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MARLENE W. JACKSON
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July 28, 1998

VIA FEDERAL EXPRESS

Dr. Ravi Arulanantham
California Regional Water Control Board
2101 Webster Street
Suite 500
Oakland, CA 94612

Ms. Susan Hugo
Alameda County Environmental Health
1131 Harbor Parkway
Second Floor
Alameda, CA 94502

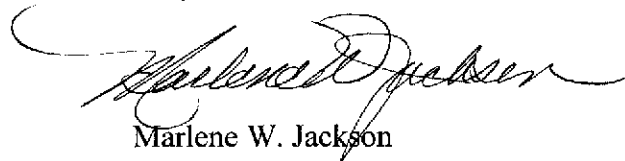
RE: No Further Action Letter for Parcels 1 and 4, Peladeau Street Property

Dear Dr. Arulanantham and Ms. Hugo:

Enclosed is the final version of a proposed "No Further Action Letter" for the above-referenced property. This version has been amended to incorporate the new parcel map which specifically describes the two parcels that will be conveyed to Wareham Development. The new version also specifically references the deed restrictions that will apply to each parcel.

Thank you for your time and assistance on this matter. Please do not hesitate to call if you have any further questions or concerns.

Very truly yours,



Marlene W. Jackson

Enclosure

cc: Richard K. Robbins (w/o Enclosure)
Ignacio Dayrit (w/o Enclosure)
David H. Kremer, Esquire (w/o Enclosure)

July 28, 1998

CBS Corporation
11 Stanwix Street
Pittsburgh, Pennsylvania 15222
Attention: Mr. Gordon Taylor
Principal Engineer

The Regional Water Quality Control Board ("RWQCB") and Alameda County Department of Environmental Health ("ACDEH") have reviewed all pertinent on-site and off-site characterization data and risk assessment data relating to property located in Emeryville, California, described as Parcels 1 and 4 shown on Parcel Map No. 7258 to be filed with the Alameda County Recorder's Office, a copy of which Parcel Map is attached as Exhibit A hereto (the "Property") (said Property being formerly known as 5815 Peladeau Street), which Property is now owned by CBS Corporation as successor by corporate name change to Westinghouse Electric Corporation ("CBS"). Specifically, the RWQCB and ACDEH have reviewed the following documents:

- Woodward-Clyde Consultants, 1985. Exterior Remedial Action Plan Specifications and Procedures, July 9, 1985.
- EMCON 1993a. Westinghouse Emeryville Data Summary Report, Emeryville, California, October 1993.
- EMCON 1993b. Soil Characterization, Building 42, Westinghouse Emeryville facility, October 27, 1993.
- EMCON, 1995a. Additional Site Assessment, Westinghouse Electric Corporation, 5840 Landregan Street, Emeryville, California, March 1995.
- EMCON, 1995b. PCB Concentrations in Groundwater, Westinghouse Site, Emeryville, California. Letter with attachments to Mr. Gordon Taylor, Westinghouse Electric Corporation, March 30, 1995.

- EMCON, 1995. Results of Supplemental Risk Assessment Data, Westinghouse Corporation, 5840 Landregan Street, Emeryville, California, August 1995. *Final 1998*
- SOMA Environmental Engineering, Inc., ¹⁹⁹⁶1995. Baseline Human Health Risk Assessment for the former Westinghouse Electric Corporation facility, Emeryville, California.
- ALTA Geosciences, Inc. 1997, Completion Report, Site Soil Remediation, Westinghouse Emeryville Site, 5899 Peladeau Street, Emeryville, California.
- SOMA Environmental Engineering, Inc., 1998. Health and Safety Plan for Construction Activities at the former Westinghouse Electric Corporation facility, Emeryville, California.
- SOMA Environmental Engineering, Inc., 1998 Underground Storage Tank Closure Report for three underground storage tanks at the former Westinghouse Electric Corporation facility, 5899 Peladeau Street, Emeryville, California.
- SOMA Environmental Engineering, Inc., 1998 oil sump sampling data for the former Westinghouse Electric Corporation facility, Emeryville, California.

