



State Water Resources Control Board



Linda S. Adams
Secretary for
Environmental Protection

Division of Financial Assistance
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Arnold Schwarzenegger
Governor

May 7, 2009

GARY FEINER TRUST, ASSIGNEE
1710 FRANKLIN ST #200
OAKLAND, CA 94612

PRE-APPROVAL OF CORRECTIVE ACTION COSTS, CLAIM NO. 3406, PA#1
SITE ADDRESS: 5175 BROADWAY, OAKLAND, CA 94511

I have reviewed your request, received on July 29, 2008, 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 July 23, 2008, Pangea CAP Addendum workplan approved by the Alameda County EHD (County) in their August 22, 2008 letter, is **\$ 0.00** ; see the table below for a breakdown of costs.

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 an effort to expedite future reimbursement requests associated with the implementation of the corrective action tasks pre-approved in this letter, we ask that the attached 'Pre-Approval Specific Reimbursement Request Form' be completed, updated and submitted with each reimbursement request. 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.

COST PRE-APPROVAL BREAKDOWN

#	Task*	Amount Pre-Approved	Comments
1	Implement Remedial Action (Excavation/w bio-sparging)	\$ 0	Consultants CAP and/or Addendum(incl. Redevelopment w/subgrade prkg) was approved on Aug. 22, 2008 contingent upon 'PUBLIC NOTICE' and further clarification of the proposed remedial action(excavation w/subgrade prkg). After the 30-day Public Notice expired(no comments received), the consultant a report dated, March 25,2009 titled, "Final CAP". This document proposed to reduce the #of DPE wells and use 5-existing MW'S for DPE and omit the excavation due to lack of redevelopment funding. ACEH did not concur with the modifications to the CAP due to Pangea, the consultant has not technically justified the modification(s) in their remedial approach presented in the 'Final CAP'. See Regulatory letter dated April 16, 2009. Please resubmit your request for pre-approval with updated costs and include the regulatory compliance letter. Thank You.
	TOTAL PRE-APPROVED	\$ 0.00	Any further costs related to the modification of the CAP and Remedial Action/design as a result of redevelopment or the cancellation of the redevelopment is ineligible.

* Task descriptions are the same as those identified in Pangea's August 11, 2008 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.
- 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 Pangea 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 August 11, 2008 by Pangea for conducting the work approved by the County for implementing the July 23, 2008, Pangea CAP Addendum workplan.

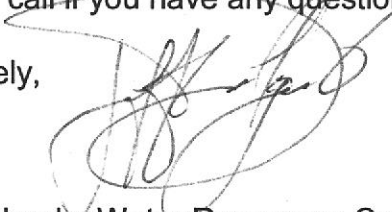
I also want to remind you that the Fund's regulations require that you obtain at least three bids, or a bid waiver from Fund staff, from qualified firms for all necessary future corrective action work. If you need assistance in procuring contractor and consultant services, don't hesitate to call me.

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 all:***

- *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) 341-5695

Sincerely,


Jeff Delgado, Water Resources Control Engineer
Technical Review Unit
Underground Storage Tank Cleanup Fund

Enclosure

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