

June 24, 2015

Ryan Weiser
Kansas Department of Health and Environment
1000 SW Jackson
Topeka, KS 66612-1367

PNL Project 07-119.400

RE: National Zinc Cherryvale, Kansas, Phase II Removal Site Evaluation Status Report. Prepared on behalf of United States Steel Corporation and Citigroup Global Market Holdings, Inc. (collectively the "Respondents" under Consent Order No. 03-E-0022, as amended.)

Ryan,

Please find attached a summary of the work on the Cherryvale project through June 15, 2015.

General Work Status

Project Navigator, Ltd. (PNL) completed sampling and analysis for the initial segment of work under the Phase 2 RSE Work Plan in January 2015. In conjunction with Exponent Inc., data analysis to refine the SRM classifications observed in the field was completed, and this work was presented to KDHE at a meeting on March 30, 2015. Work is ongoing in the field to secure access and follow up on matters covered in the March meeting and implement the City-wide inspection/assessment (the "Survey").

Property Access

Between July and December 2014, access agreements were secured for select properties where the initial inspection and sampling work was performed for the first segment of Phase 2 RSE work. In February 2015, in preparation for the Survey, using tax parcel data available from Montgomery County, access agreements were prepared and mailed to all remaining landowners within the City of Cherryvale from whom access had not been obtained. (There are 1470 taxable parcels within the City limits of Cherryvale, with some owners owning multiple parcels.) The mail-out included a cover letter with an explanation and instructions for pre-printed agreements that were enclosed for signature. Each agreement was pre-printed with the owner's name and address, the property address, and included a stamped self-addressed return envelope. Contact information where questions about the agreement and process could be answered was detailed in the enclosed instructions. Holly Burke approved the form of the letter and access agreement on January 15, 2015. On February 19, 2015 KDHE was notified that the mailing was being sent and Travis Goedken and Wade Weber from the City of Cherryvale were also notified.

During March and April of 2015, agreements received were checked, organized and tabulated against the property database. Incomplete agreements with no signature or that were returned unopened were flagged for follow-up with the proper owner or tenant. Reasons for returned mail included, address changes, owner moved, property was sold or owner deceased. PNL received about 30 telephone calls from landowners about the agreements. Most of the questions regarded property restoration and timing of work. Only a few agreements are still being received from the February mailing.

The property access status to date is summarized as follows:

Parcels with access:	535
Remaining for access:	935 (44 returned to sender to follow up)
Total:	1,470

To secure the remaining access agreements, the following procedures are employed by PNL. Field crews carry blank access agreements with them and engage residents when encountered during the block-by-block Survey work described below. This approach results in a few additional access agreements signed per day but has the disadvantage that it diverts time from the Survey work itself. To cover the City more efficiently, crews dedicated solely to access are being staffed to contact residents secure access.

Based on experience at other sites, we believe that our February mailing followed by two door-to-door in-person attempts to contact the owner/resident constitutes a reasonable effort to secure access. If this level of effort does not yield success, we believe it is reasonable to conclude that we will either be unable to locate the property owner or that the property owner is evading our efforts to make contact. We are carefully documenting the results on each parcel of our door-to-door efforts to obtain access. When we have completed this program, we will furnish a parcel-by-parcel report to KDHE both as to the property owners with whom we have made contact but who have affirmatively denied access as well as those with whom we have not been able to make contact or cannot be located.

City-Wide Inspection

The Survey is essentially a property-by-property inspection of all parcels where we have access, and classification of these properties according to the Phase 2 RSE work plan as amended. To efficiently deploy field crews for the Survey, the City of Cherryvale was divided into 4 quadrants and then into blocks with approximately 10 parcels per block. Maps and aerial photographs were prepared for each block and parcel (where access was granted) which was annotated with the address, parcel ID and owner name. Checklists and field forms were prepared to simplify inspection and documentation and crews are deployed block-by-block in each quadrant until all the subject properties are inspected. (A sample of the field checklist form is attached.) Notations are made directly on aerial maps or sketches and along with the check lists, properties are classified by SRM type¹. Survey forms, photographs and notes are compiled and maps updated regularly. As of June 15, 2015 approximately 325 parcels have been surveyed for SRM classification. This includes properties evaluated during the initial segment of the Phase 2 work. On average, it takes between 20 and 40 minutes for a two-person crew to perform and document a property survey. Variables include property size and

¹ Per agreement during meeting with KDHE on March 30, 2015 as documented in April 6, 2015 letter to Ryan Weiser, KDHE from Walter Shields, Exponent (for Respondents) and April 15, 2015 approval email from Ryan Weiser to Walter Shields.

condition, presence of pets, obstructions, vegetation and landscaping. Contact with residents at the property to discuss Survey details also takes additional time.

Community Relations

The community is aware of the activities in Cherryvale. Calls to PNL's office regarding the access agreement mailing have been relatively modest with only a few residents expressing concern about the process. We have fielded several calls referred to us by KDHE which we have followed up on directly. Field staff is locally employed and they continue to work within the community to obtain access. As more residents see the work going on, additional access agreements are randomly secured. Staff from the City of Cherryvale has not reported any resident complaints. PNL's office is in the Cherryvale City hall building and we have not received any complaints from residents. Residents who have signed agreements have been cooperative and no complaints or concerns have been expressed to PNL.

