

WHAT HAVE EPA & THEIR CONTRACTORS DONE TO THE IRON MOUNTAIN MINES PRIVATE PROPERTY?

...Over \$52,000,000 In Damages To The Company's Property, Products And The Environment...

The information in the "Record of Decision" that placed Iron Mountain Mines on the National Priority List is incorrect and EPA knows it. EPA refused to accept the Company's own clean-up Plan in Feb. 1987. Now EPA's actions have caused the following damages and problems:

- \$41,000,000 damage to ore deposits by capping this **natural resource**.
- \$7,000,000 of marketable agricultural & industrial mineral products destroyed by EPA moving, burying & capping on company's property.
- \$1,900,000 loss of precious metals in mine tailings that were moved, buried and capped by EPA.
- \$750,000 Limestone Neutralization Plant recommended by government agencies and operated by EPA contractors never did meet EPA water discharge requirements. Now more environmental problems have been created.
- \$480,000 of rock taken without payment or company authorization.
- \$275,000 road damage. Since EPA removed the hard surface, there are serious dust and drainage problems, slippery & dangerous road conditions.
- \$45,000 of damage to mineral exploration, diamond drill holes.
- \$41,000 damage to surface water ditches constructed by the company that reduced mine water drainage up to 90%. EPA contractors destroyed ditches that controlled surface water around mineral tailing piles and ore deposits.
- \$29,000 of water taken without payment or company authorization.
- Millions of dollars of damage to Boulder Creek caused by EPA's contractors neglecting to control surface water run off which scattered sulfide tailings along 2 1/2 miles of this natural stream. This damage occurred during EPA's Remedial Action, Superfund fiasco at this site.
- Thousands of dollars of new environmental problems created by EPA by dumping toxic wastes on this private property. **This EPA dumping of toxic materials was not approved by state health department.**
- Thousands of dollars of damage to ore deposits by EPA's attempt to cap the Richmond Mine and cutting off air circulation that can cause extreme hazardous conditions in the mine. Other damages will occur if EPA continues with its Remedial Action to concrete the mine and **Many jobs & tax dollars will be lost. EPA's Remedial Action clean-up efforts are not cost effective.**
- EPA created security problems and a nuisance thru adverse publicity by attracting trespassers, disrupted mineral production and circulated misinformation. Contractors blocked access roads, left piles of rock in working areas, scattered sulfide tailings over 7 miles of private road, left cardboard boxes and other trash, holes in the roads, abandoned construction trailers, haulage equipment, a disarray of materials and a general mess that never existed before EPA's Superfund clean up attempt at this site.

THIS FURTHER ILLUSTRATES EPA'S INCOMPETENCE & WASTED TAX-PAYERS DOLLARS AT IRON MOUNTAIN MINES!

The company will continue to keep the public informed, expand its mining and market activities, create permanent jobs, improve the environment, conserve natural resources, manage and protect wild-life on its private property. Please forward this information to your congressman.

**EPA's "RECORD OF DECISION" IS WRONG ON IRON MOUNTAIN MINES
IRON MOUNTAIN MINE SITE DOES NOT QUALIFY FOR SUPERFUND**

WARNING!

TRESPASSERS, INTRUDERS, EPA CONTRACTORS, CH2M HILL, SUBCONTRACTORS, AND EVERYONE INVOLVED IN EPA'S REMEDIAL ACTION CONTRACT AT IRON MOUNTAIN MINES PRIVATE PROPERTY WILL BE HELD PERSONALLY AND COLLECTIVELY LIABLE AND FINANCIALLY RESPONSIBLE FOR ALL DAMAGES TO THE COMPANY, ITS LAND AND PROPERTY; DAMAGE TO ORE DEPOSITS IN ANY WAY OR COVERING WITH CONCRETE; DAMAGE TO GEOLOGY AND EXPLORATION AREAS, ADITS AND MINE TUNNELS, BENCHES, PADS, DRILL HOLES, ORE SAMPLES; DAMAGE TO MINE TAILINGS AND ORE STOCKPILES BY MOVING AND/OR COVERING WITH CLAY OR OTHER MATERIALS; DAMAGE TO MINERALS IN STOCKPILES OWNED AND STORED FOR CUSTOMERS; DAMAGE TO WATER RESEARCH AND PRODUCT DEVELOPMENT, TEST SITES; DAMAGE TO MARKETS BY INTERFERING WITH SALES ACTIVITIES; DAMAGE TO ROCK PRODUCTS, BALLAST, RIPRAP, GRAVEL, OPEN PIT MINE AREAS, TREES, SHRUBS, ROADS, CULVERTS, BRIDGES, STREAMS, CREEKS, FUTURE LAKE DEVELOPMENT AND WATER STORAGE AREAS; DAMAGE TO WATER DIVERSION DITCHES RECENTLY CONSTRUCTED BY THE COMPANY TO CONTROL MINE DRAINAGE; DAMAGE TO COPPER AND WATER TREATMENT PLANTS, BUILDINGS, EQUIPMENT, PIPELINES, POWER LINES, WATER SOURCES FOR MINERAL PROCESSING, HYDROELECTRIC POWER AREAS AND FRESH WATER SUPPLIES, FLUMES, GATES, FENCES AND SIGNS; INCLUDING RESPONSIBILITY FOR AIR AND WATER CONTAMINATION, THEFT, BREAK-INS; DISTURBING, ENDANGERING AND DESTRUCTION OF WILDLIFE AREAS ON THIS PRIVATE WILDLIFE PRESERVE, AESTHETIC AREAS; HUNTING AND FISHING IS PROHIBITED; CAUSING NUISANCE, AND A \$1,000 FINE FOR EACH LITTERING INFRACTION. PHOTOGRAPHING OR ENTERING THIS PRIVATE PROPERTY WITHOUT WRITTEN COMPANY AUTHORIZATION IS PROHIBITED.

