

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LOS ANGELES REGION101 CENTRE PLAZA DRIVE
MONTEREY PARK, CA 91754-2156
(213) 266-7500
FAX: (213) 266-7600

send Julio Lara → cost recovery
sent 8/13/96

July 11, 1996

Mr. Robert Griffis
UTILITY TRAILER MANUFACTURING CO.
17300 E. Chestnut Street, P.O. Box 1299
Industry, CA 91749-1299OVERSIGHT COST REIMBURSEMENT ACCOUNT - UTILITY TRAILER
MANUFACTURING CO., 17300 E. CHESTNUT ST., CITY OF INDUSTRY (FILE
NO. 105.0296)

The California Water Code (CWC), Section 13304, allows the Regional Water Quality Control Board (Board) to recover reasonable expenses from the responsible party for overseeing cleanup and abatement of unauthorized discharges, contaminated properties, and other unregulated releases that adversely impact the State's waters.

Volatile organic compounds (VOCs) have spilled into the soils and have contaminated ground water underlying the subject site. Up to 2,500 µg/kg of Tetrachloroethylene, and 650 µg/kg of Trichloroethylene in the soil, and 290 µg/l of Tetrachloroethylene, and 46 µg/l of Trichloroethylene in ground water were detected. The released products have degraded the ground water quality.

My staff have discussed with you the reimbursement obligation under the CWC. We will provide regulatory oversight which includes site inspections, review of work plans and remediation activities. The pollution at the site needs to be remediated to protect the beneficial uses of ground water as stipulated in the Board's Water Quality Control Plan.

We estimate that we will spend approximately 90 labor hours per year in the conduct of such oversight. The actual time needed will depend on the nature and extent of the cleanup and your willingness to accomplish the cleanup in a timely manner. The State billing rate is approximately \$70.00 per hour.

UTM 005817

A detailed description of the billing procedure is enclosed. We are requesting your acknowledgement of cost recovery obligations and agreement to reimburse the State of California for staff and oversight by signing and returning the attached acknowledgement. If you have any questions, please contact Julio C. Lara of my staff at (213)266-7541.

Robert P. Ghirelli

ROBERT P. GHIRELLI, D.Env.
Executive Officer

Enclosures

UTM 005818

ACKNOWLEDGMENT OF RECEIPT OF
CLEANUP AND ABATEMENT COST RECOVERY LETTER

I, Robert Griffis, acting within the authority vested in me as an authorized representative of Utility Trailer Manufacturing Company, a corporation, acknowledge that I have received and read a copy of the attached REIMBURSEMENT PROCESS FOR REGULATORY OVERSIGHT and the cover letter dated July 11, 1996, concerning cost reimbursement for Regional Board staff costs involved with oversight of cleanup and abatement efforts.

I understand the reimbursement process and the billing procedure as they are 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. I also understand that signing this form does not constitute any admission of liability, but rather only the intent to pay for costs associated with oversight. Billing for payment of oversight costs should be mailed to the following individual and address:

BILLING CONTACT Robert Griffis
BILLING ADDRESS 17295 E. Railroad St
City of Industry, CA 91748

Date: 7/29/96

Robert Griffis
(Signature)

Environmental Engineer
(Title)

ACKNOWLEDGMENT OF RECEIPT OF
CLEANUP AND ABATEMENT COST RECOVERY 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 July 11, 1996, concerning cost reimbursement for Regional Board staff costs involved with oversight of cleanup and abatement efforts.

I understand the reimbursement process and the billing procedure as they are 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. I also understand that signing this form does not constitute any admission of liability, but rather only the intent to pay for costs associated with oversight. Billing for payment of oversight costs should be mailed to the following individual and address:

BILLING CONTACT _____
BILLING ADDRESS _____

Date: _____

(Signature)

(Title)

REIMBURSEMENT PROCESS FOR REGULATORY OVERSIGHT

We have identified your facility as requiring regulatory cleanup oversight. Pursuant to Porter-Cologne, Section 13304, reasonable costs for such oversight can be recovered by the Regional Water Quality Control Board (Regional Water Board) from the responsible party. The purpose of the enclosure is to explain the oversight billing process structure.

