

QUARTERLY PROGRESS REPORT

AS REQUIRED BY

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

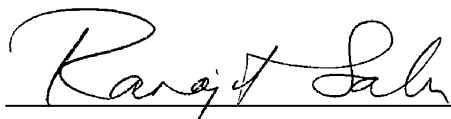
SECTION XIII, PARAGRAPHS 1 and 2.

SUBMITTED BY

BASIC REMEDIATION COMPANY

DATED JULY 15, 2017

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.



7/15/17

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 April 1 and June 30, 2017. BRC apologizes for the late submittal of this report since it was due on July 15, 2017.

2. Actions Taken Towards Achieving Compliance

Maintenance activities at the CAMU continued as needed, including leachate collection and offsite disposal.

BRC is preparing a submittal to the NDEP requesting modification of the CAMU RAP. The modifications will address removal of language no longer applicable in the RAP since the construction of the CAMU is now complete. The RAP modification will also address the addition of onsite leachate storage tanks at the CAMU as a contingency or option to handle leachate and its disposal.

BRC completed the field data collection for the 2017 annual groundwater monitoring at the CAMU pursuant to the NDEP-approved long-term CAMU groundwater monitoring work plan. BRC is expecting to complete the requisite analysis in the next period.

Based on the results of the two last rounds of groundwater sampling in the Eastside, and at NDEP's request, BRC collected a Supplemental round of groundwater samples in the Eastside. Results were obtained and showed that, in general, groundwater contamination levels were consistent, with no increasing trends. Per NDEP's request, BRC suggested conducting additional soil gas measurements in the vicinity of well POU3 to address potential data gaps. NDEP agreed and approved the workplan to collect soil gas data at approximately 30 locations in the vicinity of well POU3. The soil gas samples were collected, analyzed and the results were transmitted to the NDEP via a data report. As a follow-up, NDEP requested that three additional wells be placed near POU3. BRC, in conjunction with NERT, have agreed to place these three wells – two will be installed by NERT (as part of a larger NERT Phase 3 work plan) and one by BRC.

BRC and NERT, in conjunction with the NDEP have also discussed the NERT Phase 3 workplan addressing perchlorate, chlorate, and chromium in groundwater on the Eastside. NERT proposes to add several additional wells as part of this effort. BRC is generally agreeable, subject to working out implementation details.

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, and changing to monthly hereafter. Minutes of these meetings are maintained separately.

Additionally, BRC continued to develop the Eastside CSM.

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

3. Sampling Conducted

Soil gas samples near POU3, as discussed above.

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) submittal of the data validation report for the 2017 CAMU groundwater monitoring; (b) continuing policy and technical discussions with the NDEP regarding various groundwater issues for the Eastside including definition of upgradient values for various contaminants appropriate for the Eastside; (c) continuing discussions with NERT and NDEP relating to the NERT Phase 3 groundwater work plan; (d) continued refreshing the CSM for shallow Eastside groundwater; (e) finalizing the path forward dealing with CAMU groundwater issues and the issuance of an Administrative NFA for shallow CAMU groundwater; and (f) submittal of 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

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.

Appendix A - Documents Submitted To NDEP			
TO	FROM	DATE	SUBJECT

Appendix B - Correspondence from NDEP

TO	FROM	DATE	SUBJECT
Mark Paris	Grant Evenson	4/6/2017	NDEP RTC to 2016 CAMU Long-Term Groundwater Monitoring Report, BRC CAMU Area
Mark Paris	Grant Evenson	4/10/2017	NDEP RTC to 2016 CAMU Long-Term Groundwater Monitoring Report, BRC CAMU Area - Revision 1



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.

