



Superfund Cost Allocation

John L. Tatum PC

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Tatum Background - 1

- Technology & Compliance & Law
- Programmer while in law school
- Ford Motor Assignments
 - Finance Staff
 - Engineering Staff
 - Environmental Staff



Tatum Background – 2

- Private Practice in '86
 - Figure out ThermoChem
 - 3 more sites before finished there
- Mediator / Allocator
- USIECR Roster
- Computers as a tool



Allocation Process

- Settle, Get Cash, Do the Cleanup
- The Search for Rough Justice
 - Transaction Cost = 20%+
 - Cleanup Cost = hazard
 - Volume \sim = share
 - Small groups work better



Process Requirements

- Focus on Settlement
- Expert Testimony & Process
- EPA Guidance = standard
- Endorsed, repeatable, testable
- Qualified at trial



Process Steps

- Inventory – What have we got?
- Organize it
- History – site & company
- Business Model – inbound side
- Documentation – what's available?
- Assemble the documents



Process Steps - 2

- Depositions
 - Record keepers
 - Source contacts – drivers, sales
- Secondary Sources
 - Agencies – Local, State & Federal
 - Haulers
 - Customers – inbound or outbound



Process Steps - 3

- Database – Organize and manage
 - Image
 - Data
- Quality Control
 - By creator
 - By generator / challenge round



Process Steps - 4

- Remedy Analysis
- Allocation
 - Gore Factors analysis
 - Tiers
 - Orphans – research
 - Buyouts



Process Steps – 5

- Settlement
 - Counsel / Group offers
- Agency Liaison
- Administration
 - Agreements and indemnities
 - Trust Accounts
 - LLC's



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- Dynamic Virtual Organization
- Building Teams for
 - Copy & Scan & Data Entry
 - Database creation / historical file recovery
 - Repository administration
- Facilitative Mediation
- Allocation Solution