IMPORTANT FACTS - PLEASE NOTE:

THE LISTING OF IRON MOUNTAIN MINES ON THE NATIONAL PRIORITY LIST (NPL) AND SUPERFUND WAS BASED ON ERRONEOUS, MISLEADING AND FALSE INFORMATION PROVIDED BY THE WATER QUALITY CONTROL BOARD, REDDING, CALIFORNIA. A HAZARDOUS RANKING SCORE (HRS) WAS USED TO LIST THIS SITE. STRICT EPA GUIDELINES ARE REQUIRED TO LIST A SITE AND WHEN FOLLOWED THE MINNESOTA FLAT SITE SHOULD HAVE BEEN RATED "ZERO"; THEREFORE, IRON MOUNTAIN MINES DOES NOT QUALIFY TO BE ON THE NATIONAL PRIORITY LIST OR SUPERFUND. OTHER AREAS RATED ON THIS SITE WERE BELOW MINIMUM STANDARDS TO BE LISTED. THE "RECORD OF DECISION" FILED BY EPA ON THIS PROPERTY HAS MANY DISCREPANCIES, DISTORTIONS AND ERRORS AND EPA REFUSED TO MAKE ANY CORRECTIONS. THE COMPANY WAS ADVISED THAT CONGRESS "PROHIBITS PRE-ENFORCEMENT REVIEW" EVEN IF THE DATA TO LIST A SITE IS INCORRECT. EPA'S REMEDIAL ACTION WILL NOT BE COST-EFFECTIVE BUT WILL TRANSFER THE ALLEGED PROBLEM TO ANOTHER AREA ON IRON MOUNTAIN MINES THAT WILL BECOME A SERIOUS ENVIRONMENTAL PROBLEM IN THE FUTURE.

EPA CLAIMS THAT IN ITS FIRST PHASE OF REMEDIAL ACTION, \$8 MILLION COST TO THE PUBLIC WILL SOLVE ONLY 4% OF THE ALLEGED PROBLEM. THE TOTAL BUDGET IS \$70 MILLION. THIS ENORMOUS COST WILL NOT BENEFIT THE ENVIRONMENT AT THIS SITE BUT WILL BE A WASTE OF PUBLIC MONEY INCLUDING A \$1,000,000 ANNUAL MAINTENANCE COST AND FUTURE ENVIRONMENTAL PROBLEMS. THERE WILL BE A LOSS OF FUTURE EMPLOYMENT AND THE DESTRUCTION OF MILLIONS OF TONS OF VALUABLE MINERALS NEEDED FOR U.S. INDUSTRIES AND AGRICULTURE. THE ONLY LONG RANGE SOLUTION IS THE ENGINEERED PLAN PREPARED BY THE WORLD-RENOWNED, DAVY MCKEE CORPORATION FOR IRON MOUNTAIN MINES, INC.

THE IRON MOUNTAIN MINES CLEANUP PLAN SUBMITTED FEBRUARY, 1987 WAS REJECTED BY EPA WITH NO REASONABLE EXPLANATION. HOWEVER, THE COMPANY IS STILL WAITING FOR EPA AND STATE APPROVAL TO CONSTRUCT A MINERAL RECOVERY AND WATER TREATMENT FACILITY THAT WILL REDUCE MINE DRAINAGE 99% AT NO COST TO THE PUBLIC. THE PROCESS TECHNOLOGY IS AVAILABLE BUT EPA HAS NOT ACCEPTED IT. THE COMPANY IS ATTEMPTING TO KEEP EPA FROM WASTING ADDITIONAL PUBLIC MONEY ON ITS PRIVATE PROPERTY AND TO AVOID LEGAL AND FINANCIAL CONSEQUENCES FOR DAMAGES. THE PUBLIC SHOULD PROTEST AGAINST THIS KIND OF IRRESPONSIBLE SPENDING IF YOU HAVE ANY OPINIONS ON THIS ISSUE, CONTACT YOUR CONGRESSMAN AND STATE REPRESENTATIVE.

ADDITIONAL FACTS:

THE STATE OF CALIFORNIA USES THOUSANDS OF POUNDS OF COPPER IN DRINKING WATER RESERVOIRS AND FISH PONDS TO CONTROL ALGAE. THE COPPER FROM IRON MOUNTAIN MINES CAN DO THE SAME FOR THE ENVIRONMENT. A RECENT RELEASE OF A LARGE VOLUME OF WATER WITH MINERALS AND SEDIMENTS OUT OF KESWICK LAKE CLEARLY DEMONSTRATED THAT THE MINERALS, IF FROM IRON MOUNTAIN MINES, DID NOT CAUSE ANY HARM TO FISH, DRINKING WATER OR THE ENVIRONMENT. THIS ALSO DEMONSTRATES THAT THE MINE WATER FROM IRON MOUNTAIN MINES IS NOT A SIGNIFICANT PROBLEM. THE U.S. FEDERAL REGISTRAR STATES THAT A SITE MUST BE A SIGNIFICANT OR SUBSTANTIAL THREAT TO HUMAN HEALTH OR THE ENVIRONMENT TO BE ON THE NATIONAL PRIORITY LIST AND SUPERFUND.

FURTHER WARNINGS AND FACTS:

