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PARK CITY
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Office of City Manager

June 10, 2010

Mr. Martin Hestmark
Deputy Assistant Regional Administrator
US EPA Region 8
8OC-EISC
1595 Wynkoop St
Denver, CO 80202-1129

VIA EMAIL

Dear Deputy Assistant Regional Administrator -

Thank you for taking the time to meet with us Tuesday. We were very pleased that you and your team are willing to work with us both on our immediate needs as well as the long term environmental needs of our community. Environmental responsibility is important not only to our Mayor and Council; our citizens are among the most environmentally minded in all of Utah. We very much look forward to a renewed cooperative relationship with you and your team.

We understand your team's concern regarding the capacity of the Richardson Flats repository. Located on the edge of our City and within Summit County, we share your concern in ensuring the repository is a safe and appropriate location for hazardous soils. As such, we look forward to working with you to understand the capacity of the Richardson Flat Repository and participating in a cooperative long term solution. The purpose of this letter is to initiate this process.

A Future Repository

With regard to initiating the process of determining what is needed and a possible future location for a new repository, we look forward to working with you on this. We must reiterate, however:

1. Park City is not able to offer the Triangle parcel as a repository. Park City owns this property with Summit County and a reversionary interest exists for the benefit of a prior owner for a church meeting facility. The negotiated solution with the military and various state, county, local and private parties was thirteen years in the making. Given our written agreements with various parties which include use of this property, we cannot take any action which would conflict or in any way jeopardize the pending resolution of the dispute which our congressional delegation and Governor have asked us to prioritize.
2. We believe that it is critical to keep Talisker and United Park City Mines (UPCMC) involved and responsible for any solution. It and its predecessors caused the contamination of concern in the watershed and has reaped the financial benefits of such contamination and the redevelopment of areas in the vicinity of Park City. We have an obligation to our residents and taxpayers to ensure that they remain responsible. Accordingly, we believe it is critical to engage with Talisker on repository solutions before engaging on a government only "Plan B" approach.

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3. Prior to moving to a "plan B" alternative including any consideration of local government proportional participation in a second repository, the City requests your assistance in understand what capacity has UPCMC proposed and requested EPA approval for: a) Park City; and b) private projects within Park City? This information is vital to following up with UPCMC regarding other agreements with the City.

We recommend that by June 30, 2010, we set up a meeting between EPA Region 8, Summit County, United Park City Mines, Park City Municipal and a facilitator. The purpose of the meeting would be to discuss:

- The determination or, alternatively, the estimated limit of how much additional material the Richardson Flat repository can handle;
- Estimate upper, middle and lower Silver Creek site and associated volume that require remediation;
- Estimate the ability of each parcel to remediate on site versus the requirement to haul to an approved repository;
- Establish priorities for which materials are moved first, meeting current needs with current availability and meeting future needs with future availability;
- Conduct an evaluation on what properties might have future potential as a repository; and
- Draft a process for moving forward, assuming a new repository is needed, and how the group can quantify that need, and agree upon an appropriate site for a future repository within the six month timeframe

We understand your interest in resolving this within six months. While we hope that United Park City Mines/Talisker will be a willing participant in this process, if, within the aforementioned six month timeframe, it becomes apparent that UPCM/Talisker is unwilling to participate, and is unwilling to honor its contractual obligations to Park City Municipal, the City is prepared to continue to take appropriate action. However, it is our hope that together we can come up with a mutually agreeable solution.

EPA's Community Engagement Process

Lastly, we would very much appreciate your support in returning to the stakeholder process under the EPA's new Community Engagement Initiative. As we offered in the meeting, Park City Municipal would be willing to share in the cost of a facilitator or, if necessary, bear the entire cost. Please understand this willingness as representative of our commitment to a strong working relationship.

