

MORRISON & FOERSTER

LOS ANGELES
SACRAMENTO
ORANGE COUNTY
PALO ALTO
WALNUT CREEK
SEATTLE

ATTORNEYS AT LAW

345 CALIFORNIA STREET
SAN FRANCISCO, CA 94104-2675
TELEPHONE (415) 677-7000
TELEFACSIMILE (415) 677-7522
TELEX 34-0154 MRSN FOERS SFO

NEW YORK
WASHINGTON, D.C.
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DIRECT DIAL NUMBER

January 11, 1993

(415) 677-7117

BY CERTIFIED MAIL --
RETURN RECEIPT REQUESTED

William Reilly, Administrator
United States Environmental
Protection Agency
401 M Street S.W.
Washington, D.C. 20460

Eastshore Partners
c/o The Martin Group
6475 Christie Ave., Suite 500
Emeryville, CA 94608
Attn: J. David Martin

James Strock, Secretary
California Environmental
Protection Agency
555 Capitol Mall, Suite 235
Sacramento, CA 95814

Eastshore Partners
c/o East Bay Park Company
c/o The Martin Group
6475 Christie Ave., Suite 500
Emeryville, CA 94608
Attn: Thomas J. Gram

Eastshore Partners
c/o Emeryville Terranomics Assoc.
455 Northpoint
San Francisco, CA 94133
Attn: Barry Culbertson

Re: Notice of Intent to File a Citizen Suit
Pursuant to RCRA Section 7002(a)(1)(A),
42 U.S.C. § 6972(a)(1)(A); and Notice of
Endangerment Under RCRA Section
7002(a)(1)(B), 42 U.S.C. § 6972(a)(1)(B)

Dear Sirs:

This letter constitutes a notice of violations of the Resource Conservation and Recovery Act ("RCRA") and of conditions that may present an imminent and substantial endangerment to health or the environment, pursuant to RCRA Sections 7002(b)(1)(A) and 7002(b)(2), 42 U.S.C. §§ 6972(b)(1)(A) and 6972(b)(2). Please take notice that our client, Etna Real Estate Associates, L.P. ("Etna"), may

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file a civil action against Eastshore Partners ("Eastshore") and its individual general partners, or any of them, in the United States District Court for the Northern District of California, pursuant to RCRA Sections 7002(a)(1)(A) and 7002(a)(1)(B), 42 U.S.C. §§ 6972(a)(1)(A) and 6972(a)(1)(B), with respect to the property in Emeryville, California commonly known as the Powell Street Plaza (sometimes referred to herein as the "Property"), if alternative means of resolving the claims identified herein are unsuccessful.

FACTS

Ætna is the present owner of the Powell Street Plaza, having acquired it from Eastshore pursuant to a Purchase and Sale Agreement dated February 14, 1990 (the "Agreement"). Eastshore or its predecessor, East Bay Park Company (collectively "Eastshore"), acquired the Property in 1986 or 1987. During its ownership of the Property, Eastshore owned and operated a number of underground storage tanks (the "Tanks") which had leaked and which continued to leak various petroleum hydrocarbon wastes. Eastshore was aware of these conditions, and in the Agreement, promised Ætna that the conditions would be abated. Some remediation work was performed, but the effort has been abandoned. Ætna understands that various state regulatory agencies have been involved with investigatory activities at the Property, and that the lead agency is presently the Alameda County Department of Environmental Health ("DEH"), pursuant to the UST Local Oversight Program. The Property is apparently listed in DEH records as the "P.I.E. Nationwide" Site at 5500 Eastshore Highway in Emeryville, in reference to the now bankrupt owner of the Property prior to Eastshore.

Eastshore and its general partners are all "persons," as that term is defined in RCRA Section 9001(6), 42 U.S.C. § 6991(6), who are in violation of the standards, regulations, conditions, requirements or prohibitions that have been promulgated pursuant to RCRA Section 9003(a), 42 U.S.C. § 6991b(a).

Eastshore and its general partners are all "owners" and "operators" of the Tanks as those terms are defined in RCRA, Sections 9001(3) and 9001(4), 42 U.S.C. §§ 6991(3) and 6991(4).

Eastshore and its general partners are all persons who were owners and operators of the Property and the Tanks

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and who have contributed to the past handling, storage, transportation, or disposal of hazardous waste, as defined in Section 1004(5) of RCRA, 42 U.S.C. § 6903(5), or solid waste, as defined in Section 1004(27) of RCRA, 42 U.S.C. § 6903(27), including, but not limited to, petroleum fuel-related contaminants (i.e., total petroleum hydrocarbons (gas), total petroleum hydrocarbons (diesel), oil and grease, benzene, toluene, ethylbenzene and total xylenes), tetra-ethyl lead, and chloroform and other volatile organic compounds (collectively the "Contaminants"). The above-identified Contaminants may present an imminent and substantial endangerment to health or the environment at the Property and the surrounding environment, including underground aquifers.

The Tanks are "underground storage tanks" ("USTs") as that term is defined in RCRA Section 9001(1), 42 U.S.C. § 6991(1), and 40 CFR § 280.12, and are "petroleum UST systems" as defined in 40 CFR 280.12.

