11.2.27

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue
Seattle, Washington 98101

Reply To
ATTN Of: ORC-158

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Kenneth D. Stephens
888 SW Fifth Avenue, Suite 1600
Portland, OR 97204

Re: Notice of Potential Liability for the Gunderson facility located at
4012 NW Front Avenue, 4350 NW Front Avenue
Portland Harbor Superfund Site, Portland, Oregon

Dear Mr. Stephens:

This letter is to notify you of potential liability, as defined by Section 107(a) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9607(a), as amended (CERCLA), with respect to the above-referenced Site. Substantially the same letter has been sent to 69 parties, and additional general notice letters may be sent to others. You may receive or have already received notification of potential liability for the Site from the State of Oregon Department of Environmental Quality (DEQ).

NOTICE OF POTENTIAL LIABILITY

The United States Environmental Protection Agency (EPA) in cooperation with DEQ has documented the release or threatened release of hazardous substances, pollutants or contaminants at the Site. EPA and DEQ have spent public funds on actions to investigate and control such releases or threatened releases at the Site.

Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9606(a) and 9607(a), Section 7003 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6973, as amended (RCRA), and other federal and state laws, a Potentially Responsible Party (PRP) or parties may be ordered to perform response actions deemed necessary by EPA and/or DEQ to protect the public health, welfare, or the environment, and may be liable for all costs incurred by each government in responding to any release or threatened release at the Site. In addition, PRPs may be required to pay for damages to, destruction, of, or loss of natural resources, including the costs of assessing such damages.

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EPA, in cooperation with DEQ, has evaluated information in connection with the investigation of the Site. Based on this information, EPA believes Gunderson may be a PRP with respect to this Site. PRPs under CERCLA include current owners and operators of any portion of the Site, prior owners and operators at the time of a release, as well as persons who arranged for disposal or treatment of hazardous substances sent to the Site, or persons who accepted hazardous substances for transport to the Site.

In accordance with CERCLA and other authorities, EPA has already undertaken certain actions and incurred certain costs in response to conditions at the Site. These response actions include the performance of assessments and other activities necessary to include the Site on the CERCLA National Priorities List (NPL) of hazardous waste sites, development of a partnership with DEQ for the investigation and cleanup of the Site, and consultation with federal, state and tribal CERCLA Natural Resource Trustees.

In accordance with EPA and DEQ joint management plans for the Site, EPA will be the lead agency, as defined in CERCLA's implementing regulations, also known as the National Contingency Plan (NCP), for in-water contamination at the Site. DEQ will be the lead agency for upland contamination, although the agencies intend to coordinate all their efforts and may share tasks as they deem appropriate. EPA accordingly anticipates expending additional funds for response activities at the Site.

PRP RESPONSE AND EPA CONTACT PERSON

The next major step EPA anticipates taking is the negotiation of an Administrative Order on Consent with willing PRPs for the performance a Remedial Investigation/Feasibility Study (RI/FS) to determine the nature and extent of in-water contamination at the Site, and to analyze remedial alternatives. EPA may send special notice letters, in accordance with Section 122(e) of CERCLA, 42 U.S.C. § 9622(e), which will provide more information about the Site, and set forth a specific schedule for RI/FS negotiations, or EPA may commence negotiations without special notice at the request of voluntary parties able to demonstrate their capacity to adequately fund and perform the RI/FS. You are encouraged to contact EPA by December 28, 2000, to indicate whether you are interested at this time in volunteering to enter negotiations to perform the RI/FS and to reimburse response costs incurred by EPA and to be incurred by EPA at the Site. EPA expressly reserves the right to issue special notice regardless of how many volunteers respond affirmatively to general notice letters.

Any written response to this letter should be sent to:

U.S. Environmental Protection Agency
Elizabeth McKenna, Attorney
Office of Regional Counsel
1200 Sixth Avenue, M/S ORC 158
Seattle, Washington 98101

This letter is intended solely for notification and information purposes. Nothing in this letter can be relied upon as a final EPA position on any matter.

Inquiries by counsel or inquiries of a legal nature should be directed to Elizabeth McKenna, 206-553-0016, or Charles Ordine, 206-553-1504, Office of Regional Counsel. Technical, scope, budget, and other questions for EPA regarding this letter or the Site should be directed to Wallace Reid, 206-553-1728, or Chip Humphrey, 503-326-2678.

Sincerely,

Michael F. Gearheard
Director, Office of Environmental Cleanup

Enclosure: Recipient List

cc: Mike Rosen, DEQ
Robert A. Bridgers, 4350 NW Front Avenue, Portland, OR 97210