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MALCOLM W. PHILBROOK, JR.

JOHN E. CROUCH

TELEPHONE
207-784-1587
FAX
207-784-3014

July 29, 2014

David Wright, Director
Maine DEP
Div. of Remediation
17 State House Station
Augusta, ME 04333

Re: Beal's Laundry, Inc.

Dear Mr. Wright:

This letter is in response to yours of July 24, 2014, and our telephone conversation of July 28th. Beal's Laundry, Inc., as I mentioned, has been out of business since the 1980's and there are no corporate assets. I asked Mr. Badger your question about possible available insurance, and he is unaware of any. It is my understanding that Mr. Badger has no personal liability in this matter.

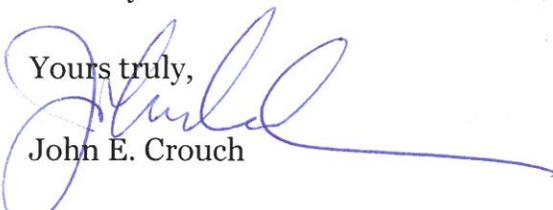
It is my goal to help him avoid expenses relating to this matter. He remains willing to discuss this issue with other PRPs as you move to a resolution for them as a group. It is my understanding that settlement and release needs to be global and involve the whole group of PRPs. If you become aware of attorneys representing other PRPs, I would appreciate it if you would let me know who they are.

As I indicated, there are no corporate assets available to contribute on behalf of Beal's Laundry, Inc.

Please advise me of any questions or comments.

Thank you.

Yours truly,


John E. Crouch

JEC/djb

cc: Mr. Terry Badger

2014 JUL 31 AM 9:55

RECEIVED
MAINE D.E.P.



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

FILE COPY

PAUL R. LEPAGE

Via Email and First Class Mail

PATRICIA W. AHO

GOVERNOR

COMMISSIONER

July 24, 2014

John E. Crouch, Esq.
Crockett, Philbrook & Crouch, P.A.
178 Court Street
Auburn, ME 04210

Dear Mr. Crouch:

Thank you for your letter dated July 17, 2014 sent on behalf of your client, Terry Badger, to Becky Blais of my staff. Your letter concerned the Notice of Potential Liability issued by the Department to Beal's Laundry, Inc. for the site located at 7 Chestnut Street in Auburn. As you are aware, Mr. Badger was the president of Beal's Laundry, Inc. when the subject site operated as a dry cleaner.

In your letter, you specifically inquire as to the Department's position on whether Mr. Badger has personal liability as a Potentially Responsible Party (PRP). In addition, you requested that the Department affirmatively indicate that Mr. Badger is not personally responsible by signing a statement to that effect.

At this point the Department has noticed Beal's Laundry, Inc. of its potential liability, and not Mr. Badger personally. However, the Department has not made an assessment either way as to whether there are facts that indicate that Mr. Badger is personally a PRP under the Uncontrolled Sites Law. Therefore the Department is not willing to sign the statement. Further, the Department will address liability releases with the PRP group as a whole, rather than with individual PRPs.

I anticipate receiving written notice by **August 4, 2014** of your client's intention to negotiate in good faith a liability settlement with the Department and the other settling PRPs as a group with respect to this matter. In the meantime, if you have additional questions, please do not hesitate to contact me on my direct line at 207-446-4366 or via email at david.w.wright@maine.gov.

Sincerely,

David Wright, Director
Division of Remediation
Bureau of Remediation and Waste Management

CC: Blais, Becky, PM
LaFond, Peter, AAG

AUGUSTA
17 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0017
(207) 287-7688 FAX: (207) 287-7826
RAY BLDG., HOSPITAL ST.

BANGOR
106 HOGAN ROAD, SUITE 6
BANGOR, MAINE 04401
(207) 941-4570 FAX: (207) 941-4584

PORTLAND
312 CANCO ROAD
PORTLAND, MAINE 04103
(207) 822-6300 FAX: (207) 822-6303

PRESQUE ISLE
1235 CENTRAL DRIVE, SKYWAY PARK
PRESQUE ISLE, MAINE 04679-2094
(207) 764-0477 FAX: (207) 760-3143

19 3 17

Benn, Tom

From: Wright, David W
Sent: Wednesday, July 23, 2014 2:02 PM
To: Blais, Becky
Cc: Beneski, Brian; Carney, Peter J; Benn, Tom
Subject: RE: Letter from Attorney Crouch

Anyone that wants a liability release needs to join the PRP party and negotiate in good faith. It was a nice try, though. I'll gin up and send a response letter to that effect.

