

This Summary Was Prepared by Central Valley Water Board's Prosecution Team

- ITEM: 19
- SUBJECT: Resolution Authorizing the Executive Officer to Enter Into a Mutual Release and Covenant Not to Sue
- BOARD ACTION: Consideration of a Resolution authorizing the Executive Officer to enter into an agreement for mutual release and covenant not to sue with Homestake Mining Company of California ("Homestake") for:
- a. The Wide Awake Mercury Mine
 - b. Central, Cherry Hill, Empire, Manzanita, and West End Mines
- BACKGROUND: On November 13, 2009, a panel of the Central Valley Water Board conducted a public hearing to receive evidence regarding water quality impairments at the Wide Awake Mercury Mine property and the Central, Cherry Hill, Empire, Manzanita and West End Mine properties (collectively "the Properties"). Following the panel hearing, the Central Valley Water Board on May 27, 2010, held a further public hearing and, under the authority of Water Code section 13267, issued Technical and Monitoring Report Orders R5-2010-0048 and R5-2010-0049, which required further study of water quality concerns at the Properties.
- The Orders name several entities as Dischargers, including Homestake. Homestake and the Board's Prosecution Team are presenting a proposed settlement to the Central Valley Water Board for its approval. While the settlement does not contain any admission of liability by Homestake, pursuant to the terms of the settlement agreement, Homestake will carry out certain remedial activities at the Properties in exchange for a mutual release and covenant not to sue from the Central Valley Water Board. The remedial activities will be carried out by Homestake at the Board's direction and under its supervision. Entering into a Mutual Release and Covenant Not to Sue with Homestake will facilitate cleanup of the Properties.
- RECOMMENDATION: Adopt the proposed resolution.

Mgmt. Review _____
Legal Review PEP