

Page 1

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WISCONSIN

KATHLEEN McHUGH, and DEANNA SCHNEIDER, Individually and on behalf of all persons similarly situated,
Plaintiffs,
vs. CASE NO. 11-CV-724
MADISON-KIPP CORPORATION,
CONTINENTAL CASUALTY COMPANY,
UNITED STATES FIRE INSURANCE COMPANY and ABC INSURANCE COMPANIES 1-50,
Defendants,
and
MADISON-KIPP CORPORATION,
Cross-Claimant,
vs.
CONTINENTAL CASUALTY COMPANY,
COLUMBIA CASUALTY COMPANY and UNITED STATES FIRE INSURANCE COMPANY,
Cross-Claim Defendants,

(Caption continued)
DEPOSITION OF
JULIE M. SHEAHAN
Madison, Wisconsin
December 17, 2012
1:02 p.m. to 1:50 p.m.
Kathy A. Halma, RPR

Page 2

1 and
2 CONTINENTAL CASUALTY COMPANY and
3 COLUMBIA CASUALTY COMPANY,
4
5 Cross-Claim Defendants
6
7 and
8 LUMBERMENS MUTUAL CASUALTY
9 COMPANY, AMERICAN MOTORISTS
10 INSURANCE COMPANY, and JOHN DOE
11 INSURANCE COMPANIES 1-20,
12 Third-Party Defendants.
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

THE COLLINS LAW FIRM, P.C., 1770 North Park Street, Suite 200, Naperville, Illinois, 60563, by MR. EDWARD J. MANZKE, ejmanzke@collinslaw.com, appeared on behalf of the Plaintiffs.

VARGA, BERGER, LEDSKY, HAYES & CASEY, 125 South Wacker Drive, Suite 1250, Chicago, Illinois, 60606-4473, by MR. MICHAEL D. HAYES, mhayes@vblhc.com, appeared on behalf of the Plaintiffs.

MICHAEL, BEST & FRIEDRICH, LLP, 100 East Wisconsin Avenue, Milwaukee, Wisconsin, 53202, by MR. JOHN A. BUSCH, jabusch@michaelbest.com, appeared on behalf of Madison-Kipp Corporation.

MICHAEL, BEST & FRIEDRICH, LLP, One South Pinckney Street, Suite 700, Madison, Wisconsin, 53703, by MS. LEAH H. ZIEMBA and MR. ALBERT BIANCHI, JR., lhziemba@michaelbest.com and abianchi@michaelbest.com, appeared on behalf of Madison-Kipp Corporation.

TROUTMAN SANDERS, LLP, 55 West Monroe Street, Suite 3000, Chicago, Illinois, 60603-5758, by MR. CHRISTOPHER H. WHITE, christopher.white@troutmansanders.com, appeared on behalf of the Defendant Continental Casualty Company.

MEISSNER, TIERNEY, FISHER & NICHOLS,

Page 3

1 S.C., 111 East Kilbourn Avenue, 19th Floor, Milwaukee, Wisconsin, 53202-6622, by MR. MICHAEL J. COHEN, mjc@mtfn.com, appeared on behalf of United States Fire Insurance Company.
2
3
4 HALE & WAGNER, S.C., 839 North Jefferson Street, Suite 400, Milwaukee, Wisconsin, 53202, by MR. JACQUES C. CONDON, jcc@halewagner.com, appeared on behalf of American Motorists Insurance Company.
5
6
7 I N D E X
8 JULIE M. SHEAHAN
9 By Ms. Ziemba.....5
10 By Mr. White.....30
11 By Mr. Cohen.....35
12
13 E X H I B I T S
14 No. 1 Discovery Documents; PLF_257_WAUB_000001 to 000052.....5
15 No. 2 Answers to Defendant Madison-Kipp Corporation's First Set of Interrogatories.....5
16 No. 3 Answers to Defendant United States Fire Insurance Company's First Set of Interrogatories.....5
17
18 No. 4 Responses to Defendant Madison-Kipp Corporation's First Set of Requests for Documents and Things.....5
19
20
21
22 No. 5 Responses to Defendant United States Fire Insurance Company's First Set of Requests for Production.....5
23
24
25

