



# Enforcement News

## State Water Board Settles Underground Storage Tank Cleanup Fund Cases with 4 AEG Clients

*Settlement Saves Cleanup Fund Over \$450,000; AEG ceases work with UST Cleanup Fund*

**FOR IMMEDIATE RELEASE**  
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**SACRAMENTO** – The State Water Resources Control Board has reached an agreement with the owners of four underground storage tank sites who used contractor Applied Engineering and Geology, Inc. (AEG) to investigate and remediate petroleum contamination at their sites.

The agreement comes after environmental consultant AEG reached a settlement related to allegations of overbilling the State Water Board's Underground Storage Tank (UST) Cleanup Fund. As part of the settlement, AEG will pay the board \$200,000.

The four site owners agreed to waive their claims and appeals that are pending with the UST Cleanup Fund for work performed by AEG at sites in Sacramento, Placer and Sutter counties. The settlements resulted in a savings of more than \$450,000 to the UST Cleanup Fund.

"This most recent success for the UST Cleanup Fund further demonstrates the effectiveness and efficiency of the State Water Board's new administrative enforcement authority under Senate Bill 445," said Cris Carrigan, director of the State Water Board's Office of Enforcement.

As part of the administrative action, AEG and its owner, Earl Stephens, are no longer allowed to do any business with the State Water Board's UST Cleanup Fund or its Cleanup and Abatement Account.

In 2014, Governor Edmund G. Brown Jr. signed into law Senate Bill 445, placing new safeguards to fight fraud against the UST Cleanup Fund. The law gives the State Water Board the authority to bar claimants and consultants from participating in the UST Cleanup Fund; impose penalties of up to \$500,000 per violation; recovers costs for investigation and prosecution; and grants administrative authority to prosecute cases.

The AEG stipulated order can be viewed on the [Office of Enforcement website](#).

For more information on the State Water Board's efforts to prevent, investigate and prosecute cases of fraud against the UST Cleanup Fund, see the [fact sheet](#).





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Suspected fraud against the UST Cleanup Fund can be reported several ways, including email ([reportfraud@waterboards.ca.gov](mailto:reportfraud@waterboards.ca.gov)), toll-free message line (1-(855) 263-0863), or by mailing or faxing a Fraud Reporting Complaint Form to the State Water Board at:

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 [online](#).

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