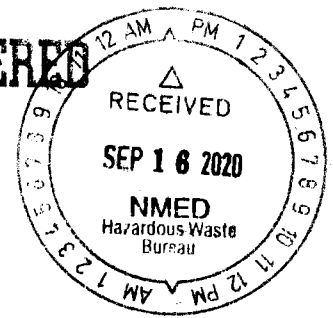




ENTERED



VIA FEDERAL EXPRESS TRK #771508811006

September 11, 2020

Mr. Kevin Pierard, Chief - Hazardous Waste Bureau  
New Mexico Environment Department  
2905 Rodeo Park Drive East, Building 1  
Santa Fe, NM 87505-6313

**RE: Financial Assurance Closure Cost Adjustment for permit renewal**  
Safety-Kleen Systems, Inc.  
Farmington – EPA ID No. NMD980698849

Dear Mr. Pierard;

Enclosed is an original signed Certificate of Insurance for Closure and/or Post-Closure Care issued by Great American Insurance on policy number CPC E601101 00. The policy is effective July 31, 2020 through July 31, 2021. The Closure amount for the Farmington facility has been revised due to a recent permit renewal. The approved amount of \$67,007 was calculated on the CostPro worksheet 2009 and increased for inflation through 2020 to \$79,878. See attached worksheets.

Please be advised that Clean Harbors has changed their FA insurance provider from Indian Harbor Insurance Company effective July 31, 2020. As such, please provide written confirmation that Great American Insurance Company is an acceptable replacement for Indian Harbor Insurance Company. In addition, please advise Indian Harbor Insurance Company on the release of policy PEC0055302 by sending your letter of confirmation attention to:

Ms. Mary Ann Susavidge  
XL Insurance – Environmental  
505 Eagleview Boulevard  
Exton, PA 19341  
[MaryAnn.Susavidge@axaxl.com](mailto:MaryAnn.Susavidge@axaxl.com)

Please carbon copy me on your correspondence.

If you have any questions regarding this submittal, please feel free to contact me at 219-746-5050 or [Harvey.Pamela@cleanharbors.com](mailto:Harvey.Pamela@cleanharbors.com).

Sincerely,

Pamela K. Harvey, CHMM  
Environmental Compliance Manager

Enclosures



Cc w/enclosures: New Mexico Environment Department  
Hazardous Waste Bureau  
121 Tijeras Avenue NE  
Suite 1000  
Albuquerque NM 87102



Environmental Division

397 Eagleview Blvd, Suite 100  
Exton, PA 19341  
888.828.4320 ph

### CERTIFICATE OF INSURANCE FOR CLOSURE AND/OR POST-CLOSURE CARE

Name and Address of Insurer (herein called the "Insurer"):

Great American Insurance Company  
301 E. 4<sup>th</sup> Street  
Cincinnati, OH 45202

Name and Address of Insured, (herein called the "Insured"):

Clean Harbors, Inc.  
42 Longwater Drive  
Norwell, MA 02061

#### FACILITIES COVERED:

Name: Safety-Kleen Systems, Inc. – Albuquerque 7-008-01

Address: 2720 Girard NE  
Albuquerque, NM 87401

EPA ID Number: NMD 000 804 294

Closure: \$126,596

Name: Safety-Kleen Systems, Inc. – Farmington 7-008-21

Address: 4210A Hawkins Road  
Farmington, NM 87401

EPA ID Number: NMD 980 698 849

Closure: \$79,878

Total Closure: \$206,474

Face Amount: \$206,474

Policy Number: CPC E601101 00

Effective Date: September 8, 2020



397 Eagleview Blvd, Suite 100  
Exton, PA 19341  
888.828.4320 ph

Environmental Division

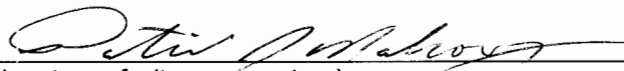
The Insurer hereby certifies that it has issued to the Insured the policy of insurance identified above to provide financial assurance for closure and corrective action for the facilities identified above. The Insurer further warrants that such policy conforms in all respects with the requirements of 40 CFR 264.143(e), 264.145(e), 265.143(d) and 265.145(d), as applicable and as such regulations were constituted on the date shown immediately below. It is agreed that any provision of the policy inconsistent with such regulations is hereby amended to eliminate such inconsistency.

