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December 13, 2006

Ms. Jessica C. White
Coastal Protection and Restoration Division
NOAA/NOS/Office of Response and Restoration
1445 Ross Avenue
Dallas, TX 75202-2733

**Ref: Conference Call Summary – Greens Bayou
Ecological Services Analyses – November 7, 2006
GB Biosciences (GBB) Corporation
Greens Bayou Plant, Houston Texas
Hazardous Waste Permit No: HW-50205
Compliance Plan No: CP-50205
TCEQ S.W.R. No: 30522
EPA I.D. No: TXD000836486**

Dear Ms. White,

The purpose of this correspondence is to provide the State of Texas and Federal Natural Resource Trustees and Texas Commission on Environmental Quality (TCEQ) an official copy of the summary of the jointly held conference call on November 7, 2006.

The Trustees, TCEQ and representatives from GBB, ISK Magnetics, OCC/Tierra Solutions and their consultant team who were on the conference call November 7, 2006 reviewed the attached summary. All of the comments were incorporated in the summary. The summary was written by GBB consultant, Integral. Also enclosed is the attendee list for the conference all.

GBB and the other stakeholders appreciate the opportunity to continue working with the Trustees and TCEQ in a cooperative manner to bring an acceptable and environmentally sound resolution relative to Greens Bayou.

Ms. Jessica C. White
NOAA
December 13, 2006

Please feel free to contact me at 713-450-8075 if you need additional information regarding the GB Plant Site or Greens Bayou.

Sincerely,

Martin M. Fontenot, Jr. Q.E.P.
GB Biosciences Corporation
Site Remediation Manager

Ms. Jessica C. White
NOAA
December 13, 2006

CC: Mr. Frank Rigsby
ISK Magnetics, Inc.
2237 Haden Road
Houston, TX 77015

Mr. David Rabbe
Tierra Solutions, Inc.
Two Tower Center Blvd., 10th Floor
East Brunswick, NJ 08816

Electronic Copies:
All Attendees

Ms. Jessica C. White
NOAA
December 13, 2006

CONFERENCE CALL SUMMARY GREENS BAYOU ECOLOGICAL SERVICES ANALYSIS NOVEMBER 7, 2006

INTRODUCTION

A conference call was held on November 7, 2006 to discuss the data and the technical approaches to be used for the ecological services analysis (ESA) to be conducted for Greens Bayou. The agenda for the conference call is attached.

PARTICIPANTS

The following people participated in this conference call:

Tammy Ash, USFWS
Judi Durda, Integral Consulting
Marty Fontenot, GB Biosciences
Jerry Hall, BBL, on behalf of Tierra Solutions, Inc.
Tim Iannuzzi, BBL, on behalf of Tierra Solutions, Inc.
Dreas Nielsen, Integral Consulting
Frank Rigsby, ISK Magnetics
Richard Seiler, TCEQ
Andy Sipocz, TPWD
Andy Tirpak, TPWD
France Webster, Malcolm Pirnie
John Wilder, TCEQ
Jessica White, NOAA

DISCUSSION

The planned agenda for the conference call was reviewed. No changes were made. Discussion then followed the topics outlined on the agenda.

Minutes of the October 17, 2006 Meeting

Trustees' comments on the minutes of the October 17, 2006 meeting were sent to Integral prior to the conference call. No participants had further comments on the minutes.

Trustees' Evaluation of Affected Habitat at the CDF

Andy Sipocz described his visit to the confined disposal facility (CDF) site on May 6, 2005, to view the site and provide comments on the U.S. Army Corps of Engineer's (Corps) 404 permit. The background information that he had was the wetland delineation done for the Port of Houston in 2000. He walked around the cleared areas of the site (disposal and proposed borrow areas) making visual observations. During this visit he observed wetland vegetation, wetland soils, and standing water, and used these indicators to define wetland boundaries. He recorded the size of the wetland areas and affected habitats using a tape measure. Coordinates or other measurements of locations or areas were not made. Upon returning to his office, he laid out his estimate of the boundary of the cleared area on a 1995 digital orthophoto, and marked his estimate of the amount of wetland within that area.

Frank Rigsby noted that the cleared area had been used as a pasture until 1995.

Judi Durda asked if there had been any changes to the use or physical features of the site between 1995 and 2005. Marty Fontenot and Frank Rigsby said that there had been none.

The type of wetland indicators observed at the site were discussed. Andy Sipocz said that there had been some re-growth in the cleared areas and that he had observed horned beak-rush and other wetland plants during his visit. He commented that the Corps would not consider the area jurisdictional wetlands because the Corps relies primarily on observations of the presence of standing water. Rainfall on the site prior to both the 2000 and 2005 assessments was discussed, with general agreement that rainfall in 2000 had been below normal.

Andy Sipocz said that the estimate of 14 acres of impacted forested wetlands includes the entire area that was cleared. He estimated that 3 acres or less of the cleared forested areas was within the footprint of the CDF construction site, and the remainder of the acreage is in the buffer area, mostly to the east. He said that if the borrow area, which is no longer to be used, is maintained as pasture, there would be no further impact there.

