

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 MARCH 31, 2020

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 January 1 and March 31, 2020.

2. Actions Taken Towards Achieving Compliance

Maintenance activities at the CAMU continued as needed, including leachate collection and offsite disposal. As noted in the previous report, for a variety of reasons, the renewal of the CAMU RAP has been postponed till later in 2020. A revised, updated application is being provided to the NDEP. The current RAP will continue to be in effect until a renewed RAP is in place. BRC is also exploring the possibility of installing an on-site lined impoundment for the disposal of leachate from the CAMU. BRC is attempting to discuss this issue with EPA – however, due to EPA distraction, these discussions are proceeding slowly.

BRC and NDEP are working to resolve all outstanding DVSRs relating to CAMU groundwater monitoring as well as targeted sampling of groundwater conducted at the Eastside. BRC expects all of these to be resolved in the next quarter.

BRC has prepared a draft CSM/RAS for the groundwater in the Eastside and submitted this draft to the NDEP. Initial comments received from the NDEP have been addressed. Most recently NDEP has raised some issues in relation to chloroform at the far north-eastern portion of the property, just south of the Tuscany development. BRC has prepared an additional CSM discussion/response to these most recent issues raised by the NDEP, focusing on chloroform. In addition, NERT had indicated to the NDEP that it had some concerns about the BRC CSM/RAS. BRC met with NERT to understand its concerns and believes that in addition to communication issues and differing perspectives, NERT's technical concerns have been addressed in the revised chloroform CSM.

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 monthly. Minutes of these meetings are maintained separately.

Data validation activities were conducted, as needed, for samples collected.

3. Sampling Conducted

None in this period.

4. Work Plans and Other Deliverables Submitted Including Modifications

Due to the very few document exchanges occurring between the NDEP and BRC at the present time, BRC is not including the document lists previously provided as Attachments A (documents submitted to the NDEP by BRC) and B (documents received from the NDEP by BRC) in prior versions of this quarterly progress report. Should activity levels change in the future, BRC will reinstate including Attachments A and B in the future.

5. Actions Scheduled for Next Quarter

Activities planned include:

- (a) finalization of all prior outstanding DVSRs;
- (b) finalization of the 2019 CAMU groundwater monitoring report;
- (c) sampling of CAMU groundwater for 2020;
- (d) finalization of the Eastside groundwater CSM/RAS, including the chloroform addendum;
- (e) data gathering from the implementation of the various NERT work plans including sampling in the Pittman area; and
- (f) submittal of a draft RAS/CSM for the Hook Open Space area – in preparation.

Additional documents may also be submitted depending on project needs.

6. Completions, Delays and Mitigations

None.

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.