

QUARTERLY PROGRESS REPORT

AS REQUIRED BY

**SETTLEMENT AGREEMENT AND
ADMINISTRATIVE ORDER ON CONSENT
(AOC3)**

SECTION XIII, PARAGRAPHS 1 and 2.

SUBMITTED BY

BASIC REMEDIATION COMPANY

DATED JANUARY 25, 2016

I hereby certify that I am responsible for the services described in this document and for the preparation of this document. The services described in this document have been provided in a manner consistent with the current standards of the profession and to the best of my knowledge comply with all applicable federal, state and local statutes, regulations and ordinances. I hereby certify that all laboratory analytical data was generated by a laboratory certified by the NDEP for each constituent and media presented herein.



1/25/16

Dr. Ranajit Sahu, C.E.M. (No. EM-1699, Exp. 10/07/2017)Date
BRC Project Manager

1. Introduction

This Quarterly Progress Report is being submitted to the Nevada Division of Environmental Protection (NDEP) pursuant to the requirements of Paragraphs 1 and 2 of Section XIII of the AOC3 executed between the Parties and NDEP on February 15, 2006. The format of this report is based on the requirements stated in Paragraph 1 of Section XIII. This report covers activities between October 1 and December 31, 2015. BRC apologizes for the 10-day delay in submitting this report.

2. Actions Taken Towards Achieving Compliance

BRC received all of the No-Further-Action Determinations (NFADs) for the impacted soils in the BMI Common Areas during this last period. The last two NFADs were received on September 29, 2015.

Maintenance activities at the CAMU continued as needed, including leachate collection at the sumps. BRC is preparing a submittal to the NDEP requesting modification of the CAMU RAP. The modifications will address: (i) removal of language no longer applicable in the RAP since the construction of the CAMU is now complete; and (ii) a request to build a sump for containment of the leachate collection tanks.

BRC completed the third annual groundwater monitoring at the CAMU pursuant to the NDEP-approved long-term CAMU groundwater monitoring work plan. Samples were collected, analyzed and validated. Data validation discussions are underway between NDEP and BRC.

In addition to the various documents submitted to the NDEP discussed below, BRC and NDEP held meetings and telephone calls in order to achieve progress on project activities. Telephone meetings were held between the BRC management, the BRC Project Manager and the NDEP Project Manager (occasionally along with representatives from the City of Henderson as well as consultants representing the prospective property buyer) roughly every two weeks. Minutes of these meetings are maintained separately.

Additionally, BRC: (a) is preparing the data validation report for the two rounds of groundwater sampling conducted at the Eastside; (b) held discussions with the NDEP regarding the data obtained from the two rounds of Eastside monitoring; (c) continued discussions with the NDEP on various policy and technical groundwater issues including discussions on the Technical Memorandum relating to upgradient groundwater issues for the Eastside, with focus on arsenic as an example; and (d) finalized a path-forward regarding resolving BRC's involvement in CAMU groundwater issues conditioned on NDEP's future actions relating to the GWTS operated by upgradient companies at the CAMU.

Results of previous confirmation sampling were received and analyzed and appropriate data validation activities also occurred.

3. Sampling Conducted

None.

4. Work Plans and Other Deliverables Submitted Including Modifications

Attachment A shows a list of all documents that were submitted to NDEP in this period. Attachment B shows a list of all NDEP documents received during this period.

5. Actions Scheduled for Next Quarter

Activities planned include: (a) submitting a data validation report followed by the data report for groundwater based on the two rounds of data collected as previously discussed; (b) continue policy and technical discussions with the NDEP regarding various groundwater issues for the Eastside including definition of upgradient values for various contaminants; (c) begin refreshing the CSM for shallow Eastside groundwater; (d) finalize the path forward dealing with CAMU groundwater issues; and (e) submit the modification to the RAP.

The following Work Plans and Other Deliverables are planned to be submitted to the NDEP in the next period:

- (i) Revised Project Schedule (updated as needed).
- (ii) Various Data Validation Summary Reports, as needed.
- (iii) Various documents discussed above.

