OFFER TO ENTER INTO NON-BINDING, CONFIDENTIAL MEDIATION WITH BOEING TO RESOLVE THE SANTA SUSANA FIELD LABORATORY FORMAL DISPUTE DATED DECEMBER 6, 2019

Dear Mr. Bower:

I am writing you to formally offer that the California Department of Toxic Substances Control (DTSC) and The Boeing Company (Boeing) enter into non-binding, confidential mediation in an attempt to resolve Boeing’s December 6, 2019 dispute with DTSC’s November 19, 2019 direction and guidance letter regarding Boeing’s groundwater corrective measures study and risk assessments at the Santa Susana Field Laboratory (SSFL). The issues at the core of and related to this dispute are fundamental to compliance with the 2007 Consent Order, which describes the required process to determine Boeing’s cleanup responsibilities at SSFL.

DTSC believes mediation may serve as a tool to help resolve the formal dispute and provide an important opportunity to avoid the potential for years of costly litigation and delays in accomplishing needed cleanup activities at SSFL. In addition, DTSC has invited the Los Angeles Regional Water Quality Control Board (Regional Board) to participate in the mediation because of its jurisdiction over surface water at the SSFL and its role in advising DTSC on its laws, policies and regulations regarding groundwater at the site.

As stated above, this mediation would be confidential and non-binding. The mediation process would not alter DTSC’s or the Regional Board’s regulatory authorities, Boeing’s rights, or public participation requirements. If mediation is successful, the terms of any settlement agreement(s) and any resulting remedial action will be subject to applicable laws and regulations including public notice and comment as legally required. If mediation
is unsuccessful, the dispute will be resolved in accordance with the terms and conditions of the 2007 Consent Order.

DTSC wants to move forward with discussing and resolving Boeing’s dispute and to commence cleanup activities at the earliest possible opportunity. We believe the mediation can help to achieve this outcome.

I look forward to receiving your response to DTSC’s offer to enter into non-binding, confidential mediation. Please do not hesitate to contact me via email at grant.cope@dtsc.ca.gov, or at (916) 324-0845 with any questions regarding this correspondence.

Sincerely,

[Signature]

Grant Cope
Deputy Director
Site Mitigation and Restoration Program
Department of Toxic Substances Control