EPA recovers over $10 million for past costs at the Gilt Edge Mine Superfund site in South Dakota

Taxpayers' bill reduced by $40M

Contact: Joy Jenkins 303-312-6873; Lisa McClain-Vanderpool 303-312-6077

(Denver, Colo. – April 15, 2016) The U.S. Environmental Protection Agency (EPA) and the State of South Dakota have reached agreement with CoCa Mines, Inc., and Thomas E. Congdon to settle their liabilities at the Gilt Edge Mine Superfund site for payment of over $10 million. Both parties engaged in mining activities at the site. This settlement helps address the cleanup of a site that has impacted the headwaters of Strawberry Creek and Ruby Gulch, which are tributaries to Bear Butte Creek and are classified by South Dakota water quality standards as irrigation, fish and wildlife, recreation, and stock watering waters. The agreement was lodged with the United States District Court of South Dakota and is subject to a 30 day public comment period. EPA and the State of South Dakota previously entered into settlements with other former mine operators recovering over $30 million to fund cleanup.

"We are pleased with this agreement and the compensation for the damage to the environment that it represents," said Shaun McGrath, EPA's Regional Administrator in Denver.

The 360-acre Gilt Edge Mine site is located 6.5 miles east of Lead, South Dakota, and encompasses a former open pit and a cyanide heap-leach gold mine. The site had been used for hard rock mining since the late 1800s and has been extensively disturbed by mining and mineral processing operations. Many features associated with mining operations remain at the site including large open pit lakes with high walls of exposed mineralized bedrock, underground mine workings, and acres of waste rock, spent ore and tailings. Exposure of these sulfide containing materials to air and oxygen generates approximately 95 million gallons acid rock drainage a year.

The Gilt Edge Mine site was added to the National Priorities List in 2000. Investigation and cleanup activities at the site are ongoing. Cleanup costs, likely in excess of $200 million, are and will be primarily funded through the Superfund. Money recovered through this settlement will be used to help pay for cleanup. The State of South Dakota will also receive a portion of the recovery in order to defray its long term expenditures at the site.

EPA's enforcement program is based on the "polluter pays" principle, which provides that a party responsible for the pollution pays for cleaning it up. EPA's Superfund enforcement program has three basic options when contamination needs to be cleaned up: enter into settlement agreements with PRPs that require them to clean up the site or pay for the cleanup; compel PRPs to perform the cleanup through administrative or judicial settlements and orders; or conduct the cleanup using money from the Fund and then, where possible, seek to recover its costs from potentially responsible parties (PRPs).

Over the past 35 years, EPA has secured more than $35 billion in PRP commitments to do cleanup work under the Superfund program and recovered over $6.9 billion for cleanup work done by the Agency. By placing the burden of cleanup on those responsible for the contamination, EPA is able to use its limited Superfund money at sites where PRPs do not exist or the PRPs ability to pay for the cleanup is small or lacking altogether.

For more information regarding this site visit: [HYPERLINK "http://www.epa.gov/superfund/gilt-edge"].
For more information regarding EPA's Superfund Enforcement Program visit: [HYPERLINK "https://www.epa.gov/enforcement/superfund-enforcement"]