

# The CT Transfer Act – Keeping the End in Mind

(Part 2 of a 2 part series)

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In the first part of this article, I discussed what the Transfer Act is, and described some of the investigation components related to the Act. Now, we'll discuss some ways you can reduce your liabilities associated with the Act to allow a smoother transition when you decide it's time to sell your business.

**Recycle, Recycle, Recycle** – Most shops are already doing this, but if you're not, look to have used chemicals recycled as much as possible. Whether it's an internal reuse program, or having a vendor service pick up your used chemicals or rags on an as-needed basis, it will not only answer important disposal questions during an environmental assessment, it will also save you money in material and disposal costs.

**Save Relevant Documentation** – Important documentation including recycling bills of lading, disposal manifests, tank removal records (and any sampling results), and facility upgrades (i.e. Floor drains, septic system removal, expansions, etc.) should be saved indefinitely. This item falls under "Don't pay for the same things twice". Having sampling results from a removed used-oil UST that occurred five years ago will prevent an environmental professional from collecting samples now to confirm the former tank area is clean. In the site assessment process, if there is no documentation, then it's unknown and further work will be required.

**Conduct a Preassessment 'Audit'** - Have a licensed environmental professional (LEP) conduct an assessment audit. The best time to do this is well before you decide to sell your business so tight deadlines don't become an issue

and you have time to conduct any follow-up work that may be required. An audit should include a site inspection and review of internal records, and may also include review of local and state files as well. The goal of the audit is to reveal any potential environmental areas of concern, if any, that would require additional investigation (i.e. soil and groundwater sampling) with the time to conduct the investigation in a phased manner. The LEP should discuss with you the potential environmental issues raised in the audit and work with you to resolve these issues.

**Address Environmental Issues in a Phased Approach** – A schedule and task list should be prepared to address environmental issues revealed in the internal audit. An LEP can assist you in the preparation of the scope of work and task schedule.

For example, perhaps confirmation samples were not collected when a floor drain system and onsite septic system were removed years ago. A possible schedule can include collecting soil samples from the floor drain area in one year, and then collecting samples from the former septic system in the next year. The sampling results would indicate whether or not soil was impacted and what follow-up activities may be required. If sampling results indicated no evidence of a release, then the results would be kept in a file as proof of clean closure.

Following these tips will help prevent delays in selling your property, when the time comes, and will make it more difficult for a potential buyer to leverage a reduction in the price of your business.

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