The Contaminants contained in the Tanks and released into the environment are each "regulated substances," as that term is defined in RCRA Section 9001(2), 42 U.S.C. § 6991(2), and 40 CFR § 280.12. The Tanks contained "petroleum" as that term is defined in RCRA Section 9001(8), 42 U.S.C. § 6991(8).

There have been "releases," as that term is defined in RCRA Section 9001(5), 42 U.S.C. § 6991(5), and 40 CFR § 280.12, of the Contaminants from the Tanks into the environment at the Property.

Eastshore and its general partners are all persons who have contributed to the past handling, storage, or disposal of the Contaminants, which may present an imminent and substantial endangerment to health and the environment at the Property. The Contaminants are currently migrating through the soil and into the groundwater beneath and adjacent to the Property thereby further contaminating, or threatening further to contaminate, the waters of the State of California.

THE VIOLATIONS OF RCRA SUBTITLE I

Eastshore and its general partners are obligated to comply with Subtitle I of RCRA and the regulations promulgated pursuant to RCRA Section 9003, 42 U.S.C.

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§ 6991b; at 40 CFR Part 280. Eastshore and its general partners have failed to comply with the standards and requirements of Subtitle I of RCRA and the regulations promulgated pursuant thereto. Such violations include, but are not limited to, the following:

1. Eastshore and its general partners have violated and are in violation of 40 CFR § 280.60 in that they have failed and refused and continue to fail and refuse to comply with the requirements of 40 CFR § 280.65, which was promulgated to assure prompt and effective response to the release of regulated substances that may endanger the public health, safety and welfare and the environment. In response to confirmed releases from the Tanks, Eastshore and its general partners have failed and refused and continue to fail and refuse to timely investigate and continuously pursue to completion corrective action regarding the release of the Contaminants, the release site and the surrounding area possibly affected by the release of the Contaminants, as required by 40 CFR Part 280, Subpart F, notwithstanding the evidence that groundwater has been affected by the release and that contaminated soils are in contact with groundwater.

2. Eastshore and its general partners have violated and are in violation of 40 C.F.R. § 280.62(a)(5) in that they have failed to measure for the presence of a release where contamination is most likely to be present at the Property.

3. Eastshore and its general partners have violated and are in violation of 40 C.F.R. § 280.62(a)(6) in that they have failed to begin free product removal as soon as practicable and in accordance with 40 C.F.R. § 280.64.

4. Eastshore and its general partners have violated and are in violation of 40 C.F.R. § 280.62(b) in that they have failed to submit reports to the implementing agency summarizing the initial abatement steps taken under 40 C.F.R. § 280.62(4) - (6).

5. Eastshore and its general partners have violated and are in violation of 40 C.F.R. § 280.63(a) in that they have failed to assemble adequate information relating to surrounding populations, water quality, use and approximate locations of wells potentially affected by the release, climatological conditions, and land use. Eastshore

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and its general partners have also failed to assemble information relating to the results of free product investigation required under 40 C.F.R. § 280.62(a)(6).

6. Eastshore and its general partners have violated and are in violation of 40 C.F.R. § 280.63(b) in that they have failed to submit the information collected in compliance with Section 280.63(a) in a manner that demonstrates its applicability and technical adequacy.

7. Eastshore and its general partners have violated and are in violation of 40 C.F.R. § 280.64 in that they have failed to conduct free product removal in a manner that minimizes the spread of contamination into previously uncontaminated zones and that properly treats, discharges or disposes of recovery by-products in compliance with local, state and federal regulations. Eastshore and its general partners have also failed to submit to the implementing agency free product removal reports.

8. Eastshore and its general partners have violated and are in violation of 40 C.F.R. § 280.65(a) in that they have failed to determine the full extent and location of soils contaminated by the release and the presence and concentrations of dissolved product contamination in the groundwater by investigating the release site and the surrounding area possibly affected by the release.

The full name, address and telephone number of the person on whose behalf this Notice is being given is:

Aetna Real Estate Associates, L.P.
c/o Aetna Insurance Company
CityPlace
Hartford, CT 06156

The full name, address and telephone number of legal counsel representing Aetna is:

Morrison & Foerster
345 California Street
San Francisco, CA 94104
Tel. (415) 677-7000
Attn: Barry S. Sandals

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- This notice is given pursuant to RCRA
Section 7002(b)(1)(A), 42 U.S.C. § 6972(b)(1)(A) and RCRA
Section 7002(b)(2), 42 U.S.C. § 6972(b)(2).

Very truly yours,



Barry S. Sandals

cc: Jeffery R. Berry, Esq.
Etna Insurance Company, Law Department YFF1
CityPlace
Hartford, CT 06156

David D. Cooke, Esq. (counsel for Eastshore)
Beveridge & Diamond
One Sansome Street, Suite 3400
San Francisco, CA 94104

Daniel McGovern, Regional Administrator
Region IX, United States Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

✓ Alameda County Department of Environmental Health
Hazardous Materials Division
80 Swan Way, Room 200
Oakland, CA 94621

William F. Soo Hoo, Director
California Department of Toxic Substances Control
400 P Street, 4th Floor
P.O. Box 806
Sacramento, CA 95812-0806

Walter Pettit, Executive Director
California Water Resources Control Board
901 P Street
P.O. Box 100
Sacramento, CA 95812-0100

Steven R. Ritchie, Executive Officer
California Regional Water Control Board
San Francisco Bay Region
2101 Webster Street, Suite 500
Oakland, CA 94612