Additional documents may also be submitted depending on project needs.

6. Completions, Delays and Mitigations

Soil remediation activities at the site are now complete with the receipt of all outstanding NFA determinations from the NDEP. BRC and the NDEP continue to have discussions in order to properly sequence efforts for groundwater.

7. Planned Modifications to Remedial Actions

None planned.

8. Community Relations Plan Actions Taken

None.

9. Community Relations Plan Actions for Next Quarter

The project website is updated periodically, as needed, to include documents submitted to the NDEP.

Appendix A - Documents Submitted To NDEP

TO	FROM	DATE	SUBJECT
BMI Compliance Coordinator	ERM	10/21/2015	Data Validation Summary Report for the December 2014/ January 2015 and May/June 2015 Eastside Groundwater Monitoring Events (Dataset 75), Revision 0
BMI Compliance Coordinator	ERM	12/28/2015	Data Validation Summary Report for the December 2014/ January 2015 and May/June 2015 Eastside Groundwater Monitoring Events (Dataset 75), Revision 1
BMI Compliance Coordinator	ERM	12/28/2015	Data Validation Summary Report for the 2015 CAMU Annual Long-Term Groundwater Monitoring Event –

Appendix B - Documents Received From NDEP

TO	FROM	DATE	SUBJECT
Lee Farris	Clifford Lawson	11/18/2015	NDEP Comments to Cadence Pond Fencing



BMI Common Areas Factsheet 2015

Basic Remediation Company (BRC), working under the oversight of the Nevada Division of Environmental Protection (NDEP), has completed soil remediation activities at the BMI Common Areas (hereafter “site”) as shown in the accompanying figure. As portions of the soils at the site have been gradually remediated, redevelopment activities have also commenced. Ultimately, the entire 2,200-acre site will be redeveloped as a mixed-use, master-planned community.

Beginning in 1991 and continuing for several years, Phase I and Phase II environmental investigations at the site were performed voluntarily under NDEP oversight. These investigations led to the NDEP’s Record of Decision in 2001, which ordered that impacted soils at the site be excavated and interred in a private landfill off-site. Impacted soils posing unacceptable health risks would not be left in place. Implementation of the remedy began in 2008 and impacted soils from the site have been removed and placed in an engineered landfill or Corrective Action Management Unit (CAMU), located on property owned by BRC approximately 2.5 miles from the remediation site.