Agency and City Interaction

Our interaction with KDHE has included some telephone calls and emails primarily involving resident questions about the access agreements. We work regularly with the City of Cherryvale Public Works Department for access on City property and rights of way. Other interactions with the City have been routine.

Follow-up Task Status

Planning for supplemental alley gradient sampling discussed during the March KDHE meeting is ongoing. We are reviewing the various alley surveys and will submit a brief sampling plan to KDHE. Additional tasks that are being scheduled also include assisting the City in developing a Stockpile Management Plan for the City Interim Waste Storage Facility once the Agreement covering that matter is finalized. Our plan is to efficiently deploy the crews to complete the city-wide survey while also addressing these additional tasks.

Ongoing Work

- Continue work to obtain access agreements
- Continue the Survey
- Expand crew deployments for access and surveying
- Consult with City regarding Stockpile Management Plan

Should you have any questions, please contact me at 713-539-3636 or by email at mlandress@projectnavigator.com.

Regards,
Mark Landress, P.G.

/s/mlandress

Project Navigator, Ltd.
Attachment

Cherryvale, Kansas -Smelter Related Material Inspection Form

Date: _____

Property Address: _____

Time Start: _____

Property Owner/Contact: _____

Time End: _____

Driveway

Yes No

Material	SRM Present?	SRM Type	SRM Abundance	Notes:
<input type="checkbox"/> Br Brick	<input type="checkbox"/> Yes	<input type="checkbox"/> Ashy	<input type="checkbox"/> A Class	_____
<input type="checkbox"/> Pa Paved/Concrete	<input type="checkbox"/> No	<input type="checkbox"/> Cinders	<input type="checkbox"/> B Class	
<input type="checkbox"/> Di Dirt		<input type="checkbox"/> Glassy	<input type="checkbox"/> B-Fill Class	
<input type="checkbox"/> Gr Gravel		<input type="checkbox"/> Retort	<input type="checkbox"/> C Class	
			<input type="checkbox"/> D Class	_____

Walkway

Yes No

Material	SRM Present?	SRM Type	SRM Abundance	Notes:
<input type="checkbox"/> Br Brick	<input type="checkbox"/> Yes	<input type="checkbox"/> Ashy	<input type="checkbox"/> A Class	_____
<input type="checkbox"/> Pa Paved/Concrete	<input type="checkbox"/> No	<input type="checkbox"/> Cinders	<input type="checkbox"/> B Class	
<input type="checkbox"/> Di Dirt		<input type="checkbox"/> Glassy	<input type="checkbox"/> B-Fill Class	
<input type="checkbox"/> Gr Gravel		<input type="checkbox"/> Retort	<input type="checkbox"/> C Class	
			<input type="checkbox"/> D Class	_____

Drip Line

Yes No

SRM Present?	SRM Type	SRM Abundance	Notes:
<input type="checkbox"/> Yes	<input type="checkbox"/> Ashy	<input type="checkbox"/> A Class	_____
<input type="checkbox"/> No	<input type="checkbox"/> Cinders	<input type="checkbox"/> B Class	
	<input type="checkbox"/> Glassy	<input type="checkbox"/> B-Fill Class	
	<input type="checkbox"/> Retort	<input type="checkbox"/> C Class	
		<input type="checkbox"/> D Class	_____

Yard

Yes No

Stressed Vegetation?	SRM Present?	SRM Type	SRM Abundance	Notes:
<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Ashy	<input type="checkbox"/> A Class	_____
<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="checkbox"/> Cinders	<input type="checkbox"/> B Class	
Play Area?		<input type="checkbox"/> Glassy	<input type="checkbox"/> B-Fill Class	
<input type="checkbox"/> Yes		<input type="checkbox"/> Retort	<input type="checkbox"/> C Class	
<input type="checkbox"/> No			<input type="checkbox"/> D Class	_____

Evidence of Fill

Yes No

Evidence Type	SRM Present?	SRM Type	Notes:
<input type="checkbox"/> Rt Raised Terrain	<input type="checkbox"/> Yes	<input type="checkbox"/> Ashy	_____
<input type="checkbox"/> Rm Retaining Wall	<input type="checkbox"/> No	<input type="checkbox"/> Cinders	
<input type="checkbox"/> O Other: _____		<input type="checkbox"/> Glassy	
		<input type="checkbox"/> Retort	

Painted Structures

Yes No

Paint Condition	Notes:
<input type="checkbox"/> G Good <input type="checkbox"/> F Fair <input type="checkbox"/> P Poor <input type="checkbox"/> Peeling	_____

Ditch Adjacent to Property

Yes No

SRM Present?	SRM Type	SRM Abundance	Notes:
<input type="checkbox"/> Yes	<input type="checkbox"/> Ashy	<input type="checkbox"/> A Class	_____
<input type="checkbox"/> No	<input type="checkbox"/> Cinders	<input type="checkbox"/> B Class	
	<input type="checkbox"/> Retort	<input type="checkbox"/> C Class	
		<input type="checkbox"/> B-Fill Class	

