



State Water Resources Control Board



Linda S. Adams
Secretary for
Environmental Protection

Division of Financial Assistance
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Arnold Schwarzenegger
Governor

MAY 04 2009

J W SILVEIRA
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OAKLAND, CA 94506

PRE-APPROVAL (PA # 2) OF CORRECTIVE ACTION COSTS, CLAIM NO. 010290,
SITE ADDRESS: 2301 12TH ST E, OAKLAND, CA 94601

I have reviewed your request, received on February 9, 2009, for pre-approval of corrective action costs. I have included a copy of the "Cost Pre-Approval Request" form; please use this form in the future for requesting pre-approval of corrective action costs.

With the following provisions, the total cost pre-approved as eligible for reimbursement for completing the December 16, 2008, P&D Environmental, Inc. workplan approved by the Alameda County EHD (County) in their January 23, 2009 letter, is **\$ 44,013**; see the table below for a breakdown of costs. (The total amount that has been reimbursed and approved for payment up to this point is \$ 70,981.)

Be aware that this pre-approval does not constitute a decision on reimbursement: **necessary** (as determined by the Fund) corrective action costs for action work **directed and approved by the County** will be eligible for reimbursement at costs consistent with those pre-approved in this letter. However, depending on what happens in the field, some costs may not actually be necessary. If the Fund agrees that they were in fact necessary, the Fund will reimburse at reasonable rates (rates consistent with those pre-approved.)

In order for future costs for corrective action to be part of the expedited reimbursement process, they must be pre-approved in writing by Fund staff.

All costs for corrective action must meet the requirements of Article 11, Chapter 16, Underground Storage Tank Regulations in order to be eligible for reimbursement.

COST PRE-APPROVAL BREAKDOWN

#	Task*	Amount Pre-Approved	Comments
1	Outside Direct Costs For Borehole Drilling	\$24,608	Includes costs for: subcontractor for drilling of 7 soil borings for collection of GW samples, and 5 borings for collection of soil gas samples; necessary permit fees; lab analysis of soil, GW, and vapor samples; disposal of wastes; necessary and appropriate cost mark-ups.
2	Field Equipment	\$1,375	Includes costs for truck for oversight of drillers, PID, misc. tools, & mark-ups where necessary
3	Labor	\$18,030	Includes costs for subsurface investigation report, H&SP, pre-approval request and others per cost proposal. All necessary cost mark-ups are also included.
TOTAL PRE-APPROVED		\$ 44,013	

Task descriptions are the same as those identified in P&D Environmental's February 4, 2009 cost estimate.

- Only the tasks/costs reflected on the above table are pre-approved at this time. The Fund will review any tasks/costs that go beyond the pre-approved amount to be determined if the additional tasks and costs are necessary and reasonable. However, if costs exceed the above pre-approved amounts, the Fund will be unable to expedite your Reimbursement Request. Please note that the reimbursement of cost is subject to the availability of funds.
- The work products must be acceptable to the County and the Regional Water Quality Control Board.
- If a different scope of work becomes necessary, then you must request pre-approval of costs on the new scope of work.
- Although I have referred to the P&D Environmental's proposal in my pre-approval above, please be aware that you will be entering into a private contract, the State of California cannot compel you to sign any specific contract. This letter **pre-approves the costs** as presented in the proposal dated February 4, 2009 by P&D Environmental for conducting the work approved by the County for implementing the December 16, 2008 P&D Environmental workplan.

I also want to remind you that the Fund's regulations require that you obtain at least three bids, or a bid waiver from Fund staff, from qualified firms for all necessary future corrective action work. If you need assistance in procuring contractor and consultant services, don't hesitate to call me.

Please remember that it is still necessary to submit the actual costs of the work as explained in the Reimbursement Request Instructions to confirm that the costs are consistent with this pre-approval before you will be reimbursed. ***Please insure that your consultant prepares their invoices to include the required breakdown of costs on a time and materials basis, that invoiced tasks are consistent with the original proposal, and that reasonable explanations are provided for any changes made in the scope of work or increases in the costs. When the invoices are submitted you must include copies of:***

- this pre-approval letter
- subcontractor invoices,
- technical reports, when available, and
- applicable correspondence from the County.

Please call if you have any questions; I can be reached at (916) 341-5243

Sincerely,



Mohammed Khan, P.E.
Technical Review Unit
Underground Storage Tank Cleanup Fund

Enclosure: As noted above

cc: Ms. Donna Drogos
✓ Alameda County EHD
1131 Harbor Bay Pkway, 2nd Fl.
Alameda, CA 94502-6577

Mr. Paul King
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