Whenever requested by the Secretary of the New Mexico Environmental Department, the Insurer agrees to furnish to the New Mexico Environmental Department a duplicate original of the policy listed above, including all endorsements thereon.

I hereby certify that the wording of this certificate is identical to the wording specified in 40 CFR 264.151(e) as such regulations were constituted on the date shown immediately below.

  
\_\_\_\_\_  
(Authorized signature for Insurer)

Rick Ringenwald, Divisional Vice President, Executive Underwriter  
(Authorized Representative of Great American Insurance Company)

  
\_\_\_\_\_  
(Signature of witness or notary)

9/10/2020  
\_\_\_\_\_  
(Date)

SEAL: 

COMMONWEALTH OF PENNSYLVANIA NOTARIAL SEAL Patrick J. Mahoney, Notary Public Uwchlan Twp., Chester County My Commission Expires Sept. 27, 2021 MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES
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Table 1. Closure Cost Estimate Worksheet, Safety-Keen Branch Service Center, [Farmington, NM]

Activity	Category	Hourly Rate or Unit Charge	Hours or Unit Estimate	Subtotal Cost
<b>1. INVENTORY REMOVAL</b>				
<u>Assumptions</u>				
- Waste mineral spirits tank(s) is full				
- Tank One			12600	
- Tank Two (IF APPLICABLE)			0	
	Total Tank Capacity		12600	
- Return/Fill station is full				
- Maximum capacity of drum washers added to waste mineral spirits tank quantity			750	
- Container storage area(s) full				
- CSA 1			3820	
- CSA 2 (IF APPLICABLE)			0	
	Total CSA Capacity		3820	
<u>Subcontractor Costs</u>				
- Transfer tank contents to tankers				
Tank Capacity (total gallons)			13350	
Work Rate to Unload Tank Capacity (hours per gallon)			0.0003	
Total Hours to Unload			4.0	
Labor and equipment rate to unload (PPE Level D) and cost	Labor/equipment	\$175.95	4.0	\$705
- Transport waste mineral spirits to a TSD for treatment/disposal				
Number of tanker trailers required (6,000 gallons max each load)			3	
Cost per mile = \$5.64/mile				
Mileage = 300 miles (Number in second column is 300 miles x number trucks)	Transport = 300 miles each	\$5.64	900	\$5,076
Disposal/treatment cost (per gallon - low cost based on suitability for fuel)	TSD @ \$0.45/gallon	\$0.450	13350	\$6,008
- Transfer drums from CSA(s) to trucks				
Labor/Equipment (PPE Level D)	Labor/equipment per drum	\$3.57	70	\$250
(Number in second column is number of drums determined from total CSA capacity)				
- Transport drums to TSD for Treatment/Disposal				
Total Number of Drums (Number is total of CSA drums and Flam Shed drums)			70	
Total Number of Trucks Required to Transport Drums (84 per truck max)			1	
Cost per mile = \$5.64/mile				
Mileage = 300 miles (Number in second column is 300 miles x number of trucks)	Transport trailer(s) x 300 miles	\$5.64	300	\$1,692
Disposal/treatment cost (per drum - low cost based on suitability for fuel)	TSD @ \$90/drum	\$90	70	\$6,300
	Activity 1. Subtotal			\$20,030
<b>2. STORAGE TANK DECONTAMINATION</b>				
<u>Assumptions:</u>				
- The tanks, piping and appurtenant equipment are decontaminated and remain in place				
- Rinsate sampling necessary because the tank will remain in place. Assumes 1 rinsate sample per tank.				
- Includes decontamination of the containment area				
- Assumes containment area to remain in place following decontamination				
- Assumes 1 rinsate sample required to leave containment in place				
- Assumes 2 soil samples required from beneath containment area. Actual number of samples will be based on engineer's inspection.				
- Tank Interior Square Footage (based on tank volume)				
- Tank 1			804	
- Tank 2 (IF APPLICABLE)			0	
	Total Tank Interior Square Footage		804	
- Tank Farm Containment Square Footage (includes floor and walls)			1168	
<u>Prime Contractor Costs</u>				
- Costs for oversight and engineers inspection included in Closure Certification Activity below				
- Collect Rinsate Sample(s) (1 per tank and 1 per containment)				
Work Rate for Sampling (hours per sample)			0.5000	
Number of Samples			1	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$91.88	0.50	\$46
- Drilling for Soil Samples (2.5 in boring to 1 ft each)				
Work Rate for Drilling (hours per foot)			0.3050	
Number of Feet (subslab sample depth = 1 foot each)			2	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$146.29	0.61	\$89
- Collect 2 Soil Samples				
Work Rate for Sampling (hours per sample)			0.5000	
Number of Samples			2	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$91.88	1.00	\$92
<u>Subcontractor Costs</u>				
- Decontaminate waste AST, piping and appurtenant equipment				
Work Rate to Pressure Wash (hours per square foot)			0.0405	
Area of Tanks to be decontaminated			804	
Labor and equipment for tank decon (PPE Level C)	Labor/equipment	\$97.23	33	\$3,168
- Decontaminate Tank Containment Area				
Work Rate to Pressure Wash 1 sq ft (hours per square foot)			0.0405	

