



Linda S. Adams
Acting Secretary for
Environmental Protection

State Water Resources Control Board

Division of Financial Assistance

1001 I Street • Sacramento, California 95814
P.O. Box 944212 • Sacramento, California • 94244-2120
(916) 341-5765 • FAX (916) 341-5806 • www.waterboards.ca.gov/water_issues/programs/ustcf/



Edmund G. Brown, Jr.
Governor

Alameda County

August 29, 2011

AUG 31 2011

Diana Pagano
6912 Broadway Terrace
Oakland, CA 94611

Environmental Health

UNDERGROUND STORAGE TANK CLEANUP FUND (FUND), NOTICE OF LIMITED ELIGIBILITY: CLAIM NO. 019353; FOR SITE ADDRESS: 14901 14TH ST E, SAN LEANDRO

Your claim has been reviewed for eligibility by Mr. Burk Angel, of the Fund's Settlement Review Unit, and it was determined that no more than \$473,740 may be paid for eligible corrective action costs. This amount is based on \$473,750 set aside in Escrow, less your deductible of \$10,000.

If you disagree with this Staff Decision, you may appeal to the Fund Manager pursuant to Section 2814 of the *Petroleum Underground Storage Tank Cleanup Fund Regulations*. If you would like review of the decision by the Fund Manager, please submit your request along with any additional documentation to:

John Russell, P.G., Fund Manager, Claim #019353
Underground Storage Tank Cleanup Fund
State Water Resources Control Board
Division of Financial Assistance
P.O. Box 944212
Sacramento, CA 94244-2120

A request to the Fund Manager must include, at a minimum: (1) a statement describing how the claimant is damaged by the prior Staff Decision; (2) a description of the remedy or outcome desired; and (3) an explanation of why the claimant believes the Staff Decision is erroneous, inappropriate or improper.

If you do not request a review by the Fund Manager within thirty (30) calendar days from the date of this letter, the Staff Decision will then become final and conclusive.

NOTE: Effective July 1, 2011, the Fund changed to a "new business model". As a result, the Fund may not have money available for new LOCs this fiscal year. For additional information regarding the Fund's operations, visit the Fund's web page at http://www.waterboards.ca.gov/water_issues/programs/ustcf/.

California Environmental Protection Agency

The next step is to issue a Letter of Commitment (LOC) obligating funds to the project when funding is available. LOCs are issued annually, and are dependent on available funds and the closure of existing claims. You may view the claims on the annual Priority List on the Fund's website at:

http://www.waterboards.ca.gov/water_issues/programs/ustcf/prioritylist.shtml.

Prior to issuing a LOC, Fund Staff will request updated information and documentation, including a Claim Budget (see below). Your claim will be categorized according to the cleanup phase being conducted at the site and a funding cap will be established for your claim.

Claim Budget: All Priority A, B and C claims are required to have an approved scope of work and budget prior to receiving an LOC. These budgets must be updated and approved annually, and will enable the Fund to develop cash flow projections and improve payment processing times. Detailed instructions and necessary forms will be sent to you when the Fund determines funding is available for your claim. Information to assist you with setting up these scopes of work and budgets will be available on the Fund's website.

Reimbursement: You will be required to submit the following information in order to receive reimbursement of costs: (1) copies of detailed invoices for all corrective action activity performed (including subcontractor invoices), (2) copies of technical documents (bids, narrative work description, reports), and (3) evidence that the claimant paid for the work performed (not paid by another party). It is not necessary to submit these documents until an LOC has been issued. Failure to submit the required documents could impact the amount of reimbursement. ***Do not wait until you receive your LOC to gather this information.***

Record keeping: All cleanup projects are subject to audit at any time. Maintain an accurate record-keeping and financial management system that provides efficient accountability of all funds used to clean up the site. Records must be retained for at least three years after the final reimbursement, unless there is an ongoing audit. If there is an ongoing audit, the retention period shall be extended until the audit is complete.

Compliance with Corrective Action Requirements: In order to be reimbursed for your eligible costs of cleanup incurred after December 2, 1991, you must have complied with corrective action requirements of Article 11, Chapter 16, Division 3, Title 23, *California Code of Regulations*. Article 11 categorized the corrective action process into **phases**. In addition, Article 11 requires the responsible party to submit an **investigative workplan/Corrective Action Plan (CAP)** to the regulatory agency before performing any work.

Diana Pagano
Claim No. 19353

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Only corrective action costs required by the regulatory agency to protect human health, safety and the environment can be claimed for reimbursement. You are encouraged to take the necessary steps in obtaining the most reasonable, necessary, and cost effective method for your corrective action. Otherwise, **reimbursement is not assured and costs may be rejected as ineligible.**

Please remember that you must continue to comply with your existing regulatory directives, regardless of whether the Fund can issue your LOC. The Fund recommends that you speak with your regulator about how to continue corrective action work, at a smaller-scale, or in a phased approach until funding is available.

Electronic Mailing

The Fund encourages all claimants and consultants to sign up for the Fund's electronic mailing list to receive updates as they become available:

http://www.waterboards.ca.gov/resources/email_subscriptions/ust_subscribe.shtml

If you have any questions, please call me at (916) 341-5765.

Sincerely,

o/s

Lu Anne Rolland
Claims Review Unit
Underground Storage Tank Cleanup Fund

cc: Ms. Donna Drogos
Alameda County EHD
1131 Harbor Bay Pkway, 2nd Fl.
Alameda, CA 94502-6577