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Alameda County
Environmental Health

**Environmental
Resources
Management**

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17 November 2006

Ms. Deborah Castles
Vice President
McGrath Properties, Inc.
130 Webster Street, Suite 200
Oakland, California 94607



Subject: Interim Remedial Measures and Corrective Action Plan Proposal
1001 42nd Street
Emeryville, California

Dear Ms. Castles:

ERM-West, Inc. (ERM) is pleased to provide McGrath Properties, Inc. (McGrath) this proposal to implement interim remedial measures (IRM) and formulate a Corrective Action Plan (CAP) to address the on-site and immediate off-site area at the property located at 1020 42nd Street in Oakland/Emeryville, California. This proposal was developed per discussions between Deborah Castles and ERM.

This letter documents the rationale for the IRM and CAP, general details of the IRM and CAP, and associated costs.

PROJECT BACKGROUND

The subject property, referred to as the Kozel Property, is located at 1001 42nd Street in Oakland, California. A free phase light or non-aqueous phase liquids (LNAPL) mineral spirits plume has been identified in groundwater proximate to the site and dissolved phase mineral spirits have been detected in nearby soil borings. The Alameda County Health Care Services Agency (ACH) is the oversight agency and has recently directed the property owners to submit a CAP for "on and immediate off-site release".

INTERIM REMEDIAL MEASURES AND CORRECTIVE ACTION PLAN OBJECTIVES AND DETAILS

Interim Remedial Measures and Corrective action Plan Objectives

We understand that the subject property will be leased to a tenant in the near future. The subsurface underneath the tenant-occupied portions of the property has impacts from chemicals of concern (COC). In order to address potential for remedial activity intrusion and COC exposure to the tenant, McGrath wants to pursue IRM implementation.

The ACH has raised concerns regarding site-related COC and their potential for off-site migration, especially that for LNAPL. We understand that McGrath is interested in addressing areas of concern in a practical way, balancing site beneficial use, human-health and environmental risk or exposure, and capture and management of COC. The first step in that approach is to expeditiously develop and implement a remedy for the 1001 42nd St. site

Objectives for the IRM are as follows:

- Install IRM infrastructure to the building sub-grade, ahead of tenant occupancy, to address area of LNAPL occurrence and potential for vapor intrusion;
- Ensure that the scope of IRM activities will be complementary with CAP-selected remedial measures; and
- Install IRM infrastructure in a manner to minimize interference to the tenant from ensuing remedial activities.

Objectives for the CAP are as follows:

- Develop a CAP detailing COC distribution and site-hydrogeology to address primary regulatory concern for potential for off-site migration;
- Ensure that the human-health and environmental risk or exposure issues are sufficiently addressed to get agency consent for the appropriateness of the remedial scope;
- Develop applicable and practical cleanup goals;

- Develop a practical, cost-effective remedial approach that is acceptable to the ACH;
- Identify nearby property owners that may be impacted by releases from the site.

Details of Interim Remedial Measure

ERM proposes installation of one LNAPL recovery well and one sub-floor horizontal vapor collection well. Details of the IRM to be implemented prior to tenant occupancy are as follows:

- Install a 4-inch diameter LNAPL recovery well. The well will be completed to a depth of 15 feet below grade with a screened interval of 6 to 15 feet. The well will be equipped with piping/tubing to facilitate vacuum enhanced recovery (VER) by applying a low vacuum to increase rate of LNAPL flow into the well.
- The well will be completed at the surface with a flush mounted vault.
- Skimmer tubing and a vacuum pipe will be connected to the well via sub-grade trench which be completed through the side of the building. The sub-grade trench will be saw-cut and is anticipated to be 50 feet long, 6 inch wide and 18-inch deep. After installation of remedial pipes and tubing, the concrete will be replaced to match existing surface.
- The sub-grade trench for skimmer pipe and tubing will also be used to place an SVE screen, which will be placed below the skimmer pipe/tubing and in the aggregate base of the trench. The SVE screen will be wrapped in geo-textile fabric. The SVE screen will collect COC vapor potentially emanating from the sub-surface, therefore addressing potential vapor intrusion exposure.
- A remedial equipment area will be designated at a location near the warehouse building.
- After ACH approval of the CAP, the above equipment will be connected to the rest of the remediation system.

