



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

July 21, 2009

PO Box 47775 • Olympia, Washington 98504-7775 • (360) 407-6300

Cornerstone Property Investments
Attn: Mr. Tony Reinhard
1115 S. 348th Street, Suite A
Federal Way, WA 98003-8317

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

- Name: Chevron Bulk Plant USA #1328
- Address: 1656 East J Street, Tacoma, WA
- County Assessor's Parcel Number(s): 0320044002
- Facility/Site No.: 1234

Dear Mr. Reinhard:

Under the Model Toxics Control Act (MTCA), chapter 70.105D RCW, which governs the cleanup of hazardous waste 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 Cornerstone Property Investments liable under RCW 70.105D.040 for the release of hazardous substances at the Chevron Bulk Plant USA #1328 facility (Site). This proposed finding is based on the following evidence:

1. Cornerstone Property Investments is the current owner of the site (Exhibit 3).
2. Based on several studies by GeoEngineers, residual petroleum hydrocarbons are widely distributed in the upper unit of fill soil. Lead, Benzene, Ethylbenzene, Toluene, and total Xylenes (BTEX) are also present at concentrations exceeding MTCA.
3. On August 18, 2008 a Site Hazard Assessment was performed on the Site by the Tacoma/Pierce County Health Department which resulted in a hazard ranking of 1, representing the highest relative risk to human health or 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:

Guy Barrett
SWRO Toxics Cleanup Program
PO Box 47775
Olympia, WA 98504

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

Ecology has notified the following additional persons that they may be potentially liable for the release of hazardous substances at the Site:

1. Chevron Environmental Management Company.

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:

1. Ecology intends to initiate discussions for an agreed order;

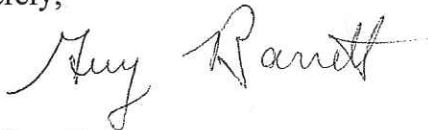
For a description of the process for cleaning up a hazardous waste site under MTCA, please refer to the enclosed fact sheet.

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

Contact Information

If you have any questions regarding this letter or if you would like additional information regarding the cleanup of hazardous waste sites, please call me at 360-407-7115. Thank you for your cooperation.

Sincerely,



Guy Barrett
SWRO Toxics Cleanup Program

GB/ksc:Bowman PLP notice 2 corner

Enclosures: 3

ENCLOSE THE FOLLOWING DOCUMENTS:

- (1) FOCUS: MODEL TOXICS CONTROL ACT CLEANUP REGULATION: PROCESS FOR CLEANUP OF HAZARDOUS WASTE SITES (Pub. No. #94-129)
- (2) VOLUNTARY WAIVER OF RIGHT TO COMMENT FORM
- (3) PIERCE COUNTY ASSESSOR OWNERSHIP RECORD

By certified mail (7006 3450 0001 6754 3988)

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Signature X <i>Mary Finius</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
		B. Received by (Printed Name) <i>Mary Finius</i>	C. Date of Delivery <i>7/28</i>
1. Article Addressed to:		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
Cornerstone Property Investments Attn: Mr. Tony Reinhard 1115 S. 348th Street, Suite A Federal Way, WA 98003-8317		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. 4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number (Transfer from service label)		7006 3450 0001 6754 3988	
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