IRON MOUNTAIN MINES IS AN ACTIVE AND A PRODUCING MINE. THE COMPANY, ITS CUSTOMERS, CONSULTANTS, ENGINEERS, CONTRACTORS AND THOSE WORKING FOR THE COMPANY WILL NOT BE RESPONSIBLE TO ANYONE ON THE EPA'S REMEDIAL ACTION AT IRON MOUNTAIN MINES WHETHER AUTHORIZED OR UNAUTHORIZED FOR DAMAGES, NEGLIGENCE AND/OR ANY INJURIES SUSTAINED ANYWHERE ON THIS PROPERTY, POSTED OR OTHERWISE. THE EPA CONTRACT, IF PERMITTED TO CONTINUE, MAY CAUSE UNCONTROLLABLE EXPOSURE, LIABILITY AND EXPENSES TO THE COMPANY. HAZARDS MAY INCLUDE UNSTABLE GROUND, ROCK AND LAND SLIDES, CAVE-INS, SUBSIDED AREAS, BURIED DYNAMITE, (NITRO) AND EXPLOSIVES IN UNKNOWN AREAS, MINING ACTIVITIES, BLASTING, FALLEN TREES, FOREST FIRES, DANGEROUS WEATHER, LIGHTNING, ROAD CONDITIONS, TRUCKS AND EQUIPMENT TRAFFIC, LOSS OF HEALTH, MISTAKEN IDENTITY BY SECURITY, DANGEROUS WILDLIFE INCLUDING SNAKES AND OTHER DISASTERS. EPA'S AND CH2M HILL'S UNKNOWN REMEDY FILLING THIS TYPE OF MINE WITH CONCRETE MAY RESULT IN A MASSIVE EXPLOSION CAUSED BY EXOTHERMIC REACTION THAT COULD EFFECT THE ENTIRE REDDING AREA. ENTERING THIS PRIVATE PROPERTY IS AT YOUR OWN RISK.

BY: IRON MOUNTAIN MINES, INC.

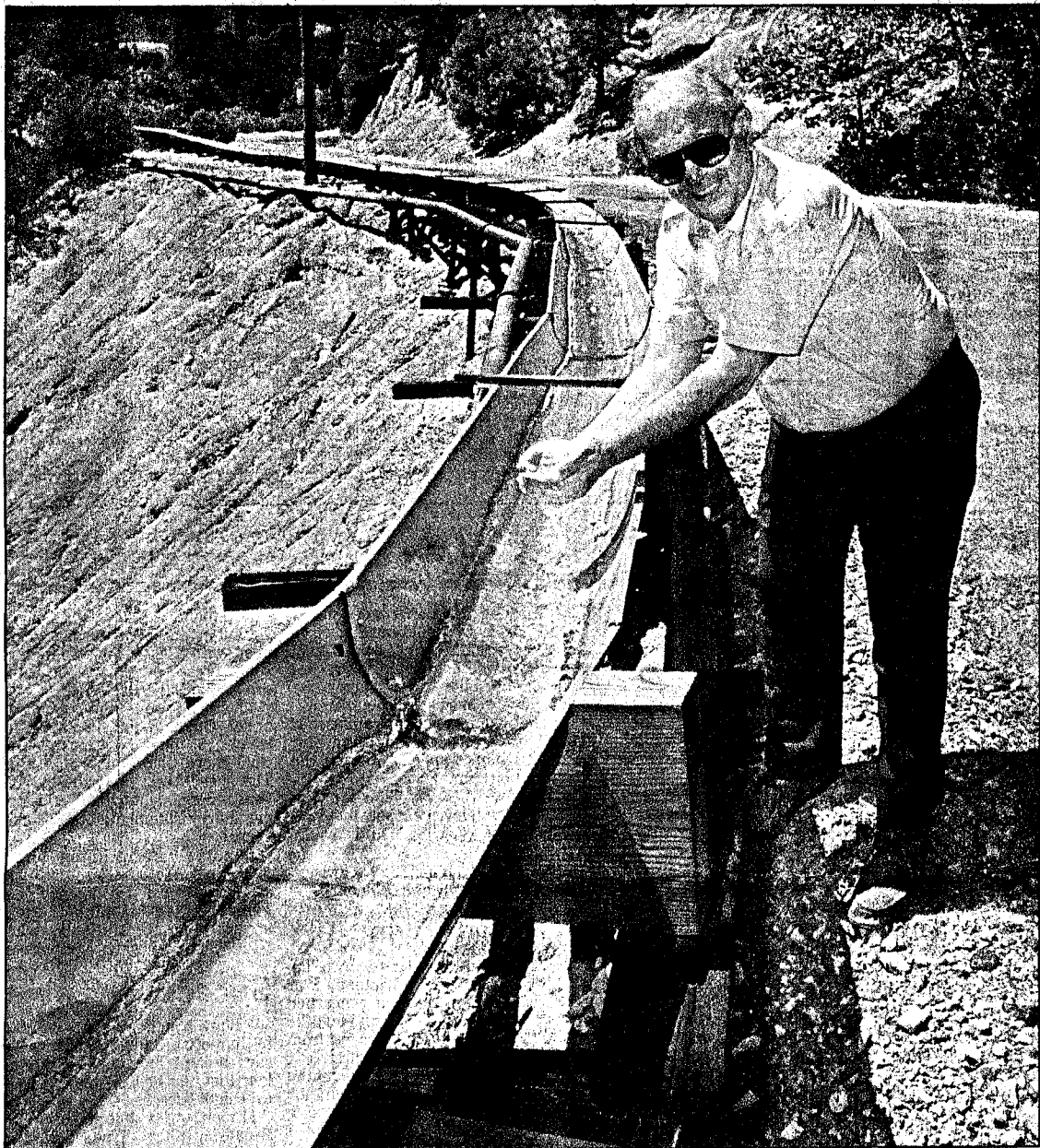
Monday,
July 18, 1988
Record Searchlight
C-3

State





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Redding, California
July 25, 1988
Vol. 140, No. 112
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R-S photo by Tom Dunlap

T.W. "Ted" Arman grins while dipping hands into mine drainage the EPA considers hazardous to fish

Iron Mountain cleanup near Owner Arman steadfast in opposition to EPA plan

By KATHERINE WILLIS

After decades of study, the effort to clean up Iron Mountain Mine wastes is set to begin this week.

Despite the property owner's continuing protests, workers are scheduled to start sifting through the rocky material on the mountain about midweek.

Employees of Stimpel-Wiebelhaus Inc. will be doing the job under a contract approved this month by the U.S. Environmental Protection Agency, said Richard Stimpel, president of the Redding firm.

The \$1.95 million contract, to be managed by CH2M Hill of Redding, covers the first of several steps in an EPA plan for cleaning up the site with \$70 million in federal "Superfund" money.

T.W. "Ted" Arman, president of Iron Mountain Mines Inc., objects to the EPA plan for work on the mountain eight miles northwest of Redding.

