

R.T. NAHAS COMPANY *Since 1997*

REAL ESTATE DEVELOPERS AND INVESTORS

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20630 PATIO DRIVE
CASTRO VALLEY, CALIFORNIA 94546
TELEPHONE (510) 538-9600
FAX (510) 881-7618

November 4, 1993

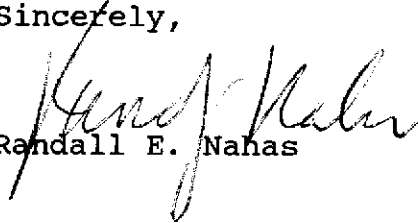
Mr. Scott Seery
Alameda County Health Care Services
80 Swan Way
Oakland, CA 94621

Dear Scott:

Enclosed is a proposal from BSK to do the water sampling that we discussed. We have chosen two points to sample, one directly behind the dry cleaner and one between the service station building and the dry cleaner. This should give us adequate data to determine whether the perk is coming from our property or theirs.

If this is OK, let me know so I can authorize them to proceed.

Sincerely,


Randall E. Nahas

REN/hrs

Enclosure



& Associates

November 3, 1993

1181 Quarry Lane
Building 300
Pleasanton, CA 94566
(510) 462-4000
(510) 462-6283 FAX

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*Accepted 11/9/93
via phone call to
Jim Berger, BSK Assoc*

BSK Proposal PR93301.3

R.T. Nahas Company/Eden Managements
20630 Patio Drive
Castro Valley, CA 94546

Attention: Mr. Randy Nahas

Subject: Proposal/Work Plan
Perchloroethene Release Assessment
Unocal 76 Service Station
20405 Redwood Road
Castro Valley, California

Gentlemen:

As requested, BSK & Associates has prepared this Proposal/Work Plan for the installation of two shallow temporary groundwater sample-points, in the area of Frank Tien's Unocal 76 Service Station, 20405 Redwood Road, Castro Valley, California (Site). The sample-points would be installed to assess the potential impact of perchloroethene release to soil and groundwater within the Unocal property, believed to have occurred from a dry cleaner adjoining the service station's south boundary.

BACKGROUND

BSK & Associates has performed Underground Storage Tank (UST) monitoring, and motor fuel release to groundwater investigation at Frank Tien's Unocal since December 1989. Work performed in April 1991 (BSK Report P90165) and May 1992 (BSK Report P92057) suggested the extension of groundwater contamination off-site to the south, beneath an adjoining building, and toward a grocery parking lot (Figure 1, Site Plan). Recent groundwater testing indicates that the southernmost monitoring well (MW-7) located south of the motor-fuel plume, may intercept a plume of Perchloroethene (PCE). The PCE may emanate from a dry cleaner located in the building between the grocery parking lot and the Service Station.

PURPOSE AND SCOPE

Two shallow groundwater sample-points are proposed for temporary installation at the Site. One sample-point would be installed along the southern boundary of the Site; one sample-point would be installed just south of the Service Station building, down-gradient from the service station garage. The proposed sample-point locations are shown on Figure 1, Site Plan. The sample-points are proposed for the assessment of impact to the Site from adjacent PCE release, if any, and assessment of possible release from the service station garage. Additional characterization

of the motor fuel plume would be included, as well as further characterization of the subsurface for future remedial action with regard to Motor-fuel and possible PCE contamination of the Site.

Installation and sampling of the proposed groundwater sample-points would consist of the following activities:

1. **Drilling** of two 8-inch diameter borings to a point above the water table, the driving of a sample-point approximately two feet into the water bearing horizon,
2. **Soil and water sampling** at the capillary fringe and within the aquifer material, and **analysis** for contaminants,
3. **Backfill** of the borings with tremied neat cement.
4. **Chemical analyses** of soil and water samples, and;
5. Preparation of a **Report** summarizing the soil and water sampling activities and observations.