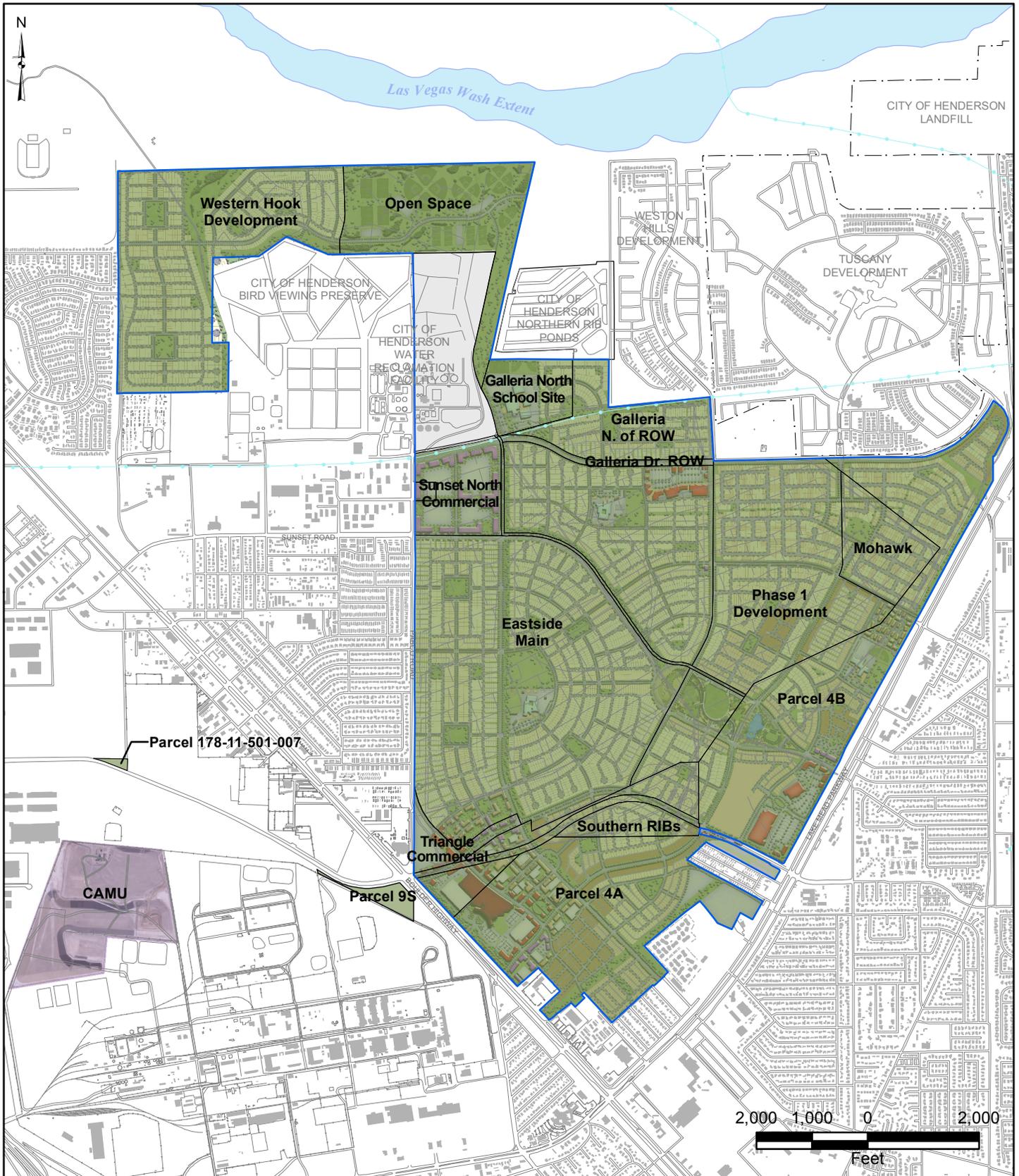
Removal of impacted soils from the site has been followed by iterative confirmation sampling for a suite of contaminants and a comprehensive health risk assessment – in order to ensure the site does not pose unacceptable health risks above background levels. Once the health risk assessment for a specific portion of the site (a sub-area) is approved by the NDEP, the NDEP then issues a No Further Action Determination (NFAD) for that sub-area. The accompanying figure shows the various sub-areas at the site, including those that have already been granted NFADs by the NDEP. It is anticipated that NFADs for all of the sub-areas will be obtained before Fall 2015.

Groundwater underlying the site has also been thoroughly characterized in order to ensure that any impacted groundwater will not pose unacceptable risks to future development uses at the site. Additional groundwater investigations continue in order to determine if remediation is required for groundwater itself (i.e., not driven by impacts to surface soils). Regardless of this investigation, groundwater at the site will not be used for drinking or for agricultural uses.

Details of the remediation and restoration activities as well as the planned redevelopment project and other information, including maps, reports, photographs, plans, applications and associated documentation, can be found at the following website:
www.landwellco.com

For further information, please contact:

Mr. Lee Farris or Dr. Ranajit (Ron) Sahu
Basic Remediation Company
875 West Warm Springs Road, Henderson, Nevada 89015
(702) 567-0400 (Mr. Farris) or (702) 683-5466 (Dr. Sahu)



Site AOC3 Boundary

Laterals

CoH WRF*

Status

NFA Obtained

*Not part of the Closure Plan for soils.

BMI Common Areas (Eastside)
Clark County, Nevada

FIGURE

**BMI COMMON AREAS
SUB-AREAS STATUS WITH
DEVELOPMENT PLAN**



Prepared by
MKJ (ERM)



Date
10/07/15

JOB No. 0064276
FILE: GIS/BR/GENERAL/SUB-AREAS.MXD