Arman said his own plan, which the EPA rejected on grounds that he provided insufficient detail, would remove much of the metal from the drainage by continual-

Treatment plan

See A-3

ly recirculating the water through the mine workings, then processing that water to remove the metals.

He escorted two Record Searchlight staff members up the mountain Saturday, but said he will strictly limit access to the site while the EPA-approved work is being done.

Arman is taking his objections to the public through newspaper advertisements warning that those involved in the EPA plan "will be held personally and collectively liable" for all damage to the property.

Stimpel said last week he is not worried about court action, because he expects the EPA to cover any litigation costs associated with carrying out the contract.

His company, therefore, will take great care to see that all activities on the

mountain are covered by the contract, he said.

"Certainly there is the potential that the EPA would pick up the costs," said Rick Sugarek, EPA project manager in charge of the Iron Mountain Mine cleanup.

While such payments would depend on the nature of a suit, the federal agency has paid litigation costs for some companies sued while operating under EPA-approved contracts in the past, Sugarek said.

The EPA plan's first step, capping an open pit mine on top of Iron Mountain, is to be completed under the Stimpel-Wiebelhaus contract by fall, Sugarek said.

One of the materials to be used in that cap is the iron sulfate that Arman says is a product he markets to fertilizer companies.

"If they destroy that, then we've got reason to file an action against them," he said Saturday.

The EPA project is designed to reduce

See MINE, A-8

Treatment plant at mine considered

An emergency plan calls for setting up a temporary treatment plant on Iron Mountain to prevent fish kills this winter, said Dennis Heiman of the Central Valley Regional Water Quality Control Board.

Whether or not fish would be killed without the treatment plant will depend on the weather: If Spring Creek debris dam fills with water containing heavy metals, then spills, it could mean massive fish kills, officials said.

The amount of metal-laden, acid drainage flowing into Spring Creek from Iron Mountain Mine is expected to be reduced by a project on the mountain this summer, but perhaps not enough to eliminate the danger of uncontrolled runoff that could kill fish in Keswick reservoir and the Sacramento River, Heiman said Friday.

The Redding-based water board sent a "cleanup and abatement order" last week to T.W. "Ted" Arman, president of Iron Mountain Mines Inc. and owner of the property west of Redding.

The order calls for Iron Mountain Mines Inc. to neutralize the drainage that flows into Spring Creek debris dam to reduce the danger that potential spillage would cause a "serious pollution problem."

Heiman said the mine drainage should be treated this winter because the U.S. Bureau of Reclamation might not release water from Shasta Lake to dilute spillage into Keswick reservoir if the debris dam overflows.

"With the lake being so low this fall, we'll have to keep our releases to a minimum this winter," said Paul Capener, Shasta Dam project superintendent.

He said the bureau might refuse to increase water releases solely to protect fisheries this winter. It will depend on the rainfall pattern and the amount of water stored in Shasta Lake, which is expected to drop to 135 or 140 feet below the dam crest by fall, Capener said Friday.

"With a short period of rain, Spring Creek debris dam could fill, and spill (water that normally would be toxic to fish). That condition is what they're concerned about, and I think it's very appropriate for them to take action to head that off," Capener said.

Government officials claim millions of tiny fish have been killed by the occasional overflowing of the debris dam, which is designed to allow slow, regulated releases of contaminated water that is quickly diluted by Shasta Dam releases.

Heiman said the treatment plan, which has not yet received funding, has been agreed to by representatives of the Central Valley water board, state Department of Fish and Game (DFG) and federal Environmental Protection Agency.

It calls for setting up a treatment plant, which might be the size of a trucking trailer, to remove the metals from drainage flowing out of the Richmond portal before it flows into Spring Creek.

That way the water that fills the debris dam would be less toxic to fish in case of uncontrolled spillage.

Operating the plant for three or four months beginning in October would cover the critical period for young winter-run chinook salmon, he said.

That would cost an estimated \$750,000, Heiman said.

DFG biologist Harry Rectenwald said last week efforts to ensure successful spawning of winter-run chinook salmon this fall, through cold-water releases from Shasta Dam, could be for naught if they were later killed by unchecked overflows at the debris dam.

Arman said Saturday that ditches dug last spring under his company's contracts would divert enough rainfall, which soaks into the mountain and later flows out with high metal content, to substantially reduce the amount of mine drainage flowing into Spring Creek.

He also said Iron Mountain Mine drainage is being unfairly blamed for fish kills that could be caused by other factors.

A-8

Record Searchlight

Monday, July 25, 1988

Mine

Continued from A-1

the amount of water that seeps into the mountain by filling a large, bowl-shaped area atop the mountain so that water runs off the side, rather than soaking in.

The expected result is with less water going in, less would flow out of the mountain.

Arman said that work would interfere with the small-scale mining operation under way, and would create obstacles to his plans for future mining.

The EPA cleanup program follows years of study by federal and state agencies concerned about the metal-laden, acid drainage flowing out of the mine works.

That drainage has been blamed for fish kills in the mountain's creeks, Keswick Reservoir and the Sacramento River since the early 1900s.

Arman contends the mine drainage is not harmful to fish, a claim that is disputed by Dennis Heiman of the Central

Valley Regional Water Quality Control Board.

Heiman said the effect of high concentrations of copper and other metals on fish is well-documented over the years.

He said the lifeless arm of Keswick Reservoir where the mountain drainage is concentrated is further proof of the damage it can cause.

The drainage contains numerous heavy metals, primarily copper, cadmium and zinc.

Arman claims the state and federal agencies have wrongly designated the mine drainage a hazardous substance.

Heiman, who has been monitoring water quality at the site for several years, said there is no mistaking the danger to fisheries carried in the water flowing out the mine's portals.

"Sure, this is sulfuric acid, but it's so weak, you could almost drink it," Arman said, dipping his hands into drainage flowing from the mine through a flume.

