



Enforcement News

A.G. Files Complaint against Hanover Environmental Services, Inc. *State Water Board Alleges Fraudulent Billing by Chico-Based Firm*

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SACRAMENTO – The State Attorney General’s Office, on behalf of the State Water Resources Control Board (State Water Board), has filed a civil complaint against Hanover Environmental Services, Inc., alleging that Hanover intentionally and negligently misrepresented the costs it charged the State Water Board’s Underground Storage Tank Cleanup Fund.

Hanover, based in Chico, Butte County, is owned by husband and wife, William and Carrie Bono. The firm has provided geological consulting services for more than 50 contaminated sites, such as gas stations, throughout northern California including in Butte, Shasta, Colusa, Plumas, Sacramento, Sutter, and Yuba counties.

The complaint alleges that the Bonos, as responsible corporate officers, are liable for the alleged damages.

The complaint alleges that Hanover has submitted inaccurate and/or misleading documentation to obtain money to which they are not entitled from the Cleanup Fund. The Water Board seeks repayment of money paid to Hanover by the Cleanup Fund which was based on inaccurate data, and an injunction against Hanover until it obtains proper licenses to practice geology in California.

Currently, although Hanover provides geological services, none of its officers holds a professional license in geology, as required by California law. Licensing laws protect the public from substandard work.

“It is very important to protect the integrity of the Cleanup Fund from waste and claims for unnecessary, unreasonable, and substandard work,” said Cris Carrigan, Director of the State Water Board’s Office of Enforcement. “Unlicensed activity, in particular, is a long-recognized threat to the health, welfare, and safety of the public. Hanover’s business practices resulted in unacceptable risks to health, safety, and the environment.”

This is the latest of several enforcement actions based on complaints, audits, and investigations by the State Water Board’s Fraud, Waste, and Abuse Prevention Unit. Special assistance is often provided to the Unit by the Cleanup Fund, the Regional Water Quality Control Boards, the Department of Toxic Substances Control, and the Air Resources Board.





The Cleanup Fund, financed by a 1.4 cent-per-gallon gasoline storage fee, reimburses up to \$1.5 million per site for cleanup of petroleum releases at underground storage tank facilities. There are approximately 2,400 active claims to the Cleanup Fund for reimbursement. The Cleanup Fund has reimbursed \$3.4 billion for eligible costs since 1992. Approximately 7,500 Cleanup Fund claims have received site and claim closure since the program's inception in 1989.

A copy of the complaint is on the State Water Board's website at:

http://www.waterboards.ca.gov/water_issues/programs/enforcement/orders_actions.shtml

A fact sheet on the State Water Board's efforts to prevent, investigate, and prosecute cases of fraud against the Cleanup Fund is on the State Water Board's website at:

http://www.waterboards.ca.gov/publications_forms/publications/factsheets/docs/fraud_efforts_factsheet.pdf

Suspected fraud against the Cleanup Fund can be reported by e-mail at:

reportfraud@waterboards.ca.gov, by toll-free message line (1-855-263-0863), or by mailing or faxing a fraud reporting complaint form to:

State Water Board
Office of Enforcement
P. O. Box 100
Sacramento, CA 95812
Fax: (916) 341-5896

The fraud reporting complaint form can be found at:

http://www.waterboards.ca.gov/water_issues/programs/ustcf/docs/fraudcomplaint_form.pdf

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