Two points of clarification

Yesterday when I mentioned that the BLM's Silver Maple Claims property had been archived, I was told by staff that the site had not been archived. According to the EPA database, The Silver Maple Claims, EPA ID Number UTD980951396, was archived in 2009 and the EPA database states: "The EPA has determined that no further federal action (NFFA) will be taken at this site." We would appreciate an update on the status of this site.

Secondly, I would like to opportunity to explain why we asked for help from our congressional delegation. While we did ask for our legislative delegation's support in establishing contact with your

office and requesting a meeting with you, we did not do this in haste. Our request for legislative support came only after our numerous attempts to elicit a response from Region 8 regarding the termination of our access to the Richardson Flats repository went unanswered. (I have included copies of that correspondence for your review.) We would much prefer to have a good working relationship with your agency rather than call upon our congressional delegation. However, given the critical timing and funding nature of our project, we saw no other course of action available after four weeks of essentially no response.

We would appreciate if you could let us know your desired communication protocol should we find ourselves in a similar situation in the future.

Next steps

Our meeting today was evidence of our commitment to a strong working relationship between our two agencies. We believe the cooperative nature of our meeting is indicative of your commitment to this same goal. We very much want to work with you and your team both on meeting our mutual current needs and initiating work to ensure that our collective future needs can be met.

Please do let us know the person on your team whom my team should contact to get started as soon as possible.

Sincerely,

Tom Bakaly
City Manager

CC Administrator James B. Martin

Chronology

Monday, May 10, 2010
Diane Foster, Park City Municipal Environmental Sustainability Manager, has breakfast with Ms Hernandez & Mo Slam from Utah Department of Environmental Quality. No mention is made by Ms Hernandez that she will shut down Park City's access to the repository the next day

Tuesday, May 11, 2010
Ms Hernandez sends a memo to Kerry Gee, United Park City Mines (owner & operator of Richardson Flats repository) completely shutting down Park City's access to Richardson Flats, despite prior approvals to haul Transit soils. Park City is not copied on the memo. Park City receives memo from UPCM on May 13, 2010

Wednesday, May 12, 2010
At the May 10 breakfast Ms Foster from Park City mentions that the City is interested in doing additional water & soil testing in Empire Canyon. Ms Hernandez and Mr. Slam both offer financial and material assistance in the process. Because the breakfast seemed so cordial and the offer of assistance was made, Ms Foster send a follow up letter on May 12 requesting that assistance. No response was ever received to this letter.

Thursday, May 13, 2010
Park City receives May 11 memo from Ms Hernandez from United Park City Mines. As it was the first day of good weather, hauling of transit soils was expected to start. Park City Municipal send a letter, via email, to Ms Hernandez asking to reopen access to the repository. Phone call is also placed. No response received.

Friday, May 14, 2010
Ms Foster from Park City places a phone call and sends follow-up email to Ms Hernandez. No response received.

Monday, May 17, 2010
Park City's City Manger, Tom Bakaly places a follow-up phone call to Ms. Hernandez. No response received.

Tuesday, May 18, 2010
Ms Foster sends another email to Ms Hernandez requesting a response. The only response received is: "I am on Agency travel until 5/27. Our team will prepare a letter to reiterate our response when I return."

Wednesday, May 26
Fifteen days after Park City access to Richardson Flats repository, Ms Foster send an email to Ms Hernandez requesting documentation to support Ms Hernandez's claim that Park City Municipal has exceeded the volumes in the July 2, 2007 letter. Ms Hernandez does not have that documentation and is waiting for United Park City Mines to provide that information to her.

Thursday, May 27
Ms Hernandez back in the office. Still no response to May 12 or May 13 letter.

Friday, May 28
Ms Hernandez back in the office. Still no response to May 12 or May 13 letter.

Tuesday, June 1, 2010
Park City Transit soils hauling now delayed four weeks. No response from Ms Hernandez. Letter from Congressman Bishop and Senator Bennett to EPA Region 8 Administrator Jim Martin asking for a meeting with Park City