

BEDFORD PROPERTIES



November 21, 1989

Mr. Dennis Byrne
Hazardous Materials Specialist
ALAMEDA COUNTY
DEPARTMENT OF ENVIRONMENTAL HEALTH
80 Swan Way
Room 200
Oakland, Ca 94621

Dear Mr. Byrne:

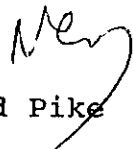
At the request of Peter Weiner and Lawrence C. Blazer, I am forwarding you a copy of the Environmental Investigation and Site Mitigation Report for Embarcadero Drive at Fallon Street, Oakland, California, prepared 2/17/89 by Kleinfelder.

I have also enclosed for your review a March 1, 1989 letter to me from Ian Hutchison, President of STEFFAN, ROBERTSON AND KIRSTEN, acknowledging the inadequacy of the work they initially performed for us and offering a refund. My response to him is also enclosed for your review.

This is one of the first environmental problems that we dealt with and it took us a while to get knowledgeable, competent consultants on the job. The work done by Mittelhauser and Weiner has been of the highest standard.

I previously gave you a copy of the Mittelhauser report. If you need anything else, please give me a call.

Very truly yours,


Ned Pike

NP/cz

enclosure

cc: Peter Weiner w/enclosures

Bedford Properties, Inc.
A Diversified Real Estate
Development and
Management Company

Mailing Address
P.O. Box 1267
Lafayette, California
94549

3470 Mt. Diablo Blvd.
Suite 200
Lafayette, California
94549

Telephone
415
283 8262

BEDFORD PROPERTIES



March 10, 1989

Ian P. G. Hutchison
President
STEFFAN, ROBERTSON AND KIRSTEN
CONSULTING ENGINEERS
3232 South Vance Street
Suite 210
Lakewood, Co 80227

Re: Peerless Coffee Site Investigation

Dear Ian:

I agree with you that the report your San Rafael office provided us should have cost \$2,500 to \$3,000 based on its quality scope and accuracy. Unfortunately, it cost us \$13,577.06, which is the net amount that we have paid to date. We did not pay the \$3,818.92 because it would have been adding insult to injury.

The poor quality of the work that was done and the inadequate documentation hurt our credibility with Southern Pacific. It also set the project back by the time it took to have the work properly re-done and a new report generated. There is no question that the work performed was not up to industry professional standards. The fact that the individuals who performed the work are no longer with your company, is recognition of this fact.

In addition to writing off the \$3,818.92, I would request a cash refund of \$5,000. For this amount we are willing to forget it and move on to other things. If your position is that you wish to keep the \$13,577.06, then principle dictates that we turn the matter over to our attorneys with a request that they file an appropriate claim.

We are very reasonable people and we do not like lawsuits. We also do not like to be taken advantage of, and we do not accept poor quality workmanship or service.

Ian P. G. Hutchison
March 10, 1989
Page 2



I would appreciate it if you would review the file once again and reconsider your position. Please let me know how you would like to proceed.

Very truly yours,

Handwritten signature of Edward D. Pike, III

Edward D. Pike, III
Vice President/Regional Manager

EDP/cz



STEFFEN ROBERTSON AND KIRSTEN
Consulting Engineers

March 1, 1989

Bedford Properties
3470 Mount Diablo Boulevard
Suite A-200
Lafayette, California 94549

Attention: Mr. Edward D. Pike III

RE: PEERLESS COFFEE SITE INVESTIGATION

Dear Ned,

As discussed with you on the phone recently, we are prepared to provide Bedford Properties with a discount on the services offered to date. As the documentation of the material provided by SRK was incomplete. *how?*

The attached table lists the status of your account with SRK. It indicates that Bedford Properties still owes us \$3,818.92 for services rendered. We are prepared to write this amount off and issue Bedford a credit note. The cost of producing a site audit report is about \$2,500 to \$3,000 so the above amount more than covers the cost of a report.

We sincerely trust the above arrangement is acceptable to you. You may be interested to learn that we have taken steps to assure that the problems we had in the past no longer occur. The individuals involved with the work in our California office are no longer with the company.

Please feel free to call should you wish to discuss the above any further.

Yours sincerely,

STEFFEN ROBERTSON AND KIRSTEN
(U.S.), INC.

Ian P. G. Hutchison
President

IPGH/cab

Attachment

cc: Jim Godkin

BEDFORD PROPERTIES, INC.
 PEERLESS COFFEE PROJECT #71001
 CREDIT MEMO

INVOICE NUMBER	MONTH	AMOUNT	PAID	DUE
3449 Letter of 09-13-88	Aug.	18,402.06 4,825.00*		
		23,227.06	<23,227.06>	--
058	Sep.	1,219.19		1,219.19
062	Oct.	2,567.29		2,569.29
073	Nov.	30.44		30.44
Check #367 Dated 10-03-88		<4,825.00>	4,825.00*	
		<u>22,218.98</u>	<u>18,402.06</u>	<u>3,818.92</u>

*Letter was an explanation of the amount of \$4,825.00 billed as subcontract on Invoice #3449.

It was paid in error. Amount was refunded by Check #367, dated October 3, 1988.

With this credit memo the account for this project is paid in full.