



**INFORMATION PACKET
MEMORANDUM**

To: Mayor Osborne and City Council

From: Jane S. Brautigam, City Manager
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Date: May 11, 2011

Subject: Information Item: Valmont Butte Voluntary Clean Up Program Update

EXECUTIVE SUMMARY

The purpose of this information item is to provide the council with a status update of regulatory matters related to the ongoing clean up efforts at the Valmont Butte.

In September 2010, the city received approval of the Voluntary Clean-Up Program (VCUP) for the Valmont Butte property by the Colorado Department of Public Health and Environment (CDPHE), in order to consolidate contaminated soils within the area of the primary tailings pond and to replace the inadequate and failed cap with a durable engineered dirt and rock cap intended to prevent future prairie dog encroachment. This will, among other things, help ensure compliance with CDPHE covenant obligations. The next step in the process of completing construction is securing County Land Use Approvals for remedy construction.

On March 9, 2011, the City of Boulder submitted a Limited Impact Special Use Review Application to Boulder County for remediation work on the Valmont Butte property. The property is zoned General Industrial and Agricultural under the Boulder County Zoning Resolution. In either case, grading of more than 500 cubic yards requires a limited impact special review.

Although Valmont Butte is a city-owned property, because it is located in the county outside of the city limits, the county must conduct the use review. Ultimately, the county limited impact special use review will need to be approved by the County Commissioners. As part of the review process, the application was referred to the County Historic Preservation Advisory Board (HPAB) for comments and a recommendation. The HPAB reviewed the city's application at its April 7, 2011 meeting. The HPAB held two subcommittee meetings and a site visit on April 21 and 27 and hosted a public comment session on May 5. The HPAB is expected to adopt its final recommendations to the county commissioners at a special meeting on May 23. The Boulder County Commissioners' public hearing on the VCUP application will be scheduled after the HPAB meeting. At the May 5 HPAB meeting, board members expressed interest in preserving all structures on the site, including those that were planned for demolition, and designating the entire site as a historic landmark as conditions of permit approval.

The VCUP requires that remediation work begin prior to Aug. 31, 2011 and be complete by Aug. 31, 2012.

FISCAL IMPACT

Retaining and maintaining additional structures that are currently planned for demolition will have significant budget impacts. If landmark designated, future uses on the site will require HPAB review for most activities, which may potentially limit any and all activities or uses of the property.

BACKGROUND

When the city purchased the property in 2000, the property had undergone certain cleanup and closure activities to support CDPHE termination of the Colorado Radioactive Materials License then applicable to the property. The license termination was subject to a set of environmental covenants that run with the land and particularly relate to the tailings ponds area. However, subsequent to the purchase, the city discovered that there were several other areas of remaining soil contamination, and the cap over the tailings ponds area was insufficient. In particular, after the decision was made not to use the Valmont Butte Property for a wastewater biosolids composting facility or a fire training center, the city undertook additional investigation of the property in response to issues raised during the review process. Extensive soil sampling and analysis was completed after the city decided to pursue the VCUP program with CDPHE. The basic conclusions were:

1. There are 14 areas of contaminated soils outside of the covenant area (often referred to as the "tailings ponds").

2. The cap over the tailings ponds was inadequate.
3. The contaminated area of the tailings ponds was larger than indicated in the original VCUP.
4. Prairie dogs had moved into the tailings ponds area and further compromised the integrity of the tailings ponds cap.

The [2011 Council Reference Book](#) includes background information on the Valmont Butte property since the city's purchase in 2000. It can be found at www.bouldercolorado.gov > Government > City Council > Council Reference Books > 2011. Additional information and documents are available at the city's website at www.valmontbutte.net.

ANALYSIS

On March 9, 2011, the city submitted a Limited Impact Special Use Review Application to Boulder County for remediation work on the city's Valmont Butte site. The application was for a permit to allow 304,000 cubic yards of earthwork and the demolition of selected industrial structures associated with the remediation of the site where a former mill operated and industrial and debris disposal occurred. The application documents can be found on Boulder County's website at <http://www.bouldercounty.org/live/property/pages/docketdetails.aspx?docid=94>.

The Voluntary Clean-Up Program (VCUP) managed by CDPHE approved the remediation plan in September 2010 and also established site soil cleanup levels of:

- 800 mg/kg for total lead content
- 50 mg/kg for arsenic
- 68 micor rem/hr (whole body dose) for safe radiation levels

The VCUP site characterization identified 14 areas where surface soils are impacted with heavy metals exceeding the 800 mg/kg action level. In most cases on the Valmont site, areas with arsenic concentrations in excess of the 50 mg/kg action level are co-located with the lead concentrations in excess of the 800 mg/kg action level. The city's proposal is to complete remediation of these impacted surface soils to limit the risk to human health and the environment.

In general, the work includes excavating and consolidating impacted soils onto the primary tailings pond. Then, the impacted soils in the secondary tailings pond will be moved to the primary tailings pond. The primary tailings pond will then be recapped with two feet of clean soil overlain by 1.5 feet of rock as a protective cover against prairie dogs and erosion. Excavated areas will be filled and revegetated. The excavation will include regrading a portion of the site for proper drainage. After the site is regraded and seeded, the revegetation plan requires monitoring for five years.

Demolition of 18 buildings is proposed due to soil impacts around the structures, and in one case, underneath the structure, or due to impedance of proper site drainage. (See **Attachment A.**) Four buildings are proposed to be retained. The mill building and water clock tower are eligible for

inclusion in the National Register of Historic Places and the cistern is eligible for local landmarking. Those buildings will be protected. Buildings planned for demolition have been photographically documented in accordance with city preservation archival requirements.

As part of the county's use review, HPAB reviewed the city's application at its April 7, 2011 meeting. The HPAB held two subsequent subcommittee meetings. One subcommittee meeting reviewed the mill buildings and the other reviewed cultural assets. At the May 5 HPAB meeting, board members expressed interest in preserving all structures on the site, including those that were planned for demolition, and designating the entire site as a historic landmark. City staff and consultants will identify impacts and costs for retaining additional structures and continue to work with Boulder County.

NEXT STEPS

The county HPAB is expected to make its final recommendation at a special meeting on May 23. The Boulder County Commissioners' public hearing on the VCUP application will be scheduled after the HPAB meeting.

As required by CDPHE, site remediation actions in the VCUP must start by Aug. 31, 2011 and be completed by Aug. 31, 2012.

ATTACHMENTS:

A. Map of Proposed Structure Removal