Linda S. Adams Secretary for Environmental Protection

State Water Resources Control Board

Division of Financial Assistance

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June 18, 2008

TRI STAR PARTNERSHIP ONDREJ KNJNOK 2980 THOMAS GRADE MORGAN HILL, CA 95037



JUN 2 0 2008

ENVIRONMENTAL HEALTH SERVICES

PRE-APPROVAL OF CORRECTIVE ACTION COSTS, CLAIM NO. 002959, PA# 7 SITE ADDRESS: 5200 TELEGRAPH AVE, OAKLAND, CA 94609

I have reviewed your request, received on May 8, 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 corrective activity required by the Alameda County EHD (County) in their March 28, 2008 letter, is \$27,650; 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 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	File Review	\$0	Since the current consultant had managed the project atleast since Aug 2004 and minimal cleanup activity has been completed since 2005, consultant should already have the necessary historical site and investigation data. Reasonable cost will be evaluated for this scope during reimbursement based on relevant supporting documentation.
2	Workplan	\$2,500	
3	Quarterly Monitoring	\$21,650	Includes redevelopment and groundwater monitoring of 5 wells, traffic control, lab testing, reporting and Geotarcker data upload for four quarterly events
4	Site Conceptual Model	\$3,000	
5	Historical Data Acquisition/Geotracker Upload	\$0	Minimal corrective action activity has been completed since 2005 and therefore, minimal historical reports or data will be available for uploading. Reasonable costs for this scope will be evaluated during reimbursement based on relevant supporting documentation.
6	Project Management	\$500	Project management for 1 year. Any additional cost will be evaluated during reimbursement.
	TOTAL PRE-APPROVED	\$27,650	

- * Task descriptions are the same as those identified in Mactec's May 2, 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 Mactec 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 May 2, 2008 by Mactec for conducting the work approved by the County.

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) 341-5424

Sincerely,

Sriram lyer,

Technical Review Unit

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Underground Storage Tank Cleanup Fund

Enclosure

cc: Ms. Donna Drogos Alameda County EHD 1131 Harbor Bay Pkway, 2nd Fl. Alameda. CA 94502-6577 Gary A. Lieberman Mactec Engineering & Consulting 5341 Old Redwood Hwy, Ste 300 Petaluma, CA 94954