



Harley-Davidson Motor Company, 1425 Eden Road • York, PA 17402 717/848-1177

May 20, 2002

Mr. Paul Gotthold
Chief, Pennsylvania Operations Branch
United States Environmental Protection Agency
Region III
1650 Arch Street
Philadelphia, Pennsylvania 19103

RE: Harley-Davidson Motor Company Operations, Inc.
York, Pennsylvania Facility (the "Facility")

Dear Mr. Gotthold:

This letter is in response to your letter inviting Harley-Davidson Motor Company Operations, Inc. (hereinafter "Harley-Davidson") to participate in Region III's Facility Lead Program. We appreciate the opportunity to meet with you prior to sending this letter and the opportunity to explain the unique circumstances at the Facility. As you know, Harley-Davidson and the United States, (the Department of Defense and the Department of the Navy acting through the Army Corps of Engineers) are jointly addressing environmental issues at the Facility pursuant to an agreement dated January 24, 1995 (hereinafter "1995 Agreement"), a copy of which is attached. As a result of our meeting on March 6, 2002, we understand that Harley-Davidson can participate in the Facility Lead Program without jeopardizing or contradicting the 1995 Agreement.

Based on our understanding that participation in the Facility Lead Program is non-binding and that there are no penalties for non-performance or withdrawal from the Program, Harley-Davidson agrees to participate in the Facility Lead Program subject to the following understandings:

1. In general, Harley-Davidson will continue to carry out site assessment and remediation in substantial compliance with the NCP as set forth in the 1995 Agreement, and that performance will be deemed by EPA Region III to be consistent with RCRA requirements.
2. There will not be any costs for EPA oversight assessed against the Project as a result of carrying out corrective action under the Facility Lead Agreement.

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3. Site characterization, site remediation and quality assurance/quality control will be carried out in accordance with the provisions of the 1995 Agreement and the NCP provisions referenced therein.

4. Public involvement contemplated under the Facility Lead Agreement will be carried out in accordance with the applicable NCP public involvement requirements incorporated into the 1995 Agreement.

5. Harley-Davidson will not be required to develop a new Work Plan under the Facility Lead Agreement but will use and submit the Supplemental RI-Work Plan currently being developed under the 1995 Agreement. Accordingly, the ninety- (90) day period for submitting a Work Plan will be extended to September 9, 2002.

6. Nothing in the Facility Lead Agreement and in particular, but without limitation, nothing in Section VI, Paragraph H "Indemnification" shall in any manner void, alter, supercede, or diminish Harley-Davidson's rights and/or claims against the United States pursuant to the 1995 Agreement.

We look forward to working with you and your staff to satisfy your RCRA corrective action goals along with the remediation goals of Harley-Davidson for the Facility under the 1995 Agreement. If you have any questions concerning this letter, please do not hesitate to contact us.

Sincerely,



William D. Dannehl

Vice President and General Manager, York
Operations

cc: Gail A. Lione, Esquire
Terry R. Bossert, Esquire
Jeffrey P. Clark, Esquire
Ralph T. Golia P.G. (URS)
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