

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
JUNE 5, 2012**

ITEM 7

SUBJECT

CONSIDERATION OF A PROPOSED RESOLUTION TO ALLOCATE \$3.5 MILLION FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO THE LOS ANGELES REGIONAL WATER QUALITY CONTROL BOARD (LOS ANGELES WATER BOARD) FOR THE WEBER AIRCRAFT SITE AND VICINITIES CLEANUP PROJECT (PROJECT)

DISCUSSION

The Los Angeles Water Board is requesting \$3.5 million from the CAA to complete the remaining environmental investigation and cleanup activities at a former Weber Aircraft Site located northeast of the Bob Hope Airport in Burbank, California.

The former Weber Aircraft facility is part of an industrialized complex that included a variety of industrial activities. From 1951 to 1989, Weber Aircraft Corp. (Weber) conducted operations which included metal plating, machining, metal stripping, painting, degreasing, and panel assembly work. Weber used various hazardous substances for its metal plating and metals parts/surface cleaning operations, including solvents. The use of these chemicals resulted in soil and groundwater contamination, mostly by volatile organic compounds (VOCs) and heavy metals (including hexavalent chromium). The VOCs include tetrachloroethene (PCE) and trichloroethene (TCE). The site contaminants contribute to the threat and impairment of the drinking water aquifer, the San Fernando Basin.

In two separate orders dated April 9, 2004 and October 2, 2006, the Los Angeles Water Board, pursuant to its authority under California Water Code section 13267, required the responsible corporation, Lyondell Chemical Company (Lyondell) and certain affiliates, to complete subsurface soil and groundwater assessments, remove or remediate source areas, and monitor groundwater. Lyondell and certain affiliates filed bankruptcy in 2009. The court-approved settlement set aside \$3.5 million to be used on Lyondell site(s). This money was deposited in the CAA.

The CAA funds would be used to further assess and remediate soil and groundwater contamination at the site. Site remediation activities to-date have included source removal (excavation and removal of VOC-contaminated shallow soils) and soil vapor extraction of VOCs in the vadose zone. Further remediation is necessary to address the contamination because the groundwater plume has migrated off-site and is likely co-mingled with other off-site plumes. The lateral and vertical extent of the off-site plume is unknown, and additional assessment and monitoring are necessary to fully remediate the groundwater contamination. The anticipated Project duration is 5 to 7 years.

The State Water Board established Program Preferences for CAA funds based on statewide priorities and Strategic Goals outlined in the Strategic Plan Update 2008-2012. The Project meets CAA Program Preference 5 (Cleanup and/or abatement of pollution in high-use groundwater basins).

The requested allocation is consistent with the purposes of Water Code Section 13442. Section 13442 provides that the State Water Board may order monies to be paid from the CAA to a public agency with the authority to clean up or abate the effects of a waste in order “to assist it in cleaning up the waste or abating its effects on the waters of the state.”

POLICY ISSUE

1. Should the State Water Board approve funding for \$3.5 million from the CAA to the Project?
2. Should the State Water Board revert any unexpended funds to the CAA as of June 30, 2019, unless the Deputy Director or Assistant Deputy Director of the Division of Financial Assistance authorizes an extension? The funds will be available until June 30, 2019.

FISCAL IMPACT

According to the most current data, the uncommitted CAA balance is estimated to be no less than \$9.2 million.

REGIONAL BOARD IMPACT

A portion of the funds will be used for Los Angeles Water Board oversight of the Project.

STAFF RECOMMENDATION

The State Water Board should adopt the proposed Resolution.

State Water Board action on this item will assist the Water Boards in reaching Goal 2 of the Strategic Plan Update: Improve and protect groundwater quality in high-use basins by 2030.

DRAFT

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2012-

TO ALLOCATE \$3.5 MILLION FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA)
TO THE LOS ANGELES REGIONAL WATER QUALITY CONTROL BOARD
(LOS ANGELES WATER BOARD) FOR THE WEBER AIRCRAFT SITE AND
VICINITIES CLEANUP PROJECT (PROJECT)

WHEREAS:

1. The Los Angeles Water Board is requesting \$3.5 million from the CAA to fund the investigation and clean up as described below;
2. The former Weber Aircraft facility is part of an industrialized complex that included metal plating, machining, metal stripping, painting, and degreasing, which resulted in soil and groundwater contamination near the Bob Hope Airport in Burbank, California;
3. In two separate orders dated April 19, 2004, and October 2, 2006, the Los Angeles Water Board, pursuant to Water Code Section 13267, required Debtors PH Burbank and Lyondell to complete assessments, remove or remediate source areas, and monitor groundwater;
4. Resultant subsurface investigations indicate the soil and groundwater are contaminated with, among other constituents, highly elevated levels of volatile organic compounds, chromium, hexavalent chromium, tetrachloroethene and trichloroethene;
5. The responsible party, Lyondell Chemical Company and certain affiliates, filed bankruptcy in 2009 and in a court-approved settlement agreement; \$3.5 million was set aside to be used on Lyondell site(s) in the Los Angeles Region. This money was deposited into the CAA;
6. The funds will be used to further assess and remediate soil and groundwater contamination, impacted with heavy metals (hexavalent chromium) and volatile organic compounds; and
7. The requested allocation is consistent with the purposes of Water Code Section 13442. Section 13442 provides that the State Water Board may order monies to be paid from the CAA to a public agency with authority to clean up or abate the effects of a waste "to assist it in cleaning up the waste or abating its effects on the waters of the state."

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board approves funding for \$3.5 million from the CAA to the Project;
and

D R A F T

2. Any unexpended funds to the CAA as of June 30, 2019, shall be reverted to the CAA unless the Deputy Director or Assistant Deputy Director of the Division of Financial Assistance authorizes an extension. The funds will be available until June 30, 2019.

CERTIFICATION

The undersigned, Clerk to the Board, does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on June 5, 2012.

Jeanine Townsend
Clerk to the Board