STOP NOTICE

NOTICE TO WITHHOLD TO HOLDER OF FUNDS

TO: U.S. Environmental Protection Agency, Region IX
(Name of owner, construction lender or public officer)

215 Fremont Street, San Francisco, CA 94105, HOLDER OF FUNDS.
(Address of owner or construction lender)

ATTN: Mr. Richard Sugarek, Remedial Project Manager
payment bond no. 5500463, Safeco Insurance Company

YOU ARE HEREBY NOTIFIED THAT the undersigned claimant,

Iron Mountain Mines, Inc. 1900 Point West Way, Suite 164, Sacramento, C
(Name and address) 95815

has furnished or has agreed to furnish Damage to be paid for-materials (project no. 68774.16)
(labor, services, equipment, materials)

of the following kind Agricultural and industrial minerals at Minnesota Flat, covered
(general description of labor, services, equipment or materials) and capped in Brick Flat.

to or for Damaged by: Stimpel Weibelhaus Inc., for the ^{damage} ~~work improvement~~, located at, or known as:
(name of person to or for whom furnished)

Iron Mountain Mine, Iron Mountain Road, Shasta County, CA 96001
(address, legal description, description of site or project identification)

The amount in value of the whole agreed to be done or furnished by claimant is No Less Than \$ 7,532,754.00

The amount in value of that already done or furnished by claimant is No Less Than \$ 7,532,754.00

Claimant has been paid the sum of \$ None, and there remains due and unpaid the sum of \$ No Less Than 7,532,754.00

plus interest thereon at the rate of 12 per cent per annum from September 17, 19 88.

YOU ARE HEREBY NOTIFIED TO WITHHOLD SUFFICIENT FUNDS TO SATISFY THIS CLAIM WITH INTEREST.

Dated: _____

Iron Mountain Mines, Inc.
Name of Claimant

1900 Point West Way, Suite 164
Address of Claimant
Sacramento, CA 95815

STATE OF CALIFORNIA
COUNTY OF _____

By: T.W. Arman
T.W. Arman, President

ss.

STATE OF CALIFORNIA
COUNTY OF Sacramento

On this 24th day of October, in the year
Nineteen Hundred Eighty Eight, before me,
Kathy Jean Coyle, a Notary Public, State of California,
duly licensed and sworn, personally appeared
T.W. Arman

~~personally known to me~~ (or proved to me on the basis of satisfactory evidence)
to be the person who executed the within instrument as President
or on behalf of the corporation therein named and acknowledged to me that
such corporation executed the within instrument pursuant to its by-laws or a
resolution of its board of directors.

IN WITNESS WHEREOF I have hereunto set my hand and affixed
my official seal in the city of Sacramento, County of Sacramento,
on the date set forth above in this certificate.

OFFICIAL SEAL
KATHY JEAN COYLE
NOTARY PUBLIC - CALIFORNIA
SANTA CLARA COUNTY
My Commission Expires July 21, 1989

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Cowdery's Form No. 28 — Acknowledgement to Notary Public — Corporation (C. C. Secs. 1190-1190.1) — (Rev. 1/83)

Kathy Jean Coyle
Notary Public, State of California

My commission expires July 21, 1989

MEMORANDUM

February 16, 1988

TO: All Interested Parties

FROM: Iron Mountain Mines, Inc. (IMMI)

RE: Your Receipt of a Report Entitled "July, 1987,
Iron Mountain Mine Superfund Site"

Attached are comments and rebuttals prepared by the management of Iron Mountain Mines, Inc. in response to the above referenced report prepared and sent to you by the Federal Environmental Protection Agency several months ago.

The reason for this untimely mailing was government delay using the Freedom of Information Act (FOIA) in securing the EPA mailing list used.

These comments are being sent to you as a method of ensuring that you and your agency understand that this site is involved in implementing its own cleanup plan presently per its own environmental cleanup plan submitted to the EPA in January, 1987.

The Iron Mountain Mines Environmental Cleanup Plan is being implemented entirely through the use of private and company funds and at the direction of the management of Iron Mountain Mines, Inc.

The company will appreciate any comments you may have concerning the information offered herein. Thank you for your interest and concerns in this matter. Any replies may be directed to:

Mr. T. W. Arman, President
Iron Mountain Mines, Inc.
1900 Point West Way, Suite 164
Sacramento, CA 95815
Telephone: (916) 922-8821

Sincerely,

The Management of
Iron Mountain Mines, Inc.

Enclosure: Copy of EPA Remedial Action Program - July, 1987
IMMI Comments and Rebuttal - August, 1987

IRON MOUNTAIN MINE SUPERFUND SITE

**IMMI COMMENTS AND REBUTTAL TO EPA INTERIM REMEDIAL
ACTION AND SOURCE CONTROL PILOT STUDY**

Redding, California

August, 1987

INTRODUCTION

The following statement of Iron Mountain Mines, Inc. (IMMI) is set forth as a direct rebuttal and response to the attached Environmental Protection Agency (EPA) publication of July, 1987 entitled "Iron Mountain Mine Superfund Site." This EPA report references a Record of Decision (ROD) on October 3, 1986 for an interim remedial action to deal with the "acid mine drainage (AMD) problem" alleged at the site, and suggests a pilot study/field demonstration and hydrogeologic study as to the feasibility of using massive amounts of low-density cellular concrete both atop and within acres of rich mine ore bodies. The thought of any Superfund taxpayer dollars being spent for such a study/demonstration, let alone further megamillion dollars' expenditure on such a colossal, improper scheme from a geological standpoint, is worthy of prospective consideration for the Senator William Proxmire "Golden Fleece" award.

It is important to understand straight away that the activity proposed by EPA will damage forever valuable deposits which are ideally suited for future production that will be both commercially and environmentally sound. The statement made by EPA that "cellular concrete will help to eliminate or reduce the formation of acid mine drainage" is not true according to mining experts. On the contrary, considering the magnitude of this massive sulfide ore body there would be an exothermic reaction causing excessive heat caused by joining elements in concrete with sulfur that would be extremely dangerous and possibly explosive in this unnatural combination. Engineers have estimated that it would require 20 football stadiums of concrete to fill the cavities in the ore bodies on this site. Moreover, previous attempts in the United States at using cellular concrete in coal mines that had small amounts of sulfides have only been 50-60% effective over a very limited period.