Page 4

1 (The original transcript was sent to Attorney Bianchi.)
2
3 (The original exhibits were retained by the court reporter and attached to the original transcript. Copies were attached to all ordered copies.)
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Page 5	Page 7
<p>1 TRANSCRIPT OF PROCEEDINGS 2 (Exhibits 1 through 5 were marked.) 3 JULIE M. SHEAHAN, called as a witness 4 herein by the Defendants, after having been first 5 duly sworn, was examined and testified as 6 follows: 7 EXAMINATION 8 BY MS. ZIEMBA: 9 Q My name is Leah Ziemba, and I'm an attorney for 10 Madison-Kipp Corporation. I will be the person 11 asking you questions today. Have you ever had 12 your deposition taken before? 13 A No. 14 Q Okay. Well, if I ask a question that you do you 15 not understand, just let me know and I can try to 16 make it more clear. The only other tip is any of 17 your answers, "yes" or "no," should be verbal or 18 audible so that the court reporter can get it 19 down. She can't take down nods. 20 A No head nods. 21 Q That's the only other tip I would say. Could you 22 please state your name and address for the 23 record. 24 A Julie Sheahan, 257 Waubesa Street. 25 Q And can you tell me a little bit of your</p>	<p>1 Q And about how long did you work there? 2 A Until 2009. 3 Q Okay. You probably know what I'm going to ask 4 next. Where did you work before Lakewood Realty? 5 A I was unemployed. 6 Q Okay. And when did you graduate from college? 7 A '99. 8 Q '99. So can you give me a brief summary of what 9 you did from 1999 to roughly 2003? 10 A I did some work at an art gallery that went out 11 of business, and honestly I am also on 12 disability, and so it makes it harder for me to 13 find employment. 14 Q Sure. Do you smoke? 15 A No. 16 Q Does anybody in your house smoke? 17 A Yes. 18 Q Who in the house smokes? 19 A Matt. 20 Q Okay. And does he live with you? 21 A Yes. 22 Q How long has he lived with you? 23 A Since '99. 24 Q And what is his relation to you? 25 A He's my significant other.</p>
Page 6	Page 8
<p>1 educational background? 2 A I have a four-year degree, bachelor's degree, 3 from the university here. 4 Q Okay. What is that in? 5 A Cultural anthropology and art history. 6 Q Okay. And anything beyond that? 7 A No. 8 Q Okay. And where do you currently work? 9 A I work at Shelter from the Storm. It's an animal 10 rescue. 11 Q How long have you been there? 12 A Since April of 2010. 13 Q What did you do before then? 14 A I was laid off before that, and before that I 15 worked as an office manager for a real estate 16 company. 17 Q What real estate company? 18 A Lakewood Realty. 19 Q Where is that? 20 A They are no longer in business. 21 Q Was that locally? 22 A Yes. 23 Q Okay. And how long did you work for Lakewood 24 Realty? 25 A Since 2003, I think.</p>	<p>1 Q Okay. Can you give me his last name? 2 A It's V, as in Victor, I-L-L-A-N-D. 3 Q And how long have you lived at your current -- at 4 the 257 Waubesa address? 5 A Since 2005. 6 Q And who did you live with in 2005 at that 7 address? 8 A Matt. 9 Q Okay. When did you purchase the property? 10 A 2008. 11 Q 2008. Okay. Who did you buy the property from? 12 A I bought it from my parents. 13 Q From your parents? 14 A Yes. 15 Q There's a stack of exhibits in front of you that 16 have already been marked, and there's a total of 17 five there. I would ask you to look at the first 18 one and just familiarize yourself with it, and 19 then I'm going to ask you a few questions about 20 it. 21 A Meaning that (indicating)? 22 Q That, yes. Those documents that are marked 23 Exhibit 1, they are PLF_257_WAUB_000001 through 24 000052. 25 A Yes.</p>

Page 9	Page 11
<p>1 Q Those are the documents that have been produced</p> <p>2 to us in the litigation from your property. Do</p> <p>3 those look familiar to you?</p> <p>4 A Yes.</p> <p>5 Q And I'd specifically draw your attention to the</p> <p>6 first page with any real information, and it's</p> <p>7 got a 2 at the bottom, so 000002 at the very</p> <p>8 bottom. It's the second page in the packet</p> <p>9 there. If it's easier for you to take the clip</p> <p>10 off, that's fine.</p> <p>11 I would ask for you to look at this page</p> <p>12 and the next one that's marked Page 3 with the</p> <p>13 Bates number. Just let me know if anything there</p> <p>14 looks to be inaccurate to you.</p> <p>15 A The only thing I see is it's a concrete driveway.</p> <p>16 They have gravel.</p> <p>17 Q Okay.</p> <p>18 A But the rest is correct.</p> <p>19 Q Okay. Do you know when your home was built?</p> <p>20 A Just by what it says here.</p> <p>21 Q So it says 1947. Does that seem about right to</p> <p>22 you?</p> <p>23 A I wouldn't know, but I guess.</p> <p>24 Q Okay.</p> <p>25 A That's the only information I have, is that it's</p>	<p>1 A Yes.</p> <p>2 Q Do you know what kind?</p> <p>3 A There's a water-based polyurethane, Minwax or</p> <p>4 whatever that brand is.</p> <p>5 Q And you said something for framing?</p> <p>6 A Art framing.</p> <p>7 Q For framing artwork?</p> <p>8 A Yes.</p> <p>9 Q Do you keep glues in your basement?</p> <p>10 A Elmer's glue.</p> <p>11 Q Any other kinds?</p> <p>12 A There's floor adhesive.</p> <p>13 Q Floor adhesive?</p> <p>14 A Yes.</p> <p>15 Q Okay. And do you have a general idea of how much</p> <p>16 time you spend in your basement?</p> <p>17 A Per?</p> <p>18 Q Per day, week, whichever is easier.</p> <p>19 A Half-an-hour a day, maybe.</p> <p>20 Q Okay. Is the art workshop or the framing setup</p> <p>21 that you have there, is that something you do as</p> <p>22 a hobby?</p> <p>23 A Yes.</p> <p>24 Q That you do or Matt does?</p> <p>25 A Mainly he does.</p>
Page 10	Page 12
<p>1 based on this as far as the age.</p> <p>2 Q Okay. Can you tell me the current heating source</p> <p>3 for your home?</p> <p>4 A Forced air. Natural gas.</p> <p>5 Q Okay. Do you have any reason to know what it was</p> <p>6 before maybe when your parents owned it?</p> <p>7 A They did replace the furnace. It was forced air</p> <p>8 before that.</p> <p>9 Q Okay. Does the home have a basement?</p> <p>10 A Yes.</p> <p>11 Q And how do you use your basement?</p> <p>12 A Laundry is down there and there's storage and a</p> <p>13 workbench.</p> <p>14 Q Okay. Can you tell me about the workbench? What</p> <p>15 type of work is done in the area?</p> <p>16 A Like a typical workbench where you have hammers</p> <p>17 and nails. There's a table, too, where we have</p> <p>18 done art framing, mat board framing.</p> <p>19 Q Do you store cleaning products in the basement?</p> <p>20 A There are some.</p> <p>21 Q Do you know of any particular kinds? Are they</p> <p>22 floor cleaners or laundry detergent?</p> <p>23 A Laundry detergents and like a product called</p> <p>24 Simple Green.</p> <p>25 Q Any varnishes or polyurethane?</p>	<p>1 Q Okay. So does he have a more complete art</p> <p>2 workshop in the basement or is it mostly the</p> <p>3 framing?</p> <p>4 A Yes, mostly framing.</p> <p>5 Q Okay. Mostly framing. Has your use of the</p> <p>6 basement changed over time? So has there always</p> <p>7 been an art workshop or did you install that?</p> <p>8 A Always been.</p> <p>9 Q Have you always had your art framing supplies in</p> <p>10 the basement?</p> <p>11 A Yes.</p> <p>12 Q Since you moved in?</p> <p>13 A Yes.</p> <p>14 Q You said there was laundry down there, as well as</p> <p>15 a typical workbench. Is there anything else?</p> <p>16 A Storage.</p> <p>17 Q Sure. Anything in particular that you store</p> <p>18 there?</p> <p>19 A House items.</p> <p>20 Q Sure. Let's talk about your house purchase now.</p> <p>21 You mentioned you bought your house in 2008?</p> <p>22 A Yes.</p> <p>23 Q And who did you buy your home from?</p> <p>24 A My parents.</p> <p>25 Q Okay. And you lived in the home for three years</p>

