The U.S. Environmental Protection Agency ("EPA") is charged with responding to the release or threatened release of hazardous substances, pollutants, or contaminants into the environment, and with enforcement responsibilities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. §§ 9601-9675.

EPA has documented the release or threat of release of hazardous substances at the New Cassel/ Hicksville Groundwater Contamination Superfund Site (the "Site") located in the Towns of Hempstead, North Hempstead, and Oyster Bay, Nassau County, New York. In response to such releases, EPA has spent public funds and anticipates spending additional public funds. In the future, EPA anticipates overseeing response actions to be undertaken by the potentially responsible parties ("PRPs") at the Site. These actions have been and will be taken pursuant to CERCLA.

Notice of Potential Liability

EPA previously notified you of your potential liability with regard to the Site. By this letter, EPA reiterates that it has determined that the parties named in Enclosure 1 to this letter are potentially responsible parties ("PRPs") within the meaning of Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and are therefore jointly and severally liable under Section 107(a) of CERCLA with respect to the Site.

Remedial Design ("RD") and Remedial Investigation/Feasibility Study ("RI/FS")

On September 30, 2013, EPA issued a Record of Decision for Operable Unit One ("OU1 ROD") at the Site in which a remedy was selected to address the contaminated groundwater plume in the area downgradient of Old Country Road, Grand Boulevard, and the New Cassel Industrial Area ("NCIA"). That remedy selected in the OU1 ROD includes, but is not limited to, the following: 1) a combination of (a) in-situ treatment of groundwater via in-well vapor stripping and (b) extraction of groundwater via pumping and ex-situ treatment of extracted groundwater prior to discharge to a publically owned treatment works or reinjection to groundwater; 2) in-situ chemical treatment, such as in-situ chemical oxidation; 3) long-term monitoring; and 4) institutional controls. The OU1 remedy was selected with the expectation that the source control remedies at upgradient NCIA facilities, under New York State Authority, are successfully completed. The OU1 ROD also anticipates that a study of the area denoted as the far-field plume (OU3) downgradient of OU1 will be performed.

EPA wishes to commence negotiations of the enclosed Administrative Settlement Agreement and Order on Consent for the Remedial Design of OU1 and for the Remedial Investigation/Feasibility Study of OU3 ("Settlement Agreement") and would like to determine whether your company, either individually or with other PRPs, is willing to enter into the Settlement Agreement enclosed as Enclosure 2. An RD Statement of Work and an RI/FS Statement of Work are also enclosed (see Appendices 1 and 3 of Enclosure 2, respectively).

Should no PRP volunteer to perform the OU1 RD and/or the OU3 RI/FS for the Site, EPA will

evaluate its enforcement options, which may include performing that work (the cost of which you may be held liable for under Section 107(a) of CERCLA) and/or requiring one or more PRP to perform the work pursuant to Section 106(a) of CERCLA.

Demand for Payment of Past Response Costs

In accordance with Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), demand is hereby made for reimbursement of $964,994.12, plus any and all interest recoverable under Section 107 of CERCLA, 42 U.S.C. §9607, or any other provision of law. Pursuant to Section 107(a) of CERCLA, 42 U.S.C. §9607(a), interest on $964,994.12 will accrue from the date of this letter, and interest on all other costs will accrue from the date of expenditure.

Enclosed with this letter you will find two narrative summaries of these costs and two printouts from EPA's financial management system ("Cost Reports") (see Enclosure 4) which break down the different categories of costs paid by EPA at the Site. The Cost Reports, dated March 13, 2014 and March 7, 2014, combined identify a total of $964,994.12 in EPA response costs through February 28, 2014. All of the costs incurred by EPA with respect to the Site are charged to the Hazardous Substance Superfund established pursuant to 26 U.S.C. § 9507 which is administered by EPA.

This notice is not being provided pursuant to the special notice procedures outlined in Section 122(e) of CERCLA, 42 U.S.C. § 9622(e) because EPA does not believe that those procedures would facilitate an agreement or expedite the RD and RI/FS at the Site. As you know, your companies have been involved with the Site for many years as part of New York State's efforts at its related sites. Accordingly, EPA seeks to negotiate, if possible, a mutually agreed upon and executable version of the enclosed Settlement Agreement within 60 days of your receipt of this letter.

We would like to schedule a meeting with you in the next two weeks, at EPA's offices in New York (290 Broadway, 17th Floor) to begin discussion of any comments you may have on the enclosed Settlement Agreement and Statements of Work. Please notify Sharon Kivowitz, Assistant Regional Counsel, at (212) 637-3183, within five (5) business days of your receipt of this letter so that we can determine your willingness to participate in this process and schedule the meeting. We urge all of you to consider coordinating among yourselves concerning the enclosed documents before the meeting in order to facilitate discussions.

Should you have any questions regarding this matter, please contact Ms. Kivowitz at the above-noted telephone number.

Sincerely yours,

Nicoletta M. Diforte
Senior Enforcement Policy Advisor

Emergency and Remedial Response Division

Encl.: 1. List of Addressees
2. Draft RD and RI/FS Settlement Agreement
3. Past Cost Narrative Summary and Cost Report

cc: Jeffrey Dyber, NYSDEC
Jacqueline Nealon, NYSDOH
Reyhan Mehran, NOAA
Andrew Raddant, US DOI
Chris Gamache, US DOD, US Navy
Counsel for Addressees (where known) (See Enclosure 4)