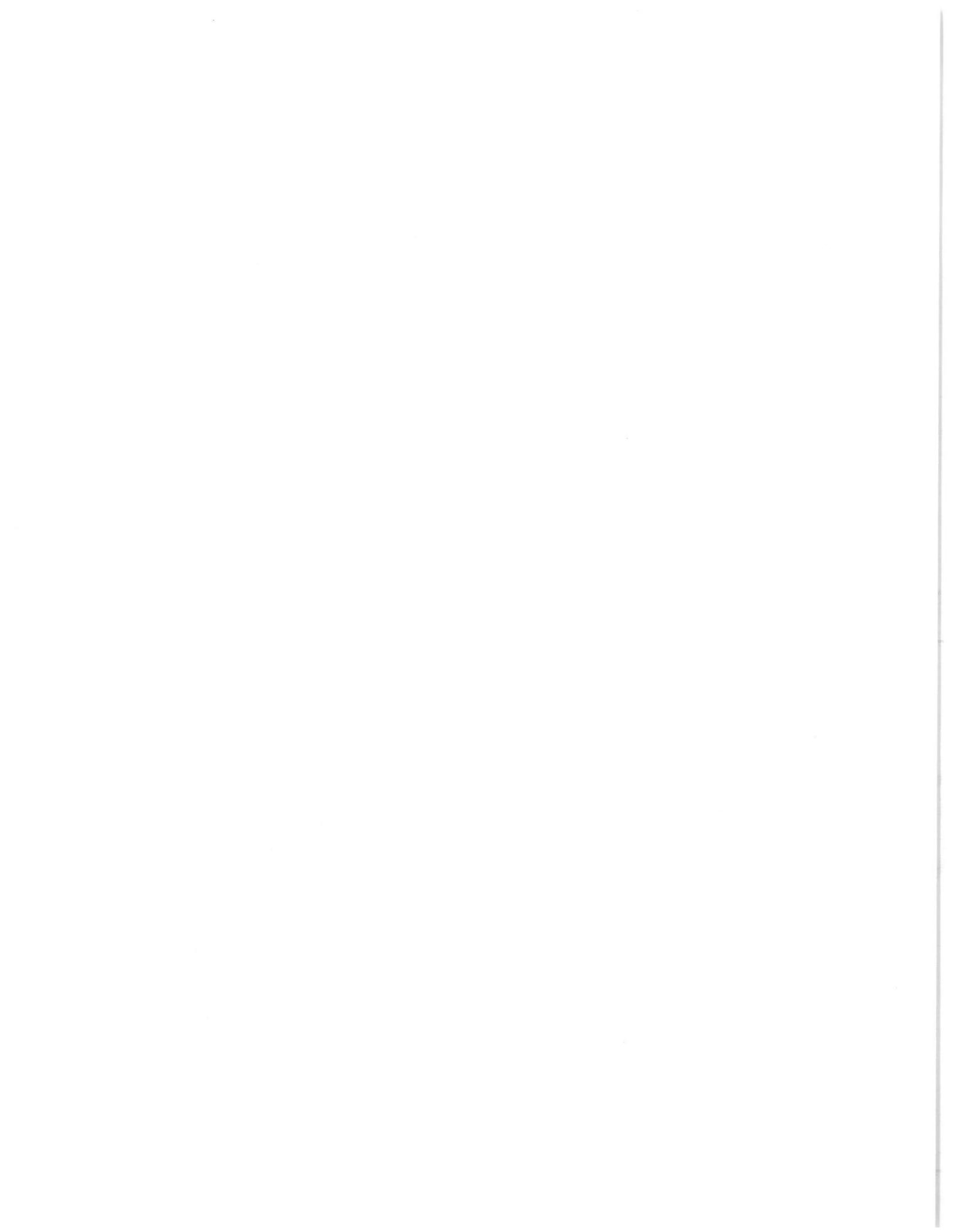
From: Carney, Peter J
Sent: Tuesday, July 22, 2014 11:37 AM
To: Blais, Becky
Cc: Wright, David W; Beneski, Brian
Subject: RE: Letter from Attorney Crouch

The letter should not be signed.

From: Blais, Becky
Sent: Tuesday, July 22, 2014 9:42 AM
To: Carney, Peter J
Cc: Wright, David W; Beneski, Brian
Subject: Letter from Attorney Crouch

Hi Pete,

Attorney Crouch, on behalf of his client, Terry Badger, has sent me a letter and wants the Department to sign off on Terry's own personal liability with the Beal's Linen site. I forgot to mention this to you last week when we were discussing this issue, but there may be an insurance policy associated with one of the two companies that Terry was president of at one point in time (Beal's Laundry, Inc. and Laundry Management, Inc.) Is this letter something that we should sign off on or do you think that is not a good idea?



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July 17, 2014

Becky Blais
Remedial Site Manager
Maine Department of Environmental Protection

Sent to: Becky.Blais@maine.gov

Re: My client Terry S. Badger

Dear Becky:

I have enclosed a copy of a letter from David Wright to Terry Badger as President of Beal's Laundry, Inc. dated June 30, 2014, which we discussed yesterday.

