



# Superfund Cost Allocation

---

John L. Tatum PC

[john@tatum.com](mailto:john@tatum.com)

248-203-7030



# 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



# John L. Tatum PC

---

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