The above documents were reviewed in terms of completeness, as stipulated in State of California and County of Alameda guidance documents, and adequacy of 1) the characterization of the nature and extent of contamination; 2) the evaluation of potential human health and environmental risks based on intended land use; and 3) the remediation of site contaminants consistent with the goals and objectives as set forth in the human health risk assessment (SOMA, 1995).

Based on the results of the risk assessment, carcinogenic risks and noncarcinogenic health hazards were estimated for hypothetical on-site apartment/condominium dwellers, outdoor workers and construction workers. In 1997, ALTA Geosciences remediated soils at the northern portion of the property contaminated with polychlorinated biphenyls ("PCBs"). The remediation was consistent with the following cleanup goals:

Table 1
RISK-BASED PCB SOIL CLEANUP LEVELS
(SOMA, 1996)

SCENARIO	PCB CLEANUP LEVEL (mg/kg)
Residential	0.5 <i>surface to 2ft bgs</i>
Industrial/Commercial	2.85
Utility Worker	59.3

As a conservative measure, CBS decided to use 50 mg/kg PCBs as the *Utility Worker* (Industrial/Commercial) cleanup level below two feet, instead of 59.3 mg/kg. Below 4 feet or the groundwater table, the risks to human health were not considered significant, since there is no complete exposure pathway (i.e., shallow groundwater has no designated beneficial use). In summary, the cleanup was accomplished within the subject area by excavation and offsite disposal of soils having PCBs greater than 0.5 mg/kg within the top 2 feet, and PCBs greater than 50 mg/kg within the depths of 2 to 4 feet, as documented in the Site Completion Report (ALTA, 1997). Potential health threats for construction workers during development of the Property have been adequately addressed through the Health and Safety Plan prepared by SOMA Environmental Engineering (SOMA 1998).

Further, CBS has agreed to and will file with the Alameda County Recorder's Office, Declarations of Covenants, Conditions and Restrictions in the form attached hereto as Exhibits B (Declaration of Covenants, Conditions and Restrictions for Parcel 1) and C (Declaration of Covenants, Conditions and Restrictions for Parcel 4). Such Declarations will in perpetuity restrict the use of the Property to those commercial activities specifically referenced therein.

During recent construction activities at the Property, **three** underground storage tanks and one sump were discovered. Subsequently, **these tanks** were found to contain only traces of heavy-end petroleum hydrocarbons. Based on the data gathered by SOMA during the tank and sump closure activities (there was no impact to surrounding soils and groundwater) A tank closure report was prepared by SOMA Environmental to address concerns of both the RWQCB and ACDEH. SOMA is also preparing a comprehensive Site Closure Plan, that will incorporate the following components, as agreed to by CBS, RWQCB, County of Alameda and SOMA during our June 8, 1998 meeting:

soil/sump removal conducted

1. Adequacy of Site Characterization
2. Adequacy of Source Removal
3. Plume Stability
4. Threats to Human Health

5. Threats to the Environment
6. Threats to Groundwater
7. Risk Management Plan

Based on the results of our review of the documents, data or conditions referenced herein, RWQCB and ACDEH confirm that: 1) the characterization of the nature and extent of soil and groundwater contamination is complete; and 2) target cleanup levels, as stipulated in the Risk Assessment, have been achieved and accepted. Therefore, both the RWQCB and ACDEH have determined that with respect to the Property, no further remedial action is required. This "no further action" status does not apply to the engineered capped portion of the site where the U.S. Environmental Protection Agency is the lead agency. The final Closure Letter will be issued by both agencies upon review and approval of the Site Closure Plan.

This no further action status granted by the RWQCB and ACDEH is based upon information provided by CBS. The RWQCB and ACDEH reserve their right to require further investigation and remediation of the subject Property should information unknown to the parties at the time of issuance of this no further action determination indicate that the Property poses a risk to public health or the environment.

Sincerely,

Ravi Arulanantham
RWQCB

Susan Hugo
ACDEH

[Parcel(s) South of 59th Street]

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

CBS Corporation
11 Stanwix Street
Pittsburgh, Pennsylvania 15222-1384
Attention: Real Estate Department

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter the "Declaration") is made as of the _____ day of _____, 1998, by CBS Corporation, a Pennsylvania corporation (hereinafter the "Declarant").

RECITALS

A. Declarant is the owner of certain real property located in the City of Emeryville, County of Alameda, State of California, as more particularly described in Exhibit A attached hereto (hereinafter referred to as the "Property").