Table 1. Closure Cost Estimate Worksheet, Safety-Kleen Branch Service Center, [Farmington, NM]

Activity	Category	Hourly Rate or Unit Charge	Hours or Unit Estimate	Subtotal Cost
Total Area of Containment (includes walls and floor)			1168	
Labor and equipment for CSA decon (PPE Level D)	Labor/equipment	\$65.77	47	\$3,111
<u>Laboratory Subcontractor Costs</u>				
Analyze rinsate sample(s) from tank(s) and containment area for VOCs, SVOCs and RCRA metals	VOCs @ \$189/sample SVOCs @ \$359/sample 8 RCRA Metals @ \$110/sample Total per sample cost	\$658	1	\$658
Analyze soil sample(s) from containment area for VOCs, SVOCs and RCRA metals	VOCs @ \$189/sample SVOCs @ \$359/sample 8 RCRA Metals @ \$110/sample Total per sample cost	\$658	2	\$1,316
Activity 2 Subtotal				\$8,480

Table 1. Closure Cost Estimate Worksheet, Safety-Kleen Branch Service Center, [Farmington, NM]

Activity	Category	Hourly Rate or Unit Charge	Hours or Unit Estimate	Subtotal Cost
<b>3. DECONTAMINATE THE RETURN/FILL STATION</b>				
<u>Assumptions:</u>				
- Decontamination shall consist of washing with detergent/water solution and rinsing with high-pressure spray				
- Return/Fill structure and dock area will remain in place following decontamination				
- Drum washers to remain in place or sent offsite for reuse following decontamination				
- Rinsate sampling required from each drum washer to remain in place or sent offsite for reuse, and from containment				
- Assumes 2 soil samples required from beneath containment area. Actual number of samples will be based on engineer's inspection				
- Square footage used for decontamination includes containment, dock and drum washer units				
			<b>Square Footage</b>	
			1000	
<u>Prime Contractor Costs</u>				
- Costs for oversight and engineers inspection included in Closure Certification Activity below				
- Collect Rinsate Samples (1 per drum washer plus containment)				
Work Rate for Sampling ( hours per sample)			0.5000	
Number of Samples			2	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$91.88	1.00	\$92
- Drilling for Soil Samples (2.5 in boring to 1 ft each)				
Work Rate for Drilling ( hours per foot)			0.3050	
Number of Feet (subslab sample depth = 1 foot each)			2	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$146.29	0.61	\$89
- Collect Soil Samples				
Work Rate for Sampling (per sample)			0.5000	
Number of Samples			2	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$91.88	1.00	\$92
<u>Subcontractor Costs</u>				
- Decontaminate waste AST, piping and appurtenant equipment				
Work Rate to Pressure Wash (hours per square foot)			0.0405	
Area of Return/Fill to be decontaminated			1000	
Labor and equipment for tank decon (PPE Level C)	Labor/equipment	\$97.23	41	\$3,938
<u>Laboratory Subcontractor Costs</u>				