METHODOLOGY

Drilling activities would be performed using a truck-mounted Mobile B-53 auger rig, turning 8-inch outside diameter, hollow stem auger, or 4-inch solid flight auger. The borings for the sample-points would extend to first encountered groundwater. Logging of boring samples and cuttings, and direction of site activities would be performed by a geologist/engineer, under the supervision of a Registered Geologist or Licensed Civil Engineer. Classification of subsurface materials would be performed in accordance with the U.S.C.S. Soil Classification System.

Sampling

Soil sampling for chemical analysis would be performed using a 2.0-inch I.D. modified California split-spoon sampler, containing three 2- x 6-inch stainless steel sample liners. The sampler holding the liners is driven by slide hammer ahead of the auger into undisturbed soil, and then withdrawn. The soil-filled liners are removed, and the chosen sample(s) sealed with Teflon® sheeting and a pressure-fitted plastic cap, labeled, and refrigerated by dry- and/or water-ice for delivery to our State-certified analytical laboratory for analysis. Samples would be obtained within the capillary fringe, and as determined by subsurface conditions.

Water samples would be obtained by Teflon® or stainless steel bailer through the stainless steel Sample-point screen. Samples would be obtained in order of decreasing constituent volatility, and placed in the appropriate container, with preservative as necessary. The sample would then be labeled, sealed and refrigerated with water-ice for delivery to our laboratory.

Chemical Testing

Selected soil, and water samples obtained for chemical analyses would be tested for Gasoline-type Motor-fuel and Chlorinated Solvent. Analysis for Motor-fuel and Solvents would be by EPA Methods 601/8010 and 602/8020. TPH - G

Waste Handling

Soil and water waste generated by drilling, cleaning and sampling activities would be stored in well-specific, DOT-approved 17E/H 55 gallon drums. Each drum would be labeled with the date of waste accumulation, waste type (soil or water), source and source address. The drums would be stored on-site until chemical analyses determine the character of the drum contents. Disposal of drummed and stockpiled waste is the ultimate responsibility of the client.

Decontamination

Drilling and sampling equipment would be thoroughly cleaned by hi-pressure and temperature wash prior to site entry, exit, and between boring and sample locations in order to reduce the chance of cross-contamination between samples and sites.

SCHEDULE AND FEES

SCHEDULE

BSK would begin work on this project promptly following our receipt of your signed authorization and approval to proceed. Based on ready access to the site, and receipt of the necessary permits, our report would be completed within four to five weeks of our authorization to proceed.

FEES

Our fees for this work would be computed in accordance with our 1993 Fee Schedule. The total charges for the scope of work outlined herein is estimated to be \$4,430. The estimated fee would not be exceeded without your prior notification and consent.

A summary breakdown of the fees for the work described is provided below:

Temporary Sample-points - Materials & Installation	\$2,000
Chemical Analyses (BTEX, TPHg, EPA 601)	930
Report Preparation	<u>1,500</u>
TOTAL	\$4,430

* * * * *

The General Conditions and Terms are presented on the attached BSK & Associates' Terms for Agreement for Environmental Consulting Services, which is part of this Proposal PR93201.3.

If the proposed scope of services, fee and Terms for Agreement are acceptable, please sign the "Authorization and Acceptance" form attached after the Terms. Actual work would begin upon our receipt of a complete signed copy of this Proposal PR93301.3.

BSK appreciates the opportunity to submit this proposal, and look forward to continuing to provide environmental consulting services for you on this project. Should you have questions regarding this submittal, please contact us.

