

NOTICE

The following Fixed Fee Remediation memo is only an option for the potential buyer and said buyer is not bound in any way to execute this agreement. It is for informational purposes and any potential buyer is free to utilize Matrix New World Engineering PC or any other professionals and contractors of its choosing.

Team Resources, Inc. and the County of Bergen are not responsible for any agreements made if a buyer decides to utilize this fixed remediation option.

January 15, 2016

Dannielle Leigh
License Real Estate Salesperson
TEAM RESOURCES, INC.
1050 Wall Street West
Lyndhurst, NJ 07071

**Re: PRELIMINARY FIXED FEE PROPOSAL FOR REMEDIATION SERVICES
66 AND 70 ZABRISKIE STREET
HACKENSACK, BERGEN COUNTY, NEW JERSEY
NJDEP SRP PI NO. 011685
MATRIX No. 16-129**

Dear Ms. Leigh:

Matrix New World Engineering, P.C. (Matrix) is pleased to provide this proposal to Team Resources, Inc. (Team Resources) to provide Fixed Fee remediation services at the above referenced properties (the Site). As requested, Matrix is herein providing a Preliminary Fixed Fee cost to implement a fixed remediation scope of work for soils and ground water. The proposal will be finalized upon completion of the additional sampling and value engineering currently on-going. Matrix anticipates upon receipt of the additional data we will be able to reduce our current cost estimate being provided herein. Matrix plans to complete the below scope of work by working with our in-house remediation contractor, strategic team members and other specialty remediation contractors as necessary to complete the remediation.

The preliminary remediation scope and cost are based on the June 25, 2012 Phase I Environmental Site Assessment report prepared by Melick-Tully and Associates, P.C. and the June 19, 2014 Site Investigation/Remedial Investigation (SI/RI) report prepared by Brinkerhoff Environmental Services, Inc.; provided to Matrix by Team Resources.

BACKGROUND

Matrix understands that the primary goal of this project will be to provide the future developer of the site with a fixed fee and definitive schedule to address the known historical environmental contamination associated with the Site. Matrix will achieve this goal by implementing a remediation program that leads to the issuance of a Restricted Use Response Action Outcome (RAO) by a Matrix employed Licensed Site Remediation Professional (LSRP).

Matrix has developed a technically sound approach for the remediation of impacted soils and ground water at the Site according to the currently applicable NJDEP regulations and guidance. We have considered all stakeholder priorities in structuring our approach to the project. Our scope of work will accomplish the following:

- Provide a technically defensible closure approach which will, in our professional opinion, be acceptable to NJDEP, thereby reducing the chance that NJDEP will re-open the case upon any review of the LSRP-issued RAO;
- Remediate soils to the applicable NJDEP soil remediation standards (SRS);

- Remove or treat the vast majority of the contaminant mass which will result in significant reductions in ground water contamination levels and significantly improve the success of a natural attenuation groundwater remedy; and
- Facilitate future transaction(s) and site redevelopment since our remedy is designed for the rapid removal and/or destruction of a majority of contaminant mass.

Our scope of work and Fixed Fee cost is provided below.

SCOPE OF WORK

The remediation scope of work will address the Areas of Concern (AOCs) identified in the SI/RI Report including:

- AOC-1 Police Department Tank Field,
- AOC-3 Road Department Tank Field,
- Tar Buckets/Historic Disposal Area,
- Signs/Signal Shop (Tar Building), and
- Floor drains and hydraulic lifts.

The scope of services proposed herein is to provide the necessary fieldwork and engineering services to complete the remediation at the Site AOCs including the following elements:

Task 1: Licensed Site Remediation Professional (LSRP) Oversight

Edward Sullivan will be the LSRP of record for the Site. Mr. Sullivan will oversee the remediation and ultimately issue a RAO for the Site. Mr. Sullivan will issue a site-wide Restricted Use or Limited Restricted Use RAO upon (1) LSRP approval of natural attenuation remedy and final Classification Exception Area (CEA) for ground water with the issuance of a ground water remedial action permit (RAP) from NJDEP and (2) filing of the Site Deed Notice and issuance of a soils RAP from NJDEP, if required.

Task 2: Preliminary Tasks

Matrix will obtain all of the required State and local permits for the remediation of the known contamination.