It is my understanding that the real estate in question was previously owned by Beal's Laundry, Inc. While Mr. Badger was at one time its president, that company has long been defunct and according to the letter, the actual laundry structure was demolished in 1986 after Beal's had sold it to Parkview Associates, GP in 1985.

You indicated that according to your research with the agency, that Mr. Badger has no personal liability as a Potential Responsible Party since he personally was not a previous owner of the real estate. Based on this representation, I conclude that he has no need to further respond to the June 30, 2014 letter.

Please confirm that this conclusion is correct by having an authorized person from DEP sign below to indicate his or her agreement with this conclusion and return it to me, and I will then be able to close my file.

I appreciate your help with this.

Yours truly,


John E. Crouch

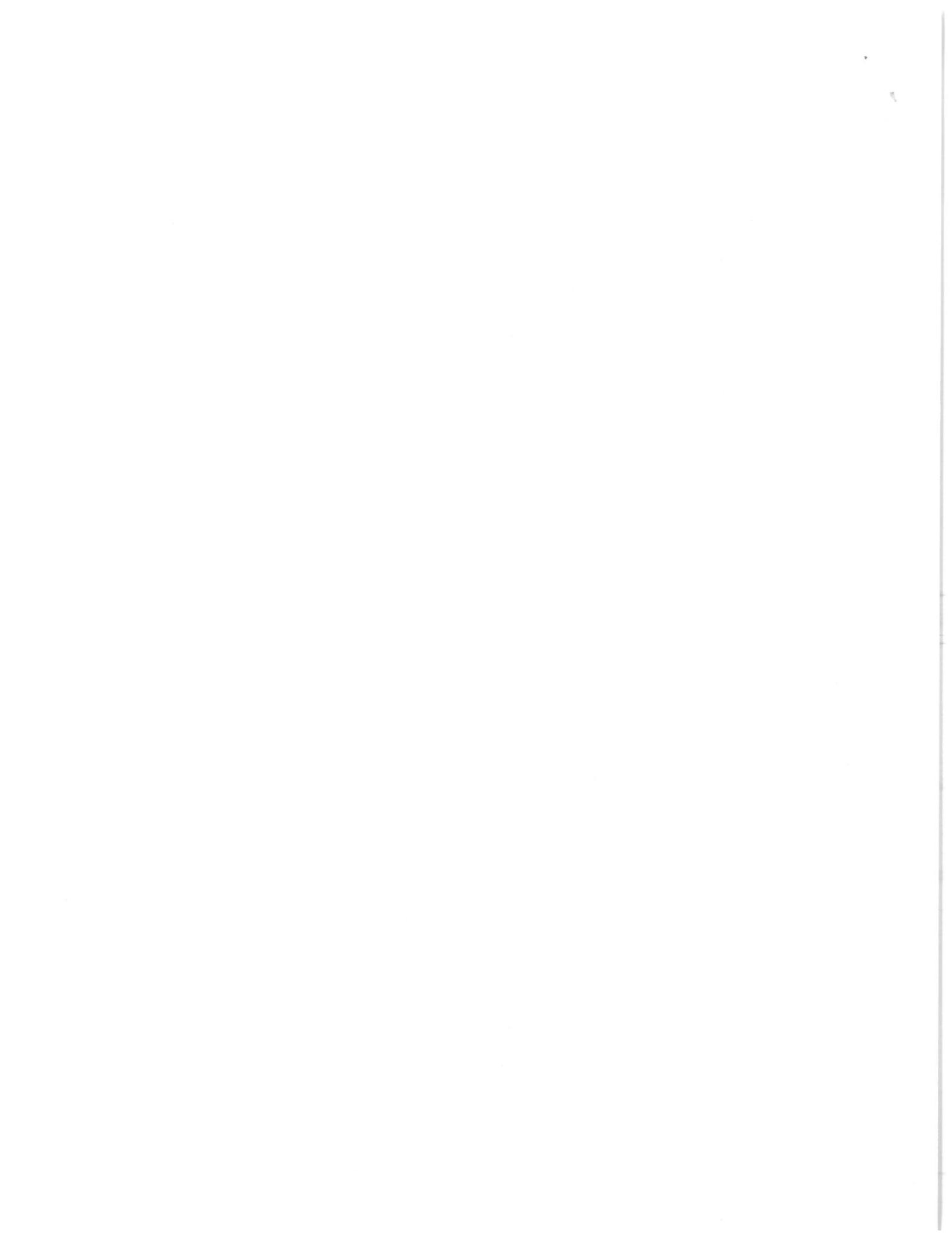
JEC/djb

Enclosure

SEEN AND AGREED TO:

Maine DEP

by: _____
Name: _____ Title/Date





STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

PAUL R. LEPAGE
GOVERNOR

PATRICIA W. AHO
COMMISSIONER

June 30, 2014

Mr. Terry S. Badger, President
Beal's Laundry Inc.
355 Gen Turner Hill
Turner, ME 04282

Subject: Notice of Potential Liability for the Beal's Linen Site, Auburn, Maine.

