

## **Comments in the Reports of the Receiver Concerning the Closure Cost of the Ordot Dump**

### **Quarterly Report of the Receiver, October 21, 2008**

“It should also be noted that the project requirement to properly close the Ordot Dump cannot begin until the new landfill is completed and operating. There is also a significant amount of remedial investigation that remains to be accomplished at Ordot Dump to determine the extent of environmental damage that has occurred there and devise acceptable plans to mitigate the damage identified. The estimates related to the Ordot Dump’s closure will, therefore, require a full reexamination as we near the time for the project to actually begin and the remedial investigations are completed.”

### **Quarterly Report of the Receiver, April 8, 2010**

“It is also vital to understand that the estimates of the cost to fund the closure of the Ordot Dump are preliminary and subject to change based on environmental and mitigation studies yet to be undertaken and the future bids for the work to be done. In addition, funds will be required to establish a reserve for post-closure care for the Ordot Dump. The amount of the needed reserve will be determined as a part of the work to complete the closure design for the Ordot Dump.”

### **Quarterly Report of the Receiver, August 11, 2010**

“Any discussion of savings must also include the caution that the estimates of the cost to fund the closure of the Ordot Dump remain preliminary and subject to change as the plan to accomplish the final closure is developed and approved. In addition, as we have also noted previously, funds will be required to establish a reserve for post-closure care for the Ordot Dump. The amount of the needed reserve will be determined as a part of the work to complete the closure design for the Ordot Dump.”

### **Quarterly Report of the Receiver, December 9, 2010**

We have previously reported to the Court capital savings of \$21.2 million. As is shown in Figure 2, even when the costs of the Receiver’s services for managing the capital program are added, the savings are in excess of \$17.7 million. We continue to recommend that these savings be held by the Court until the full cost of closure and post-closure care for the Ordot Dump is determined.

### **Quarterly Report of the Receiver, August 31, 2011**

We continue to recommend that all savings be held as a further contingency for the closure of the Ordot Dump.

### **Special Report of the Receiver, September 30, 2011**

In 2008, we estimated the cost of the closure of the Ordot Dump to be approximately \$40 million. This funding has been provided from the 2009 Section 30 Bond Issue of the Government of Guam and remains available for this work. The estimate was based primarily on information and studies performed before the Receivership began, and, as we said when the 2008 estimate was made, it

should be considered very preliminary. The estimate was not based on the level of study and design work needed to make a firm construction estimate since it was not possible to collect all of the information needed and complete a proper design, while the Ordot Dump was still operating. While the estimate may prove to be accurate, it is also possible that it is not accurate. For example, the estimate did not include the cost of land acquisition, the cost of the interim cover recently determined by USEPA to be a requirement, and the cost of post-closure care. In addition, there are many other areas of uncertainty that cannot be quantified until the study and design phase of the work, currently in its very early stages, is concluded. Since the reason for the Consent Decree is the proper closure of the Ordot Dump, it is imperative that all available capital funding be maintained until the closure is complete and funding for post-closure maintenance is secured.

**District Court of Guam, Order dated November 3, 2011**

“The costs of the final closure of the Ordot Dump are still uncertain; therefore, it is imperative that the bond proceeds remain available for the final closure.”

**Quarterly Report of the Receiver, December 7, 2011**

Recommendation: All savings be held as further contingency for Ordot Dump closure.

**Quarterly Report of the Receiver, April 11, 2012**

“However, as noted in Table 12, should these bond savings be required for the closure of the Ordot Dump, the funds are available for that purpose.”

**Quarterly Report of the Receiver, May 21, 2013**

“It is further our position that the District Court of Guam’s Order, dated November 3, 2011, restricts the use of the all savings not specifically approved by the Court for other Consent Decree-related purposes, including for the closure of the Ordot Dump. Specifically, the Court clearly stated in this Order the following:” “On this point, the court agrees with the United States and the Receiver. The costs of the final closure of the Ordot Dump are still uncertain; therefore, it is imperative that the bond proceeds remain available for the final closure.”