

BERG HILL GREENLEAF & RUSCITTI LLP

ATTORNEYS & COUNSELORS AT LAW

1712 Pearl Street • Boulder, Colorado 80302
Tel: 303.402.1600 • Fax: 303.402.1601
bhgrlaw.com

George V. Berg, Jr.
David G. Hill
Richard F. Greenleaf
Giovanni M. Ruscitti

Jon N. Banashek
Josh A. Marks
Thomas E. Merrigan
John G. Neville

Special Counsel:
Neil C. King

Justin C. Berg
M. Neal Hanna
Melissa M. Heidman
Ike Krasniewicz
Kathleen M. Morgan
Heidi C. Potter
Susan Tyrrell Richards
Julie S. Schoenfeld
Shawn T. Stigler
Kim A. Tomey
Michael H. Wussow

May 14, 2004

Via Facsimile and U.S. Mail

Mr. Robert G. Moore
Vice President for
Finance, Operations and Treasurer
Colorado School of Mines
1500 Illinois Street
Golden, Colorado 80401

Re: *CSMRI Site Cleanup*

Dear Robert:

This letter explains the cause of a projected cost overrun for the CSMRI Site cleanup project and proposes a potential solution that may enable the project to be completed within budget. As you know, Colorado School of Mines (School) had prepared a report to determine the best cleanup alternative for the CSMRI Site. The report projected that approximately 10,000 cubic yards of soil would be excavated and disposed of off-site.

Two types of landfills were considered for the off-site disposal. One type is called a "solid waste" landfill. There are several cost-effective solid waste options in the Denver area. Another type is a "hazardous waste" landfill located in Idaho. Disposal in Idaho is about five times the cost of disposal in Colorado. The School's report concluded that the contaminated soil at the CSMRI Site is "solid waste" and could be safely disposed of at a solid waste landfill in the Denver area.

The conclusion was consistent with the previous disposal of solid wastes from the CSMRI Site, including the 22,000 cubic yard stockpile created by the U.S. Environmental Protection Agency (EPA) in 1993 (the "Stockpile").

However, Colorado Department of Public Health and Environment (CDPHE) staff stated that disposal of all the soil from the CSMRI Site at a solid waste landfill in Colorado would not be allowed even with a risk assessment showing that it could be

disposed of safely. Some soil, the School was told by CDPHE staff, would have to go out of State.

The School's report had estimated that only 500 cubic yards of the 10,000 total yards would have to go to the Idaho landfill under the criteria set by CDPHE staff. At that time, the School decided to not take issue with CDPHE staff about the solid waste disposal criteria, even though the School reserved its right to do so later, because 500 yards were viewed to be a relatively small amount that was not worth arguing about within the bigger picture of cleaning up the CSMRI Site.

However, now that excavation is underway, there are an estimated 3000 cubic yards of soil, and possibly more, that need to go to Idaho under the CDPHE's solid waste disposal criteria. That creates at least a 1.5 million dollar cost overrun that the School cannot afford to pay.

The CDPHE standard for solid waste disposal for the CSMRI Site soils is more stringent than their current regulatory requirements. CDPHE staff took an unrestricted use standard and converted it into a standard for disposal at a solid waste landfill. An unrestricted use standard allows materials, like the CSMRI Site soil, to be used for any purpose, such as landscaping or growing vegetables at a home. The soil at the CSMRI Site, however, is slated for disposal in a sanitary landfill that will safely manage the small radionuclide concentrations in excess of the unrestricted use levels. It is inappropriate to apply an unrestricted use standard for the disposal of soil in a protective landfill.

CDPHE needs to adopt a more realistic standard for the disposal of the CSMRI Site soil in a landfill so that the School may attempt to complete the project within budget while simultaneously protecting public health and the environment.

Sincerely,



Asimakis (Maki) P. Iatridis

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cc: Mr. Linn Havelick
Anne Walker, Esq.