Harley-Davidson Motor Company York Vehicle Operations 1425 Eden Road York, Pennsylvania 17402



FALL 2012

News and Information about the Former York Naval Ordnance Plant (FYNOP)

Cleanup Plans and Progress

Progress continues at the Former York Naval Ordnance Plant (FYNOP) located in York, Pennsylvania. The FYNOP includes property currently owned by Harley-Davidson Motor Company Operations, Inc. and the York County Industrial Development Authority. The FYNOP was the first site in the nation to volunteer and enroll in the One Cleanup Program. Under the One Cleanup Program, the United States Environmental Protection Agency (EPA) and the Pennsylvania Department of Environmental Protection (PADEP) are working closely together on the cleanup of the affected soil and groundwater at the FYNOP.

During 2012, Part 2 of the Supplemental Remedial Investigation (SRI) for groundwater was initiated and a Risk Assessment (RA) was completed for site-wide soils. In addition, groundwater remediation activities continued via operation of the on-site Groundwater Treatment System and interim remedial actions (soil and debris removal and off-site disposal) were completed at several areas of the FYNOP.

Supplemental Remedial Investigation & Risk Assessment

The overall project objective of the SRI is to define and evaluate the nature of environmental conditions in the soil and groundwater at the site. The resulting data will be used to complete a comprehensive Feasibility Study of site specific remedies for cleaning up the FYNOP, and eventually will be used as the basis for selection of cleanup remedies for soils and groundwater at the site.

The EPA and the PADEP approved the Supplemental Remedial Investigation (SRI) Report for Soils in March 2010. The SRI Report for Soils sets forth the full results of the environmental investigation into contaminated soils on the site.

A site-wide Soil Risk Assessment (RA) report was submitted to EPA and PADEP in March 2012. EPA and

PADEP approved the RA report in letters dated July 9, and 10, 2012, respectively. The RA Report analyzes the potential human exposure risks associated with the levels of contamination found in soils as part of the SRI. Currently, there are no unacceptable risks to human health related to contaminated soil at the FYNOP.

The SRI Report for Groundwater – Part 1 was submitted to the EPA and PADEP in September 2011 and approved by EPA on February 2, 2012 and PADEP on February 3, 2012. The SRI for Groundwater – Part 1 recommended certain additional investigation activities. These additional investigations are detailed in a Field Sampling Plan (FSP) for the SRI for Groundwater – Part 2 that was submitted to EPA and PADEP during April 2012. The SRI for Groundwater – Part 2 was initiated in 2012 and is ongoing. It involves the installation and sampling of additional on- and off-site wells. An interim report of the findings of the SRI for Groundwater – Part 2 will be issued during late 2013.

The results of the Soil and Groundwater SRIs and the Soils RA will form the basis for the selection of future cleanup actions. For more information visit the project website: www.yorksiteremedy.com.



Groundwater Treatment System Operation & Water Quality Monitoring

Harley-Davidson has operated a Groundwater Treatment System on its property for more than 20 years. Harley-Davidson implements a continual optimization program to evaluate the reliability, efficiency and operation of each component of the treatment system. Special emphasis is placed on spill prevention and detection, compliance with applicable permits, operational reliability, and operation and maintenance efficiency. The treatment system has operated as planned throughout 2012. It is anticipated that the Groundwater Treatment System will continue to operate for several years into the future.

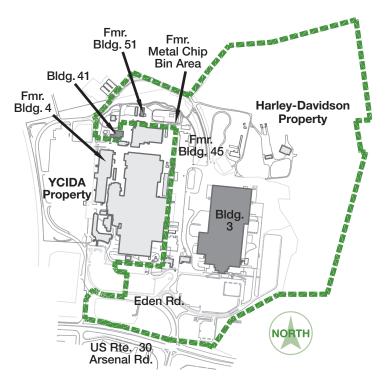
Based on groundwater monitoring data collected to date, large reductions in concentrations of the primary constituents of concern have occurred in groundwater. The primary constituents of concern are chlorinated solvents. The chlorinated solvents were used during historic degreasing operations at the FYNOP. The concentrations of the primary constituents of concern have reduced by over 90% in most wells.

Interim Remedial Actions

As part of ongoing cleanup efforts, Harley-Davidson has completed several interim remedial actions during 2012. These actions included the excavation of contaminated soil and/or debris followed by off-site disposal of the excavated material. During 2012, interim remedial actions were performed at:

- Building 45, former UST removal and investigations
- Building 51, former hazardous waste storage facility
- Building 41, former wastewater treatment facility and cleaning of associated historic underground conveyance piping
- Building 4, former vapor degreaser

The interim remedial actions resulted in the effective removal of the remnants of each system and initial remedial response to any known or discovered impacts.



Former York Naval Ordnance Plant York, Pennsylvania

Military Munitions Response Program Site Inspection

The United States Army Corps of Engineers (USACE), in response to the Military Munitions Response Program (MMRP) for Formerly Used Defense Sites, began an 18-month evaluation of the Harley-Davidson property in 2006. The purpose of the evaluation was to determine if the FYNOP site warrants further cleanup of Munitions and Explosives of Concern, or if the site can proceed to a "no further action" status with the Department of Defense.

As part of the MMRP, the final Site Inspection (SI) Report for the FYNOP was issued by USACE in late August 2008. Remedial Investigation work was recommended at various locations at the site. Although there is no hazard to the public, Harley-Davidson has taken measures (such as signs, locks, barricades and fencing) to secure old buildings and potential ordnance hazard areas from contact with plant workers and contractors. The timing of future MMRP activities is based on an ongoing evaluation of any responsible parties as recommended in the SI Report.

Harley-Davidson Facility Consolidation Activities

During 2009, in response to the U.S. economic recession and worldwide slowdown in consumer demand, Harley-Davidson committed to significant planned actions, including restructuring its York, Pennsylvania motorcycle production facility to focus on the core operations of motorcycle fabrication, painting and assembling. As a result, the manufacturing campus at York, Pennsylvania has been consolidated into basically one facility, located at Building 3, which has been expanded and is now fully occupied.

Sale of the Western Portion of the Facility

As part of the York Facility consolidation efforts, Harley-Davidson sold approximately 58 acres of its property to the York County Industrial Development Authority (YCIDA) as of June 14, 2012. That sale was initially announced in January 2010. The YCIDA is evaluating options for the future development of the property, and those efforts will continue over the next year. Harley-Davidson and the U.S. Government, as part of their existing cost share agreement, have retained all environmental liability and obligations relating to the current environmental conditions on the YCIDA property, and Harley-Davidson will retain access to the YCIDA property and to all monitoring wells and remediation facilities/utilities in order to complete the investigation and remediation.

The parcel included in the sale agreement extends from just west of the current Building 3 through the West Parking Lot, which is adjacent to Eden Road. All of the buildings on the YCIDA parcel, with the exception of Building 1 (the building that contained the York County Visitors Center) have been demolished to allow for the future development of the property.

For More Information

Information Line: 717-852-6664

Websites:

www.yorksiteremedy.com (contains reports and other documents regarding remediation of the FYNOP)
www.epa.gov/reg3wcmd/correctiveaction.htm
www.dep.state.pa.us