



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
215 Fremont Street
San Francisco, CA 94105

10 2 MAR 1981

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Captain C. T. Vaught
Commanding Officer
Naval Station Treasure Island, Building 1
San Francisco, CA 94130-5000

Re: Federal Facility Agreement
Naval Station Treasure Island - Hunters Point Annex
National Priority List Superfund Site

Dear Captain Vaught:

This letter serves as notice to the Navy of liability under Sections 107 and 120 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §§ 9607 and 9620. The United States Environmental Protection Agency ("EPA") has identified releases or threatened releases of hazardous substances, pollutants or contaminants at the Naval Station Treasure Island - Hunters Point Annex site (hereinafter referred to as the "Site"). The Site is listed on the National Priorities List ("NPL") and is a federal facility owned or operated by the Department of the Defense. Pursuant to CERCLA §120, the Navy is responsible for the expeditious performance of any and all Remedial Investigations and Feasibility Studies ("RI/FSs") and performance of remedial actions for the Site.

EPA intends to oversee the RI/FS and the Remedial Design and Remedial Action ("RD/RA") phases of the response actions. In addition, EPA possesses statutory authority over the selection of any remedial action for the Site. Further, EPA cannot delete the Site from the NPL until the necessary remedial work has been concluded in accordance with CERCLA and the National Oil and Hazardous Substances Contingency Plan ("NCP").

EPA is proposing to negotiate a CERCLA Federal Facility Agreement ("FFA") to memorialize the Navy's commitment to

investigate and control the releases or threatened releases of hazardous substances, pollutants or contaminants at or from the Site. Enclosed with this Notice is a draft FFA that EPA intends to use as the basis for formal negotiations. EPA anticipates that the parties to the FFA will be the Navy, the State of California (as represented by one or more governmental entities) and EPA. The FFA will establish the relationships among the parties and commit the Navy to conduct any RI/FSS and response actions needed at the Site in accordance with CERCLA, the NCP, and pertinent EPA guidance.

To facilitate finalization of the FFA and to expedite the response actions, EPA has established a ninety (90) day period for negotiating the FFA. This period will expire 90 days from the date the Navy receives this Notice.

A written response to this Notice indicating the Navy's willingness, or lack thereof, to negotiate a FFA is due within fourteen (14) days. If the Navy intends to negotiate a FFA, please provide:

- the address and telephone number of the Navy official for EPA to utilize as a point-of-contact for legal matters;
- the address and telephone number of the Navy official for EPA to utilize as a point-of-contact for technical matters; and
- the person(s) who will represent the Navy at the FFA negotiations.

EPA requests that the Navy limit the size of its FFA negotiation team to three (3) to four (4) persons. EPA will so limit its team and will make a similar request of any other party to the negotiations.

Should EPA not receive the Navy's response within fourteen (14) days after receipt of this Notice, or should the ninety (90) day period pass without successful negotiation of a FFA, EPA will consider using its enforcement authorities, including those contained in CERCLA §106.

If the Navy presently is engaged in response activities, or discussions with State or local authorities, or involved in a lawsuit regarding the Site, the Navy should not interpret this Notice as advising or directing the Navy to restrict or discontinue any such activities. EPA requests in the event that the Navy is so engaged, that the Navy provide a copy of its response to this

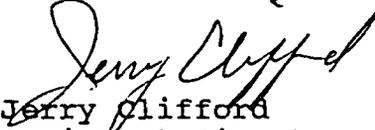
Notice to the parties involved in those discussions.

Your response to EPA should be to:

Chuck Flippo
Hunters Point Annex Remedial Project Manager
U.S. Environmental Protection Agency
Region 9 (H-7-3)
1235 Mission Street
San Francisco, CA 94103

If you have any technical questions, please contact Chuck Flippo at (415) 865-7630. Refer legal questions to either Jean Rice or Mark Klaiman at (415) 744-1086. We appreciate your cooperation.

Sincerely yours,



Jerry Clifford
Assistant Director for Superfund
Hazardous Waste Management Division

DISTRIBUTION LIST

Captain C. T. Vaught
Commanding Officer
Naval Station Treasure Island
Building I
San Francisco, CA 94130-5000

Louise Lew
Naval Facilities Engineering Command
Western Division (Code 1811)
PO Box 727
San Bruno, CA 94066

Mark Malinowski
Department of Health Services
Toxic Substances Control Program
700 Heinz Street, Bldg. F
Berkeley, CA 94710

Pat Burke
Naval Facilities Engineering Command
Western Division (Code 09-C9)
PO Box 727
San Bruno, CA 94066

Susan Bertken
Department of Health Services
Toxic Substances Control Program/OLS
714/744 P Street
PO Box 942732
Sacramento, CA 94234-7320

Commander
Naval Station Treasure Island
ATTN: Kam Tung, Hunters Point Annex
Building I (Code 70)
San Francisco, CA 94130-5000

DISTRIBUTION LIST

cont'd, page 2 of 2

Scott Lutz
BAAQMD
939 Ellis
San Francisco, CA 94109

Don Dahlke
Water Quality Control Board
San Francisco Bay Region
1800 Harrison, Suite 700
Oakland, CA 94612

David Wells
City and County of San Francisco
Department of Public Health
101 Grove Street
San Francisco, CA 94102

Steve Castleman
San Francisco County District
Attorney's Office
Office of Environmental and
Consumer Fraud
732 Brennan
San Francisco, CA 94103