



Linda S. Adams  
Secretary for  
Environmental Protection



## Department of Toxic Substances Control

Maziar Movassaghi  
Acting Director  
8800 Cal Center Drive  
Sacramento, California 95826-3200



Arnold Schwarzenegger  
Governor

September 15, 2010

William Klesse, President and CEO  
Valero Energy Corporation  
P. O. Box 696000  
San Antonio, Texas 78269-6000

Dear Mr. Klesse:

### **FORMER BENICIA ARSENAL, BENICIA CALIFORNIA (ARSENAL)**

The California Department of Toxic Substances Control (DTSC) and the United States Army Corps of Engineers (USACE) have been in discussion regarding the investigation and cleanup of the former Arsenal, a formerly used defense site, for several years. DTSC believes that additional investigation and possibly remediation must be performed on the site.

USACE has stopped work on the site and has designated the former Arsenal a potential responsible party (PRP) project pursuant to the USACE Engineer Regulation No. 200-3-1, *Environmental Quality, FUDS Program Policy*, May 10, 2004. This means that USACE may now attempt to negotiate financial settlements with PRPs, so that the PRPs conduct any necessary remaining investigation and cleanup. Further, we understand from conversations with USACE staff, that USACE believes it has completed all required investigation and remediation on the site.

Valero Refining Company owns property where hazardous substances exist or may exist and therefore Valero Refining Company must be involved as an integral part of the investigation and cleanup.

A meeting has been scheduled for September 30, 2010 at 10:00 A.M. and will be held at the Commanding Officer's Quarters located at #1 Commandant's Lane in Benicia. We are requesting that Valero Refining Company and certain specified additional landowners attend this meeting.

DTSC's intent is to find a mutually agreeable path forward to complete the investigation and cleanup.

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If you would like to discuss this matter further, please contact me at 916-255-3582 or Daniel T. Ward at 916-255-3676.

Sincerely,



Raymond Leclerc, P.E.  
Assistant Deputy Director  
Brownfields and Environmental Restoration  
Department of Toxic Substances Control

cc: Congressman George Miller  
375 "G" Street, Suite 1  
Vallejo, California 94592

State Senator Patricia Wiggins  
444 Georgia Street  
Vallejo, California 94590

Assemblymember Mariko Yamada  
555 Mason Street, Suite 275  
Vacaville, California 95688

Mr. Jerry Vincent  
BRAC/FUDS Section Chief  
United States Army Corps of Engineers  
Sacramento District  
1325 "J" Street  
Sacramento, California 95814

Ms. Heather McLaughlin  
Benicia City Attorney  
250 East "L" Street  
Benicia, California 94510

cc: Continued on next page.

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cc: Continued.

Mr. Doug Comeau, Vice President  
Valero Benicia Refinery  
3400 East 2<sup>nd</sup> Street  
Benicia, California 94510-1097

Chris Howe, Director  
Community Relations and Governmental Affairs  
Valero Benicia Refinery  
3400 East 2<sup>nd</sup> Street  
Benicia, California 94510-1097

Mr. Bruce Wolfe, Executive Officer  
San Francisco Bay Regional Water Quality Control Board  
1515 Clay Street, # 1400  
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cc (via email):

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Acting Deputy Director  
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