. Photographs of adjoining properties, indicating current usage.
 - d. Identify potential problem areas such as horse farms, poultry farms, dairy farms, illegal dumping of hazardous material, PCB's, land fills, waste water, containers, air emissions, distinct odors, underground/above ground storage tanks.
5. Inspect for asbestos. Some of the more common areas for asbestos use are ceiling tile, flooring, and pipe and boiler insulation. If asbestos is found, determine if it is damaged or flaking.
6. The Environmental Engineering Firm will review regulatory agencies records which will include:
 - a. Reviewing federal and state environmental agency files, and document any permits or complaints that relate to the subject property or any adjoining property.
 - b. Review local governmental records that have jurisdiction over underground storage tanks, solid waste, drinking water, and septic systems.

- C. The Environmental Engineering Firm will submit their completed report to Foundation management on a timely basis.
- D. Properties which do not satisfy the standards as established by the Phase I Environmental Site Assessment will be further studied and referred to the Property Committee as necessary prior to further action being taken.
- E. Properties which pass the environmental assessment test will be subject to normal property acceptance guidelines.