Page 13	Page 15
1 before purchasing, is that correct?	1 A Yes.
2 A Yes.	2 Q Did you have an home inspection done before you
3 Q Do you know when your parents bought the	3 purchased?
4 property?	4 A I did not.
5 A 2005.	5 Q Why did you decide not to?
6 Q 2005. Do you know who they bought it from?	6 A Because we had been living there.
7 A I believe it was a foreclosure. They bought it	7 Q Okay. Did you have a mortgage on the property
8 from a bank.	8 when you bought it in 2008?
9 Q Okay. Are your parents Madison residents?	9 A Did who have a mortgage?
10 A Yes.	10 Q Did you.
11 Q So was this their primary home when they	11 A No.
12 purchased it?	12 Q Did you have a mortgage when you bought it?
13 A No.	13 A When I bought it, yes. I have a mortgage now,
14 Q Did they buy it for a rental property or did they	14 yes.
15 live in it?	15 Q You have a mortgage now. Have you refinanced
16 A They did not -- They did not live in it ever.	16 your home since you have been living in it?
17 Q They did not live in it. Okay. So when they	17 A No.
18 purchased it in 2005, who lived in it?	18 Q Have you borrowed against the home for additional
19 A Matt and I.	19 funds?
20 Q You and Matt right away?	20 A No.
21 A Yes.	21 Q Did you know that Madison-Kipp bordered the
22 Q And what made you decide to buy it in 2008?	22 property before you bought it?
23 A We had been renting, and I wasn't in the position	23 A Yes.
24 to purchase the home and they wanted -- my	24 Q And what else did you know about Madison-Kipp in
25 parents wanted me to look into purchasing, and	25 2005 when you started living at the property?
Page 14	Page 16
1 the house came on the market and they decided to	1 A I just thought they were a local business.
2 buy it for us to live in, and we were going to	2 Nothing more, really.
3 fix it up a little bit, and then when we were	3 Q Okay. When did you first become aware of
4 ready, buy it from them.	4 environmental contamination allegations at
5 Q Okay. So in 2008 you and Matt determined to be	5 Madison-Kipp?
6 ready and then you bought it?	6 A Late spring or early summer 2011.
7 A Yes.	7 Q How did you become aware of that?
8 Q When you bought the property, did you do any sort	8 A I read it online. It was a news story.
9 of due diligence? I understand you bought it	9 Q A news story?
10 from your parents, but did you look into any sort	10 A Yes.
11 of property condition reports or environmental	11 Q Certain news station?
12 disclosures when you actually bought it in 2008?	12 A Yes, Channel 3000.
13 A I did not.	13 Q Channel 3000. Is that something you look at
14 Q Okay. Did you have an appraisal?	14 regularly?
15 A Well, in what way?	15 A Yes.
16 Q As part of the closing documents for the	16 Q And what did the news report or news story say?
17 transaction, was there an environmental	17 A That the DNR disclosed some contamination on the
18 disclosure done?	18 property, and then I think the follow up one was
19 A No, not that I know of.	19 the families on Marquette Street.
20 Q Not that you can recall?	20 Q Did you do anything in response to reading that
21 A No.	21 news report online?
22 Q Did you have an appraisal done before you	22 A I just watched for more information.
23 purchased it?	23 Q Where did you watch for more information?
24 A Yes.	24 A On that news channel.
25 Q Did you review the appraisal report?	25 Q Okay.

4 (Pages 13 to 16)