Respectfully submitted,
BSK & Associates



Alex Y. Eskandari, P.E.
Manager - Geo-Environmental Services
C.E. 38101



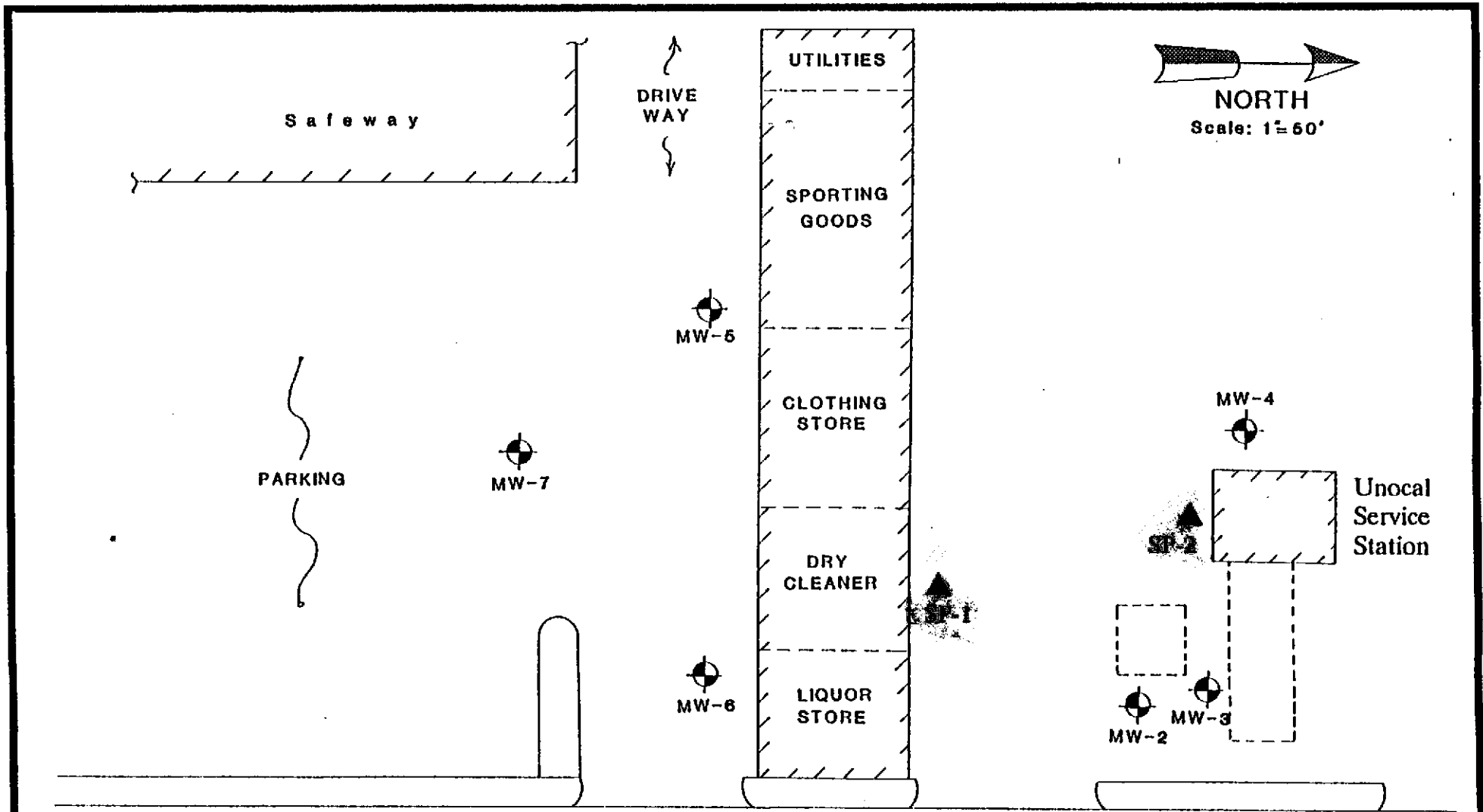
Tim W. Berger, R.G.
Certified Engineering Geologist
C.E.G. 1828

AYE/TWB:ndp
(PRO/ENV.PR93301.NHS)

Enclosures:



Figure 1: Site Plan

BSK Authorization and Acceptance
BSK & Associates' Terms for Environmental Consulting Services



NORTH
Scale: 1" = 60'

LEGEND:

-  - Location And Designation Of Groundwater Monitoring Well
-  - Location and Designation of Proposed Temporary Sample-Point (SP-1)