Marty Fontenot noted that CDF construction activities are progressing, and that the beginning of actual construction could be delayed until after the Trustees' planned site visit on November 29.

Andy Sipocz said that the wetland area was all flatwoods. A little cypress swamp was present, but it was not affected by CDF construction. Richard Seiler noted that the Trustees don't necessarily want to delineate wetlands, they simply need to characterize the type and quality of the affected habitat. Andy Sipocz noted that the results of the survey could be overlain on more recent (2001 – 2005) aerial photography to estimate the area of flatwoods affected.

Judi Durda commented that it still was not clear how the estimate of 14 acres of affected wetland related to the estimate of 6.52 acres shown on the materials presented by the Trustees at the October 17, 2006 meeting. She asked Andy Sipocz if he could provide a

tabulation of the type and amount of wetlands affected in the CDF and borrow areas; he said that he could.

Andy Sipocz also agreed to make an effort to participate in the Trustee site visit of the CDF area on November 29, 2006.

ESA Database and Website

Dreas Nielsen described the database and associated information that had been uploaded to a web portal for participants to download and review. This information includes some notes describing resolution of some potential issues that had been noted at the October 17 meeting. He noted that some additional information would be added to the database to indicate whether the sampling stations in the polygons along the right shore are in the benthic habitat area (+2 to -10 feet msl) of those polygons. The Trustees noted that Tammy Ash will need the data as Excel files, and Dreas Nielsen said that Integral would add the data in that format to the web portal. The Trustees had not yet downloaded or used the database, and had no comments or questions about its content.

Dreas Nielsen noted that the web portal currently being used to make the database available allows the authoritative copy of the database to be stored and downloaded, but does not provide any other features for sharing information. He requested that people e-mail him with any comments or questions that they have as they use the web portal, with respect to its features and usability.

Evaluation of Service Losses Due to DDx

Dreas Nielsen stated that Integral had been compiling information on DDx concentrations and biological effects from DDT sites and DDT studies, using the data sources identified during the previous meeting. Two additional literature studies on DDx had been identified. Jessica White commented that the Trustees did not want to embark on an extensive literature review. Judi Durda responded that the two additional studies had been identified during the summarization of toxicity data that had been conducted for another NRDA site, and it was due to an oversight that they were not identified at the October 17 meeting. The Trustees asked that the documents be placed on the web portal.

Dreas Nielsen indicated that the Companies were planning to use the compiled data set to estimate service loss from DDx concentrations, using both professional judgment and logistic regression, as the Companies and Trustees agreed to do during the October 17 meeting. After internal review of the compiled data set is completed, it will be distributed to the Trustees, probably within a week of the call.

Jessica White said that the Trustees had looked at the four papers previously distributed and had had a conference call to discuss them the prior week. They agreed that the Ingersoll et al. (2005) paper contains relevant data of good quality due to the use of a chronic test with a relatively sensitive organism (*Hyalella azteca*) that is tolerant of low salinity. Jessica White said that she did not like the West et al. (1994) paper because of the organism used (*Chironomus*) was not highly sensitive and because the work used a

10-day test. Judi Durda replied that sediment chemical benchmarks are ordinarily based on communities and not just the responses of the most sensitive species.

Judi Durda also requested that the Trustees review again the site-specific toxicity testing data available for amphipods, as those data provide important insight into potential toxicity associated with the DDx in Greens Bayou sediment, not just laboratory conditions. She also mentioned that the quality control problems previously noted by the Trustees for the site specific toxicity data only applied to the mysid shrimp assay, not the amphipod assay. Jerry Hall stated that he believed site-specific data should not be excluded from the evaluation. Jessica White agreed to re-visit the site-specific bioassay data for amphipods.

Neither Trustees nor Companies yet had analyses or proposals to share regarding service losses due to DDx concentrations. All parties agreed to share data and analyses prior to the December 4 meeting and to reach a decision at that meeting. Richard Seiler noted that the Trustees will also be looking at applying the P-Max approach to the BEDS database.

Preparation for December 4-5 Meeting

Topics planned to be discussed during the December 4-5 meeting include:

- The final dredging design in the benthic habitat area;
- Sediment accumulation rates in Greens Bayou (a presentation by Don Hayes on December 4);
- The area of affected habitat at the CDF; and,
- The service losses associated with DDx concentrations.

The Trustees are in the process of locating a venue for the December meeting. Topics will be scheduled so that the second day of the meeting will end at 1 PM.

Draft Agenda
Greens Bay Bayou Ecological Service Analysis – Conference Call

November 7, 2006

The conference call is scheduled to run from 1:00 pm to 4:00 pm Central time.

1:00 – 1:15

Meeting minutes from October 17 meeting – finalization and comments

1:15 – 2:00

Trustees' evaluation of estimates of affected habitat at the CDF

2:00 – 2:15

ESA database

- Questions and comments
- Information transfer

2:15 – 3:00

Evaluation of service losses due to DDx

- Data to be used
- Summary of information

3:30 – 4:00

Preparation for December 4 meeting

- Final dredging design
- Sediment accumulation rate (Don Hayes to present)