Mr. Badger:

The Maine Department of Environmental Protection (DEP) is required to seek reimbursement of public funds spent at a DEP remediation project from any party that may be legally responsible. DEP is undertaking an investigation of a former dry-cleaner under the Uncontrolled Hazardous Substance Site law, 38 MRSA §§ 1361 - 1371. The site is known as the Beal's Linen Site and is located at 7 Chestnut Street, in Auburn Maine (site). DEP is notifying Beal's Laundry Inc. of its potential liability, and to request your cooperation with the ongoing investigation and remediation of the site.

We are contacting all known Potential Responsible Parties (PRPs) and inviting the PRPs to enter into discussions with the DEP to either fund DEP's work at the site, or take over and fund the work themselves. We are also seeking any additional information that you may have regarding the potential liability of parties at this site. **You must respond to this notice by August 4, 2014.**

Site Background

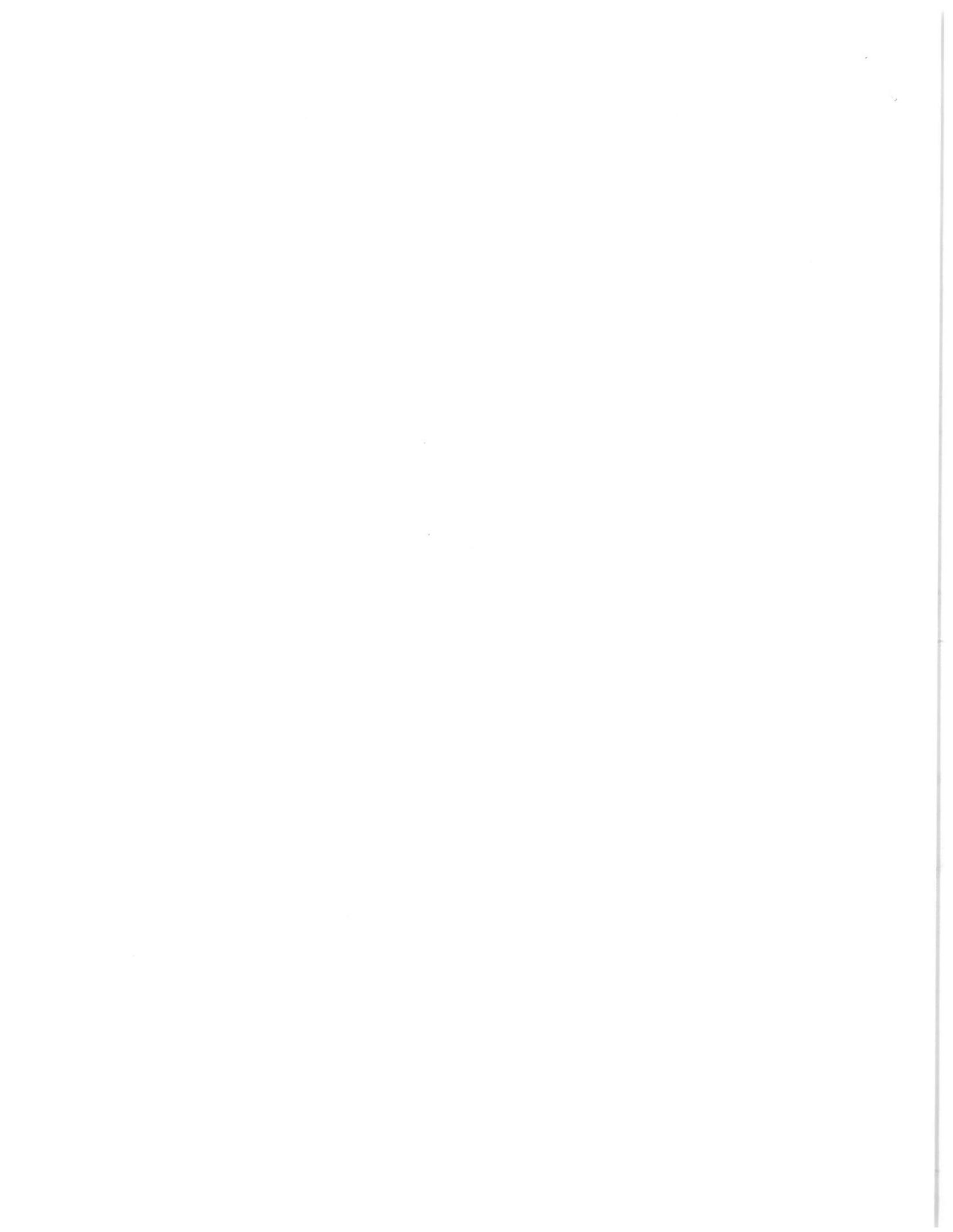
Over the past seven (7) months the DEP has been investigating the presence of dry cleaning chemicals in the soil and indoor air in a 14 unit apartment building located at 7 Chestnut Street in Auburn, Maine. The apartment building was built over the site of former dry-cleaner operations. The DEP is mainly concerned with a dry cleaning chemical called perchloroethylene (Perc) that was used by the former dry-cleaners to clean clothing, as well as chemicals created from the breakdown of Perc once it was released into the environment.