REDWOOD ROAD

Curb Line

SITE PLAN

BSK Proposal PR93301.3
November 1993
FIGURE: 1

BSK
& ASSOCIATES

**BSK & ASSOCIATES' TERMS FOR
AGREEMENT FOR ENVIRONMENTAL CONSULTING SERVICES**

- Scope of Services** CONSULTANT shall perform the environmental consulting services that are specified by the Agreement for the agreed upon amount of compensation. CLIENT understands that environmental investigations are performed in phases. Initial phases, such as preliminary site assessments, are intended to assist in developing alternatives and plans for further investigation and consequently do not entail the more exhaustive, and more expensive, investigations performed during later phases of investigation. CLIENT understands that later phases may lead to discovery of conditions not encountered during the initial investigative phases.
- Any increase to the scope or other modification shall be made in writing, and it is expressly understood by the parties that these Terms For Agreement For Environmental Consulting Services apply to any modification to the Agreement.
- Professional Responsibility** CONSULTANT shall perform its services consistent with that level of care and skill ordinarily exercised by other professional consultants practicing in the locality of the Project site under similar circumstances at the time the services are performed. CLIENT understands that the investigation, characterization, and assessments of hazardous or toxic material involve technologies that are rapidly evolving. Existing state of the art technologies are often new and untried; future technologies may supersede current technologies and the current standard of care. CLIENT understands that CONSULTANT's recommendations must be based upon technologies, standards, and other technical information known at the time the recommendations are made. Present recommendations may differ from recommendations that might be made at a previous or later time because of the evolving standard of care.
- No other representation, warranty or guarantee, express or implied, is included or intended by the Agreement.
- Subsurface Conditions** CONSULTANT's investigations and recommendations will be based on test borings, surveys or other investigative work. CLIENT understands that subsurface conditions elsewhere at the Project site may differ from those where test borings had been taken and further recognizes that geologic conditions may change over time.
- Certifications** CONSULTANT shall not be required to execute or supply any certification of any environmental conditions at the site unless
- 1) CONSULTANT, in its sole judgment, believes that sufficient work has been performed by CONSULTANT to provide the certification;
 - 2) CONSULTANT, in its sole judgment, believes that the site conditions investigated meet the criteria of the certification; and
 - 3) the exact form of such certification has been provided to CONSULTANT prior to the execution of the Agreement, and CONSULTANT has agreed, in writing, that the form is acceptable. Any certification supplied by CONSULTANT does not constitute a warranty or guarantee, either express or implied.
- Disclosure of Site History** CLIENT shall provide to CONSULTANT all known information regarding the current and historical past uses of the Project site. CLIENT further agrees that CONSULTANT may rely upon all such information supplied by CLIENT, and CLIENT warrants the accuracy and completeness thereof.
- Hazardous Substances** CLIENT agrees that it will supply to CONSULTANT all known information regarding the nature and existence of any hazardous, toxic or dangerous materials that exist on the Project site and that exist on any neighboring properties to the Project site. CLIENT will also inform CONSULTANT of any known leak, discharge or other release of any hazardous, toxic or dangerous materials on the Project site and on any neighboring properties of the Project site. If CLIENT subsequently becomes aware of any such information, it shall immediately inform CONSULTANT of the additional information. CLIENT further agrees that CONSULTANT may rely upon all such information supplied by CLIENT, and the CLIENT warrants the accuracy and completeness thereof.
- If CONSULTANT discovers unanticipated hazardous, toxic or dangerous materials during the performance of the Agreement, said discovery shall constitute a **CHANGED CONDITION** mandating re-negotiation of the scope of work to be performed by CONSULTANT and the terms under which the work is to be performed. In the event that CONSULTANT takes emergency measures to protect the health and safety of CONSULTANT personnel and/or the public, CLIENT shall compensate CONSULTANT for the cost of such emergency measures.
- Notwithstanding anything to the contrary herein, except to the extent that any claim, cost, expense, fine or penalty arises from the gross negligence or willful misconduct of CONSULTANT, its employees or agents, (for purposes of this provision, "agents" shall include CONSULTANT's suppliers or subcontractors of any tier) in CONSULTANT's performance of the Agreement, CLIENT shall remain responsible for any and all contaminants, pollutants, hazardous waste, spillage, seepage, adverse effect or environmental impairment occurring, incident to, arising out of, or in connection with any job performed or to be performed hereunder and CONSULTANT, its employees or agents shall not be responsible for any such contaminants, pollutants, hazardous waste, spillage, seepage, adverse effect or environmental impairment except to the extent that such claims, demands, costs, expenses, fines, or penalties, causes of action, suits, or other litigation arise out of the gross negligence or willful misconduct of CONSULTANT, its employees or agents. CLIENT shall protect, defend, indemnify and hold harmless CONSULTANT, its corporate affiliates and their respective officers, directors, employees and agents free and harmless from and against any and all claims, demands, cost, expense, fines or penalties, causes of action, suits or other litigation (including all costs thereof and attorneys' fees) of every kind and character on account of bodily injury, damage to