IMMI has submitted, on the other hand, in conjunction with the worldwide-renowned mining engineering firm Davy McKee Corporation (Davy McKee), recent designers and construction

managers of the McLaughlin-Homestake Mining Operation in northern California, a fully comprehensive project plan dating back to February, 1986, which deals with AMD in a manner that will be environmentally effective to assure that only environmentally acceptable water will be discharged into the local streams. At the same time, the IMMI/Davy McKee Project Plan will be economically productive in Shasta County, California, for generations into the future.

Another factor of significance, notwithstanding EPA doubts and denials, is that IMMI has procured multi-million dollar project funding to elevate its ongoing operations to a new height of success for this historic mine site. The company has also, with its own resources, in conjunction with the engineering firm Robert S. Miller & Associates, Sacramento, California, undertaken a five-phase environmental cleanup plan, known as the Iron Mountain Mines Environmental Clean Up Plan. This plan is aligned with the IMMI/Davy McKee Project Plan to effectively control all mine water on the site into a hydrometallurgical process plant capable of extracting mineral products and by-products valuable in the agricultural, chemical and industrial markets. This new plant includes water treatment facilities that can operate independently from the main mineral processing plants to assure clean water discharge from this site. The technical information, much of which is proprietary, has been thoroughly researched and documented by IMMI consultants over the past three years.

This Rebuttal will refute:

- o The longstanding erroneous contention drawn from incorrect data and findings as to the true nature of the acid mine drainage problem,
- o The Superfund's latest process while demonstrating the progress and the future of the IMMI remedial action,
- o EPA's "decision" about which cleanup alternatives will be implemented,
- o The logic of a hydrogeologic study and pilot project/field demonstration predicted on pouring concrete onto and into privately-owned property to control drainage, and
- o Describe how the community and all interested agency and political persons can obtain meaningful information which reveals facts and solutions totally divergent from EPA's handling of Iron Mountain Mines.

SITE DESCRIPTION

The Iron Mountain Mines, Inc. property line starts about twelve miles northwest of Redding, California, southeast of the Klamath Mountains on approximately a 3,000 acre site. The major ore deposits are approximately 15 miles from Redding on less than 50 acres. EPA's statement that "mining operations were discontinued in 1963 and that the mines are abandoned" are untrue. Exploration, mine research, mapping, mine development and processing of minerals from the mine water by precipitating copper are all part of mining activities which have been continuous from 1977 through 1987 and will continue over an indefinite number of years. The Company also has mined ore for ballast and for making high-density aggregate for radiation shielding from its iron deposits and markets iron mineral products to cement and fertilizer manufacturers from its large mineral stockpiles. All roads have locked gates to keep the public off this private property and the 17 miles of internal roads are well maintained with security. Most of the terrain is steep and the property is only accessible by road. The streams that traverse through the property are known as Spring Creek, Boulder Creek and Slickrock Creek.

Among the many valuable ore bodies on the site there are massive sulfide ore deposits which are rich in a variety of minerals. It is not true, as EPA states, that "rain falls on the ground above the ore bodies and soaks into the ore zone." Rather, there is from time to time rainfall which channels its way through the ore body...in fact contacting very little of it, however the result of rainfall or nature produces AMD at the mine portals. These ore deposits will be mined by IMMI/Davy McKee through solution mining techniques, utilizing the existing natural water flows at Iron Mountain Mines. The water can then be recirculated by pump and sprinkler systems, as necessary, or be released from the site after treatment through a water treatment plant. This is not a new or unusual process, however it is an expensive project by some standards, being in the \$20-30 million construction cost range, and yet this capital is available to IMMI at no cost to any taxpayer. EPA's remedial action plan recommendation was priced at \$70 million plus the maintenance cost to the State of California unknown in perpetuity. EPA's justifying remark that "the combination of events results in heavy metal contamination in the Sacramento River and damage to fish and other aquatic life" is questionable. Besides grossly misstating actual conditions at the IMMI site, it should be recognized that there are many other mines in the region that have comparable mine drainage into the Sacramento River. Further, recent EPA remedial investigation and feasibility studies proved that the Iron Mountain Mines property is neither a "significant" nor "substantial public health threat" nor an emergency condition and yet Iron Mountain Mines was placed on the National Priority List for Superfund.

A visitation to this property would easily convince anyone that no emergency condition exists. The CH2M Hill Remedial Investigation/Feasibility Study clearly states that Iron Mountain Mines "is not a threat to public health."

If a full independent investigation were made of the environmental problem as stated by EPA, it would be easily proven that the Iron Mountain site does not qualify for Superfund. IMMI hired Robert S. Miller & Associates, a Sacramento-based engineering firm, to investigate EPA's finding and can prove that the Hazardous Ranking Score used to rate this site should have been zero and not 58.

A few succinct comments need to be made concerning the Figure 2 Diagram of "Acid Mine Drainage" in the EPA July, 1987 bulletin about Iron Mountain Mines. This diagram could best be characterized as misleading. Specifically, the following points are germane: (1) the depiction of surface water infiltration, as touched upon earlier in this statement, is misleading; (2) the depiction of ground water drainage to streams is misleading as there is no such drainage to the streams from the main ore bodies (all waters leaving the mine portals are processed through a copper precipitation facility and the main portal discharges meet current California and EPA environmental requirements); (3) there is no ground water drainage from the Minnesota Flats pile and noteworthy here is the fact that drinking water used near this site clearly demonstrates from certified laboratory analysis that it is of very high quality, and (4) regarding the Spring Creek Debris Dam built by the U.S. Bureau of Reclamation, its intended purpose was to protect the tail race of the Spring Creek Powerhouse. It was not designed to store acid mine water. If the dam which is located several miles below the mine site were not there, the acid mine water would be diluted naturally, as it was for hundreds of years before any dams were built on the Sacramento River.