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Notice of Potential Liability

June 30, 2014

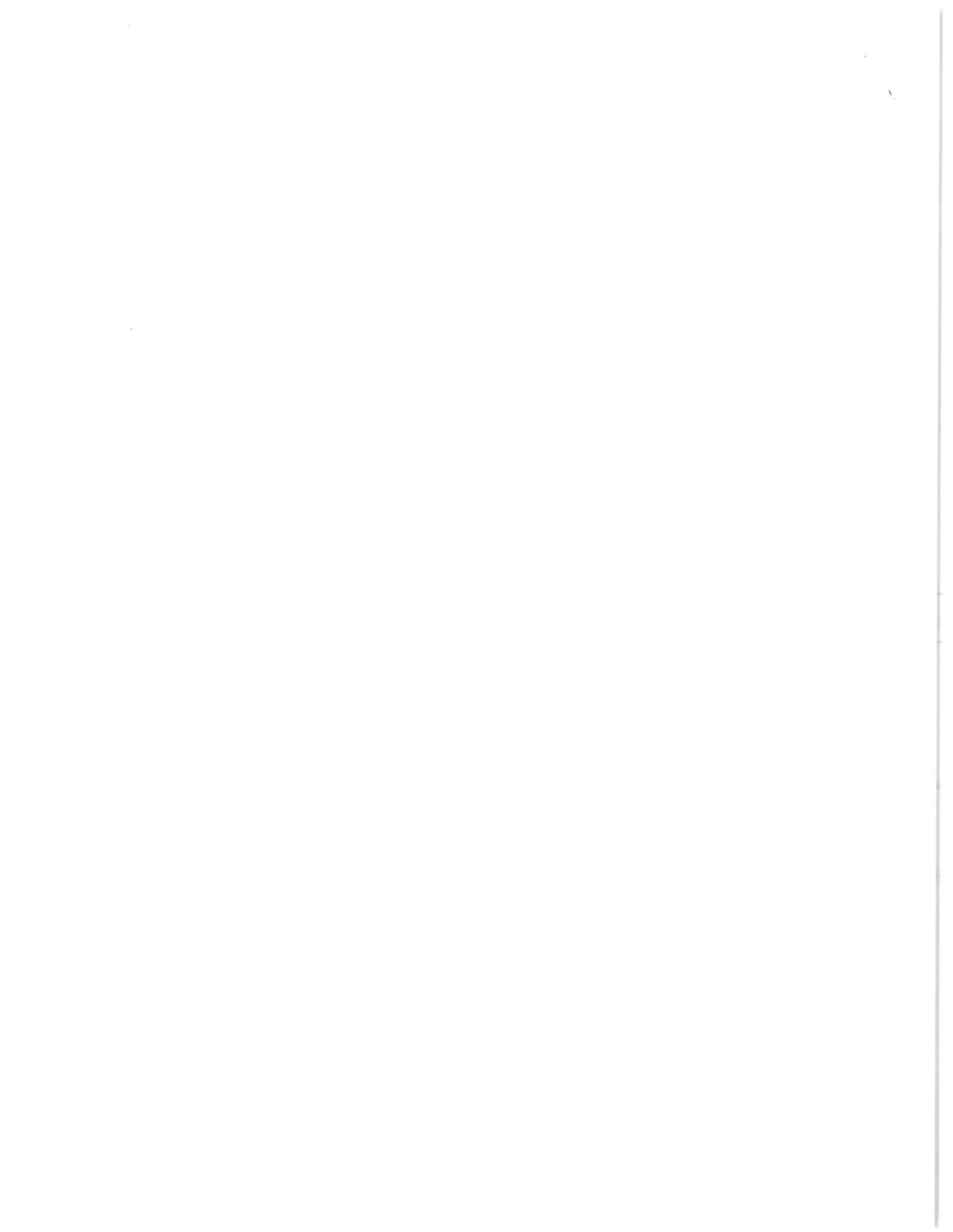
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The site under investigation is known to DEP as the Beal's Linen Site. Around 1950, Beal's Laundry Inc. (Beals), along with the Malo Cleaners, started dry cleaning operations at the site on adjacent parcels. The Beal's building was expanded in 1951. The site was further expanded by the purchase of an adjacent residential lot in 1968 by Laurier Malo. In 1980 the entire site was purchased by Beal's, consolidating 3 lots into one parcel. Between 1950 and 1985 the dry cleaning solvent perc was released at the site, contaminating soil, soil vapor, groundwater, and ambient air. In 1985 Parkview Associates, GP, purchased the site from Beal's Laundry, Inc. In 1986 the site's buildings were demolished, and in 1987 an apartment building was constructed on the site. In 2000 the site was purchased by Parkview Apartments, LLC, and in 2003 by Atlantic Holdings, LLC and then by Sultan Corp. In 2003, Atlantic Holdings LLC merged with ATL holdings, LLC. In 2009 Laurier Malo passed away.

