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| **Environmental Enlightenment #195** By Ami Adini - February 3, 2012   |  | | --- | | This is a SHORT, LIGHT and SIMPLE newsletter. Its purpose is to rekindle in the initiated terminology they have once learned, and enlighten the uninitiated on terms they may have heard but never known the meaning of. | | **Taking open-ended contamination cases to CLOSURE**  The cleanup of leaking underground storage tank (UST) sites is a multidisciplinary task involving the responsible party, environmental consultant, regulators of various agencies, and the California Underground Storage Tank Cleanup Fund (which reimburses eligible claimants for the cleanup expense).  http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image002.jpg   |  |  |  | | --- | --- | --- | | With the exception of cases owned by major oil companies, the responsible parties almost universally are at loss as to what really goes on. | http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image004.jpg |  |  |  |  | | --- | --- | | In their weakness, they defer to the controls exercised by the consultant, regulators and the Cleanup Fund.  However, with only few exceptions, regulators and the Fund do not manage the execution of the cases; this responsibility is the domain of the consultant who works under general oversight of the regulators. The regulators set up target cleanup levels and the Fund is charged with the responsibility to ensure that monies reimbursed by it have been spent reasonably. The Fund executes this duty by enforcing on the consultants to back up their invoices with detailed analyses of costs on a time-and-materials basis. | http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image006.gif |   As one can see, the ingredients are there for circumstances that are not conducive to closure of cases in the most cost-effective way. There is an old maxim that one usually produces the product that he gets paid to produce:   * Regulators are not paid to execute cases to completion; they are directed to set forth the objectives and enforce compliance; so we have enforcement. * The UST Cleanup Fund is not charged with the execution of cases to closure either; they are there to ensure that all costs are incurred reasonably: drilling, sampling, cleanup, reporting, and so on; that pieces of work get done for reasonable prices. * The consultants have no control on the target cleanup levels and are forced to get paid on the basis of time and materials; so they provide time and materials.   The point being made is that by and large there is no integrated mechanism by which all players are managed through a central command point toward the most important goal: the accomplishment of the environmental cleanup in the most economical, practical way.  http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image008.jpg  The result is that cost of UST case closure has been climbing steadily. My estimate of the current cost of taking the average case to closure is at the $700K mark.  http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image010.jpg    One should know that the UST Cleanup Fund is the prime force that effects cleanup of leaking UST sites in California. With 4700 claims in the waiting line plus 3600 active claims, the Fund is looking at a total case closure cost on the order of $4 billion. At the current rate of funding of (approx) $200 million per year, it will take 20 years for the Fund to finance the cleanup of all claims! These numbers are untenable!  Therefore, California EPA embarked on the road to constrict the hemorrhage of funds and is doing this through the implementation of a “Low Threat UST Closure Policy” aiming at a wholesale closure of thousands of sites that will fall within the parameters of “Low Threat.” There is an ongoing debate as to what constitutes “low threat,” but at the end of the day the policy is *cost-driven* in the main!  **http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image012.jpg** <http://faculty.fairfield.edu/rjregan/rr372s09.htm>  The point being made is that that the “Low Threat” policy and ensuing debate could be avoided if environmental consultants were capable of guaranteeing fixed cost and time in taking cases all the way to closure. It is my conviction that the average UST case-closure cost could be reduced by more than 40 percent, thereby reducing or eliminating controversial aspects of the proposed policy.  Within just the caseload that my firm manages, I identify 10 cases of substantial contamination that could be taken to closure with pre-guaranteed cost and time.   |  |  |  | | --- | --- | --- | | This point is supported by US EPA. They compiled and analyzed data from 14 state programs. The results are published at [www.epa.gov/oust/cat/backlog.html](http://www.epa.gov/oust/cat/backlog.html). In the case of California, US EPA recommends that it “should consider… employing cost-cutting measures. For example, *open-market competitive bidding for cleanup work* could increase the amount of funds available per cleanup.” |  | http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image014.jpg |   To this learned recommendation I add that open-market *competitive bidding* would be *effective only* *if* bids are to include *guarantees for cost and time to take cases to closure*. I fervently believe that this is doable along a large portion of the current leaking-UST caseload!  Should not this argument be tested?  And, does not the lucrative reward justify the experiment?  http://amiadini.com/NewsletterArchive/120203-NL195NL/envEnl-195_clip_image016.jpg | | You can find past issues of our "Environmental Enlightenment" at [amiadini.com](http://www.amiadini.com/) Wealth of information about environmental site assessments in the real estate transactions and issues concerning assessment and cleanup of contamination in the subsurface soil and groundwater. |  |  | | --- | | Call me if you have any questions. There are **no obligations.**  Ami Adini Environmental Services, Inc. Environmental Consultants & General Engineering Contractors California Lic. #1009513 A B HAZ ASB **818-824-8102**; [**mail@amiadini.com**](mailto:mail@amiadini.com) [www.amiadini.com](http://amiadini.com/)  Ami Adini is a veteran environmental practitioner with over 40 years of experience. He carries a Bachelor of Science degree (B.Sc.) in Mechanical Engineering including academic credits in Nuclear and Chemical Engineering and postgraduate education in these fields. His career includes design and construction of nuclear plant facilities, chemical processing plants and hazardous wastewater treatment systems. He is a former California Registered Environmental Assessor Levels I & II in the 1988-2012 registry that certified environmental professionals in the assessment and remediation of environmentally impacted land, and a Registered Environmental Professional (REP) since 1989 with the National Registry of Environmental Professionals (NREP). He is a California Business & Professions Code Qualifying Responsible Managing Officer (RMO) in the General Engineering Contractor classification with Hazardous Substance Removal and Asbestos certifications, and president of AMI ADINI ENVIRONMENTAL SERVICES, INC. (AAES), a general engineering contractor and consulting firm specializing in environmental site assessments, rehabilitation of contaminated sites and removal of environmental risks from real-estate transactions. (Contact Ami for a complete resume.) **AAES provides practical solutions to environmental concerns using the highest standards of ethics and integrity while providing its clients with maximum return on their investments.** | |