

Mark:

We have received an inquiry from our contract management folks about our intent to exercise the option to extend the current TAPP contract for an additional year. The contract officially expires near the end of March 06 but we can extend that a few months if desired. I have \$20K programmed to extend the contract but I am concerned if this is the best expenditure of funds at this time and if the RAB wants the TAPP extended for this year. As you know, the TAPP is limited to \$100,000. The current contract is about \$25,000, so this only leaves \$75,000 for the life of the FUDS property. The current TAPP contractor provided the RAB with a better understanding of the site geology and hopefully a better understanding of the issues and concerns we are facing while evaluating the groundwater on the site. She also assisted with some significant document reviews which position us for our work at the site for this year and next year and she has about \$7900 remaining on her contract to continue these efforts.

This year and next year, our main effort will be on the following:

- Complete Removal Action at TNT Area B – FY06
- Complete EE/CA for Reservoir Number 2 Burning Grounds – FY06
- Removal Action at Res #2 BG (subject to availability of funding) – FY07
- Complete FS for Res #2 BG – FY07
- Complete Risk Assessment for Acid Areas 1 and 2 – FY06
- Complete Acid Areas 1 and 2 FS – FY07
- Complete FS effort for GW at TNT Areas and Redwater Ponds – FY06-07
- Complete Final Decision Documents for TNT Areas and Red Water Ponds – FY07
- Continue O&M and LTM – FY06-07

Given the current conditions and projected work effort, does the RAB desire us to: (a) exercise the option to obligate up to an additional \$20K to the existing TAPP contractor for another year of service, (b) defer on a TAPP contract this FY or (c) select new TAPP contractor? (Or any other option you can think of!!!)

I am not sure why, but our contract management folks say they need to know by the end of this month if we want to exercise the option to extend and obligate additional funding to TAPP contract.

Sorry for the short notice, but we need the RAB's position on this so we can try to meet their desire, if possible.

Rick