Recently the DEP discovered that Perc and its breakdown products, including trichloroethylene, exist in the ground beneath the 7 Chestnut Street building and that vapors from these chemicals have intruded into the apartment units currently located on the site at concentrations above health based guidelines. Due to health concerns from exposure to these chemicals, three (3) families were relocated and a vapor mitigation system was installed to intercept and remove the chemical vapors before they enter the building. DEP has also initiated a Remedial Investigation at the site and surrounding neighborhood to determine the full extent of contamination, so that we can determine what additional remedial action may be necessary.

Liability Under Maine Law

- Perchloroethylene (Perc) and Trichloroethylene (TCE) have been found at the Beal's Linen site in concentrations that pose a risk to public health. Perc and TCE are hazardous substances, as defined by the Uncontrolled Hazardous Substance Sites law 38 M.R.S.A. § 1362(1)(C).
- Because hazardous substances are located at the Site, the Site is a potential "uncontrolled hazardous substance site" as defined in 38 M.R.S.A. § 1362(3).
- Responsible parties, as defined in 38 M.R.S.A. § 1362(2), at uncontrolled hazardous substance sites, include "the owner or operator of the uncontrolled site" and "any person who owned or operated the uncontrolled site from the time any hazardous substance arrived there." Hazardous substances arrived at the site prior to 1986.
- 38 M.R.S.A. §1367 states in relevant part that:



Notice of Potential Liability

June 30, 2014

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Each responsible party is jointly and severally liable for all costs incurred by the State resulting from hazardous substances at the site... and for the abatement, cleanup or mitigation of the threats or hazards posed or potentially posed by an uncontrolled site... In any suit filed under this section, the State need not prove negligence in any form or matter by a defendant. The State need only prove that a defendant is a responsible party, as defined in section 1362, and the site poses or posed or potentially poses or posed a threat...

- 38 M.R.S.A. §1364(3) states in relevant part that the DEP "may require submission of information or documents that relate or may relate to the site under investigation from any person whom the commissioner has reason to believe may be a responsible party."