B. The Property is adjacent to certain real property owned by Declarant and described in Exhibit B attached hereto (the "Adjacent Property"), which Adjacent Property is the subject of a Consent Agreement and Final Order in the matter of *In re: Westinghouse Electric Corporation*, No. TSCA-09-13C, United States Environmental Protection Agency, Region 9 (October 30, 1984), entered into between the United States Environmental Protection Agency (hereinafter referred to as the "EPA") and Declarant and recorded in the Alameda County Recorder's office on April 10, 1986, as Instrument No. 86-085949, which has been subsequently amended by amendments dated February 28, 1985, August 28, 1985 and September 6, 1991 (hereinafter collectively referred to as the "Consent Agreement"). The Consent Agreement arises out of the contamination of the Adjacent Property with polychlorinated biphenyls (hereinafter referred to as "PCBs"). The PCB contamination of the Adjacent Property has been encapsulated by virtue of construction of a slurry wall with asphalt cover in accordance with the requirements of the Consent Agreement.

C. Declarant plans to permit the Property to be used for commercial uses, except as limited hereby. In anticipation of such contemplated use of the Property, Declarant has determined to and does hereby affix and establish restrictions upon and subject to which the Property shall be disposed, improved, held, leased, sold and/or conveyed. Such restrictions shall run with the land and shall inure to and pass with the Property and shall apply to and bind the respective successors in interest ("Successors") thereof as to any and all portions of the Property herein described.

The recitals hereinabove are hereby incorporated in this Declaration by reference.

1. Notification of Governmental Inquiries. All Successors, whether by way of ownership, lease, license or otherwise shall immediately notify Declarant in writing of any questions, concerns, investigations, proceedings or orders from the EPA or any other cognizant regulatory body concerning any PCB or other environmental hazard on or suspected to be on the Property.

2. Use Restrictions. The Property may be developed for office, retail and other commercial uses. The Property shall not be used for the following purposes: single-family or multi-unit residential structures; infant or children's day care services; hospital or other medical or dental services; elementary or secondary school classrooms; or facilities for the large-scale manufacture, preparation, storage or distribution of foods, drugs or other products prepared for human consumption or unpackaged utensils related thereto (provided, however, that the use of the Property for restaurant, cafeteria, cafe, coffee shop or similar on-site food preparation and consumption operations shall be permitted on the Property and such use of the Property shall not be prohibited by the foregoing restrictions).

3. Notification to Tenants and Purchasers. During its period of ownership of the Property, each Successor shall comply with the provisions of any applicable law regarding notification to tenants and any purchaser of the Property required as a consequence of the proximity of the Property to the Adjacent Property.

4. Successors and Assigns. This Declaration shall inure to the benefit of the Successors to Declarant by way of merger or consolidation or other disposition of its business. This Declaration shall be binding upon the Successors to Declarant as owner of the Property who shall take subject to all of the terms, provisions and covenants hereof without exception.

5. Term. The term of this Declaration shall commence as of the date of recordation hereof and shall continue in perpetuity.

6. Notices to Declarant. Any notice to be given to Declarant hereunder shall be in writing and shall be sent certified or registered mail, return receipt requested to the following address:

CBS Corporation
11 Stanwix Street
Pittsburgh, Pennsylvania 15222-1384
Attention: Real Estate Department

Declarant reserves the right to change such address by written notice to all current legal record holders of title to the Property.

7. Modification. This Declaration may be modified only by a written instrument executed by Declarant or its successor and by the then owner of the Property.

8. Mortgagee Protection. No breach of the covenants, conditions or restrictions set forth herein shall impair, defeat or render invalid the lien or charge of any mortgage or deed of trust encumbering the Property, or any ground lease affecting the Property; and all such covenants, conditions and restrictions shall be binding upon and effective against any person or entity whose title to the Property is derived pursuant to judicial or nonjudicial foreclosure or by a deed in lieu of foreclosure, or any other Successor to Declarant as owner of the Property.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first above written.

CBS CORPORATION,
a Pennsylvania corporation

By _____
Its _____

Exhibit A**PROPERTY DESCRIPTION**

All that certain real property, located in the City of Emeryville, County of Alameda, State of California, described as follows:

Parcel 1 shown on Parcel Map 7258 recorded on _____, 1998, at Book _____ of Maps, Pages _____, Series No. _____, in the Official Records of the Recorder of Alameda County, California.

