



## MEMORANDUM

To: City of Seguin Mayor and Council  
From: Andy Quittner, City Attorney *AQ*  
Date: March 7, 2016  
Re: License Agreement – Jim’s Formal Wear

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Jim’s Formal Wear (“JFW”) operates a wholesale formal wear distribution center at 1002 Schriewer Ave (at the corner of Crossroads and Schriewer). This business has existed since the building was constructed in 1985. As part of their business JFW operates dry cleaning equipment. In the past, as with most dry cleaners, the equipment used perchloroethylene (“PCE”) and Trichloroethylene (“TCE”) which are now considered an environmental contaminants.

In 2009, JFW conducted a Phase I environmental study and in 2012 Greensfelder, Hemker and Gale (JFW’s counsel) hired an environmental firm to begin the Phase II and Phase III investigations of potential PCE and TCE contamination. PCE contamination was found under JFW’s building slab. During the Phase III investigation (conducted in 2013) several of the monitoring wells on site, and one across Schriewer Road, yielded samples that exceeded the allowable limits of either TCE or PCE.

In order to complete the delineation of the potential contaminated area, JFW’s needs additional monitoring wells. Once their investigation is completed, it is expected (according to communication with TCEQ) that JFW will likely begin a discussion with the City as to the possibility of a Municipal Setting Designation (“MSD”) for the area.

“An MSD is an official state designation given to property within a municipality or its extraterritorial jurisdiction that certifies that designated groundwater at the property is not used as potable water, and is prohibited from future use as potable water because that groundwater is contaminated in excess of the applicable potable-water protective concentration level. The prohibition must be in the form of a city ordinance, or a restrictive covenant that is enforceable by the city and filed in the property records.”

With the additional information that has been provided it appears that some contamination of the ground water table exists. At this point, it is in the City’s best interest to continue working with JFW so they can best establish the outer limits of any contamination.