Notice of Potential Liability and Request for Payment

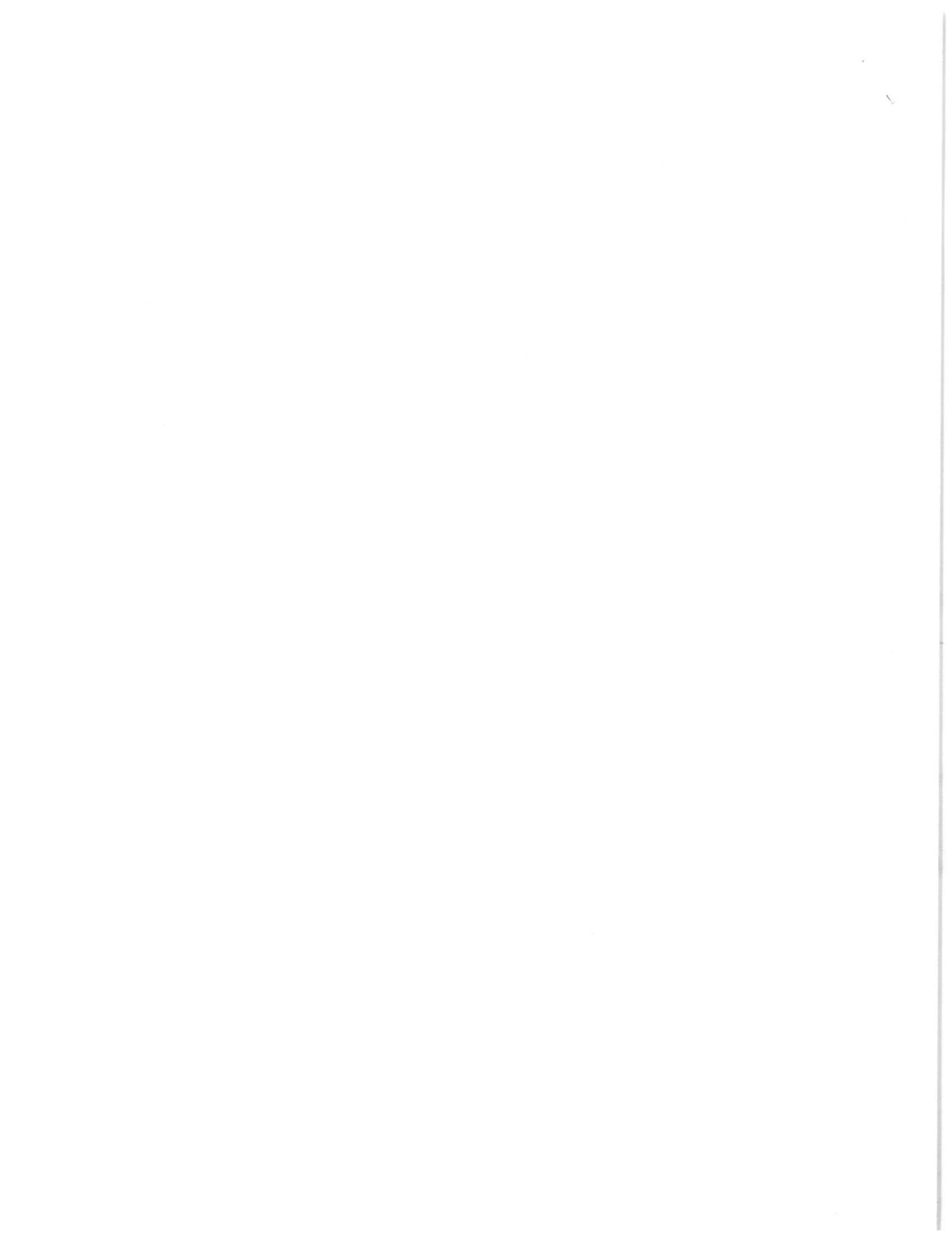
Information obtained by DEP indicates that Beal's Laundry Inc. owned the site after a hazardous substance arrived at the site. DEP information also indicates that you are listed as the President of Beal's Laundry Inc. Therefore, DEP hereby notifies Beal's Laundry Inc., through you as the listed President that Beal's Laundry Inc. is a Potentially Responsible Party (PRP) at the Beal's Linen Site.

As of June 7, 2014 the DEP has spent \$ 80,835.44 of public funds at the site. A summary of Personnel Costs, and Contractor Costs expended by DEP are available at: <http://www.maine.gov/dep/ftp/Beals-Linen-for-PRPs/> . Further, DEP is seeking from Beal's Laundry Inc., payment of DEP costs incurred at the site to June 7, 2014 and will be seeking payment of all subsequent DEP response costs at this site.

Request for Information

The DEP is requesting that you provide by August 4, 2014, any information that would indicate that Beal's Laundry Inc. is not a Responsible Party at this site. The DEP requests that you provide answers to the following questions:

- A) Provide the name, current contact information, and the dates of start-up and closure of dry cleaning operations at this site.
- B) Provide a list of dry cleaning chemicals used during this time period by Beal's Laundry Inc.
- C) Provide all information that you know about regarding any releases of Perc. and any other dry cleaning solvents at this site, including type of chemical, dates, locations and estimated amount of release.



Notice of Potential Liability

June 30, 2014

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Additionally, we are seeking any information that you may have regarding who may be a PRP at this site, in addition to the following parties:

