DEPARTMENT: POLLUTION CONTROL AGENCY



Office Memorandum

NO COST RECOVERY MEMO February 1999

0/ //06 DATE: 4/26/06 -

то: File

THROUGH: Don Milless, Supervisor, Petroleum Remediation Unit

FROM: Laurie Kania, Project Leader, Petroleum Remediation Unit

PHONE: 218/529-6257

SUBJECT: <u>UNCOLLECTIBLE DEBT/ MPCA</u>

1. Leak Number: LEAK00015656

2. Leaksite name/city: Alex Exhaust, 905 Third Avenue East, Alexandria, MN 56308

3. Date of occurrence/report: February 25, 2004

4. Date money first spent (work order date): No money spent.

5. How much spent: State amount:

Federal amount: \$

What accomplished: Fund Financed work to begin FY07

7. Why cost recovery should not be pursued (**bold** all that apply):

- A. All reasonable collection efforts have been exhausted.
- B. The cost of further collection action will exceed the amount recoverable.
- C. The debt is legally without merit or cannot be substantiated by evidence.
- ✓D. The debtor is deceased or cannot be located.
 - E. The available assets or income, current or anticipated, that may be available for payment of the debt are insufficient.
 - F. The debt has been discharged in bankruptcy or corporation has been dissolved.
 - G. The applicable statue of limitations for collection of the debt has expired.
- H. It is not in the public interest to pursue collection of the debt.
 - I. Other.

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- 8. Supporting information (**bold** those that apply with explanation below):
 - A. Collection efforts taken
 - B. Cost of collection
 - C. Legal or evidentiary problems
 - D. Efforts to locate debtor
 - E. Information regarding debtors assets
 - F. Bankruptcy filing date or corporate dissolution date
 - G. Statute of limitations
 - H. Why the public interest does not support further collection efforts
 - I. See explanation below

Explanation:

04/25/06 (DKM) Reviewed FUND-FINANCED evaluation form. Recommend taking over FF'd, and assigning to Amy Miller. FF'd work to begin in FY07 (July 06). No viable RPs. Release discovered during Phase II, site was a former gas station in the 60s, but two most recent property owners have never owned any tanks, or had knowledge of any tanks. Because no viable RP, unable to send Commissioner's Order, and NCR for current property owner should be submitted for signature.

cc: KariJo Ferguson, Assistant Attorney General Michelle Oie, Cost Recovery Coordinator















ALEXANDRIA







LEAK SITE









01-26-2006



January 26, 2006

Mr. Ben Zacher 901 Highway 29 North Alexandria, MN 56308

RE:

Petroleum Storage Tank Release Investigation and Corrective Action

Site: Alex Exhaust, 905 Third Avenue East, Alexandria, Douglas County, 56308

Site ID#: LEAK000015656

Dear Mr. Zacher:

The Minnesota Pollution Control Agency (MPCA) has been informed that a release of petroleum has occurred from storage tank facilities that were previously located on your property. We further understand that you may be interested in acting as a volunteer to take corrective actions to address this release. We appreciate your assistance in this matter. The purpose of this letter is to explain your eligibility for Petrofund reimbursement and to outline the actions that the MPCA staff request that you take, if you choose to act as a volunteer.

Federal and state laws require that persons legally responsible for storage tank releases notify the MPCA of the release, investigate the release, and clean up the release, if necessary. A person is considered legally responsible for a tank release if the person owned or operated the tank, either during or after the release, unless specifically exempted under the law.

Although you are not legally responsible for the release, you hold legal or equitable title to the property where the release occurred, and may therefore volunteer to take corrective action. Responsible persons and volunteers who take corrective action may be eligible for reimbursement for a major portion of the costs of corrective action. The legislature established the Petroleum Tank Release Compensation Fund (Petrofund) to reimburse responsible persons and volunteers who take corrective action for a portion of their costs. The Petrofund is administered by the Petroleum Tank Release Compensation Board (Petro Board), which is part of the Minnesota Department of Commerce. To learn more about the Petrofund reimbursement program and the responsibilities of an eligible applicant, please contact Petrofund staff at 651/215-1775 or 1/800-638-0418 (in greater Minnesota only). We strongly encourage you to familiarize yourself with the program requirements in order to maximize the available reimbursement (Please note that final decisions regarding the amount of reimbursement are made by the Petro Board).