Page 17	Page 19
<p>1 A And the DNR website.</p> <p>2 Q Okay. Did you talk to any of your neighbors</p> <p>3 about it?</p> <p>4 A In passing.</p> <p>5 Q Any particular names of neighbors?</p> <p>6 A Mainly our next-door neighbor.</p> <p>7 Q Who is that?</p> <p>8 A Carrie. I don't know how to pronounce her last</p> <p>9 name.</p> <p>10 Q Do you know which home she -- which way next</p> <p>11 door?</p> <p>12 A That would be -- Looking at my house, it would be</p> <p>13 on the left.</p> <p>14 Q Okay. You said you read the DNR website and</p> <p>15 Channel 3000 website. Is there any other place</p> <p>16 you went to get more information?</p> <p>17 A I think I looked at all the local news channels,</p> <p>18 but I generally go to Channel 3000, so that's the</p> <p>19 one I would watch for updates.</p> <p>20 Q Do you know what the term PCE stands for or</p> <p>21 means?</p> <p>22 A Fluorocarbons or something emissions. Am I</p> <p>23 close?</p> <p>24 Q I'm not supposed to say. When did you first</p> <p>25 learn of what that stands for?</p>	<p>1 Q And did that testing happen?</p> <p>2 A Yes.</p> <p>3 Q Do you know who did that testing?</p> <p>4 A It was B2 something squared.</p> <p>5 Q And do you know roughly when that happened?</p> <p>6 A Summer of 2012.</p> <p>7 Q Okay.</p> <p>8 A I don't have the exact date.</p> <p>9 Q Have you received the results of that testing?</p> <p>10 A Yes.</p> <p>11 Q And how did you receive those results?</p> <p>12 A They were sent in the mail.</p> <p>13 Q From whom?</p> <p>14 A From the -- Am I getting it close -- B2 Squared.</p> <p>15 Q You received them directly from the</p> <p>16 subcontractor?</p> <p>17 A Yes, I believe so.</p> <p>18 Q And do you recall what those results said?</p> <p>19 A There were detected levels of the PCEs.</p> <p>20 Q You said detected levels of?</p> <p>21 A The PCEs.</p> <p>22 Q Okay. And was that in the sub-slab sample?</p> <p>23 A Yes.</p> <p>24 Q Okay. Did you do anything as a result of</p> <p>25 receiving those results?</p>
Page 18	Page 20
<p>1 A When we were notified about testing.</p> <p>2 Q Okay. How were you notified about testing?</p> <p>3 A I can't remember. It was either a phone call or</p> <p>4 door to door.</p> <p>5 Q And do you know if the phone call or door to door</p> <p>6 would have been -- who maybe would have done</p> <p>7 that?</p> <p>8 A It was the DNR.</p> <p>9 Q Do you remember who from the DNR?</p> <p>10 A It might have been Mike Schmoller. I'm</p> <p>11 slaughtering his name now.</p> <p>12 Q Schmoller?</p> <p>13 A Yes, that's it.</p> <p>14 Q Okay. And so he would have come to your door or</p> <p>15 a phone call?</p> <p>16 A Yes. And when I say "come to our door," I think</p> <p>17 it might have been a dropoff and then a phone</p> <p>18 call.</p> <p>19 Q A dropoff. Did he leave some information with</p> <p>20 you?</p> <p>21 A Yes, with a phone number and then I called him.</p> <p>22 Q And when you called him, what did you do?</p> <p>23 A Set up a time for testing.</p> <p>24 Q And do you recall what kind of testing?</p> <p>25 A It was the sub-slab.</p>	<p>1 A A mitigation system was installed.</p> <p>2 Q Okay. Did somebody contact you about a</p> <p>3 mitigation system?</p> <p>4 A Yes.</p> <p>5 Q Do you recall who did that?</p> <p>6 A Who contacted me about the system?</p> <p>7 Q Yes.</p> <p>8 A I believe that was the DNR, also. They had at</p> <p>9 that time I believe a policy set up that if it</p> <p>10 was over a certain level, a mitigation system</p> <p>11 would be installed.</p> <p>12 Q Do you have a mitigation system installed</p> <p>13 currently?</p> <p>14 A Yes.</p> <p>15 Q And do you know when that was installed?</p> <p>16 A Summer of 2012.</p> <p>17 Q Do you know what the sub-slab or what the</p> <p>18 mitigation system, what the intention of that</p> <p>19 system is?</p> <p>20 A Yes.</p> <p>21 Q What is that?</p> <p>22 A To dissipate the levels of -- I read it and I</p> <p>23 understand it. It's like to dissipate the levels</p> <p>24 of the sub-slab buildup, to like suck it out and</p> <p>25 up past the roof level.</p>

