



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

15 W Yakima Ave, Ste 200 • Yakima, WA 98902-3452 • (509) 575-2490

April 19, 2013

Mr. Eric Hetrick
Chevron Environmental Management Company
6101 Bollinger Canyon Road
San Ramon, CA 94583

Re: Notice of Potential Liability under the Model Toxics Control Act for the Release of Hazardous Substances at the following Site:

- Site Name: LaBamba Restaurant
- Site Address: 3202 Main Street, Union Gap
- Assessor's Parcel No.: 19120532449
- Facility/Site ID No.: 4171173
- Cleanup Site ID No.: 3347

Dear Mr. Hetrick:

Under the Model Toxics Control Act (MTCA), chapter 70.105D RCW, which governs the cleanup of contaminated sites in Washington State, the Department of Ecology (Ecology) may identify persons that it finds are liable for the release of hazardous substances at a site. Before making such a finding, Ecology must provide persons with notice and an opportunity to comment on the proposed finding. Any person whom Ecology finds, based on credible evidence, to be liable is known as a "potentially liable person" or "PLP".

Proposed Finding of Liability

Based on credible evidence, Ecology is proposing to find Chevron Corporation liable under RCW 70.105D.040 for the release of hazardous substances at the LaBamba Restaurant facility (Site). This proposed finding is based on the following evidence:

1. Union Oil Company of California (Unocal) purchased the Site property on July 16, 1956 and owned the property until October 25, 1956 before transferring the property to C.S. Harding Mott and Isabel S. Mott, husband and wife.
2. Unocal acquired a lease on the property beginning on October 25, 1956. The property subsequently was transferred to another owner, Constitution Stations, Inc, a Delaware Corporation, on January 30, 1957. Unocal's lease on the property continued under the new ownership until December 20, 1976.



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3. Unocal purchased the Site property on December 20, 1976 and retained ownership until May 26, 1978.
4. In March 2003, Touchstone Asset Management (Touchstone) contracted with PBS Engineering and Environmental (PBS) to conduct a Phase I environmental site assessment of the Site. The findings by PBS indicate that a Union 76 service station existed on the subject property between the 1950s and 1980s. The recommendation from the Phase I was further assessment of potential contamination from the former service station operations.
5. In April 2003, PBS conducted a limited Phase II environmental site assessment of the Site. Soil and groundwater samples were obtained. Groundwater analytical results show the presence of petroleum hydrocarbons above the Model Toxics Control Act (MCTA) Method A groundwater cleanup levels for diesel and gasoline (with benzene).
6. Petroleum hydrocarbons are hazardous substances regulated under the Model Toxics Control Act and demonstrate a threat to human health and the environment.

Opportunity to Respond to Proposed Finding of Liability

In response to Ecology's proposed finding of liability, you may either:

1. Accept your status as a PLP without admitting liability and expedite the process through a voluntary waiver of your right to comment. This may be accomplished by signing and returning the enclosed form or by sending a letter containing similar information to Ecology;
2. Challenge your status as a PLP by submitting written comments to Ecology within thirty (30) calendar days of the date you receive this letter; or
3. Choose not to comment on your status as a PLP.

Please submit your waiver or written comments to the following address:

John Mefford
CRO-Toxics Cleanup Program
15 W. Yakima Avenue, Suite 200
Yakima, WA 98902

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After reviewing any comments submitted or after 30 days if no response has been received, Ecology will make a final determination regarding your status as a PLP and provide you with written notice of that determination.

Identification of Other Potentially Liable Persons

If you are aware of any other persons who may be liable for the release of hazardous substances at the Site, Ecology encourages you to provide us with their identities and the reason you believe they are liable. Ecology also suggests you contact these other persons to discuss how you can jointly work together to most efficiently clean up the Site.

Responsibility and Scope of Potential Liability

Please note that Ecology may either conduct or require PLPs to conduct remedial actions to investigate and clean up the release of hazardous substances at a site. PLPs are encouraged to initiate discussions and negotiations with Ecology and the Office of the Attorney General that may lead to an agreement on the remedial action to be conducted.

Please also note that each liable person is strictly liable, jointly and severally, for all remedial action costs and for all natural resource damages resulting from the release of hazardous substances at a site. If Ecology incurs remedial action costs in connection with the investigation or cleanup of real property and those costs are not reimbursed, then Ecology has the authority under RCW 70.105D.055 to file a lien against that real property to recover those costs.

Next Steps in Cleanup Process

In response to the release of hazardous substances at the Site, Ecology intends to conduct the following actions under MTCA:

- Discuss options for entering into an Agreed Order for actions to be taken to pursue site remediation.
- In lieu of an Agreed Order between Ecology and the PLP(s), the PLP(s) can submit an application to the Voluntary Cleanup Program (VCP) to initiate and pursue site remediation as an Independent Cleanup Action.

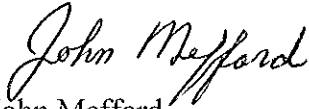
For a description of the process for cleaning up a site under MTCA, please refer to the enclosed fact sheet.

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Ecology's policy is to work cooperatively with PLPs to accomplish the prompt and effective cleanup of contaminated sites. Please note that your cooperation in planning or conducting remedial actions at the Site is not an admission of guilt or liability.

If you have any questions regarding this letter or if you would like additional information regarding the cleanup of contaminated sites, please call me at 509-454-7836. Thank you for your cooperation.

Sincerely,



John Mefford
Site Manager
CRO Toxics Cleanup Program

Enclosures: 2

By Certified Mail: 7009 2250 0004 4950 5286

cc: Enrique and Eva Navarette