

Newmont, State Parks reach \$15M settlement in Empire Mine cleanup

Keri Brenner, Grass Valley Union, 2-7-15

Newmont Mining Corp., operator of the now-closed Empire Mine in Grass Valley, has agreed to pay almost \$15 million to settle a state lawsuit filed over the cost of cleaning up toxic residue at the old mine site, which is now part of Empire Mine State Park.

The \$14.920 million settlement was finalized Dec. 15 but details were revealed this week — just as a trial was scheduled to begin on the complaint filed in 2012 by state Attorney General Kamala Harris on behalf of California State Parks Department.

“We feel this was a good settlement for our past costs,” said Kathryn Tobias, lead attorney on the case for the California State Parks Department. “This is their contribution.”

In addition to the \$15 million to State Parks to recoup past costs for the cleanup, the settlement spells out ongoing and future responsibilities.

Tobias said the agreement calls for Newmont to absorb the majority of future cleanup costs. State Parks, in turn, will continue to maintain the historic buildings, trails and residences at the park as well as Magenta Drain, a passive treatment plant on the park grounds that flows into nearby Little Wolf Creek.

“We are pleased to have reached agreement with California State Parks regarding ongoing maintenance, remediation and treatment at the historic Empire Mine State Park,” said Newmont spokesman Omar Jabara. “The settlement will help ensure this unique and valuable parks system asset remains an accessible part of California’s early years and mining heritage.”

The settlement comes just weeks before the scheduled Feb. 2 trial and follows three years of talks. According to Tobias, it wasn’t until the pretrial conferences that both sides saw a way to reach agreement.

“We were preparing for trial, and so were they,” Tobias said. “When we compared notes prior to the trial, we realized we might be able to come to terms.”

Nevada County residents and public officials have been impatient over the last three years that the lawsuit was languishing. The Union’s Editorial Board in 2013 spoke out about the need to address the toxic pollution.

But the last straw in public opinion came in March 2014, when a discussion item during a state Senate subcommittee meeting was leaked to The Union.

The discussion item talked about selling or leasing out the park to avoid the \$5 million annual cleanup costs.

The idea led to local protests and a petition drive, causing state lawmakers to retract any thought of a sale or lease, and to assert that the park would be preserved.

Virginia Brunini of Grass Valley, one of those who led the petition drive to save the park, collecting thousands of signatures, said this week that she was always pushing for Newmont to assume the cleanup costs.

“I was horrified to discover last year that this money had been paid from the State Parks Department budget,” Brunini said. “I felt that in no instance should expense be paid by a state department — it should have been paid by the owner of the underground mine, Newmont.”

Brunini, in the 1970s an administrative assistant and district office manager for former State Assemblyman Bill Bagley in Marin County, was instrumental in alerting Bagley that Newmont had put the Empire Mine lands up for sale. Bagley then took steps that led to the state Legislature’s purchase of the land for a park in 1975.

Told of the amount of the settlement, Brunini said she thought that State Parks had already paid a lot more than \$15 million to remove the toxic chemicals from the mine operation.

“I’m shocked that Newmont has not been required to absorb more of the remediation costs that have been erroneously paid by State Parks,” she said.

Tobias said the \$15 million was a “negotiated settlement” and that Newmont had earlier paid other costs for some of the cleanup.

“We feel it was a good settlement,” she said. “We feel it accurately reflects the facts on the ground.”