Since the Spring Creek Debris Dam is too small for mine water storage purposes, it occasionally overflows during high rainfall conditions, thereby causing mineral water to enter the Sacramento River. The overflow which is very rare from year to year does not last more than a few hours. This is a problem of poor dam design and operation and one for which IMMI should not be held accountable or responsible. Furthermore, the Spring Creek Debris was built atop an old smelter area which contributes to the alleged contamination problem. Here again, IMMI should not be held accountable or responsible. When the Spring Creek Powerhouse at the mouth of Spring Creek is operating, the sediments in Spring Creek are stirred up from the bottom causing a plume. The State of California's Central Valley Water Quality Control Board

(CVWQCB) has on previous occasion incorrectly ascribed this effect as being caused by copper from Iron Mountain Mines. Again, this is incorrect and misleading.

HUMAN HEALTH AND ENVIRONMENTAL CONCERNS

Iron Mountain Mines has been zoned for mining activity for over 100 years because of its uniquely rich ore bodies, chiefly massive sulfides containing copper, zinc, iron and sulfur, and gossan containing gold and silver. EPA itself has previously correctly acknowledged that even as it stands today, Iron Mountain Mines has not posed and does not now "pose any threat to human health." They are correct to say further into their latest statement that "Direct human exposure to contamination from the site is not likely because of the remote location of the mine and because dilution occurs before the water reaches populated areas." Indeed, it is more likely that officers of IMMI who are headquartered in the state capitol of California face a greater risk of ingesting contaminated water from polluted groundwater sites located at local industries and military installations. Moreover, the AMD at Iron Mountain Mines is extremely weak creating a very weak acid condition, and as such has been demonstrated repeatedly to be harmless to skin and eye contact by mining and maintenance personnel on this property over the past 100 years.

EPA's statement that "on several occasions, intake of drinking water for the City of Redding from the Sacramento River has been temporarily shut off for precautionary reasons" attributable to Iron Mountain Mines is false. The Shasta County State Health Department, Sanitary Engineering branch, may be contacted by anyone at (916) 225-2125 and it will be confirmed by those officials that no such shutdowns have taken place as a result of Iron Mountain Mines' drainage. IMMI has never been notified by the City of Redding that its intake of drinking water has been temporarily shut off for precautionary reasons.

Since human exposure does not prove to be a problem, EPA has turned to fish egg populations to continue to justify its posture and the National Priority List ranking of the Iron Mountain Mines site to hold onto Congressionally allocated dollars into this region. Perhaps the appropriation will rightly be transferred to the Sacramento area or elsewhere to the greater benefit of all citizens. To the extent there have been "numerous fish kills," this has been caused in part by numerous other mines in the region, plus Department of Forestry and agricultural dumping of pesticides and, more seriously, the weir on the Sacramento River at Red Bluff. Experts in fish management also point out that fish eggs are susceptible to a wide variety of predatory forces, not the least of which include heat and rates of water flow.

The fact of the matter is that EPA and its subordinates have for some time now in this case undertaken a vigorous campaign to mask the truth, hide from past errors, and ignore better reasoning. As a fundamental example, the National Priority List ranking of IMMI was concluded on the basis of false documentation and erroneous criteria classification in the Hazardous Ranking Score process. Repeated letters have been addressed to past and present heads of EPA and other high Federal and State officials, and yet not one consideration for a reexamination has been issued. Robert S. Miller & Associates, engineers, conducted the National Priority List examination on correct data and criteria and have proven the error of EPA's ranking. IMMI has made comments and is aware of numerous other comments pointing out errors in past CH2M Hill and CVWQCB reports, misleading water analyses, and on one occasion where just one (1) analysis was used for a major water quality decision which was obviously in error. This was possibly a clerical error in re-recording the data, however this one analysis was used to list this site. This is not a proper scientific sampling methodology.

PROGRESS OF THE REMEDIAL ACTION AT IRON MOUNTAIN MINES

The 1983 EPA Placement of the Iron Mountain Mines site on the National Priority List is largely derived from a categorization of there being a direct human health hazard within 2.5 miles of a Redding drinking water control source. The facts here are absolutely to the contrary and this too is known to EPA. Without such misinformation, the Iron Mountain Mines site does not obtain a Hazardous Ranking Score remotely close to the National Priority List minimum level of 28.5. Actually the Hazardous Ranking Score, when done correctly, is zero. Nonetheless, given EPA's refusal to review and reconsider the merit of its ranking, it now compounds the error by advocating a concrete-fill remedy that boggles the minds of competent engineers and geologists. Truly the time has come for higher authority in Congress and/or the State of California to call for a complete review of the facts, so that in this case the government might cease and desist any further expenditures of taxpayer dollars and access to this private property while sound practices and systems derived from private enterprise are implemented.

THE RECORD OF DECISION FOR THE INTERIM REMEDY

EPA was advised that IMMI, as a Potential Responsible Party, would correct all alleged environmental problems. The Record of Decision (ROD) was filed despite of IMMI's submission of a comprehensive environmental cleanup plan. If IMMI's cleanup plan had been accepted the ROD would not have been relevant, but again EPA has refused to consider IMMI's own cleanup plan which incorporates a water treatment facility to assure clean water for the life of the

commercial mining project and thereafter as long as needed. The acceptance of IMMI's cleanup plan will responsibly save significant dollars for taxpayers.

A few rebuttal points need to be made to the so-called "interim remedy" proposal of EPA.