Page 21	<p>1 Q Do you believe that system is working?</p> <p>2 A Yes.</p> <p>3 Q Have you changed how you use your home since the</p> <p>4 installation of the mitigation system?</p> <p>5 A Yes.</p> <p>6 Q How have you changed?</p> <p>7 A Not as frequent use of the basement.</p> <p>8 Q So after the mitigation system was installed,</p> <p>9 you've used your basement less?</p> <p>10 A Well, since we knew of the issues we have used it</p> <p>11 less.</p> <p>12 Q And you believe the mitigation system is serving</p> <p>13 the function that its intended to?</p> <p>14 A Yes.</p> <p>15 Q Have you had the indoor air in your home tested</p> <p>16 again?</p> <p>17 A It was retested after installation.</p> <p>18 Q And who retested that?</p> <p>19 A The B2 Squared.</p> <p>20 Q And do you recall what those results said?</p> <p>21 A I don't.</p> <p>22 Q But it's your understanding that the system is</p> <p>23 working appropriately?</p> <p>24 A Yes.</p> <p>25 Q Have you ever had your home tested for radon?</p>	Page 23	<p>1 let's look at the documents actually. So the</p> <p>2 second document in front of you, if you could</p> <p>3 just read the title of the -- It's labeled</p> <p>4 Exhibit 2 at the bottom. If you could read the</p> <p>5 title, the portion that's underlined at the</p> <p>6 bottom of the page. If you could read that for</p> <p>7 the record.</p> <p>8 A The Corporation's First Set of Interrogatories.</p> <p>9 Q And the line just above it, too.</p> <p>10 A "Class Member's (Julie Sheahan's) Answers to</p> <p>11 Defendant Madison-Kipp Corporation's First Set of</p> <p>12 Interrogatories.</p> <p>13 Q And just to get it over with, let's do that with</p> <p>14 the next few, as well. So Exhibit 3, if you</p> <p>15 could read the same area on that page.</p> <p>16 A Class Member's (Julie Sheahan's) Answers to</p> <p>17 Defendant United States Fire Insurance Company's</p> <p>18 First Set of Interrogatories.</p> <p>19 Q Thank you. And then Exhibit 4?</p> <p>20 A Class Member's (Julie Sheahan's) Responses to</p> <p>21 Defendant Madison-Kipp Corporation's First Set of</p> <p>22 Requests for Documents and Things.</p> <p>23 Q Thank you. And one more, Exhibit 5. If you</p> <p>24 could read that, please.</p> <p>25 A Class Member's (Julie Sheahan's) Responses to</p>
Page 22	<p>1 A No.</p> <p>2 Q Do you know if your parents did?</p> <p>3 A I don't believe so.</p> <p>4 Q Given the age of your home, have you ever had</p> <p>5 your house tested for lead paint?</p> <p>6 A No.</p> <p>7 Q Or asbestos?</p> <p>8 A No.</p> <p>9 Q Are you a member of the</p> <p>10 Schenk/Atwood/Starkweather/Yahara Neighborhood</p> <p>11 Association?</p> <p>12 A No.</p> <p>13 Q Are you a member of any neighborhood group?</p> <p>14 A No.</p> <p>15 Q Do you get any listservs or email chains</p> <p>16 regarding this property from anybody, including</p> <p>17 the state?</p> <p>18 A Just email from the DNR.</p> <p>19 Q Is that the DNR Kipp neighborhood update</p> <p>20 listserv?</p> <p>21 A I don't believe it's that. I think it's just</p> <p>22 when they send out certain informational -- Like</p> <p>23 about the meeting tonight, I got an email about</p> <p>24 that.</p> <p>25 Q Okay. Since you purchased your property -- Well,</p>	Page 24	<p>1 Defendant United States Fire Insurance Company's</p> <p>2 First Set of Requests for Production.</p> <p>3 Q Okay. Thank you. If you could look at</p> <p>4 Exhibit 2, it should be at the top of the stack,</p> <p>5 specifically Page 4, Question No. 4. You state</p> <p>6 in this question that your home has been your</p> <p>7 main investment, and you have put a ton of work</p> <p>8 and upgrades into it, not only to make it mine,</p> <p>9 but to add value to my investment. Can you</p> <p>10 please describe for me the investments you made</p> <p>11 in your home since purchasing it or before, if</p> <p>12 you started before.</p> <p>13 A Okay. New roof, furnace, air conditioner. We</p> <p>14 remodeled the bathroom. We refinished the</p> <p>15 floors, replaced some of the baseboard woodwork,</p> <p>16 upgraded the windows and, you know, paint and</p> <p>17 replaced light fixtures.</p> <p>18 Q Can you tell me when this work was done? Was</p> <p>19 this done over a period of time? Well, when did</p> <p>20 you put the new roof on?</p> <p>21 A Over a period of time. I think it said here the</p> <p>22 roof was in '08.</p> <p>23 Q So just after you bought it, you put on a new</p> <p>24 roof?</p> <p>25 A That might have been done right before my parents</p>

Page 25

1 sold it to us.
 2 Q Okay. And then the new furnace?
 3 A That was done while my parents owned it.
 4 Q New air conditioner?
 5 A At that same time.
 6 Q Remodeling the bathroom. When did you do that
 7 work?
 8 A That was done in 2010.
 9 Q And refinishing the floors?
 10 A That was done probably in '05.
 11 Q And the window upgrades?
 12 A 2010.
 13 Q And paint and the replacement of the fixtures?
 14 A Continuous.
 15 Q Continuous. Internal or external painting work?
 16 A Both.
 17 Q Did you hire contractors to do -- you or your
 18 parents hire contractors to do the bigger
 19 projects like the roof?
 20 A Yes.
 21 Q Furnace?
 22 A Roof, furnace, air conditioning, windows were
 23 all contractors.
 24 Q Okay. Just a few pages earlier in the same
 25 exhibit, Exhibit 2, if you look at Question No. 2

Page 26

1 and in looking at your answer to Sub 4, can you
 2 explain to me how you determined your property
 3 has lost its value?
 4 A I believe with it now disclosed about the
 5 contamination, that that will affect the property
 6 value.
 7 Q Okay. And I missed the very beginning of your
 8 statement. What did you say?
 9 A With the disclosure of the contamination, I do
 10 believe it has lost its property value.
 11 Q Do you think it's lost all of its value?
 12 A Yes.
 13 Q So it's worth zero?
 14 A At this time.
 15 Q And have you tried to sell your house?
 16 A I have not.
 17 Q Are you interested in selling your house?
 18 A Not at this time.
 19 Q So you haven't hired a realtor?
 20 A No.
 21 Q Have you met with anybody else to talk about
 22 selling your house?
 23 A No.
 24 Q So you have no plans in the foreseeable future to
 25 sell your home?