- Analyze 1 rinsate sample per drum washer and containment for VOCs, SVOCs and RCRA metals	VOCs @ \$189/sample SVOCs @ \$359/sample 8 RCRA Metals @ \$110/sample Total per sample cost	\$658	2	\$1,316
- Analyze soil sample(s) from containment area for VOCs, SVOCs and RCRA metals	VOCs @ \$189/sample SVOCs @ \$359/sample 8 RCRA Metals @ \$110/sample Total per sample cost	\$658	2	\$1,316
Activity 3. Subtotal				<b>\$6,843</b>
<b>4. DECONTAMINATE CONTAINER STORAGE AREA(S)</b>				
<u>Assumptions:</u>				
- Decontamination shall consist of washing with a detergent water solution and rinsing with a high-pressure spray				
- CSA(s) to remain in-place following closure				
- Decontamination of CSA includes floor, curbing and containment trenches				
- Assumes 1 rinsate and 2 soil samples required per CSA. Actual number of soil samples will be based on engineer's inspection.				
- CSA Containment Square Footage			<b>Square Footage</b>	
- CSA 1			629	
- CSA 2 (IF APPLICABLE)			0	
	Total CSA Square Footage		629	
<u>Prime Contractor Costs</u>				
- Costs for oversight and engineers inspection included in Closure Certification Activity below				
- Collect Rinsate Samples (1 per CSA)				
Work Rate for Sampling (hours per sample)			0.5000	
Number of Samples			1	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$91.88	0.50	\$46
- Drilling for Soil Samples (2.5 in boring to 1 ft each)				
Work Rate for Drilling ( hours per foot)			0.3050	
Number of Feet (subslab sample depth = 1 foot each x number of samples)			2	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$146.29	0.61	\$89
- Collect Soil Samples				
Work Rate for Sampling (hours per sample)			0.5000	
Number of Samples			2	
Labor and equipment per work hour (PPE Level D)	Labor/equipment	\$91.88	1.00	\$92
<u>Subcontractor Costs</u>				
- Decontaminate CSA(s)				
Work Rate to Pressure Wash (hours per square foot)			0.0405	
Total Area of Permitted CSA(s) to be decontaminated			629	
Labor and equipment for CSA decon (PPE Level D)	Labor/equipment	\$65.77	25	\$1,675

Table 1. Closure Cost Estimate Worksheet, Safety-Kleen Branch Service Center, [Farmington, NM]

Activity	Category	Hourly Rate or Unit Charge	Hours or Unit Estimate	Subtotal Cost
<u>Laboratory Subcontractor Costs</u>				
- Analyze rinseate sample(s) from each CSA for VOCs, SVOCs and RCRA metals	VOCs @ \$189/sample SVOCs @ \$359/sample 8 RCRA Metals @ \$110/sample Total per sample cost	\$658	1	\$658
- Analyze 2 soil sample(s) from each CSA for VOCs, SVOCs and RCRA metals	VOCs @ \$189/sample SVOCs @ \$359/sample 8 RCRA Metals @ \$110/sample Total per sample cost	\$658	2	\$1,316
Activity 4. Subtotal				\$3,877



Table 1. Closure Cost Estimate Worksheet, Safety-Kleen Branch Service Center, [Farmington, NM]