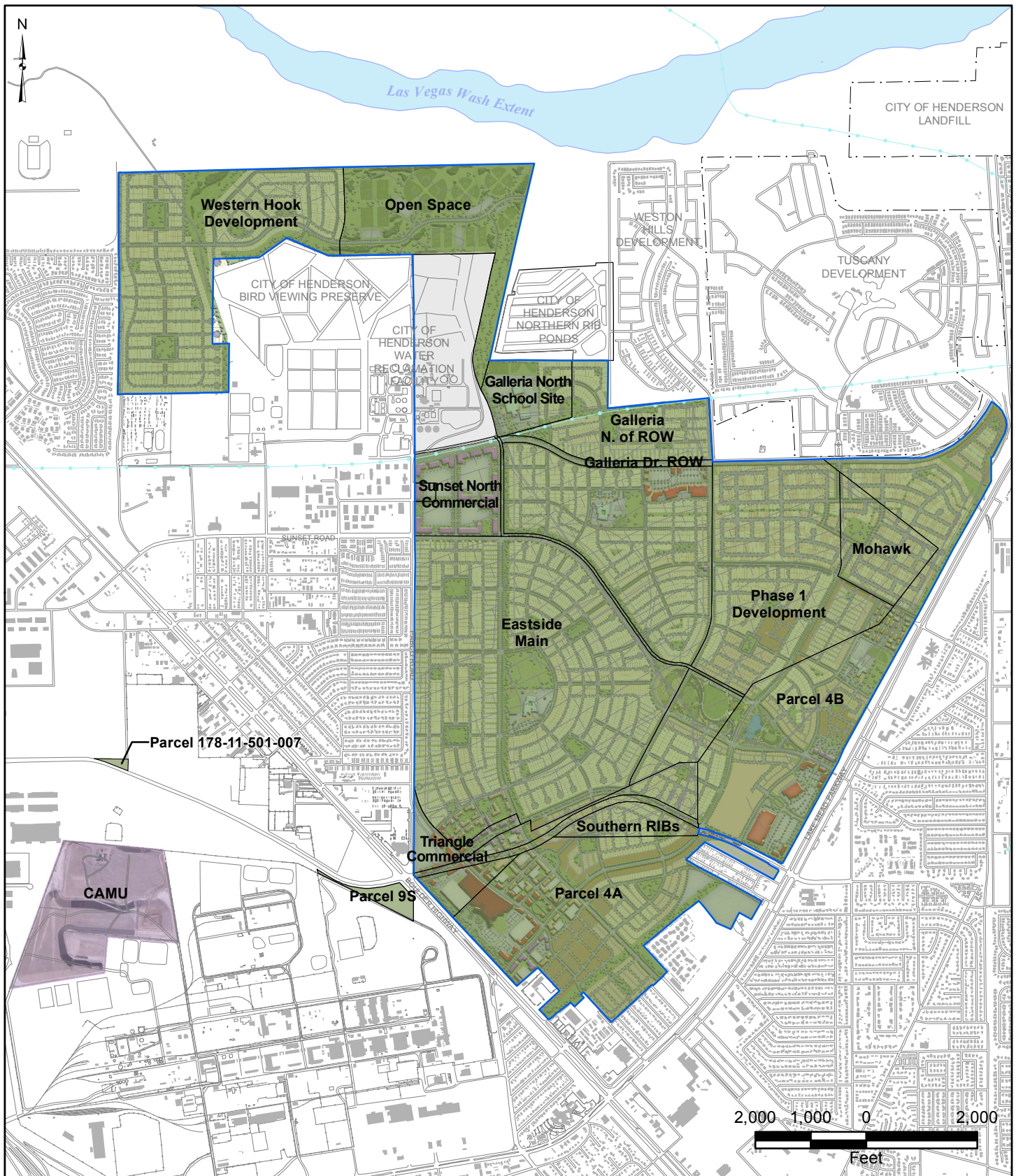
Removal of impacted soils from the site has been followed by iterative confirmation sampling for a suite of contaminants and a comprehensive health risk assessment – in order to ensure the site does not pose unacceptable health risks above background levels. Once the health risk assessment for a specific 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

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/BC/GENERAL/SUB-AREAS.MXD

*Not part of the Closure Plan for soils.