SFUND RECORDS CTR
2352086

MORGAN, LEWIS & BOCKIUS
COUNSELORS AT LAW
801 SOUTH GRAND AVENUE
LOS ANGELES, CALIFORNIA 90017-3189
TELEPHONE (213) 612-2500
CABLE ADDRESS: MORLEBOCK
TELEX: 6831012

PHILADELPHIA
LOS ANGELES
MIAMI
HARRISBURG

WASHINGTON
NEW YORK
SAN DIEGO
LONDON

SCOTT LEHECKA
DIAL DIRECT (213) 612-1012

August 4, 1989

Ms. Marcia Preston
Assistant Regional Counsel
U.S. Environmental Protection Agency
Region IX
215 Fremont Street
San Francisco, California 94105

Re: San Fernando Valley Superfund Site No. 1
Burbank Operable Unit - Response to Special Notice

Dear Ms. Preston:

We represent Pacific Airmotive Corporation (PAC), which is one of the parties identified by the Environmental Protection Agency (EPA) as a potentially responsible party (PRP) in connection with the San Fernando Valley Superfund Site No. 1, Burbank Operable Unit. We are writing in response to EPA's Special Notice Letter of May 2, 1989.

We do not believe that the available evidence supports designation of PAC as a PRP at this site. The "site" in question is a layer of contaminated groundwater approximately 200 feet below the surface, which extends beneath a large area of the San Fernando Valley. This area has been heavily developed for many years, and includes thousands of potential sources of contaminants. The PRPs named to date have apparently been designated on the basis of evidence indicating releases of perchloroethylene (PCE) and trichloroethylene (TCE), which are the chemicals of concern upon which the remedial investigation has focused.

PAC has conducted an extensive investigation of its property in Burbank, in cooperation with the California Regional Water Quality Control Board - Los Angeles Region (RWQCB). This investigation has included numerous soil borings, groundwater monitoring wells, and visual inspections

and testing of facilities on PAC's property which could be potential sources of a release. In summary, the conclusion of these studies is that, while there are indications of minor spillage near the surface, there is no evidence that hazardous substances from PAC's facility have reached the groundwater or in any way contributed to the contamination which is the subject of EPA's response action. Further, the evidence shows that the depths and concentration of any surface spillage does not pose any threat of release to the groundwater layer in question.

The results of PAC's site investigations at its Burbank facilities have been submitted to the RWQCB. Briefly summarized, the site investigation of PAC's main facility at 2940 N. Hollywood Way shows that chlorinated solvents were detected only in shallow soils (from 1 to 12 feet below the ground surface), and in concentrations below the calculated soil threshold levels for the chemicals detected (4 mg/Kg for PCE and 5 mg/Kg for TCE). The site investigation of PAC's jet engine test cell facility at 3003 N. Hollywood Way, where chlorinated solvents are not used in significant quantities, detected no chlorinated solvents in the soils. Samples of groundwater drawn from monitoring wells on the site do contain chlorinated solvents, which likely have migrated from off-site as part of the regional groundwater contamination.

There is no evidence that hazardous substances from PAC's facility have come to be located in the groundwater layer, and therefore, there is no link between PAC's facility and the groundwater contamination which is the subject of EPA's costs of response. Under Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), responsibility for costs of response to a release is broad, but does not include a release which did not physically become located in, or in any way contribute to, the contamination for which EPA incurs costs of response.

Since the evidence indicates that there is no connection between PAC's facility and the area where the EPA's costs of response are incurred, there is no apparent basis to classify PAC as a potentially responsible party for the San Fernando Valley Site No. 1. PAC requests the

opportunity to meet at an early date with representatives of EPA and the Department of Justice to review the results of PAC's site investigation and other relevant information, in order to seek a determination that PAC should not continue to be included as a PRP.

In response to the Special Notice Letter regarding the Burbank Operable Unit, PAC will agree to take the following steps in connection with its Burbank facility.

1. PAC will continue to cooperate with the RWQCB, the EPA, and other responsible governmental agencies regarding investigation of PAC's facility in connection with the ongoing Superfund case. While we believe that the investigations conducted to date have been comprehensive, PAC remains willing to cooperate with reasonable additional investigations.

2. PAC will continue to share information with the RWQCB, the EPA, and other responsible governmental entities, towards better understanding of the extent and causes of contamination of the groundwater layer, or to identify parties which are responsible for the groundwater contamination.

PAC will continue to negotiate in good faith with EPA, the PRPs, and other responsible governmental entities during the moratorium period. As you are aware, a formal PRP group or steering committee has not yet formed, due to the varying amount of information which is available to the PRPs concerning their liability in this case. However, we understand that several other PRPs will be presenting similar responses to the Special Notice, and PAC would be interested in meeting jointly with EPA and other interested PRPs to conduct negotiations in an expeditious manner.

PAC believes that a continuing dialogue with EPA, the PRPs, and other responsible governmental entities is important given the many unsettled issues concerning this matter, including the fact that relatively few PRPs have been identified to date, there is substantial uncertainty among many of the PRPs concerning their liability, and the fact that the work called for in the Operable Unit will apparently be only a small part of the final remedial action for the San

Fernando Valley Site No. 1 as a whole. We believe that an early implementation of response action within the Operable Unit is not inconsistent with a careful and thorough investigation of the parties who are truly responsible for the costs of response.

The undersigned counsel will represent PAC in further negotiations; please contact us should you have any questions or comments regarding this response, or in connection with the negotiations. Thank you for your consideration of this response.

Sincerely,

Scott Lehecka

Scott Lehecka

SAL/lb