



California Regional Water Quality Control Board

Los Angeles Region



Terry Tamminen
Secretary for
Environmental
Protection

Over 51 Years Serving Coastal Los Angeles and Ventura Counties
Recipient of the 2001 Environmental Leadership Award from Keep California Beautiful

Arnold Schwarzenegger
Governor

320 W. 4th Street, Suite 200, Los Angeles, California 90013
Phone (213) 576-6600 FAX (213) 576-6640 - Internet Address: <http://www.swrcb.ca.gov/rwqcb4>

SFUND RECORDS CTR
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October 15, 2004

Mr. Brian Gooldy, President
Islander Extremes, Inc.
1801 Elmfield Ave.
Long Beach, CA 90815

SPILLS, LEAKS, INVESTIGATIONS AND CLEANUPS (SLIC) OVERSIGHT COST REIMBURSEMENT ACCOUNT -ISLANDER EXTREMES, INC., 3200 EAST 19TH STREET, LONG BEACH, CALIFORNIA, 90806 (SLIC NO. 1161)

Dear Mr. Gooldy:

The California Water Code (CWC), Section 13304, allows the Regional Board to recover reasonable expenses from the responsible party to oversee cleanup of unregulated releases which adversely affect the State's waters. You are responsible for the oversight cost of site assessment and cleanup based on the record maintained in the case file.

Based on the "Subsurface Investigations - Report of Findings", dated January 27, 2003, prepared by The Leu Group Team, total petroleum hydrocarbons (TPH), benzene, toluene, ethyl benzene, xylenes, and methane have been detected in the soil and groundwater at the Site. Up to 2.65 feet free product of TPH was measured in well MW-5. Up to 120,000 micrograms per kilogram ($\mu\text{g/kg}$) of benzene, 816,000 $\mu\text{g/kg}$ of toluene, 253,000 $\mu\text{g/kg}$ of ethyl benzene, 1,383,000 $\mu\text{g/kg}$ of xylenes, 54,000 milligrams per kilogram (mg/kg) of TPH-gas and 54,000 mg/kg of TPH-diesel were detected in soil sample B4 at 65 feet. Up to 150,000 ppmV of methane was detected on site. The release of chemicals has degraded the groundwater quality and beneficial uses of the State's waters.

Estimate of Work to be Performed

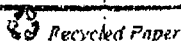
The Regional Board staff estimates the following work will be done for your site during the Regional Board's 2004/2005 fiscal year (July 1, 2004 to June 30, 2005):

1. Review environmental assessment reports;
2. Request and review workplans for additional delineation of the soil and groundwater/surface water contamination;
3. Request and review soil and water corrective action plan,
4. Conduct site inspections, collect split samples, and communicate findings to responsible parties, and
5. Conduct internal and external communications (i.e. meetings, memos) about the site.

Statement of Expected Outcome

The expected outcome of work that will be performed includes providing written comments on the submitted reports and workplans, verifying the adequacy of reports, and determining the need to further investigate the impact to soil and water.

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Mr Brian Gooldy
Islander Extremes, Inc.

- 2 -

October 15, 2004

Billing Rates

Attached are the Spills, Leaks, Investigations, and Cleanups (SLIC) Program, Monthly Salary Scales by Job Classification (Attachment 1) for employees expected to perform the work and the Reimbursement Process for Regulatory Oversight (Attachment 2). The names and classifications of employees that charge time to this site will be listed on the invoices. The average billing rate is about \$90.00 per hour.

Estimation of Expected Charges

Regional Board staff expects to charge about 100 hours for work related to this site during fiscal year 2004/2005. Based on the average billing rate of \$90 per hour, the estimated billing charge for this site during this fiscal year is about \$9,000. Please note that this is neither a commitment nor a contract for regulatory oversight. It is only an estimate of the work, which may be performed. Furthermore, we anticipate that there may be possible delays in Regional Board staff's review of reports submitted.

Landowner Notification and Participation Requirements

Pursuant to Division 7 of the Porter Cologne Water Quality Control Act under section 13307.1, the Regional Board is required to notify all current fee title holders for the subject site prior to considering corrective action or granting case closure. Therefore, you are required to provide the name, mailing address and telephone number for all record fee title holders for the site together with a copy of county record of current ownership, available from the County Recorder's Office, or complete the attached Certification Declaration Form (Attachment 3) and submit it to our office.

