



Linda S. Adams
Secretary for
Environmental Protection

State Water Resources Control Board

Division of Financial Assistance

1001 I Street • Sacramento, California 95814
P.O. Box 944212 • Sacramento, California • 94244-2120
(916) 341-5833 • FAX (916) 341-5806 • www.waterboards.ca.gov/water_issues/programs/ustcf/



Edmund G. Brown, Jr.
Governor

March 7, 2011

Mr. Jeffery C. Huynh
Huynh Cheng Family Living Trust
1501 Darius Court
San Leandro, CA 94577

Alameda County
MAR 11 2011
Environmental Health

PRE-APPROVAL OF CORRECTIVE ACTION COSTS, CLAIM NO. OSCF B112-1, SITE ADDRESS: 5901 MacArthur Blvd, Oakland, CA

I have reviewed your request, received on February 24, 2011, 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.

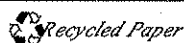
With the following provisions, the total cost pre-approved as eligible for reimbursement for completing the work proposed in the OTG EnviroEngineering Solutions, Inc. February 11, 2011 Work Plan, and approved by Alameda County Environmental Health Services (ACEHS) in their February 23, 2011 letter, is **\$132,900**; see the table below for a breakdown of costs.

Be aware that this pre-approval does not constitute a decision on reimbursement: **reasonable and necessary** (as determined by the Fund) corrective action costs for 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.) All relevant supporting documentation must also be included with each reimbursement request.

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.

California Environmental Protection Agency



COST PRE-APPROVAL BREAKDOWN

#	Task*	Amount Pre-Approved	Comments
A	Past Eligible Assessment Response Costs	\$10,500	Site assessment work plan \$4,000; Project management \$6,500
1	Phase 1 - Drilling Activities	\$49,400	Driller Sub and Permits \$14,400; Lab \$16,900; Reporting \$4,700.
2.1	Prepare Bid Package & Host	\$5,000	
2.2	ACEH Oversight Fee	\$1,000	
2.3	Project Oversight	\$6,000	
3	Phase 2 – Install and develop 7 wells, 5 additional borings, permits, lab, report, and one groundwater monitoring event	\$61,000	Consultant \$18,620; well and boring installation \$27,220; well development and sampling \$3,940; lab \$6,320; one tech report \$4,900.
	TOTAL PRE-APPROVED	\$132,900	

* Task descriptions are the same as those identified in the OTG Enviro Engineering Solutions, Inc. document titled "Exhibit B – Invoicing and Budget Detail."

- 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.
- 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 OTG Enviro Engineering Solutions, Inc. 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 OTG Enviro Engineering Solutions, Inc. February 11, 2011 Work Plan and document titled "Exhibit B – Invoicing and Budget Detail."

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 all:**

- subcontractor invoices,
- applicable correspondence from the County, and
- a copy of this preapproval letter.

Please call if you have any questions; I can be reached at (916) 341-5833.

Sincerely,



Mark T. Matranga
Water Resources Control Engineer
Technical Services Unit
Underground Storage Tank Cleanup Fund

cc: Dr. Xinggang Tong, PhD, PE
OTG Enviro Engineering Solutions, Inc.
7700 Edgewater Drive, Suite 260
Oakland, CA 94621

Mr. Jerry Wickham
Alameda County EHS
1131 Harbor Bay Parkway, Suite 250
Alameda, CA 94502-6577

Ms. Cherie McCaulou
RWQCB – Region 2
1515 Clay Street, Suite 1400
Oakland, CA 94612