Page 27

1 A Not at this time.
 2 Q Have you retained anybody to appraise the value
 3 of your home?
 4 A I have not.
 5 Q Have you taken any steps to reduce your property
 6 tax assessment?
 7 A I have not.
 8 Q Have you hired anybody to come and test your
 9 home, either indoor air, sub-slab or soil in your
 10 yard?
 11 A I have not hired anyone.
 12 Q Have you spoken with anybody directly about the
 13 results of the testing that's been done on your
 14 property?
 15 A Yes.
 16 Q Other than your lawyers, who has that been?
 17 A I think his name is Henry. That was for the soil
 18 testing.
 19 Q And do you know where Henry works?
 20 A I believe at the DNR.
 21 Q Have you talked to anybody else about the results
 22 of your soil sub-slab or indoor air testing?
 23 A Just the employees of the DNR and the people
 24 contracted to do the work.
 25 Q You testified earlier that you spoke with a Mike

Page 28

1 Schmoller at DNR. Is there anybody else besides
 2 the Henry person and Mike Schmoller that you have
 3 talked to?
 4 A I don't remember.
 5 Q Has anyone told you to use your basement less?
 6 A No.
 7 Q Has anyone suggested you should change how you
 8 live in your home?
 9 A There was some suggestions about how to go about
 10 your contact with soil in your back yard.
 11 Q And were those made by Henry?
 12 A Yes.
 13 Q Since your time living at 257 Waubesa, have you
 14 seen, so I mean observed with your own eyes,
 15 Madison-Kipp doing anything to deliberately harm
 16 you or your property?
 17 A No.
 18 Q Do you regularly attend public meetings regarding
 19 Madison-Kipp?
 20 A I have been since the summer of 2011.
 21 Q Do you recall anything specific about the public
 22 meetings you have attended?
 23 A Just letting us know what's going on, informing
 24 us of the importance of having tests done, going
 25 over the results of the testing, what it means.

Page 29	Page 31
<p>1 MS. ZIEMBA: Let's take just a few</p> <p>2 minutes so I can talk with my colleagues.</p> <p>3 (A recess was taken.)</p> <p>4 BY MS. ZIEMBA:</p> <p>5 Q Just a few more questions.</p> <p>6 A Yes.</p> <p>7 Q Your initial mortgage looks like it was at M&I</p> <p>8 Bank. Does that sound familiar?</p> <p>9 A Yes.</p> <p>10 Q And in 2010 did you then get a mortgage with J.P.</p> <p>11 Morgan Chase?</p> <p>12 A It was my understanding that M&I Bank sold the</p> <p>13 mortgage to Chase.</p> <p>14 Q Okay. So do you recall having to sign any</p> <p>15 documents or having any reports done during that</p> <p>16 time frame?</p> <p>17 A I don't think there was. I just think I got a</p> <p>18 letter in the mail that said my mortgage is now</p> <p>19 through Chase, that M&I is no longer the carrier</p> <p>20 of the loan.</p> <p>21 Q Okay. So the only appraisal you recall receiving</p> <p>22 is the one in 2008?</p> <p>23 A Yes.</p> <p>24 Q From your initial purchase?</p> <p>25 A Yes.</p>	<p>1 Q And where did you live in the mid 1980s?</p> <p>2 A My parents bought a house about five minutes from</p> <p>3 that house.</p> <p>4 Q Also in Madison?</p> <p>5 A Yes.</p> <p>6 Q And the home that you moved to in the mid '80s,</p> <p>7 that's also located several miles from</p> <p>8 Madison-Kipp?</p> <p>9 A Yes, it is about the same distance, both houses,</p> <p>10 from here.</p> <p>11 Q How long did you remain in that residence for?</p> <p>12 A Until '96.</p> <p>13 Q And in '96 is when you moved out to go to</p> <p>14 college?</p> <p>15 A I moved downtown.</p> <p>16 Q Okay. That was to attend the university?</p> <p>17 A Yes, off of Park Street.</p> <p>18 Q Your boyfriend who lives with you?</p> <p>19 A Yes.</p> <p>20 Q Matt?</p> <p>21 A Yes.</p> <p>22 Q Did I understand that Matt has lived with you</p> <p>23 continuously from 1999 through today?</p> <p>24 A Yes.</p> <p>25 Q Do you know where Matt lived prior to 1999?</p>
Page 30	Page 32
<p>1 Q You haven't had an appraisal since then to</p> <p>2 reappraise the property?</p> <p>3 A No.</p> <p>4 MS. ZIEMBA: I'm done with my questions,</p> <p>5 but these gentlemen may have a few more for you.</p> <p>6 EXAMINATION</p> <p>7 BY MR. WHITE:</p> <p>8 Q Good afternoon. My name is Chris White. I</p> <p>9 represent Continental Casualty Company and</p> <p>10 Columbia Casualty Company, which are some of</p> <p>11 Madison-Kipp's insurance companies. I have just</p> <p>12 a few questions for you. First of all, can you</p> <p>13 please tell me where you were living on</p> <p>14 January 1st of 1980?</p> <p>15 A Let's make sure I do the math right. It would be</p> <p>16 801 Barnett Street, Madison.</p> <p>17 Q And where is 801 Barnett Street relative to where</p> <p>18 we are today?</p> <p>19 A I'm a bad judge of distance, but like 10 minutes</p> <p>20 northwest of here.</p> <p>21 Q So it's several miles from the Madison-Kipp</p> <p>22 facility?</p> <p>23 A Yes.</p> <p>24 Q And how long did you remain at that residence?</p> <p>25 A I don't know for certain, but mid '80s.</p>	<p>1 A Spaight Street, which is 10 minutes from here</p> <p>2 towards downtown.</p> <p>3 Q Also in Madison and also several miles from</p> <p>4 Madison-Kipp?</p> <p>5 A Yes.</p> <p>6 Q And do you know how long Matt lived at that</p> <p>7 location?</p> <p>8 A I do not.</p> <p>9 Q Do you know if Matt has ever previously lived</p> <p>10 anywhere on either Waubesa Street or Marquette</p> <p>11 Street?</p> <p>12 A No.</p> <p>13 Q No, he hasn't or, no, you don't know?</p> <p>14 A No, he has not lived on Waubesa Street or</p> <p>15 Marquette Street.</p> <p>16 Q Okay. I want to talk briefly about the bathroom</p> <p>17 remodeling you did in 2010. Can you tell me what</p> <p>18 it was that you did?</p> <p>19 A Yes. Because of my disability, we converted the</p> <p>20 shower stall to a walk-in -- or tub to a walk-in</p> <p>21 shower.</p> <p>22 Q That involved just removing the tub that had been</p> <p>23 there and putting in a shower pad and an</p> <p>24 enclosure?</p> <p>25 A Yes.</p>