property or violation of any pollution or similar law or regulation on account of, or incident to, or arising in connection with any pollution, contamination, hazardous waste, spillage, seepage, adverse effect or environmental impairment arising out of or in connection with any job performed or to be performed hereunder, except to the extent that such claims, demands, cost, expense, fines, or penalties, causes of action, suites, or other litigation arise from the gross negligence or willful misconduct of CONSULTANT, its employees or agents.

- Right of Entry** CLIENT shall grant or arrange permission for right of entry by CONSULTANT upon the Project site to provide the Services under the Agreement, whether or not the Project site is owned by CLIENT. The use of environmental equipment and practice may unavoidably alter the existing site conditions and affect the environment in the area being studied. CONSULTANT will operate with reasonable care to minimize damage to property. The cost of repairing such damage will be born by CLIENT, unless otherwise specified in the Agreement.
- Underground Utilities** Prior to the initiation of CONSULTANT's field investigation, CLIENT shall designate the location of all subsurface structures, such as pipes, underground tanks, cables and utilities, within the property lines of the Project site and shall supply to CONSULTANT any written documentation regarding same. CLIENT warrants the accuracy of any information supplied to CONSULTANT, acknowledges that CONSULTANT will not verify the accuracy of such information, and agrees that CONSULTANT is entitled to rely upon the information supplied by CLIENT. CLIENT agrees to defend, indemnify and hold harmless CONSULTANT for any claims or damages related to the location of any subsurface structures at the Project site.
- Limitation of Liability** CLIENT agrees to limit the liability of CONSULTANT and all officers, directors, agents, shareholders, employees, consultants, subcontractors, and all other representatives of CONSULTANT to CLIENT for all claims, suits, arbitrations or other proceedings, to an aggregate amount of \$50,000 or the amount of compensation received by CONSULTANT for services performed regarding the Project, whichever is greater, whether or not such claims, causes of actions, suits, arbitrations, or other proceedings are based on negligence, breach of contract, strict liability or any other theory of legal liability. This limitation of liability includes any claim for attorneys' fees due under the Agreement.
- CLIENT further agrees to notify any contractor or subcontractor who may perform work in connection with any design, report, or study prepared by CONSULTANT of such limitation of liability and require as a condition precedent to their performing the work a like limitation of liability on their part as against the CONSULTANT. In the event CLIENT fails to obtain a like limitation of liability provision, any liability of CLIENT and CONSULTANT to such contractor or subcontractor shall be allocated between CLIENT and CONSULTANT in such a manner that the aggregate liability of CONSULTANT to all parties, including CLIENT, shall not exceed \$50,000 or the amount of CONSULTANT's fee, whichever is greater. This limitation includes any claim for attorneys' fees due under the Agreement.
- This limitation of liability shall survive the expiration or termination of the Agreement and shall apply to any additional services not otherwise covered under the Agreement which are provided by CONSULTANT for the Project, whether or not such services are memorialized by an amendment, addendum or other modification to the Agreement.
- Consequential Damages** To the fullest extent permitted by law, CLIENT agrees that the CONSULTANT shall not be liable for any special, indirect or consequential damages, whether or not such claims, suits, arbitrations, or other proceedings are based on negligence, breach of contract, strict liability or other theory of legal liability.
- Indemnification** CLIENT shall defend, indemnify and hold harmless CONSULTANT, its officers, directors, agents, shareholders, employees, consultants, subcontractors, and all other representatives from and against all claims, injunctions, administrative proceedings, suits, damages or liability, direct or indirect, arising out of or resulting from the CONSULTANT's performance of services under the Agreement, unless liability arises by virtue of the sole negligence or intentional wrongful acts of CONSULTANT, its officers, directors, agents, shareholders, employees, consultants, subcontractors, and other representatives.
- Samples and Cuttings** CONSULTANT shall retain any soil, rock, water and other samples obtained from the Project as it deems necessary for a period not longer than forty-five (45) days after the issuance of any documents that includes the data obtained from those samples.
- Disposal of Materials** CLIENT shall be responsible for the removal and lawful disposal of any samples, cuttings and hazardous substances.
- Job Site Safety** CONSULTANT shall not be responsible for the safety of any persons other than its own employees, nor shall it be responsible for the operations, procedures, or practices of persons or entities other than CONSULTANT, its consultants, and its subcontractors.
- Changed Conditions** If, during the course of CONSULTANT's performance under the Agreement, conditions or circumstances are discovered which were not contemplated by CONSULTANT at the commencement of the Agreement, CONSULTANT shall notify CLIENT in writing of the newly discovered conditions or circumstances, and CLIENT and CONSULTANT shall then re-negotiate in good faith the terms of the Agreement. If amended terms cannot be agreed upon within 30 days after said notice, CONSULTANT may terminate the Agreement, and CONSULTANT shall be compensated as set forth herein under TERMINATION.