Alley Adjacent to Property

Yes No

SRM Present?	SRM Type	SRM Abundance	Notes:
<input type="checkbox"/> Yes	<input type="checkbox"/> Ashy	<input type="checkbox"/> A Class	_____
<input type="checkbox"/> No	<input type="checkbox"/> Cinders	<input type="checkbox"/> B Class	
	<input type="checkbox"/> Retort	<input type="checkbox"/> C Class	
		<input type="checkbox"/> B-Fill Class	

Owner/Tenant Contact

Yes No

Owner/Tenant: _____

Notes: _____

Inspector: _____

Cherryvale, Kansas -Smelter Related Material Inspection Form

Date: _____

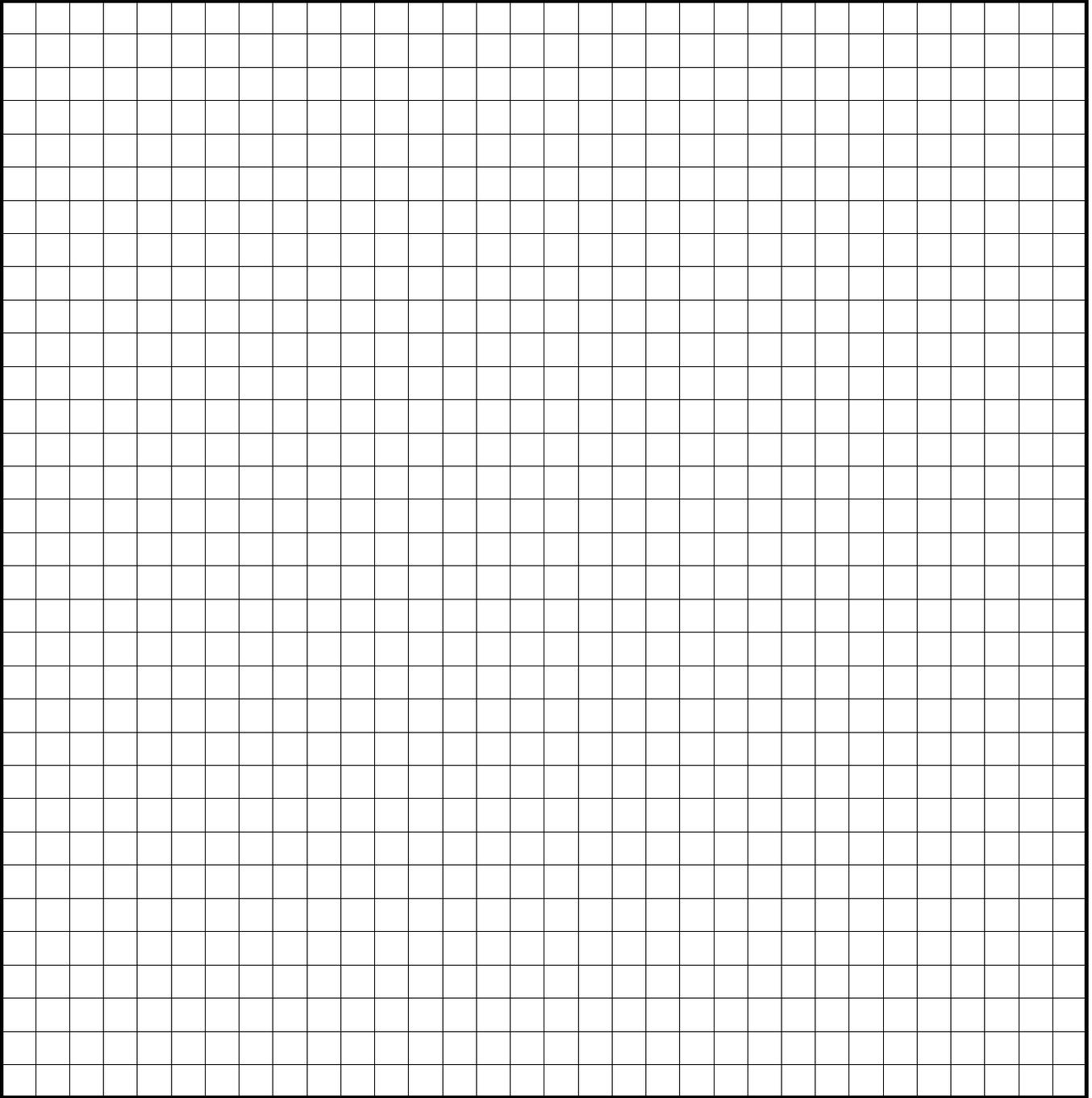
Property Address: _____

Time Start: _____

Property Owner/Contact: _____

Time End: _____

Site Sketch Map



Check List

Dr Driveway

W Walkway

Yd Yard

Aa Adjacent Alley

Ps Painted Structures

Dl Drip Line

Ef Evidence of Fill

Ad Adjacent Ditches

Inspected By: _____