State Water Resources Control Board

Division of Financial Assistance
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Linda S. Adams
Secretary for
Environmental Protection

Arnold Schwarzenegger
Governor

April 1, 2009

ALICE NG LIM & MAY LEE LIM
RUSSELL LIM
1028 ANNERLY RD
OAKLAND, CA 94610

PRE-APPROVAL OF CORRECTIVE ACTION COSTS,
CLAIM NO. 007699, PRE-APPROVAL REQUEST NO. 8
SITE ADDRESS: 250 8TH ST, OAKLAND, CA 94607

I have reviewed your request, received on April 1, 2009, 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 September 10, 2008, and revised IRAP dated March 13, 2009, Aqua Science Engineers, Inc. workplan approved by the RWQCB, Region 2 (Regional Board) in their October 23, 2009 letter, is $157, 244 ; see the table below for a breakdown of costs. (The total amount that has been reimbursed and approved for payment up to this point is $550,460.)

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 Regional Board** 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.	Installation of Recovery Wells	$30613	Obtain necessay permits for the installation of six 4" recovery wells to a depth of 30' bgs each, of which five will be located in the public right of way. **Please make sure that the proposed wells are such that they address the actual Free product plume may be (as shown in figure 9 of the IRAP?).** Cost includes, permitting, coring, drilling, wells installation, underground utility clearances, lab analysis of 12 soil and 6 GW samples (Why? when you already known there is contamination--*please do NOT waste money when you already have the information--collecting data for the sake of data does NOT do any one good---Please talk to the regulator to see if this can be eliminated)*, disposal of drill cuttings, and mark-up.
2.	Consultant labor and Equipment	$5005	Consultant time for the pre-field work and field work. *Please note that it should not take three days for the installation of 6 wells to 30' bgs each,.may be two days.* Contain costs wherever and whenever possible as this site might go all the way to **$1.5 million**. If costs in excess are incurred, the claimant shall be responsible for costs above and beyond the limit. **Claimant is advised to be involved in all stages of investigation and remediation to make sure that the funds are not completely depleted.**
3.	30 Days of HVDPE	$115786	Conduct 30 days of non-stop continuous High Vacuum Dual Phase Extraction (at least 95% uptime) activities in the newly installed extraction wells, and MW-3 and possibly off-site down gradient GWM wells (MW-2 and MW-4 for the last two nights) to remove free product and dissolved plume (high Benzene). A minimum of 180,000 gallons of GW/FP shall be extracted, treated and disposed off-site. A daily log shall be kept for the activities conducted at the site including wells being used for extraction, time, flow rate, PID readings, technician name, changes to the extraction wells and justification. Cost is all inclusive of all time, materials, labor, equipment etc.

#	Task*	Amount Pre-Approved	Comments
4.	Prepare a wells installation, HVDPE report and Final RAP	$5840	Prepare a site assessment report for the newly installed wells, an interim RAP report for the 30 days of HVDPE and a final RAP to address the dissolved plume on-site and off-site. **There are NO permanent GW monitoring points down-gradient of MW-2 and MW-4.** This data will be crucial in the future. With foresight, if an additional(s) is/are installed during this time, the incremental cost shall be minimized and will give us a control point for the final RAP preparation. Please review the site from point of view of closure as opposed to piece meal deal. The reposts must be self-contained with all necessary Iso-concentration maps, cross sections showing soil and GW contamination, findings, conclusions and recommendations.
	TOTAL PRE-APPROVED	**$157244**	

* Task descriptions are the same as those identified in Aqua Science Engineers, Inc.'s March 13, 2009 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 Regional 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 Aqua Science Engineers, 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 proposal dated March 13, 2009 by Aqua Science Engineers, Inc. for conducting the work approved by the Regional Board for implementing the September 10, 2008, Aqua Science Engineers, Inc. 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 Regional Board.*

Please call if you have any questions; I can be reached at (916) 341-5831.

Sincerely,

Hari Patel, Water Resources Control Engineer
Technical Review Unit
Underground Storage Tank Cleanup Fund

Enclosure

cc: Mr. Chuck Headlee
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