Activity	Category	Hourly Rate or Unit Charge	Hours or Unit Estimate	Subtotal Cost
<b>5. CONTAINERIZE, STAGE, TRANSPORT AND DISPOSE OF DECONTAMINATION WASTES</b>				
<u>Assumptions:</u>				
- Amount of decon wash water generated derived from previous closure experience. Quantity based on approximately 0.8 gal/ sq ft for tank systems and 0.1 gal/sq ft for containment area floors				
Unit Description	Square Footage	Number Gallons	Number Drums	
STORAGE TANK DECONTAMINATION	804	644	12	
DECONTAMINATE TANK CONTAINMENT	1,168	117	3	
DECONTAMINATE THE RETURN/FILL STATION	1,000	800	15	
DECONTAMINATE CONTAINER STORAGE AREA(S)	629	63	2	
PPE, CONSUMABLES, DEBRIS	NA	NA	5	
- Purchase 55-gallon drums to containerize wash water	Drums @ \$83 each	\$83	37	\$3,378
<u>Subcontractor Costs</u>				
- Transfer drums to trucks				
Labor/Equipment (PPE Level D)	Labor/equipment per drum	\$3.57	37	\$132
- Transport drums to TSD for Treatment/Disposal				
Total Number of Trucks Required to Transport Drums (84 per truck max)			1	
Cost per mile = \$5.64/mile				
Mileage = 300 miles (Number in second column is 300 miles x number trucks)	Transport trailer(s) x 300 miles	\$5.64	300	\$1,692
Disposal/treatment cost (per drum - low cost based on lack of hazardous constituents)	TSD @ \$90/drum	\$90	32	\$2,880
Disposal/treatment cost for PPE drums (assumed haz to landfill)	TSD @ \$250/drum	\$250	5	\$1,250
<b>Activity 5, Subtotal</b>				<b>\$9,332</b>
<b>6. CLOSURE CERTIFICATION</b>				
<u>Assumptions:</u>				
- Cost Pro unit rate per unit to be closed is \$4,118				
- Unit rate includes engineer inspection and decontamination oversight of each unit				
<u>Prime Contractor Costs</u>				
- Oversee and certify closure per unit times number of units	Project Manager/Engineer	\$4,118	3	\$12,354
<b>Activity 6, Subtotal</b>				<b>\$12,354</b>
<b>COST ESTIMATE ACTIVITIES SUMMARY</b>				
1. INVENTORY REMOVAL				\$20,030
2. STORAGE TANK DECONTAMINATION				\$8,480
3. DECONTAMINATE THE RETURN/FILL STATION				\$6,843
4. DECONTAMINATE CONTAINER STORAGE AREA(S)				\$3,877
5. CONTAINERIZE, STAGE, TRANSPORT AND DISPOSE OF DECONTAMINATION WASTES				\$9,332
6. CLOSURE CERTIFICATION				\$12,354
<b>TOTAL CLOSURE COST ESTIMATE</b>				<b>\$60,916</b>
CONTINGENCY 10%				
<b>TOTAL CLOSURE COST WITH CONTINGENCY</b>				<b>\$67,007</b>

Notes:

- Estimate assumes that waste management units are at permitted capacity at time of closure, which is the most expensive in the facility's operating life.
- All unit rates obtained from Cost Pro version 6.0, which is designed to be representative of 3rd party costs and includes the following:
  - Transportation @ \$5.64/mile and 300 mile trip
  - Disposal for bulk liquids \$0.45/gallon based on suitability of waste mineral spirits as fuel
  - Disposal for CSA liquids \$90/drum based on suitability of drummed waste streams as fuel
  - Disposal of decon wash water \$90/drum based on lack of hazardous constituents in waste (soapy water)
  - Subcontractor Decontamination Rate for tanks and return/fill based on PPE Level C
  - Subcontractor decontamination rates for tank containment, CSAs and Flam Shed (if applicable) based on PPE Level D
  - Prime Contractor Rates based on hourly rate for rinsate sampling, drilling and soil sample collection
  - Lab subcontractor rates for analysis of rinsate and soil samples (Assumes VOCs, SVOCs and metals)
  - Closure Certification Activity includes contractor oversight, PE integrity inspections and reporting/Certification

Farmington Closure Cost Estimate Subtotal using 2009 Cost Pro \$67,007

Add Inflation factors from 2010 to most recent

2010	1.022	\$68,481.15
2011	1.012	\$69,303
2012	1.01	\$69,996
2013	1.021	\$71,466
2014	1.018	\$72,752
2015	1.014	\$73,771
2016	1.01	\$74,508
2017	1.013	\$75,477
2018	1.018	\$76,836
2019	1.022	\$78,526
2020	1.01722	\$79,878

**Revised Total Adding Inflation Factors \$79,878**