Change of Ownership

You must notify the Executive Officer, in writing at least 30 days in advance of any proposed transfer of this cost reimbursement account's responsibility to a new owner containing a specific date for the transfer. In addition, you shall notify the succeeding owner of the existence of this cost reimbursement account by letter, copy of which shall be forwarded to the Board.

Please sign and return the enclosed "Acknowledgment of Receipt of Cleanup and Abatement Cost Recovery Letter" (Attachment 4) and the landowner's information to the Regional Board by October 31, 2004. If you have any questions, please contact Dr. Rebecca Chou at (213) 576-6733.

Sincerely,


Jonathan Bishop
Executive Officer

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Mr. Brian Gooldy
Islander Extremes, Inc.

- 3 -

October 15, 2004

- Attachments:
1. Monthly Salary Scales by Job Classification
 2. Reimbursement Process for Regulatory Oversight
 3. Certification Declaration Form
 4. Acknowledgement of Receipt of Cleanup and Abatement Cost Recovery Letter

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ATTACHMENT I

SPILLS, LEAKS, INVESTIGATIONS, AND CLEANUPS (SLIC) PROGRAM BILLING COST EXPLANATION

Employee Salary and Benefits by Classification ¹	ABR.	SALARY SCALE	
Associate Governmental Program Analyst	AGPA	4581	5568
Engineering Geologist	EG	3830	6598
Environmental Program Manager I (Supervisory)	EMP I	6535	7887
Environmental Program Manager II	EMP II	8336	9194
Environmental Scientist	ES	3204	5946
Office Assistant	OA	2160	2884
Office Technician	OT	2748	3341
Principal Water Resources Control Eng.,	PWRCE	7940	8756
Sanitary Engineering Associate	SEA	5165	6276
Sanitary Engineering Technician	SET	3557	4962
Senior Engineering Geologist	SEG	5952	7232
Senior Environmental Scientist	SRES	5675	6849
Senior Water Resources Control Engineer	SWRCE	5952	7232
Staff Environmental Scientist	SES	5670	6846
Staff Counsel	SC	4272	8230
Student Assistant	SA	1594	2123
Student Assistant Engrng.	SAE	2085	3120
Supervising Water Resources Control Eng.,	SUWRCE	7224	7968
Water Resources Control Engineer	WRCE	3830	6590

Indirect Charges²

Indirect costs	100% of salaries and benefits
State Board accounting administrative costs	15% of salaries and benefits
Regional Board administrative costs	20% of salaries and benefits

Billing Example

Water Resources Control Engineer Salary:	\$ 6,590
Indirect costs:	\$ 6,590
State Board accounting administrative costs	\$ 988
Regional Board administrative costs	<u>\$ 1,318</u>
Total Cost per month	\$ 15,486

Divided by 176 hours per month equals per hour: \$ 87.99
(Due to the various classifications that expend SLIC resources, an average of \$ 90.00 per hour can be used for projection purposes.)

¹ The name and classification of employees performing oversight work will be listed on the invoice you receive.

² The examples are estimates based on recent billings. Actual charges may be slightly higher or lower.

REIMBURSEMENT PROCESS FOR REGULATORY OVERSIGHT

We have identified your facility or property as requiring regulatory cleanup oversight. Pursuant to the Porter-Cologne Water Quality Control Act, reasonable costs for such oversight can be recovered by the Regional Water Quality Control Board (RWQCB) from the responsible party. The purpose of the enclosure is to explain the oversight billing process structure.

INTRODUCTION

The Porter-Cologne Water Quality Control Act authorizes the State Water Resources Control Board (SWRCB) to set up Cost Recovery Programs. The Budget Act of 1993 authorized the SWRCB to establish a Cost Recovery Program for Spills, Leaks, Investigations, and Cleanups (SLIC). The program is set up so that reasonable expenses incurred by the SWRCB and RWQCBs in overseeing cleanup of illegal discharges, contaminated properties, and other unregulated releases adversely impacting the State's waters can be reimbursed by the responsible party. Reasonable expenses will be billed to responsible parties and collected by the Fee Coordinator at the SWRCB in the Division of Clean Water Programs (DCWP).

