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June 14, 1999

James E. Reed Esq. 3 Altarinda Road, Suite 201 Orinda, CA 94563

1121.001)

Subject: Preparation of Work Plan; Installation of Three Wells; Installation of One Deep Well; Limited Subsurface Soil and Groundwater Chemistry Testing: 223 E. 14th Street, San Leandro, California (Earth Engineers file reference

Dear Mr. Reed:

Earth Engineers offers to prepare a work plan; install three wells; install one deep well; and conduct specified limited subsurface soil and groundwater chemistry testing quarterly for one year for the subject property on a time and materials basis for a price not to exceed \$11,000. The Statement of Work is presented in Exhibit A. Initial reportage will be shipped to your office within 45 working days from completion of work.

The terms of this offer will remain fixed for a period of 10 days, after which they are subject to change. Our receipt of this letter countersigned by you will constitute our written authorization to proceed. Payment for the work done on this and any other job for James Reed will reduce by the dollar amount of the invoice the judgment awarded in Modoc Municipal Court until debt is paid, after which payments will be due as invoiced.

Transmittal of countersignature by facsimile binds the countersigned fully, and the countersigned party also agrees to remit a fully executed original of this agreement. Any liability incurred by Earth Engineers during the performance of the work proposed is limited by the dollar value of work performed under this contract.

Our hourly rate is \$85/hour; you are charged for travel time from Millbrae, California; and all subcontracted work will be billed directly to you. If we are required to present expert testimony, our rates increase to \$105/hour for preparation of interrogatories and depositions, while court time rates are \$150/hour. If you have any questions about this offer or desire any revisions to the scope or terms of this offer, please call me at (800) 692-0787.

Sincerely

R. Mark Armserong, RPG

REA 03713 RG 06134

Authorization to Proceed

6-15-99

EXHIBIT A

TO

Statement of Work

Earth Engineers will conduct the following tasks:

 Conduct file review to determine the location of data points, other sources, and the approximate groundwater direction if possible.

WORK PLAN

- Describe the investigation methods and protocols in a concise format to the County of Alameda.
- Clarify any questions for the County.
- Use the existing chemical data to produce a Health and Safety Plan.

INSTALL THREE WELLS: INSTALL ONE DEEP WELL

- Obtain permits.
- Select four test locations that do not require concrete opening.
- Drill to a maximum depth of approximately 25 feet or groundwater (whichever comes first) at three of the test locations.
- Drill to a maximum depth of approximately 35 feet or the first clay after groundwater (whichever comes first) at one of the test locations.
- Collect a total of one soil sample at every five-foot interval in each bore hole.
- Use a portable organic gas analyzer during drilling to scan for the potential presence of volatile organic vapors (hydrocarbons).
- Convert all four borings to wells for the purpose of purging and collecting four groundwater samples and determining groundwater flow direction.
- Transport soil and groundwater samples under proper Chain of Custody for laboratory analysis.
- Conduct laboratory analysis on a 15 working day turnaround time for a maximum of twenty (20) soil samples:
 - Halogenated Volatile Organics by EPA method 8010 or equivalent method (20 samples).

All samples not analyzed will be archived at the laboratory for a period of no more than 20 working days.

TO

- Conduct laboratory analysis on a 15 working day turnaround time for a maximum of five (5) groundwater samples:
 - Halogenated Volatile Organics by EPA method 8010 or equivalent method (5 samples).

All samples not analyzed will be archived at the laboratory for a period of no more than 20 working days.

MONITORING OF THE WELLS

Once every three months, the following tasks will be undertaken:

- Purge three well volumes from each well and determine the temperature, pH, and conductivity of the water. Collect groundwater samples for analysis.
- Conduct laboratory analysis on a 15 working day turnaround time for a maximum of five (5) groundwater samples, one of which will be a duplicate:
 - Halogenated Volatile Organics by EPA method 8010 or equivalent method (5 samples).

All samples not analyzed will be archived at the laboratory for a period of no more than 20 working days.

- Dispose of the fluid purged from the wells.
- Compile analysis results and discuss meaning of results. State likely extent of subsurface contamination and recommendations for further actions (if needed).
- Develop a typewritten report of findings in four (4) copies. Ship via first class U.S. mail every quarter.

REPORTAGE

- Compile analysis results and discuss meaning of results. State likely extent of subsurface contamination and recommendations for further actions (if needed).
- Develop a typewritten report of findings in four (4) copies.
 Ship via first class U.S. mail.

The client is responsible for securing timely rights of access. Any concrete pavement closing other than backfilling the hole with concrete is the responsibility of the client.

TIMETABLE

The time to accomplish the aforementioned is dependent on the geologic conditions encountered during the installation of the wells. However, at least two full days at the site is expected for well installation and initial soil and groundwater sampling.

The time to obtain permits and install the wells is typically one month. After well installation, the concentration of the contamination in the wells will determine the time it takes to obtain closure from the regulatory agencies. At least one year of sampling is typically required prior to asking for closure.

The Maximum Contaminant Levels (MCLs) for drinking water for TCE is 1 ppb.

EXCLUSIONS: None of the following are proposed herein:

- Warranty (expressed or implied) regarding the adequacy of this proposed exploratory test program to enable remediation analysis, recommendations, and/or closure. Additional testing may be needed.
- Warranty (expressed or implied) regarding the adequacy of this proposed treatment program to enable disposal of soil waste.
 Additional testing or treatments may be needed.
- Testing of samples beyond the number specified or testing of samples for other contaminants not specified herein.
- Groundwater remediation.
- Remedial Investigation/Feasibility Study.
- Faster laboratory turnaround than 15 business days. (If necessary and requested by client, testing can be accelerated at additional cost to client.)
- Boring holes will be shallow holes to a maximum total depth of 25 feet or groundwater for the shallow wells and 35 feet or first clay after first groundwater for the deep well.
- Access to site is assumed to be assured and without obstructions such as overhead lines or other obstacles in the vicinity of the proposed borings.
- The proposed work does not include attendance at any public hearings.
- Work herein does not include rooftop, exterior building skin, or inaccessible area analysis.