- o POINT 1 - An "interim remedy" at great cost suggests on its face that a permanent remedy is not envisioned by this EPA approach. So what cost and what complications are the ROD leading this nation into on a non-dangerous site?
- o POINT 2 - Capping caved and cracked ground will definitely interfere with the IMMI/Davy McKee mining and cleanup process. All IMMI property, including caved areas, is private property and no danger to the public. The caved areas have been designated by IMMI as storage areas for low grade ores and mineral tailings for future processing. They are needed in the process...they should not be capped. Furthermore, ditches to divert surface waters are being completed by IMMI in Phase 1 of its environmental cleanup plan. Maintenance on these diversion ditches will be continuous. Since AMD will be processed through a mineral processing and water treatment plant, rainwater becomes very important to this overall process and nothing but clean water will be returned to the local streams.
- o POINT 3 - The diverting of Upper Spring Creek is totally unnecessary since the IMMI mineral process and water treatment plants will be effective in the required cleanup. IMMI plans its own diversion for the purpose of a 3.5 megawatt hydroelectric project which will divert fresh water from Spring Creek directly into the Sacramento River. However, this should not exclude the Bureau of Reclamation from correcting its problems with the Spring Creek Debris Dam, which is several miles below this site, by increasing the size of the dam to prevent mineral water from possibly spilling. Any contaminated water will come from the Spring Creek Debris Dam site, owned by the Bureau of Reclamation and built on an old smelter site for processing copper ore, even after IMMI is producing only clean water from its own property.
- o POINT 4 - It is absurd that the diverting the south fork of Spring Creek problem, if any, is being tied to Iron Mountain Mines since it is totally unrelated property.
- o POINT 5 - IMMI has its own cleanup plan with private funds available to divert Upper Slickrock Creek water around the waste rock and slide area, thereby eliminating any mineral drainage or seepage into Slickrock Creek.

- o POINT 6 - Enlarging Spring Creek Debris Dam is a Bureau of Reclamation problem only, unrelated to IMMI's property per se, for reasons stated before.
- o POINT 7 - IMMI tightly controls access to its property by means of fences, locked gates, "No Trespassing" signs, advance notification, and a Code of Conduct regarding safety and liability in effect for all entrants onto the property. It is almost impossible for the public to enter, except through the main road, because of the rugged terrain. Since controlled access is well maintained and managed by IMMI, there is no threat to the public. Furthermore, the public is fully aware that this is private property and any trespass is subject to prosecution.

As a further note here on the subject of safety and liability measures which are important to any mining or heavy industrial entity, it should be noted that to date EPA refuses to have its personnel or subcontractors sign and adhere to the safe Code of Conduct for IMMI, or provide IMMI with hold harmless agreements concerning personal injury or property damage. These are requirements under IMMI's comprehensive insurance coverage. EPA has indicated it is "unaware of any statutory or case authority which would require or permit EPA to authorize its contractors to execute such agreements." It would do well to acquaint itself with the common body of California and Federal law with regard to personal injury and property rights and responsibilities. IMMI will not assume any liability for personal injury or property damage for any unauthorized entrants to its properties.

THE IRON MOUNTAIN MINES, INC. PROPOSAL

The IMMI Project Plan, prepared by the Davy McKee Corporation out of their San Ramon California, office was made available to EPA in late 1985. This comprehensive document covers such subjects as project location, geology, history and previous production, current ore reserves, project description, environmental permitting and design, and construction schedule, plus appendices of data, flow sheets and design drawings and water treatment facilities. It very clearly demonstrates for the unbiased reader project viability and technical capabilities necessary to meet commercial and environmental concerns.

Certain technical and financial data has been deemed proprietary and/or confidential in order to fairly protect the integrity and value of consultant work product and monetary sources. Several years ago IMMI made in good faith a preliminary disclosure of a contractor and financial source only to have it cancelled after direct EPA interference with this contractual relationship. There were many companies interested in funding and joint venturing the mining

project with IMMI over the past 10 years, but they were discouraged after talking with EPA and CVWQCB staff. To avoid a repeat of this possibility, a higher degree of confidentiality has of necessity been strictly maintained, although a sufficiently broad flow of information has been issued by IMMI in accordance with what its counsel perceives as required by law. At the same time, IMMI and its consultants have met with repeated difficulty on the issues of review or accord in working toward a privately directed and funded resolution.

The IMMI proposal is well documented, highly feasible and supported through the finest of engineering. It proposes to be a very successful operation in both commercial and environmental aspects. For EPA to conclude that the "IMMI proposal was not an adequate remedial alternative" is most unfortunate and a disservice to the public. IMMI has also provided EPA with a very thorough, comprehensive cleanup plan which is being implemented and will continue, regardless of EPA's actions, as a private company endeavor to enhance its own property. It is hopeful that EPA will reassess its position on Iron Mountain Mines site and join IMMI in its program with full cooperation for private clean up in conjunction with its commercial operations.

It must be reaffirmed here that the IMMI property is not a serious environmental contamination problem. This will become evidenced if the entire claims made by EPA are reexamined by competent scientists and engineers. Mention here can also be made that one of IMMI's special conservation projects, in addition to its total cleanup plans, is the beautification of its properties and the enhancement, development and maintenance of a private wildlife preserve well operated to meet all reasonable environmental requirements.

The Iron Mountain property can not even compare to the environmental problem that exists at Mount Lassen National Park. The abandoned copper mines at Mount Lassen are called "Bumpass Hell". This famous mineral contaminated site is visited by thousands of people from all over the world, none of whom have reported any dermal effects. This area is replete with unstable ground, contaminated streams and mineral seeps, all of which drain into the public waters of the United States, including the Sacramento River.

OPPORTUNITIES FOR THE COMMUNITY TO BE INVOLVED

In the interest of further educating the readers of this rebuttal statement, and anyone else concerned enough to seek a fuller presentation of the facts of a case gone awry, IMMI can furnish a copy of an article run in "The Monitor," an independent business advocate journal in

Redding, California. For a visual picture of the proposed in-situ mining project and water treatment facility, contact the publisher of Redding Centennial 1987 at 2231 Park Marina Drive, Redding, California 96001. This recent publication carries a full page back cover display of what IMMI is projected to be in Shasta County for the next 100 years and beyond. It promises to underpin a growth and vitality for Redding and northern California which an EPA remedial action cannot even address.

Iron Mountain Mines, Inc.'s goal is to be a model case of private enterprise in a renewed mining industry in America that can succeed under new environmental rules.

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