Exhibit B

PROPERTY DESCRIPTION OF ADJACENT PROPERTY

All that certain real property, located in the City of Emeryville, County of Alameda, State of California, described as follows:

Parcel 2 shown on Parcel Map 7258 recorded on _____, 1998, at Book _____ of Maps, Pages _____, Series No. _____, in the Official Records of the Recorder of Alameda County, California.

STATE OF _____)
) ss.
 COUNTY OF _____)

On this _____ day of _____, 1998, before me, a Notary Public in and for said State and County, personally appeared known to me (or proved to me on the basis of satisfactory evidence) to be the _____ of the Corporation that executed the within instrument and the officer who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

Witness my hand and official seal as of the date hereinabove written.

 Notary Public in and for said State and County

(Seal)

[Parcel North of 59th Street]

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

CBS Corporation
11 Stanwix Street
Pittsburgh, Pennsylvania 15222-1384
Attention: Real Estate Department

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter the "Declaration") is made as of the _____ day of _____, 1998, by CBS Corporation, a Pennsylvania corporation (hereinafter the "Declarant").

RECITALS

A. Declarant is the owner of certain real property located in the City of Emeryville, County of Alameda, State of California, as more particularly described in Exhibit A attached hereto (hereinafter referred to as the "Property").

B. The Property is adjacent to certain real property owned by Declarant and described in Exhibit B attached hereto (the "Adjacent Property"), which Adjacent Property is the subject of a Consent Agreement and Final Order in the matter of *In re: Westinghouse Electric Corporation*, No. TSCA-09-13C, United States Environmental Protection Agency, Region 9 (October 30, 1984), entered into between the United States Environmental Protection Agency (hereinafter referred to as the "EPA") and Declarant and recorded in the Alameda County Recorder's office on April 10, 1986, as Instrument No. 86-085949, which has been subsequently amended by amendments dated February 28, 1985, August 28, 1985 and September 6, 1991 (hereinafter collectively referred to as the "Consent Agreement"). The Consent Agreement arises out of the contamination of the Adjacent Property with polychlorinated biphenyls (hereinafter referred to as "PCBs"). The PCB contamination of the Adjacent Property has been encapsulated by virtue of construction of a slurry wall with asphalt cover in accordance with the requirements of the Consent Agreement.

C. Declarant plans to permit the Property to be used for commercial uses, except as limited hereby. In anticipation of such contemplated use of the Property, Declarant has determined to and does hereby affix and establish restrictions upon and subject to which the Property shall be disposed, improved, held, leased, sold and/or conveyed. Such restrictions shall run with the land and shall inure to and pass with the Property and shall apply to and bind the respective successors in interest ("Successors") thereof as to any and all portions of the Property herein described.

The recitals hereinabove are hereby incorporated in this Declaration by reference.

1. Consent Agreement; Right of Entry.

(a) With respect to Declarant's obligations under the Consent Agreement to monitor the Adjacent Property on an ongoing basis to determine that the PCB contamination thereof remains encapsulated, Declarant is required to maintain certain monitoring wells, one or more of which are currently located on the Property as shown on Exhibit C attached hereto. Declarant shall be permitted to continue to monitor the Adjacent Property for PCB contamination in accordance with the Consent Agreement on a continuing basis. Declarant shall be permitted to take all action required of it in connection with any PCB contamination or other contamination or alleged contamination resulting from Declarant's ownership, occupancy, and use of the Adjacent Property. All monitoring wells required to be maintained by Declarant on the Property for the purpose of monitoring the Adjacent Property shall be maintained in good condition and repair by Declarant and shall not be covered by Declarant or any Successor to Declarant or any lessee or other occupant of the Property; and at such time as any such monitoring wells may be closed, Declarant shall undertake such closure in accordance with applicable laws, rules and regulations.