The MPCA staff is requesting you to take the steps necessary to investigate and, if necessary, clean up the release in accordance with the enclosed MPCA guidance documents. The first step is a site investigation to define the full extent and magnitude of the soil and/or ground water contamination caused by the release. A report (Excavation Report Worksheet and/or Investigation Report Form) which details the results of the investigation or concludes that excavation was sufficient to clean up the release should be submitted to this office within 10 months of the date of this letter. Please refer to MPCA guidance documents for information pertaining to the amount of work needed at petroleum release sites.

Mr. Zacher Page 2 January 26, 2006

If you choose to act as a volunteer, the MPCA recommends that you hire a qualified consulting firm registered with the Petro Board that has experience in conducting petroleum release site investigations and in proposing and implementing appropriate corrective actions. The consulting firm you hire must be registered with the Petrofund. A list of registered contractors and consultants is available from the Petrofund staff. The MPCA reserves the right to reject proposed corrective actions if the requirements of the site investigation have not been fulfilled. Please note that, under Minn. R. 2890 (2003), you must solicit a minimum of two written competitive consultant proposals on a form prescribed by the Petro Board. A minimum of two written competitive contractor bids must also be obtained for each contractor service. We encourage you to contact Petrofund staff for answers to all of your questions about bidding and the other Petrofund reimbursement program requirements.

Please tell us whether you intend to act as a volunteer and comply with the above requirements within 30 days. The enclosed guidance documents will provide you with the information necessary to complete a successful investigation and cleanup. If you have any questions concerning this letter or need additional information, please contact me at 218/529-6257. Please reference the above LEAK # in all correspondence. If you are calling long distance, you may reach the MPCA by calling 1-800/657-3864.

Sincerely.

Laurie Kania
Project Leader

Petroleum Remediation

Duluth Office

LK:pp

Enclosures



You as a Responsible Party in the Petroleum Remediation **Program**

Remediation. Division

April 2005

The Petroleum Remediation Program has been established to protect human health and the environment from the dangers associated with leaking petroleum storage tanks. Leaking tanks pollute drinking water; generate explosive vapors; and contaminate streams, rivers and lakes.

The Minnesota Pollution Control Agency (MPCA) is responsible for minimizing the environmental impact of leaking petroleum tanks. The agency does this by enforcing the law that requires people responsible for these releases to investigate them and, if necessary, clean up the leaking petroleum products.

You have received a letter because the MPCA has identified you as a person responsible for a petroleum leak, or someone who has volunteered to accept this responsibility. Although this responsibility is yours, a big part of our job is to help you meet this responsibility effectively.

You will almost certainly need to hire an experienced environmental consultant to begin investigating your petroleum leak. This is perhaps the most important decision you will make in this process. If you choose the consultant wisely and oversee his or her ... work carefully - much as you would a building contractor who was working on your home – the investigation and cleanup should proceed smoothly.

Staff at the Department of Commerce (telephone 1-800-638-0418) can provide you with information about the Petrofund reimbursement program. This program may help you pay some of the costs associated with hiring a consultant.

The MPCA has assigned a project manager to you. You or your consultant can call the project manager when ever you have questions. This will help ensure that the work your consultant does meets agency requirements.

For more information

Consultant guidance documents for UST/AST Release Investigation and Cleanup are available on our Web site at http://www.pca.state.mn.us/cleanup/pubs/lust pubs.html.

If you are purchasing, selling, or developing property that is contaminated with petroleum, assistance is available through the Petroleum Brownfields Program. Visit our Web site, or call 1-800-657-3864 and ask to speak to a Petroleum Brownfields staff person.