Details of CAP

ERM will formulate a Corrective Action Plan containing the following elements:

- A site conceptual model detailing COC distribution and site hydrogeology to demonstrate that the on-site and immediate off-site area has been sufficiently characterized;
- A site-specific screening level risk assessment will be conducted. All human health and environment exposure pathways will be evaluated and estimation of quantitative risk inclusive of, as applicable, cancer risks or hazard quotients will be calculated.
- Cleanup goals will be developed based on the risk analysis and a practical and realistic approach to remediation of site conditions in the context of the conditions in the surrounding area;
- Remedial technologies will be screened to address site specific risk pathways and other regulatory concerns such as off-site migration potential. The CAP will further detail selection of a site-specific remedial solution that will be a practical, cost-effective and regulatorily acceptable remedial approach.

ESTIMATED COST

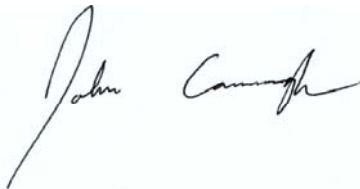
A detailed cost estimate of the proposed IRM and CAP is provided in Table 1.

SUMMARY

We feel that the proposed approach will expeditiously implement the IRM infrastructure in a cost effective and timely manner, and will demonstrate to the ACH the desire to move quickly to toward cleanup. The IRM will be part of and complementary to the remedial approach selected in the CAP.

ERM has appreciated the opportunity to support McGrath on this project. If you have any questions, please feel free to contact John Cavanaugh at (925) 946-0455.

Sincerely,



John O. Cavanaugh
Partner-in-Charge



Arun Chemburkar, P.E.
Principal Engineer

JOC/rls/0051204
enclosure: Table 1

AUTHORIZATION TO PROCEED

Proposal to Provide Limited Environmental Support

**1001 42nd Street, Oakland, California
Soil Borings and Estimate of Environmental Liability
Time and Materials not to Exceed \$55,304**

McGRATH PROPERTIES, INC.
130 Webster Street, Suite 200
Oakland, California 94607

Authorized By:

(Signature)

(Name)

(Title)

(Date)

Table

TABLE 1
Detailed Cost Estimate
1001 41st Street, Oakland
Oakland, California

Task	Description	Labor	Subs	ODCs	ODC and Sub fee	H&S and Com fee	Total	With 0% contingency
Task 1	IRM installation	8,795.00	12,450.00	1,400.00	692.50	351.80	23,689	\$23,689
Task 2	CAP	30,995.00	0.00	0.00	0.00	619.90	31,615	\$31,615
Totals		39,790.00	12,450.00	1,400.00	692.50	971.70	\$55,304	\$55,304
Total								\$55,304

Subcontractor fee	5.00%
Other Direct Cost fee	5.00%
Health and Safety fee	2.00%
Communications fee	2.00%

Personnel	Rate	unit	Task 1		Task 2	
			Hours	Total	Hours	Total
Technical Specialist	\$180.00	hr	4	\$720.00		\$0.00
Program Manger	\$150.00	hr		\$0.00	70	\$10,500.00
Senior II	\$118.00	hr		\$0.00	40	\$4,720.00
Senior I	\$115.00	hr		\$0.00		\$0.00
Project III	\$99.00	hr	40	\$3,960.00	40	\$3,960.00
Project II	\$97.00	hr	4	\$388.00		\$0.00
Project I	\$87.00	hr		\$0.00	70	\$6,090.00
Staff III	\$79.00	hr	8	\$632.00		\$0.00
Staff II	\$74.00	hr	38	\$2,812.00	50	\$3,700.00
Staff I	\$68.00	hr		\$0.00		\$0.00
Senior Tech	\$66.00	hr		\$0.00		\$0.00
Tech	\$55.00	hr		\$0.00		\$0.00
Coordinator	\$61.00	hr	3	\$183.00	25	\$1,525.00
Admin	\$50.00	hr	2	\$100.00	10	\$500.00
Labor Subtotal	Labor Subtotal			\$8,795.00		\$30,995.00
Subcontractors	Rate	unit				
Utility Locator	\$750	unit	1	\$750.00		\$0.00
Concrete trenching	\$2,200	unit	1	\$2,200.00		\$0.00
well installation	\$5,000	unit	1	\$5,000.00		\$0.00
install piping and system	\$800	unit	1	\$800.00		\$0.00
IDW disposal	\$2,700	unit	1	\$2,700.00		\$0.00
Backfill trench	\$1,000	unit	1	\$1,000.00		\$0.00
				\$0.00		\$0.00
Subtotal - Subconsultants				\$12,450.00		\$0.00
Other Direct Costs	Rate					
Truck use/day - travel milage	\$100	day	1	\$100.00	\$0.00	
boring permit	\$300	unit	1	\$300.00	\$0.00	
supplies	\$1,000	unit	1	\$1,000.00	\$0.00	
				\$0.00	\$0.00	
				\$0.00	\$0.00	
Subtotal - ODCs				\$1,400.00	\$0.00	