Termination	<p>The Agreement may be terminated by either party upon seven (7) days written notice in the event of a material breach of the Agreement. CONSULTANT may terminate the Agreement if CLIENT suspends CONSULTANT's work for more than sixty (60) days. In the event of termination, CLIENT shall pay CONSULTANT for the services performed prior to the date of termination, plus actual termination expenses incurred by CONSULTANT, including, but not limited to, the cost of completing analysis, records and reports necessary to document the Project's status at the time of termination.</p> <p>CLIENT agrees that the limitation of liability and the indemnity obligations of the Agreement shall be binding notwithstanding any termination of the Agreement.</p>
Delays	<p>In the event CONSULTANT's services under the Agreement are interrupted due to delays other than delays caused by CONSULTANT, CONSULTANT shall be equitably compensated (in accordance with CONSULTANT's current Schedule of Charges) for the additional charges associated with maintaining its work force for CLIENT's benefit during the delay, or at the option of CLIENT, for such similar charges that are incurred by CONSULTANT for demobilization and subsequent re-mobilization.</p> <p>Except for the foregoing provision, neither party shall hold the other responsible for damages or delays in performance caused by acts of God or other events beyond the control of the other party or that could not have been reasonably foreseen and prevented. Delays within the scope of this paragraph which cumulatively exceed forty-five (45) days are deemed a CHANGED CONDITION under the Agreement.</p>
Notification and Reporting	<p>CLIENT shall be solely responsible for notifying all appropriate federal, state, municipal or other governmental agencies of the existence of any hazardous, toxic or dangerous materials located on or in the Project site, or discovered during the performance of the Agreement.</p>
Use of Reports	<p>All reports of CONSULTANT, whether written or oral, and all opinions rendered by CONSULTANT are for the sole use of CLIENT. They are not to be provided to any other person or entity without the express written consent and authorization of CONSULTANT. No other party other than CLIENT may rely upon any reports supplied by CONSULTANT under the Agreement, without the express written consent and authorization of CONSULTANT. CLIENT shall make no representations to any third party that would lead that party to rely upon any reports supplied by CONSULTANT under the Agreement, without the express written consent and authorization of CONSULTANT. Moreover, CLIENT shall not use CONSULTANT's name in any offering circular, prospectus, annual report, financial statement or other similar material. CLIENT shall defend and indemnify CONSULTANT from and against all claims, damages, liability and expenses, including attorneys' fees, arising out of any such mis-use of CONSULTANT's reports and name.</p>
Confidentiality	<p>Documents, reports, disclosures and other information of any nature and description which CLIENT supplies to or makes available to CONSULTANT or which CONSULTANT discovers or develops in performance of the Services under the Agreement shall be deemed confidential. CONSULTANT shall not disclose same without CLIENT's written authorization, except to the extent that information is in the public domain or is required by law or under CONSULTANT's professional obligations to be disclosed.</p>