INTRODUCTION

Porter-Cologne, Division 7, Section 13304, authorizes the State Water Resources Control Board (State Water Board) to set up Cost Recovery Programs. A budget document was prepared and approved by the Legislature to establish authority for a Cost Recovery Program for Spills, Leaks, Investigations, and Cleanups (SLIC). The program is set up so that reasonable expenses incurred by the State Water Board and Regional Water Boards 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 State Water Board in the Division of Clean Water Program's (CWP) Land Disposal Section. The Fee Coordinator keeps an active billing list to ensure that charges for such expenses are appropriately assessed and collected in a timely manner.

THE BILLING SYSTEM

Each account has a unique charge number assigned to it. Whenever any oversight work is done, the hours are billed to the charge number. For these charges, the hours and the associated expenditures are billed on the quarterly billing as Labor Hours and Current Billing Period Charges.

Any time that cannot be directly related to an account, (such as billing and accounting work) will be charged to a special account number. The Accounting Office totals these charges for the billing period and divides them equally among all facilities. Even if there are no direct charges, the account may still be billed Administrative Charges.

The Overhead Charges are based on the number of labor hours charged to the account. The overhead charges consist of rent, travel, supplies, training, and personnel services. If there is no labor charged to the account during the billing period, there will be no overhead charges for that billing period with the exception of the last month of each fiscal year. This is due to the fact that the labor charges end June 30 for the current fiscal year. However, several kinds of overhead charges such as supply orders and travel expenses are paid after the fiscal year ends. The State Water Board Accounting Office keeps track of these charges and distributes them back to all of the accounts based on the number of hours charged to each account for the whole fiscal year that has just ended. Therefore, the quarterly statements for the last month of the fiscal year could show no labor hours

charged for the billing period, but some overhead charges could be charged to the account.

The hours charged to an account are totalled each month by the employee and reported on a monthly timesheet. The timesheets are submitted to the Accounting Office and entered into the automated accounting system, which computes the Labor and Overhead Charges based on the hours reported.

The monthly expenditure information for the billings are taken from monthly automated accounting reports. A running balance on each of the accounts is kept on fee history sheets in each of the site files. The information is extracted from the accounting report and the fee history sheet to produce the statement, and two copies of the statement are sent to the responsible party. If a balance is owed, a check is to be remitted to the Accounting Office with a copy of the statement within 15 days after receipt of the bill. The Accounting Office sends a report of payments to the Fee Coordinator to be included in the files.

Copies of the billings will be sent to the appropriate Regional Water Boards so they will be updated on the accounts, if the responsible party has any questions. If the responsible party becomes delinquent in their quarterly payments, oversight work will cease immediately. Work will not begin again unless the payments are brought up-to-date.

DAILY LOGS

A detailed description (daily log) of the actual work being done at each specific site is kept by each employee in the Regional Water Board who works on the cleanup oversight at the property. Upon request, these logs are provided to the responsible party by the Regional Water Board staff. They will not be included in the bi-monthly billing statement.

REMOVAL FROM THE BILLING SYSTEM

After the cleanup is complete, the account can be removed from the active billing system by the Regional Water Board submitting the appropriate form to the Fee Coordinator. If a balance is due, the Fee Coordinator will send a final billing for the balance owed. The responsible party should then submit a check to the Accounting Office to close the account. The account is removed from the active billing list and will no longer be billed.

ACKNOWLEDGMENT

No cleanup oversight will be performed unless the responsible party of the property acknowledges in writing that he/she is willing to reimburse the State for appropriate cleanup oversight costs. As soon as the acknowledgment is received, the account will be added to the active SLIC Cost Recovery billing list and oversight work will begin. Signing the acknowledgment does not constitute any admission of liability. Any questions regarding the billing process, billing statement or charges should be directed to the Regional Board's staff.