

<u>Background:</u> On December 6, 2007, the U.S. Environmental Protection Agency (USEPA) Region IX sent Governor Schwarzenegger a letter requesting the State's opinion as to whether USEPA should propose to list the SSFL site as a federal Superfund Site. Cal/EPA committed to responding to the letter by January 15, 2008.

<u>State Action:</u> CalEPA and the Department of Toxic Substances Control (DTSC) believe that the State can achieve a faster and higher level of cleanup than USEPA can achieve, and a Superfund listing is probably not needed. Recent State actions create an unprecedented opportunity for the State to achieve a comprehensive, protective and expedited cleanup of the SSFL site, with full liability and costs to be assumed by The Boeing Company. Those actions include:

- 1) On August 16, 2007, the State entered into an enforceable agreement with Boeing, the U.S. Department of Energy (DOE) and NASA for the investigation and cleanup of the site (with soils to be cleaned up and a groundwater treatment system to be in place by 2017);
- 2) On October 12, 2007, the Governor signed SB 990 (Kuehl, 2007) requiring cleanup of the site to residential standards;
- 3) On October 12, 2007, the California Resources Agency and CalEPA signed a Letter of Intent with Boeing in which Boeing agreed to clean up the property and transfer the property to the State for open space or parkland after it has been fully cleaned up to a residential standard (and the land transfer documents will prohibit residential use); and
- 4) The State intends to negotiate a formal agreement with Boeing that is consistent with SB 990 and the Letter of Intent within the next six months.

Response To USEPA's Request: Secretary Adams has responded to USEPA on behalf of the Governor that the State has an unprecedented opportunity to achieve an expedited cleanup of the site, and that USEPA should defer for six months its decision regarding whether to propose listing for the site.

<u>Community Support:</u> CalEPA and the Resources Agency have signed a "Letter of Intent" with community and environmental organizations in which the groups concur with the State's request to USEPA to defer its decision regarding whether to propose listing in order that the State may negotiate formal agreements with Boeing.

SB 990 (Kuehl, 2007): The Governor signed SB 990 because he believes very strongly that the SSFL site should be cleaned up to standards that protect the residents in the vicinity of the site. Given the enormous complexity of this issue, at the time staff advised the Governor that there was a potential need to address the feasibility of the clean-up standards outlined in the law. However, after careful consideration, and additional discussions with experts and stakeholders, staff now believes that the clean-up standards outlined in the law are reachable. We believe that clean-up language is no longer needed.