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January 11, 2018

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Via Email Only

Sarah Hulstein
U.S. Environmental Protection Agency, Region 8
1595 Wynkoop Street
Denver, CO 80202-1129
Hulstein.Sarah@epa.gov

Re: Request for Final Documentation - Superfund Cooperative Agreement V 96803401

Dear Ms. Hulstein:

This letter is to follow up on my December 8, 2017 letter to you regarding final documentation requested regarding Superfund Cooperative Agreement V 96803401 (“Grant”). As I mentioned in that letter, we sent a December 5, 2017 letter to the Doney Crowley, P.C. (“Law Firm”) regarding the time spent on the Grant included on the Law Firm’s “Draft Statement” we previously provided to you. In response to that letter, Doney Crowley has provided us with the enclosed “Final Statement.” In providing that Final Statement, Allan Payne, the attorney at the Law Firm with primary responsibility over this matter, emailed us the following explanation:

In response to your email I reviewed the previously provided Draft Statement of this Firm’s work for the Board of Health related to the Superfund Cooperative Agreement V 96803401. I found 8 entries that arguably were not related to the support and administration of the Cooperative Agreement and those entries have been removed. To the best of my knowledge and belief the remaining entries detailed in the attached Statement are accurate and represent time and efforts spent on Superfund Cooperative Agreement V 96803401. That said, I believe the Grant in Support of the Cooperative Agreement was not effective until April 2, 2012 and the attached Statement does contains time entries for approximately a month prior to that date. During that period the Board was given assurances the grant award was imminent and the work done in that month (and prior) leading up to the eventual award

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was related to efforts that needed to be accomplished (e.g. negotiating and drafting the TriHydro Contract and the hiring of a Director for the program) so the program could get up and operational as soon as possible following the award. While I believe those efforts in March of 2013 and their timing were necessary and in support of the Cooperative Agreement, given their timing I understand EPA may not agree. So please bring that issue specifically to EPA's attention.

The entries on the attached statement, like all this firm's statements, are prepared by each time keeper contemporaneous with the activities they document. Each employee is trained in the recording of their time for accuracy and fairness to clients. While the record in this case was maintained primarily for internal purposes so that employees of the firm would receive credit from the firm for such things as salary and performance reviews for their efforts on this matter, that is common in our practice and would not impact the accuracy of the entries. If anything, the statement under-records the time and effort spent. Our firm spent years assisting the Board on issues related to the Libby Asbestos Superfund Site prior to the cooperation agreement without compensation. Also as a shareholder much of my time spent in support of the Cooperative Agreement was not recorded as there was not necessarily a reason to track it internally as there is for employee time. Therefore the entries in the attached Statement are accurate in that the time and efforts recorded were actually spent, but likely under-reports the total time and effort the firm spent in support of the Cooperative Agreement.

Also, in communicating with the Law Firm, we have confirmed our collective concern about the amount of Grant funds the Law Firm actually received. We understand from James A. Hageman's November 21, 2017 letter to the City/County Board of Health for Lincoln County ("Board") that EPA believes the Law Firm received \$331,911.61 in Grant funds. However, neither the Board nor the Law Firm has been able to replicate that figure. Would you please provide us with your calculations in reaching that \$331,911.61 figure as well as any supporting documentation?

Please let us know if you have any questions about the "Final Statement" or need anything further in that regard. We look forward to receiving your calculations as to how EPA calculated the \$331,911.61 amount of Grant funds allegedly paid to the Law Firm as well as any supporting documentation. Should you have any questions or need any further information, please feel free to contact us.

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Sincerely,

MOORE, COCKRELL,
GOICOECHEA & JOHNSON, P.C.



Jennifer J. Mariman

JJM/lw

Enclosure – Law Firm Final Statement

Cc: Mike Cole, Chair, Lincoln County Board of Commissioners
Mark Peck, Lincoln County Board of Commissioners
Marcia Boris, Lincoln County Attorney
Darren Coldwell, Lincoln County Administrator
Jan Ivers, Chair, City/County Board of Health for Lincoln County
James A. Hageman, Director of Grants, Audit and Procurement Office, U.S.
Environmental Protection Agency
Paul Felz, Audit Coordinator, U.S. Environmental Protection Agency, Region 8