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1703
CA-932.7

Memorandum

To: Director (100)

From: State Director, California

Subject: Atlas Asbestos Mine Settlement Agreement

Over the past two years my staff and I, and the Regional Solicitors Office, Department of Justice, Atlas Corporation, and Vinnell Mining and Minerals Corporation have vigorously negotiated an equitable agreement for sharing the site remediation actions required by the Environmental Protection Agency's Record of Decision.

We have agreed to accept the following as the Bureau's responsibilities for remediating the Atlas Mine Site:

- * **REVEGETATION PROJECT** - BLM will assume responsibility for conducting the revegetation pilot study described in the EPA Consent Decree, and any implementation of revegetation that EPA requires pursuant to the EPA Consent Decree.
- * **ROAD MAINTENANCE** - BLM will be responsible for road paving or implementing an appropriate engineering alternative for the White Creek Road traversing the Site as required by the EPA Consent Decree and the ROD.
- * **FENCE REPAIR AND MAINTENANCE** - BLM will repair, maintain, and (if required by EPA) replace the existing fence around the Site in accordance with the requirements of the EPA Consent Decree. In the event that EPA requires expansion of the existing fence or construction of new fencing elsewhere on the Site, Atlas and Vinnell shall be solely responsible therefor.
- * **PATROLLING AND MONITORING** - BLM will patrol and monitor the Site (including all remedial facilities to be constructed) on a monthly basis (or as otherwise required by EPA). BLM's patrolling and monitoring will

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be limited to inspection, recording and reporting of the following information to Atlas and Vinnell and EPA:

- (i) Physical (external) conditions of ditches, diversion channels, culverts, dams, retaining structures, access roads, gates, signage and other remedial facilities.
- (ii) Capacity of sediment containing structures.
- (iii) General condition of natural drainages and slopes which may by natural forces, fail or erode or by other means impact on the remedial action structures and facilities.
- (iv) Review of Site for evidence of trespass.
- (v) Such other objective information as EPA may require.

* OPERATIONS AND MAINTENANCE - BLM will contribute up to \$25,000 per year (subject to Consumer Price Index adjustments made every four years) for the removal and disposal of sediments, maintenance of access routes constructed solely for those purposes; and removal and disposal of obvious obstructions in diversion ditches and drains. Atlas and Vinnell will be responsible for O&M costs exceeding the \$25,000 BLM limit. If O&M costs do not exceed \$25,000 for any given year, the unspent funds can not be carried over to the next year. BLM shall be responsible for the removal of sediment from the retention structures at least once a year unless the quantity is not sufficient to make removal necessary.

* DEMOLITION/DISPOSAL OF MILL BUILDING - Atlas and Vinnell will demolish the mill building and all other structures and debris (mill debris) on the Site and will seek approval to bury the debris on private lands. If private lands are unavailable for this purpose, BLM will permit Atlas and Vinnell to bury the debris on public lands on the Site. The disposal site will be restored to the acceptance of BLM.

* REMEDY DESIGN/CONSTRUCTION - BLM will be responsible for the design and construction of all BLM assumed work.

* FUTURE OVERSIGHT COSTS - BLM will pay eighteen percent (18%) of EPA's future oversight costs. Atlas and Vinnell will be responsible for the remainder of the costs.

* EPA'S FUTURE RESPONSE COSTS - BLM will be responsible

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for paying EPA's future response costs relating to those remedies BLM is responsible for completing.

The costs to BLM for implementing and completing the agreed upon responsibilities is estimated (based on a 15 year project life) as follows:

* Revegetation Pilot Study (10 acres)	\$158,000
Complete revegetation of disturbed area (40 acres)	<u>\$96,000</u>
Total	\$254,000
* Road Maintenance (14 years)	\$14,000
Paving (first year)	<u>\$40,000</u>
Total	\$54,000
* Fence repair/maintenance	Total \$30,000
* Patrolling/monitoring	
Two 4X4 patrol vehicles	\$135,000
Two patrol motorcycles	<u>\$62,000</u>
Total	\$197,000
* Operations/maintenance (\$25,000 per year for 15 years)	Total \$375,000
* Personal Protective Equipment	Total \$67,000
* Health and safety training (manadatory)	Total \$30,000
* 145 Work months at \$3,500/month	Total \$508,000
Grand Total	\$1,515,000

There could be additional costs to the BLM if EPA imposes stipulated penalties on Atlas and Vinnell for work BLM is responsible to accomplish under the Settlement Agreement and the Consent Decree. However, we intend to meet all stipulated dates and reporting requirements.

Having negotiated personally with the Officers of both Corporations, worked closely with our Regional Solicitor and Department of Justice attorneys in reaching this Agreement, I feel this Agreement reflects an equitable level of responsibility.

I recommend approval of the Settlement Agreement as proposed.

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Regional Solicitor T. Berger

DM, Bakersfield

AM, Hollister