Matrix will refine the delineation of impacted soils to better define the areas and volumes of soil requiring remediation. Matrix anticipates the additional sampling will help refine the Conceptual Site Model (CSM) and reduce the volume of soil requiring remediation.

Additional bench and field studies will be completed, as needed, to evaluate possible treatment options for contaminated soils.

All necessary mobilization and permit implementation tasks will be completed.

Task 3: Soils Remediation

The soil remedial action will include the remediation of all impacted soils to achieve compliance with the site specific IGWSRS for soil in the unsaturated zone and NJDEP RDCSRS for the saturated zone soils.

Upon the completion of the remedial action and site capping a deed notice will be submitted and a remedial action permit (RAP) for soils will be obtained from NJDEP, if required. Possible future O&M costs and fees for any final engineering control are not included in the proposal.

Task 4: Groundwater Remediation

Upon completion of the soil remediation activities, Matrix will implement a ground water monitoring program to monitor the effectiveness of the soils remedial action and to evaluate the viability of a monitored natural attenuation (MNA) remedy for ground water.

In the event that the ground water monitoring shows that an MNA remedial action is not appropriate, additional ground water monitoring and active ground water treatment will be completed. The objective of the active treatment will be to decrease ground water concentrations to the point where an MNA remedial action can be approved by the LSRP.

MNA monitoring costs and RAP fees for up to a 10-year period are included in the Fixed Fee cost.

Task 5: Reporting

Matrix will satisfy Site reporting requirements including soils Remedial Action Report (RAR) and Ground Water Remedial Action Workplan (RAW) and all other appropriate NJDEP forms and submittals.

COSTS

Matrix will complete the above scope of work for a Preliminary Fixed Fee of **\$2,600,000**. Again, a final Fixed Fee Cost will be provided upon completion of the additional sampling and value engineering currently on-going.

If Matrix is able to complete the remediation for less than the final Fixed Fee cost, Matrix will share back a percentage of the cost savings with the future developer. If Matrix is awarded the project, the details of such a cost saving arrangement will be provided.

The Fixed Fee cost above is to implement the remediation scope of work for the known contamination of soils and ground water as outlined in the SI/RI report for the Site. If any previously unknown contamination conditions are encountered during the remedial action, those conditions will not be covered under the Fixed Fee cost. However, a Pollution Legal Liability (PLL) insurance policy can be obtained by the developer or by Matrix at an extra cost to cover any previously unknown conditions discovered during the course of the remediation.

SIGNIFICANT ASSUMPTIONS

- Matrix has relied on work performed by others in the preparation of this proposal. Any costs associated with errors or omissions related to previous work product are not part of the Fixed Fee.
- It is assumed that the known on-site contamination does not extend off-site including under Kinderkamack Street. Remediation of off-site contamination is not included in this proposal.
- The SI/RI specifies that chlorinated solvent contamination (including tetrachloroethene, trichloroethene and vinyl chloride) detected in ground water and surface water are related to a documented off-site source. Remediation of chlorinated solvent contamination is not included in this proposal.
- No demolition or associated concrete and asbestos sampling costs are included in this proposal.
- Assumes the site buildings will be demolished and all remaining utilities will be disconnected prior to the initiation of the remedial action and that unimpeded access will be provided to all proposed work areas at the Site for the duration of the soils remedial action. Assumes that Matrix will be able to reconnect to any utilities deemed necessary for the remediation.
- All costs considered site development costs are excluded including but not limited to abandonment and re-

installation of monitoring wells, placement of crushed concrete from demolition, final site capping (if necessary) and any associated maintenance costs and financial assurance required as part of any soils remedial action permit; and vapor intrusion mitigation costs for any proposed site buildings.

- Matrix's obligation does not extend beyond the 10-year scope of work specified in this proposal. Future O&M costs and fees for any final engineering control are not included in the proposal. Longer term (>10 years) monitoring and maintenance costs for the ground water RAP are not included.
- Costs associated with Natural Resource Damage (NRD) claims are excluded.
- All costs assume the scope of work outlined herein will be completed with non-union labor.

We thank you for the opportunity to provide this proposal. Matrix will provide a final Fixed Fee proposal upon the signing a Non-disclosure Agreement (NDA). If you have any questions or require any additional information, do not hesitate to contact us at (973) 240-1800.

Sincerely,



Edward Sullivan, P.G., LSRP
Director of LSRP Program