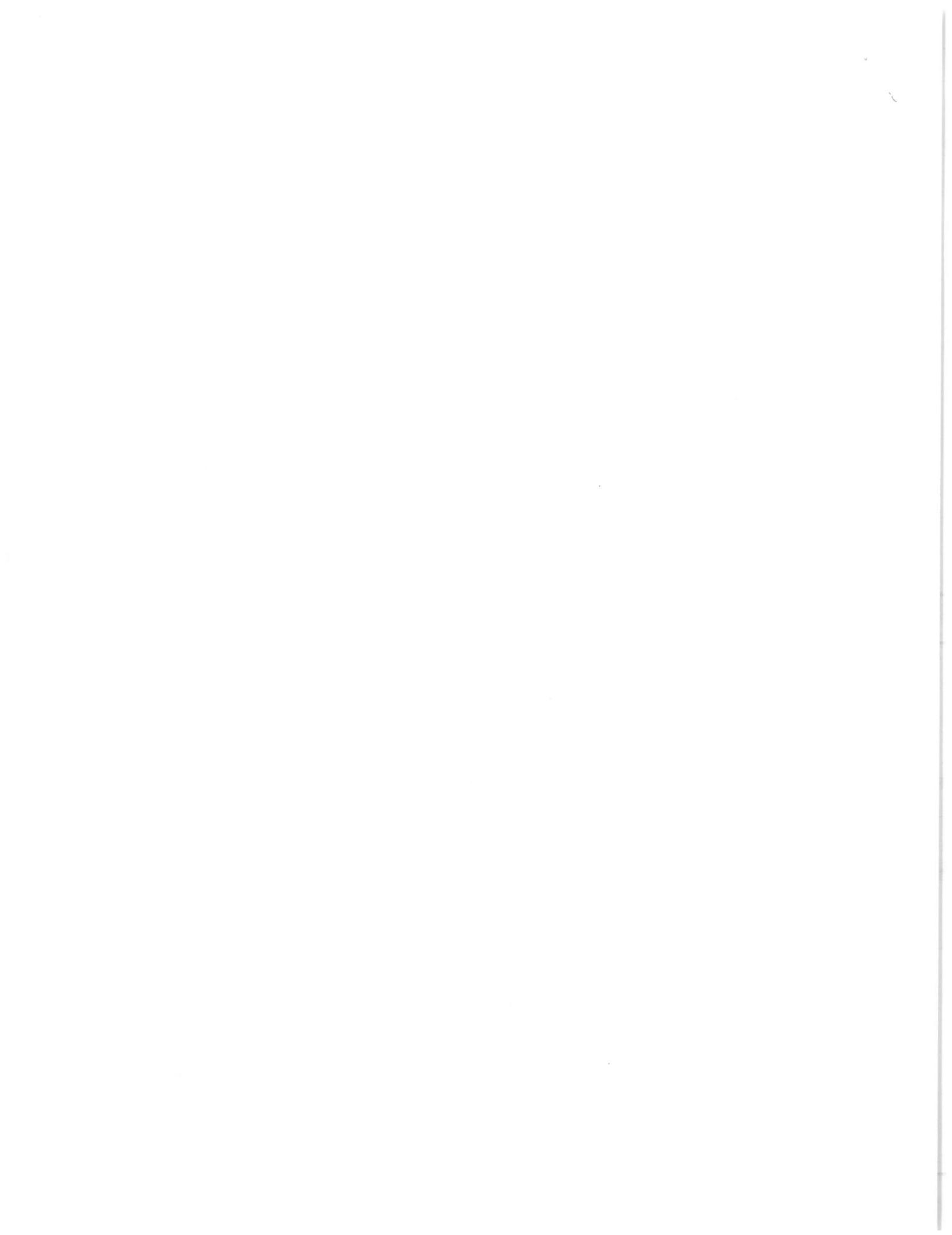
1. Beal's Laundry, Inc., c/o Terry S. Badger, 355 Gen Turner Hill, Turner, ME 04282.
2. Laundry Management Inc., c/o Terry S. Badger, 355 Gen Turner Hill, Turner, ME 04282.
3. Parkview Associates, GP, c/o Richard L. LeCompte, 128 Cove Road, Auburn, ME 04210-9027.
4. Parkview Apartments LLC, c/o M. Kelly Matzen, P. O. Box 470, Auburn, ME 04212.
5. ATL Holdings, LLC., c/o Susan K. Labrie, 50 Portland Pier, Suite 400, Portland, ME 04101.
6. Atlantic Holdings, LLC., c/o Susan K. Labrie, 50 Portland Pier, Suite 400, Portland, ME 04101.
7. Sultan Corp., c/o Debra Sullivan, President, P. O. Box 7065, Lewiston, ME 04243-7065.

Action that you must take by August 4, 2014

To avoid formal DEP action against Beal's Laundry Inc. under the Uncontrolled Sites law, Beal's Laundry Inc. must indicate in writing by **August 4, 2014** your intent to negotiate in good faith a liability settlement with DEP and the other settling PRPs as a group. The liability settlement must include payment of DEP costs and mitigation of risks to public health and the environment posed by the Beal's Linen site. The PRP group may choose to pay for a continued DEP response action, or the PRP group may choose to undertake the action itself with DEP oversight. A liability settlement template is available at: <http://www.maine.gov/dep/ftp/Beals-Linen-for-PRPs/> Until a liability settlement is reached, DEP intends to continue its response actions at the site.

Additional Site Information

Site documents are on file at the DEP's main office located in Augusta. Arrangements to review files may be made with the DEP's File Room by calling 207-287-7843.



Notice of Potential Liability

June 30, 2014

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The DEP's Remedial Site Manager for the project is Becky Blais. If you have questions after reviewing the site file, she may be contacted for information related to the status of site investigation and remediation at 207-287-2651 or Becky.Blais@maine.gov.

For questions or concerns regarding this notification letter and negotiations of a liability settlement, you may contact either me at 207-287-2651 / David.W.Wright@maine.gov, or Tom Benn, at 207-287-2651 / Tom.Benn@maine.gov.

Sincerely,



David Wright, Director
Division of Remediation
Bureau of Remediation and Waste Management

CC DEP Tom Benn, Liability Settlement Coordinator
Becky Blais, Remedial Project Manager
Melanie Loyzim, Bureau Director