(b) Declarant reserves to itself access to the Property to the extent necessary to inspect and monitor the monitoring wells located thereon, to repair and maintain or make any necessary alterations or additions to the Property performed at the request of the EPA or in a manner which Declarant determines in its reasonable judgment to be required for compliance with the Consent Agreement or any other applicable law, rule or regulation. Declarant shall use its best efforts to provide that no such alterations or additions shall materially interfere with a Successor's use of the Property. Declarant shall repair any damage to the Property caused by Declarant's actions hereunder, and Declarant hereby agrees to indemnify and hold harmless each Successor owner of the Property from and against any loss, cost, liability, damage or expense (including, without limitation, reasonable attorneys' fees and costs) suffered or incurred as a consequence of Declarant's negligence or willful misconduct in the course of any entry upon the Property by Declarant.

2. Notification of Governmental Inquiries. All Successors, whether by way of ownership, lease, license or otherwise shall immediately notify Declarant in writing of any questions, concerns, investigations, proceedings or orders from the EPA or any other cognizant regulatory body concerning any PCB or other environmental hazard on or suspected to be on the Property.

3. Use Restrictions. The Property may be developed for office, retail and other commercial uses. The Property shall not be used for the following purposes: single-family or multi-unit residential structures; infant or children's day care services; hospital or other medical or dental services; elementary or secondary school classrooms; or facilities for the large-scale manufacture, preparation, storage or distribution of foods, drugs or other products prepared for human consumption or unpackaged utensils related thereto. In no event shall any improvements constructed on the Property interfere with or damage the monitoring wells required to be

maintained by Declarant on the Property or invade the slurry wall located on the Adjacent Property.

4. Notification to Tenants and Purchasers. During its period of ownership of the Property, each Successor shall comply with the provisions of any applicable law regarding notification to tenants and any purchaser of the Property required as a consequence of the proximity of the Property to the Adjacent Property.

5. Successors and Assigns. This Declaration shall inure to the benefit of the Successors to Declarant by way of merger or consolidation or other disposition of its business. This Declaration shall be binding upon the Successors to Declarant as owner of the Property who shall take subject to all of the terms, provisions and covenants hereof without exception.

6. Term. The term of this Declaration shall commence as of the date of recordation hereof and shall continue in perpetuity.

7. Notices to Declarant. Any notice to be given to Declarant hereunder shall be in writing and shall be sent certified or registered mail, return receipt requested to the following address:

CBS Corporation
11 Stanwix Street
Pittsburgh, Pennsylvania 15222-1384
Attention: Real Estate Department

Declarant reserves the right to change such address by written notice to all current legal record holders of title to the Property.

8. Modification. This Declaration may be modified only by a written instrument executed by Declarant or its successor and by the then owner of the Property.

9. Mortgagee Protection. No breach of the covenants, conditions or restrictions set forth herein shall impair, defeat or render invalid the lien or charge of any mortgage or deed of trust encumbering the Property, or any ground lease affecting the Property; and all such covenants, conditions and restrictions shall be binding upon and effective against any person or entity whose title to the Property is derived pursuant to judicial or nonjudicial foreclosure or by a deed in lieu of foreclosure, or any other Successor to Declarant as owner of the Property.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first above written.

CBS CORPORATION,
a Pennsylvania corporation

By _____
Its _____

0498.6-173093.07

Exhibit A

PROPERTY DESCRIPTION

All that certain real property, located in the City of Emeryville, County of Alameda, State of California, described as follows:

Parcel 4 shown on Parcel Map 7258 recorded on _____, 1998, at Book _____ of Maps, Pages _____, Series No. _____, in the Official Records of the Recorder of Alameda County, California.

Exhibit B

PROPERTY DESCRIPTION OF ADJACENT PROPERTY

All that certain real property, located in the City of Emeryville, County of Alameda, State of California, described as follows:

Parcel 2 shown on Parcel Map 7258 recorded on _____, 1998, at Book _____ of Maps, Pages _____, Series No. _____, in the Official Records of the Recorder of Alameda County, California.

Exhibit C

LOCATION OF MONITORING WELL(S) ON PROPERTY

STATE OF _____)
 COUNTY OF _____) ss.

On this _____ day of _____, 1998, before me, a Notary Public in and for said State and County, personally appeared known to me (or proved to me on the basis of satisfactory evidence) to be the _____ of the Corporation that executed the within instrument and the officer who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

Witness my hand and official seal as of the date hereinabove written.

 Notary Public in and for said State and County

(Seal)