Ownership and Maintenance of Documents	<p>CLIENT acknowledges that CONSULTANT's reports, boring logs, maps, and other similar documents are instruments of CONSULTANT's professional services, and they are not products. Unless otherwise specified in the Agreement and provided that CONSULTANT has been fully paid for the services rendered, CLIENT shall have the right to use such documents for purposes reasonably contemplated by the parties. CONSULTANT shall have the right, but shall not be obligated, to retain copies of all such materials and shall have the right to use same for any purpose, unless such use would be expected to cause unreasonable harm to CLIENT. CLIENT shall specify in advance and in writing if CLIENT desires CONSULTANT to maintain such materials for an extended period, and CLIENT agrees to pay for all such extra costs. CONSULTANT retains the right of ownership regarding any patentable concepts or copyrightable materials arising from any services provided under the Agreement.</p> <p>CLIENT shall not re-use any materials prepared in connection with the Agreement for extension of this Project or for any other Project without CONSULTANT's written authorization. CLIENT shall defend and indemnify CONSULTANT from and against all claims, damages, liability and expenses, including attorneys' fees, arising out of such unauthorized re-use.</p>
Payment	<p>CONSULTANT will submit invoices on a periodic basis to CLIENT, and the invoices will be due upon receipt by CLIENT. A late payment charge of 1.5% per month will apply to all invoices not paid within thirty (30) days of mailing by CONSULTANT. CLIENT agrees that untimely payment of any invoice constitutes a material breach of the Agreement.</p>
Notices	<p>All notices and communications from the CLIENT shall be to CONSULTANT's designated Project Manager or Principal-In-Charge. Verbal communications shall be confirmed in writing.</p>
Alternative Dispute Resolution	<p>All claims or disputes between CONSULTANT and CLIENT arising out of or in any way related to the Agreement will be submitted to 'alternative dispute resolution' (ADR) such as non-binding mediation, before and as a condition precedent to other remedies provided by law. Either party may demand ADR by serving a written notice that states the essential nature of the dispute and the amount of time or money claimed. The notice shall also indicate that the dispute is to be mediated within sixty (60) days of service of the notice. The mediation shall be administered by the American Arbitration Association or by such other person or organization as the parties may</p>

agree upon. No action or lawsuit may be commenced unless the mediation does not occur within ninety (90) days after service of notice, the mediation occurred but did not resolve the dispute, or a statute of limitation would elapse if suit was not filed prior to sixty (60) days after service of notice.

Attorneys' Fees Should CONSULTANT initiate any action under the Agreement, CLIENT shall pay, in addition to any fees and costs owed, all reasonable attorneys' fees and legal costs incurred by CONSULTANT in such action.

Governing Law The laws of the State of California shall govern the rights and obligations of the parties under the Agreement, including the interpretation of the Agreement. If any part of the Agreement is adjudged to be invalid or unenforceable, such invalidity shall not affect the full force and effect of the remainder of the Agreement.

Entire Agreement and Modifications The Agreement and these Terms For Agreement For Environmental Consulting Services, including attachments incorporated therein by reference, represents the entire agreement and understanding between the parties, and any negotiations or prior agreements are intended to be integrated and to be superseded by the Agreement and by these Terms For Agreement For Environmental Consulting Services, unless otherwise expressly specified by the Agreement.

Any modification to the Agreement shall be in writing and signed by authorized representatives of the parties.