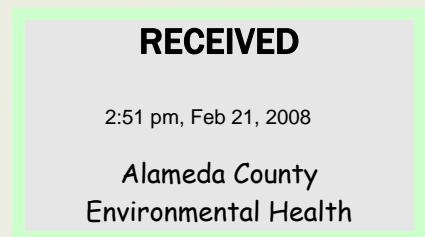


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February 20, 2008

Sent by E-mail
Original by Regular Mail

Mr. Steven Plunkett
Alameda County
Environmental Health Services
1131 Harbor Bay Parkway, Suite 250
Alameda, CA 94502-6577

Re: Crow Canyon Cleaners, 7242 San Ramon Rd., Dublin, CA 94568

Dear Mr. Plunkett:

This responds on behalf of my clients, Bruce Burrows and Jim Roessler, to your letter dated February 6, 2008, on the subject of spills, leaks, investigations and Cleanup at the above site, but with address 7272 San Ramon Road, SLIC Case No. RO0002863. The letter was addressed to Mr. Burrows and a number of other parties. I am only responding directly on behalf of my clients, not any other parties. However, as you know, my clients themselves are responsible only insofar as they are in a contractual relationship with the current owner of the property, the Chiu Family Trust, Gabriel Chiu, Trustee. Your February 6 letter was also addressed to Mr. Chiu, as the current property owner (as you know, strictly speaking, it is the trust, not Mr. Chiu personally, that is the owner) along with the past and present operators of the dry cleaning business at the site: the Perrys; the Lees; and the Parks.

By way of background, I think it will be helpful to summarize the context of this case. For the last three years, since 2005 when this property was purchased by the Chiu Family Trust with my clients as the real estate brokers in the transaction, my clients have requested repeatedly that the past and present operators of the dry cleaning business step up and take over investigation and remediation at the site, since it is the dry cleaning operations that almost surely caused the contamination. As part of those requests, my clients have provided them with copies of all information as it was developed. At no point during the period from 2005 up to and including the present, have any of the operators shown any real willingness to step up. Finally, in the face of continued non-responsiveness, on October 19, 2007, my clients reluctantly had me file on their behalf a legal action against the operators in federal district court in San Francisco. The Perrys

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and the Parks, in response, both answered, alleged affirmative defenses and pled counterclaims against my clients and cross-claims against each other and against the past and present owners of the property, alleging that my clients and the owners were, in fact, at fault. The Lees have not yet been located, though a search for them continues. The Perrys are represented by Mr. Thomas Downey and Mr. Erik Lim, of the Oakland law firm of Burnham Brown, and the Parks are represented by Mr. Jan Greben of Santa Barbara and Mr. Martin Deutsch of San Jose. The attorney for the Chiu Family Trust, Mr. Edward Polson, appeared for the first time in the case yesterday.

You asked for a response to your February 6 letter from all parties by today, February 20, 2008, notifying you of involvement and/or progress in obtaining a voluntary agreement with the California Department of Toxic Substances Control ("DTSC") to initiate a program of public participation, including the notification of parents with children attending the adjacent Montessori School.

After receiving a copy of your February 6 letter, on February 13 I forwarded a copy of it by e-mail to the Perrys' and Parks' attorneys and asked if a joint conference call could be arranged for February 14 or 15. In response, I was advised by them that they had already received copies. Mr. Greben advised he was conflicted on those days, and Mr. Downey advised they could be available on Friday, February 15. Concurrently, on Wednesday morning, February 13, 2008, I received an e-mail from Mr. Harold (Bud) Duke, of the DTSC Schools Program, with an attached draft agreement. I read it, acknowledged its receipt that afternoon by e-mail to Mr. Duke, and forwarded a copy by e-mail the next morning to the Perrys' and Parks' attorneys, again requesting days/times for Friday, Monday or Tuesday in case Mr. Deutsch might be available, in Mr. Greben's absence. On Friday, February 15, I was able to reach Mr. Downey by telephone, and we had a conversation for a few minutes, but no commitment was made. Communications continued, but no mutually convenient time for a conference call was identified, despite my offering of multiple days/times of availability. Instead, Mr. Downey and Mr. Greben both suggested that a request be made for an extension of some days to respond. I stated my belief that nothing would be served by delay, but expressed my willingness to keep my mind open.

Both Mr. Downey and Mr. Greben have expressed a willingness to talk though no time has worked so far. I still have hope that we can get together.

My clients remain committed to carrying forward with investigation and remediation at the site, and have instructed their consultant, ERM, to continue with these efforts. They will conduct this in compliance with all legal requirements for protection of public health and the environment and for cost-recovery, including but not limited to compliance with the National Contingency Plan, which, among other things, calls for public participation.

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My clients will continue their efforts to get cooperation from the truly responsible parties – which my clients believe are the past and present operators.

I will be in touch with you again in the coming days on this matter to report whether or not there has been any success.

Sincerely,



Karl R. Morthole

CC: (by e-mail only)
Mr. Bruce Burrows
Mr. James Roessler
Thomas Downey, Esq.
Derek Lim, Esq.
Jan Greben, Esq.
Martin Deutsch, Esq.
Edward Polson, Esq.