Page 33

1 Q Did you do that or did you hire a contractor to
 2 do that?
 3 A We did some of it ourselves and we hired someone
 4 to do the tile work.
 5 Q Prior to doing that work, did you make any effort
 6 to determine if there were any
 7 asbestos-containing materials in the bathroom in
 8 the area where you were replacing the tub?
 9 A I did not.
 10 Q By the way, with respect to your disability, do
 11 you contend that Madison-Kipp has anything to do
 12 with causing your disability?
 13 A I have had it since I was 8, so no.
 14 Q So it's unrelated to what we are talking about
 15 today?
 16 A Correct.
 17 Q And, lastly, do you have any sort of back deck or
 18 back porch or anything?
 19 A I have a back deck.
 20 Q What is the approximate distance from your back
 21 deck to the Madison-Kipp facility?
 22 A I'm bad with distance.
 23 Q Your best estimation.
 24 A 20 feet, 20, 25 feet.
 25 Q And was that deck on the house when you bought it

Page 34

1 or was it something you installed after buying
 2 it?
 3 A We installed it.
 4 Q When did you install it?
 5 A Just this last summer.
 6 Q The summer of 2012?
 7 A Yes.
 8 Q And can you just sort of briefly describe what
 9 type of deck it is?
 10 A What do you mean?
 11 Q How large it is?
 12 A Twelve by 12, maybe, and it goes -- because the
 13 steps that were there before were hard for me, we
 14 put the deck in so I could walk straight out and
 15 not have to go instantly down.
 16 Q I understand. And do you use the deck for any
 17 outdoor activities, barbecuing or sitting out
 18 there, or is it solely for making it easier to
 19 get in out?
 20 A During the summer, yes, I sit out there and read.
 21 MR. WHITE: That's all I have. Thank
 22 you very much.
 23 MR. CONDON: No questions at this time.
 24 EXAMINATION
 25 BY MR. COHEN:

Page 35

1 Q A couple follow up. My name is Mike Cohen and I
 2 represent U.S. Fire Insurance Company in this
 3 case. I understand from the materials that your
 4 home was appraised in 2008?
 5 A Yes.
 6 Q And that was for \$155,000?
 7 A Yes.
 8 Q And you have not had an updated appraisal since
 9 then, correct?
 10 A No.
 11 Q So the last known appraised value of your home
 12 was \$155,000, correct?
 13 A Yes.
 14 Q And that's what you paid for it?
 15 A Yes.
 16 Q And if I understand your testimony, you said you
 17 think that your home has no value right now?
 18 A Yes.
 19 Q But you are still paying property tax at the
 20 assessed value, correct?
 21 A Yes.
 22 Q And you haven't taken any steps to reduce your
 23 property taxes?
 24 A No.
 25 Q Okay. Has anyone with any expertise in real

Page 36

1 estate discussed with you what the value of your
 2 home is?
 3 A No.
 4 Q You would agree with me that your testimony about
 5 the property having no value is just your
 6 opinion?
 7 A I feel until this has been followed through
 8 there's no estimate of what the value could be.
 9 Q Okay. All right. Let's go back to my question,
 10 please. That's your opinion, correct?
 11 A Yes, um-hum.
 12 Q Your laundry is still in the basement, correct?
 13 A Yes.
 14 Q And you still do your laundry?
 15 A Yes.
 16 Q And Matt does, as well?
 17 A Yes.
 18 Q And his art framing table is still in the
 19 basement?
 20 A Yes.
 21 Q He hasn't stopped using it?
 22 A No.
 23 Q Is there any activity that you used to do in the
 24 basement that neither of you do at all anymore?
 25 A No, I can't think of one per se.

Page 37	Page 39
<p>1 Q And you built the deck on after you learned about 2 the contamination at the facility, correct? 3 A Yes, um-hum. 4 Q That's a yes? 5 A Yes. 6 Q Okay. And you said in the summertime you sit 7 back there on the porch and you read? 8 A Yes. 9 Q That's a yes? 10 A Yes. 11 Q Okay. And when you sit back there on the porch 12 and read, that's a decision that you make to sit 13 outside next to the facility, right? 14 A Yes. 15 Q And when do you that, you don't have any concerns 16 about your health or anything like that, right? 17 A I do have concerns about my health. 18 Q Okay. 19 A But at the same time, it's my home. I don't want 20 to never go outside. 21 Q Did anyone associated with the DNR or 22 Madison-Kipp or the state or the city tell you 23 you couldn't go outside? 24 A No. 25 Q You said you talked to Henry?</p>	<p>1 A He called me to discuss the letter and the 2 results that they were sending out, and I called 3 him back. 4 Q Okay. And did he tell you you had anything to be 5 concerned about living in the home? 6 A He said you just want to be proactive about what 7 you do with your soil and exposure to it. 8 Q And did you garden before that? 9 A Yes. 10 Q Are you doing that anymore? 11 A No. 12 Q Last summer you didn't? 13 A Food gardening? 14 Q Yes. 15 A No. 16 Q Did you food garden before? 17 A Yes. 18 Q And you stopped doing that after the testing? 19 A Yes. 20 Q Okay. And did you replace that with something 21 else? I see there's gardens at the Community 22 Center here. Do you garden over here? 23 A No. 24 Q Does Matt? 25 A No.</p>
Page 38	Page 40
<p>1 A Yes. 2 Q Is that Mr. Nehls-Lowe? 3 A Yes, that's right. 4 Q Does that sound familiar to you? 5 A Yes, that sounds familiar. 6 Q Was the purpose of talking to him to discuss the 7 results of the soil samples and so forth? 8 A Yes. 9 Q And to talk to him about the soil vapor tests? 10 Is that what you talked to him about, as well? 11 A I talked to him only about the -- Oh, did you say 12 soil vapor tests? 13 Q Yes. 14 A Versus the subsoil? Different than the sub-slab 15 test? 16 Q That's one and the same. 17 A Oh. 18 Q My question is did you talk to him about the soil 19 samples taken at your property? 20 A Yes, yes. 21 Q And did you also talk to him about the sub-slab 22 and indoor air samples? 23 A We just talked about the soil testing with Henry. 24 Q And did you call him or did he call you or how 25 did that come about?</p>	<p>1 MR. COHEN: That's all I have. Thanks. 2 MS. ZIEMBA: Thank you very much. 3 (At 1:50 p.m. the deposition concluded.) 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>