THE BILLING SYSTEM



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ATTACHMENT 3

CERTIFICATION DECLARATION FOR COMPLIANCE WITH FEE TITLE HOLDER NOTIFICATION REQUIREMENTS (California Water Code Section 13307.1)

Please Print or Type

Fee Title Holder(s): _____

Mailing Address: _____

Contact Person: _____

Telephone Number / Fax Number: _____

Site Name: _____

Address: _____

Contact Person: _____

Telephone Number / Fax Number: _____

File Number: _____ SLIC No. 1161

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations." (See attached page for who shall sign the Certification Declaration).

Printed Name of Person Signing _____

Official Title _____

Signature _____

Date Signed _____

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The certification declaration form must be signed as follows:

1. For a corporation - by a responsible corporate officer, which means; (i) by a president, secretary, treasurer, or vice president of the corporation in charge of a principal business function, or any other person who performs similar policy of decision making functions for the corporation, or (ii) the manager of one or more manufacturing, production, or operating facilities employing more than 250 persons or having gross annual sales or expenditures exceeding \$25 million, if authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.
2. For a partnership or sole proprietorship - by a general partner or the proprietor respectively.
3. For a municipality, state, federal, or public agency - by either a principal executive officer or ranking elected official. A principal executive officer of a federal agency includes (i) the chief executive officer of the agency or (ii) a senior executive officer having responsibility for the overall operations or a principal geographic unit.

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ATTACHMENT 4

ACKNOWLEDGEMENT OF RECEIPT OF OVERSIGHT COST REIMBURSEMENT ACCOUNT LETTER

I, _____, acting within the authority vested in me as an authorized representative of _____, a corporation, acknowledge that I have received and read a copy of the attached *REIMBURSEMENT PROCESS FOR REGULATORY OVERSIGHT* and the cover letter dated **October 15, 2004** concerning cost reimbursement for Regional Board staff costs involved with oversight of cleanup and abatement efforts at **Islander Extremes, Inc., Los Angeles County**. The address for this site is 3200 East 29th Street, Long Beach and its Los Angeles County Assessor's Parcel Number is _____.

I understand the reimbursement process and billing procedures as explained in the letter. Our company is willing to participate in the cost recovery program and pay all subsequent billings in accordance with the terms in your letter and its attachments, *and to the extent required by law*. I also understand that signing this form does not constitute any admission of liability, but rather only an intent to pay for costs associated with oversight, *as set forth above, and to the extent required by law*. Billings for payment of oversight costs should be mailed to the following individual and address.

BILLING CONTACT _____

BILLING ADDRESS _____

TELEPHONE NO. _____ **FAX NO.** _____

RESPONSIBLE PARTY'S SIGNATURE _____ (Signature)

_____ (Title)

DATE: _____

SLIC FILE NO. 1161

SITE ID NO.

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To Whom It May Concern:

Mr. Brian Gooldy recently purchased the real property located at 3200 East 29th Street in Long Beach, California, for the purpose of redevelopment of the property.

After completion of the purchase, the seller provided environmental documents indicating the presence of soil and groundwater impacts at the site.

These documents appear to indicate the release of chemicals from the past use of the site as well as nearby sites. No evidence has been provided by the seller to indicate that any agencies have been notified of the results of historical environmental assessment at the site.

In order to notify agencies with jurisdiction over this site, the attached documents have been forwarded to the following agencies:

- Long Beach/Signal Hill Joint Powers Authority
- Los Angeles Regional Water Quality Control Board
- California Environmental Protection Agency, Department of Toxic Substances Control

Mr. Gooldy is seeking a response from the responsible agency that is going to take the lead for this project regarding what further assessment and/or remediation will be required at the site.

Mr. Gooldy can be reached at the following address:

Islander Extremes
3200 E. 29th Street
Long Beach, CA 90806
Attn.: Mr. Brian Gooldy
(562) 427-6200

Earth Tech is serving as Mr. Gooldy's technical consultant on this matter. Mr. Litzenberg is the main point of contact at Earth Tech for this matter.

Mr. Roy A. Litzenberg
Earth Tech, Inc.
300 Ocenagate, Suite 700
Long Beach, CA 90802
(562) 951-2113
roy.litzenberg@earthtech.com

Thank you for your prompt attention to this matter.

Very truly yours,