Page 41

1 CERTIFICATE OF WITNESS
2
3
4 I, JULIE M. SHEAHAN, have read the
5 foregoing page and the corrections, if any, having been
6 noted. The same is now a true and correct transcript
7 of my testimony.
8
9
10 _____
11 JULIE M. SHEAHAN
12
13 STATE OF WISCONSIN)
14 _____ COUNTY)
15
16 Subscribed and sworn to before me this
17 ____ day of _____, 2013.
18
19
20 _____
21 Notary Public
22 In and for the State of Wisconsin
23 My commission expires _____, ____.
24
25

Page 42

1 STATE OF WISCONSIN)
2 MILWAUKEE COUNTY)
3 I, KATHY A. HALMA, Registered
4 Professional Reporter and Notary Public in and for the
5 State of Wisconsin, do hereby certify that the
6 deposition of JULIE M. SHEAHAN, was taken before me at
7 the Goodman Community Center, 149 Waubesa Street,
8 Madison, Wisconsin, on the 17th day of December, 2012,
9 commencing at 1:02 o'clock in the afternoon.
10 That it was taken at the instance of the
11 Defendants upon verbal interrogatories.
12 That said statement was taken to be used
13 in an action now pending in the UNITED STATES DISTRICT
14 COURT FOR THE WESTERN DISTRICT OF WISCONSIN, in which
15 KATHLEEN MC HUGH, et al., are the Plaintiffs and
16 MADISON-KIPP, et al., are the Defendants and
17 MADISON-KIPP CORPORATION is the Cross-Claimant and
18 CONTINENTAL CASUALTY COMPANY, et al., are the
19 Cross-Complainants and LUMBERMENS MUTUAL CASUALTY
20 COMPANY are the Third-Party Defendants.
21 A P P E A R A N C E S
22 THE COLLINS LAW FIRM, P.C, 1770 North
23 Park Street, Suite 200, Naperville, Illinois, 60563, by
24 MR. EDWARD J. MANZKE, ejmanzke@collinslaw.com, appeared
25 on behalf of the Plaintiffs.

VARGA, BERGER, LEDSKY, HAYES & CASEY,
125 South Wacker Drive, Suite 1250, Chicago, Illinois,

Page 43

1 60606-4473, by MR. MICHAEL D. HAYES, mhayes@vblhc.com,
2 appeared on behalf of the Plaintiffs.
3
4 MICHAEL, BEST & FRIEDRICH, LLP, 100 East
5 Wisconsin Avenue, Milwaukee, Wisconsin, 53202, by MR.
6 JOHN A. BUSCH, jabusch@michaelbest.com, appeared on
7 behalf of Madison-Kipp Corporation.
8 MICHAEL, BEST & FRIEDRICH, LLP, One
9 South Pinckney Street, Suite 700, Madison, Wisconsin,
10 53703, by MS. LEAH H. ZIEMBA and MR. ALBERT BIANCHI,
11 JR., lhziemba@michaelbest.com and
12 abianchi@michaelbest.com, appeared on behalf of
13 Madison-Kipp Corporation.
14
15 TROUTMAN SANDERS, LLP, 55 West Monroe
16 Street, Suite 3000, Chicago, Illinois, 60603-5758, by
17 MR. CHRISTOPHER H. WHITE,
18 christopher.white@troutmansanders.com, appeared on
19 behalf of the Defendant Continental Casualty Company.
20
21 MEISSNER, TIERNEY, FISHER & NICHOLS,
22 S.C., 111 East Kilbourn Avenue, 19th Floor, Milwaukee,
23 Wisconsin, 53202-6622, by MR. MICHAEL J. COHEN,
24 mjcohen@mtfn.com, appeared on behalf of United States Fire
25 Insurance Company.

HALE & WAGNER, S.C., 839 North Jefferson
Street, Suite 400, Milwaukee, Wisconsin, 53202, by MR.
JACQUES C. CONDON, jcc@halewagner.com, appeared on
behalf of American Motorists Insurance Company.
That said deponent, before examination,
was sworn to testify the truth, the whole truth, and
nothing but the truth relative to said cause.
That the foregoing is a full, true and
correct record of all the proceedings had in the matter
of the taking of said deposition, as reflected by my
original machine shorthand notes taken at said time and
place.

Page 44

1
2
3
4
5
6
7 _____
8 Notary Public in and
9 for the State of Wisconsin
10
11 Dated this 30th day of December, 2012,
12 Milwaukee, Wisconsin.
13
14
15
16
17
18
19
20
21
22
23
24
25